

# State Budget 2017-18



## Agency Statements

Volume 2

Budget Paper 4



Government  
of South Australia

# STATE BUDGET | 2017-18

## **Budget Paper 1: Budget Overview**

A summary publication capturing all highlights from the 2017-18 Budget.

## **Budget Paper 2: Budget Speech**

A copy of the Treasurer's speech, delivered to Parliament.

## **Budget Paper 3: Budget Statement**

A financial report presenting the state government's current and estimated future economic performance, fiscal strategy, budget priorities, expenditure, revenue, assets, liabilities, risks and government business.

## **Budget Paper 4: Agency Statements | Volumes 1, 2, 3, 4**

Various financial reports presenting the state government's current and estimated revenue, expenses and performance by agency.

## **Budget Paper 5: Budget Measures Statement**

A financial report detailing the state government's expenditure, savings and revenue initiatives.

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# **Budget Paper 4**

## **2017–18 Agency Statements Volume 2**

*Presented by  
The Honourable Tom Koutsantonis MP  
Treasurer of South Australia  
on the Occasion of the Budget  
for 2017–18*

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Auditor-General  
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Communities and Social Inclusion  
Correctional Services  
Courts  
Defence

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Electoral Commission  
Emergency Services — CFS  
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Emergency Services — SAFECOM  
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Environment, Water and Natural Resources

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# Introduction

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The 2017–18 Agency Statements outline financial and non-financial information about the services each agency provides to, and on behalf of, the South Australian community.

The agency statements are presented in alphabetical order as indicated in the list below.

<b>Alphabetical list order</b>	<b>Agency name</b>	<b>Abbreviation</b>
Attorney-General	Attorney-General's Department	AGD
Auditor-General	Auditor-General's Department	
Child Protection	Department for Child Protection	DCP
Communities and Social Inclusion	Department for Communities and Social Inclusion	DCSI
Correctional Services	Department for Correctional Services	DCS
Courts	Courts Administration Authority	CAA
Defence SA	Defence SA	
Education and Child Development	Department for Education and Child Development	DECD
Electoral Commission	Electoral Commission of South Australia	ECSA
Emergency Services—CFS	South Australian Country Fire Service	CFS
Emergency Services—MFS	South Australian Metropolitan Fire Service	MFS
Emergency Services—SAFECOM	South Australian Fire and Emergency Services Commission	SAFECOM
Emergency Services—SES	South Australian State Emergency Service	SES
Environment Protection Authority	Environment Protection Authority	EPA
Environment, Water and Natural Resources	Department of Environment, Water and Natural Resources	DEWNR
Green Industries	Green Industries SA	GISA
Health and Ageing	Department for Health and Ageing	DHA
Planning, Transport and Infrastructure	Department of Planning, Transport and Infrastructure	DPTI
Police	South Australia Police	SAPOL
Premier and Cabinet	Department of the Premier and Cabinet	DPC
Primary Industries and Regions	Department of Primary Industries and Regions	PIRSA
State Development	Department for State Development	DSD
Tourism	South Australian Tourism Commission	SATC
Treasury and Finance	Department of Treasury and Finance	DTF

## Definitions

### Agency

An agency is an administrative unit created under the *Public Sector Act 2009* or a statutory authority that is accountable for the delivery of programs on behalf of the government.

### Programs and sub-programs

A program is a group of related activities that contribute to achieving one of an agency's and, in turn, the government's objectives. Many programs are further divided into sub-programs with more specific objectives.

## Overview

The agency statements outline projected agency activity and performance for 2017–18. Each agency statement conforms to the following standard presentation structure:

- Objective — outlines the agency's objectives
- Ministerial responsibilities — identifies the minister responsible for each program/sub-program and identifies any items administered by the agency on behalf of the minister(s)
- Ministerial office resources — details the resources provided to ministerial office(s)
- Workforce summary — summarises the agency's workforce
- Program net cost of services summary — summarises the net cost of agency programs
- Investing expenditure summary — summarises investing expenditure for the agency
- Program/sub-program information — for each agency program/sub-program, provides a description/objective, program summary (expenses, income and full-time equivalents), financial commentary, highlights and targets, performance and activity indicators
- Financial statements — budgeted financial statements for controlled and administered items
- Summary of major variations — commentary on variances and trends in the financial statements.

## Presentation of changes in program structures

Where a program or function is transferred between agencies, program information for previous years is reflected in the current program structure of the receiving agency.

In contrast, the agency financial statements line net cost of providing services in the statement of comprehensive income is based on the actual program structure for the agency as it operated or is expected to operate in each year. This distinction in treatment is drawn so that financial statements accurately reflect events while, at the same time, program information is comparable and not duplicated.

Reconciliation of the financial statements to the current program structure is contained in the program net cost of services summary located at the beginning of each relevant agency section.

## Financial statements

The estimated financial statements included in the 2017–18 Agency Statements are special purpose financial statements and include, for each agency, a statement of comprehensive income, a statement of financial position and a statement of cash flows.

The format of these estimated financial statements is consistent with the model financial statements (prepared by the Department of Treasury and Finance for statutory reporting requirements) and is consistent with the requirements of AASB 101 Presentation of Financial Statements and AASB 107 Statement of Cash Flows.

Estimates in these financial statements have been prepared:

- on a basis that is consistent with Australian Accounting Standards (Australian Accounting Standards and/or interpretations that have been issued or amended but are not yet effective have not been adopted early)
- on an accrual basis, except for the statement of cash flows which has been derived from the statement of comprehensive income and statement of financial position to reflect cash payments and receipts
- using historical cost convention, except for certain assets and liabilities that are valued in accordance with the valuation policy applicable.

Consistent with Australian Accounting Standards, estimated transactions and balances that are controlled are budgeted for, and reported on, separately to estimated transactions and balances which are administered but not controlled by the agency.

## Ministerial responsibilities

The ministerial responsibilities table provides a comprehensive list of the agencies and programs which fall under the responsibility of each minister, and is presented in Ministerial Order of Precedence.

Minister	Agency	Programs
<b>The Hon. J Weatherill</b> Premier	Department of the Premier and Cabinet	1. Premier and Cabinet Policy and Support
		2. Agent-General
		3. State Coordinator-General
		4. Support Services and Community Programs
		5. Office of the Economic Development Board
<b>The Hon. JR Rau</b> Deputy Premier Attorney-General Minister for Justice Reform Minister for Planning Minister for Industrial Relations Minister for Child Protection Reform Minister for the Public Sector Minister for Consumer and Business Services Minister for the City of Adelaide	Department of the Premier and Cabinet	6. Government Services
	Department of the Premier and Cabinet	7. Public Sector Performance
	Attorney-General's Department	1. Legal and Justice Services
		2. Consumer and Business Services
		3. Advocacy and Guardianship Services
		4. Equal Opportunity
		5. Police Ombudsman
		6. Ombudsman
		7. Industrial Relations
		8. Fines Enforcement and Recovery
		9. State Records
		10. Child Protection Systems Royal Commission — Response Unit
	Courts Administration Authority	1. Court and Tribunal Case Resolution Services
		2. Alternative Dispute Resolution Services
	Electoral Commission of South Australia	1. Electoral Services
Department of Planning Transport and Infrastructure	1. Land Use Planning	
Department of Treasury and Finance	1. Gambling Policy	
<b>The Hon. KJ Maher</b> Minister for Employment Minister for Aboriginal Affairs and Reconciliation Minister for Manufacturing and Innovation Minister for Automotive Transformation Minister for Science and Information Economy	Department of State Development	1. Industry and Innovation
		2. Aboriginal Affairs and Reconciliation
		3. Science, Technology and Information Economy
<b>The Hon. JJ Snelling</b> Minister for Health Minister for the Arts Minister for Health Industries	Department of Health and Ageing	1. Policy, Clinical Services, System Transformation and Administration
	Department of Health and Ageing	2. Health Services
	Department of State Development	4. Arts South Australia
		5. Health Industries

<b>Minister</b>	<b>Agency</b>	<b>Programs</b>
<b>The Hon. T Koutsantonis</b> Treasurer Minister for Finance Minister for State Development Minister for Mineral Resources and Energy	Department of the Premier and Cabinet	8. Mineral Resources and Energy
	Department of Treasury and Finance	2. Accountability for Public Sector Resources
		3. Treasury Services
		4. Financial Services Provision
<b>The Hon. IK Hunter</b> Minister for Sustainability, Environment and Conservation Minister for Water and the River Murray Minister for Climate Change	Department of Environment, Water and Natural Resources	1. Sustainability 2. Water 3. Parks and Public Assets
	Environment Protection Authority	1. Environment and Radiation Protection
	Department of State Development	9. Water Industry Technical and Safety Regulation
	Office of Green Industries	1. Waste Reduction, Resource Recovery and Green Industry Development
<b>The Hon. LWK Bignell</b> Minister for Agriculture, Food and Fisheries Minister for Forests Minister for Tourism Minister for Recreation and Sport Minister for Racing	Department of Primary Industries and Regions	1. Agriculture, Food and Fisheries 2. Forestry Policy
	South Australian Tourism Commission	1. Tourism Development 2. Tourism Events 3. Tourism Marketing
	Department of Planning, Transport and Infrastructure	2. Recreation, Sport and Racing
	Department of State Development	6. Growing Small Business 7. International Engagement, Trade, Migration and International Education 8. Investment Attraction South Australia
	Defence SA	1. Defence Industry Development 2. Techport Australia
<b>The Hon. MLJ Hamilton-Smith</b> Minister for Investment and Trade Minister for Small Business Minister for Defence Industries Minister for Veterans' Affairs	Department of Treasury and Finance	5. Veterans' Affairs
	Department of Planning, Transport and Infrastructure	3. Office of Local Government
<b>The Hon. GG Brock</b> Minister for Regional Development Minister for Local Government	Department of Primary Industries and Regions	3. Regional Development
	Department for Communities and Social Inclusion	1. Thriving Communities 2. Community Care Services 3. Social Housing
<b>The Hon. SE Close</b> Minister for Education and Child Development Minister for Higher Education and Skills	Department for Education and Child Development	1. Early Childhood Development 2. School Education
	Department for Child Protection	1. Care and Protection
	Department of State Development	9. Employment and Skills Formation
<b>The Hon. SC Mullighan</b> Minister for Transport and Infrastructure Minister for Housing and Urban Development	Department of Planning, Transport and Infrastructure	4. Roads and Marine 5. Public Transport 6. Infrastructure Planning and Management
	Department of Treasury and Finance	6. Office of the Valuer-General
<b>The Hon. LA Vlahos</b> Minister for Disabilities Minister for Mental Health and Substance Abuse	Department for Communities and Social Inclusion	4. Disability SA 5. Disability Services 6. NDIS Reform

<b>Minister</b>	<b>Agency</b>	<b>Programs</b>
<b>The Hon. P Malinauskas</b> Minister for Police Minister for Correctional Services Minister for Emergency Services Minister for Road Safety	South Australian Police	1. Public Safety
		2. Crime and Criminal Justice Services
		3. Road Safety
	South Australian Country Fire Service	1. Country Fire Service
	South Australian Metropolitan Fire Service	1. South Australian Metropolitan Fire Service
	South Australian Fire and Emergency Services Commission	1. Fire and Emergency Services Strategic Services and Business Support
	South Australian State Emergency Service	1. State Emergency Service
	Department for Correctional Services	1. Rehabilitation and Reparation
		2. Custodial Services
		3. Community Based Services
Department of Planning, Transport and Infrastructure	7. Road Safety	

**Agency: Department for  
Education and Child  
Development**

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**Minister for Education and Child Development**





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## Objective

The Department for Education and Child Development (DECD) brings together the key government functions that deliver and regulate services for children and their families including health and wellbeing, family services, care and education. Collectively, DECD aims to improve children and young people's education, safety and development from birth through their transition to adulthood.

The department's key objective is to build a stronger future for South Australian children by making the education and child development system one of the world's best. To provide all young South Australians with the opportunities to find and achieve their potential at school and in life.

DECD works to improve outcomes for all children and young people by harnessing collaborative relationships with families, communities, government and non-government agencies responsible for children, young people and families.

## Departmental structure

On 21 June 2016, the government announced that it would establish a separate department to undertake functions related to the care for and protection of children and young people. This was in response to an interim recommendation of the Child Protection Systems Royal Commission.

The new department commenced operations on 1 November 2016. The expenditure for child protection services for 2016–17 has been included in the program detail of the Department for Child Protection's agency statements. The financial transactions for the former Families SA (1 July 2016 until 31 October 2016) are included in the financial statements that follow, as represented in the net cost of services reconciliation.

## Ministerial responsibilities

Minister	Programs	Sub-programs
The Hon. SE Close Minister for Education and Child Development	1. Early Childhood Development	Nil
	2. School Education	Nil

### *Administered items*

In addition to the above responsibilities, the agency administers the following items on behalf of the minister:

- state government contribution to the operation of the South Australian Certificate of Education (SACE) Board of South Australia
- payments to the Department of Planning, Transport and Infrastructure for student travel in metropolitan areas
- state government and Commonwealth Government contributions for the operation of the Education and Early Childhood Services Registration and Standards Board of South Australia
- state government contributions to the operation of non-government schools, organisations and services to students with disabilities
- Commonwealth Government contributions to the operation of non-government schools, organisations and services to students with disabilities.

*Statutes*

The Department of the Premier and Cabinet maintains a list of statutes applicable to ministers.

**Ministerial office resources**

<b>Minister</b>	<b>2017–18 Budget</b>	
	<b>Cost of provision</b>	
	<b>\$000</b>	<b>FTE</b>
The Hon. SE Close.....	1 653	10.0

**Workforce summary**

<b>Agency</b>	<b>FTEs as at 30 June</b>		
	<b>2017–18 Budget<sup>(a)</sup></b>	<b>2016–17 Estimated Result<sup>(a)</sup></b>	<b>2015–16 Actual<sup>(b)</sup></b>
Department for Education and Child Development.....	<b>22 415.5</b>	22 196.8	22 508.9
Administered items for the Department for Education and Child Development .....	<b>7.0</b>	9.7	11.5
SACE Board of South Australia .....	<b>110.0</b>	109.0	105.7
Education and Early Childhood Services Registration and Standards Board.....	<b>37.5</b>	40.5	36.4
<b>Total</b>	<b>22 570.0</b>	<b>22 356.0</b>	<b>22 662.5</b>
<i>Add: FTEs transferred out:</i>			
Families SA to Department for Child Protection on 1 November 2016 .....	—	—	1 603.5
<b>Equals: Data published by the Office for the Public Sector (Department of the Premier and Cabinet)</b>	<b>22 570.0</b>	<b>22 356.0</b>	<b>24 266.0</b>

(a) The 2017–18 Budget and 2016–17 Estimated Result reflect the established FTE caps.

(b) Data published by the Office for the Public Sector (Department of the Premier and Cabinet).

## Program net cost of services summary

Program	Net cost of services			
	2017–18 Budget	2016–17 Estimated Result	2016–17 Budget <sup>(a)</sup>	2015–16 Actual
	\$000	\$000	\$000	\$000
1. Early Childhood Development.....	199 732	199 636	185 477	185 143
2. School Education.....	2 308 054	2 242 897	2 220 002	2 075 233
<b>Total</b>	<b>2 507 786</b>	<b>2 442 533</b>	<b>2 405 479</b>	<b>2 260 376</b>

### Reconciliation to agency net cost of providing services

Add: Net costs transferred out:				
Families SA to Department for Child Protection on 1 November 2016 .....	—	157 644	370 803	397 565
<b>Equals: Net cost of providing services (as per agency statement of comprehensive income)</b>	<b>2 507 786</b>	<b>2 600 177</b>	<b>2 776 282</b>	<b>2 657 941</b>

(a) Does not reconcile with 2016–17 Budget reported in Programs 1 and 2 in the 2016–17 Department for Education and Child Development agency statement due to inclusion of early intervention programs and the reallocation of corporate services across programs previously recognised in program 3, Care and Protection.

## Investing expenditure summary

The 2017–18 investment program is \$244.2 million.

The program continues the investment in public preschools and schools to support families and children in the South Australian community.

The 2016–17 Budget provided \$250.0 million to deliver contemporary science, technology, engineering and mathematics programs (STEM) at 139 schools, with \$119.1 million to be invested in 2017–18 to progress the project.

As part of the 2017–18 Budget, the government has allocated \$10.0 million in 2017–18 in a renewable energy program to provide solar panels and LED lighting upgrades in 40 government schools.

Investments	Estimated completion Quarter	Total project cost \$000	2017–18 Budget \$000	2016–17 Estimated Result \$000	2016–17 Budget \$000
<b>New projects</b>					
Education Support Hub .....	Sep 2018	11 602	6 321	300	—
Meningie Area School .....	Dec 2018	4 500	4 500	—	—
Renewable Energy Program.....	Jun 2018	10 000	10 000	—	—
<b>Total new projects</b>		<b>26 102</b>	<b>20 821</b>	<b>300</b>	<b>—</b>
<b>Existing projects</b>					
Adelaide Botanic High School .....	Dec 2018	100 000	49 000	10 034	17 800
Children's Centres — Stage 2 .....	Jun 2018	15 500	8 280	6 784	14 780
Christie Downs Primary School .....	Jun 2018	4 000	3 548	314	3 360
Christies Beach High School Disability Unit.....	Jun 2018	5 000	4 309	599	3 960

	Estimated completion	Total project cost	2017–18 Budget	2016–17 Estimated Result	2016–17 Budget
<b>Investments</b>	<b>Quarter</b>	<b>\$000</b>	<b>\$000</b>	<b>\$000</b>	<b>\$000</b>
Evanston Gardens Primary School.....	Sep 2017	6 000	1 000	2 564	3 131
Le Fevre High School.....	Jun 2017	1 000	—	802	760
National Quality Agenda — Compliance.....	Jun 2018	9 148	4 559	4 500	4 500
National Quality Agenda — Preschools.....	Jun 2017	12 025	—	3 721	3 000
Playford International College <sup>(a)</sup> .....	Mar 2018	7 342	7 093	107	4 560
Preschool Outdoor Learning Areas .....	Jun 2018	4 197	1 627	1 800	2 250
Preschool Relocation Program.....	Dec 2016	21 786	—	2 117	1 300
Science Technology Engineering and Mathematics Facilities in Schools.....	Dec 2018	250 000	119 109	15 891	35 000
Seaview High School.....	Mar 2017	2 630	—	2 455	2 000
Swallowcliffe Primary School.....	Mar 2018	6 500	3 247	3 100	3 960
Yalata Anangu School.....	Jun 2018	2 010	—	921	821
Small projects .....	n.a.	n.a.	15 654	8 264	1 630
<b>Total existing projects</b>		<b>447 138</b>	<b>217 426</b>	<b>63 973</b>	<b>102 812</b>
<b>Annual programs</b>					
Capital Works Assistance Scheme.....	n.a.	n.a.	3 135	3 076	3 108
Fire Restoration.....	n.a.	n.a.	—	2 000	2 000
Major Feasibility Studies.....	n.a.	n.a.	470	458	458
Purchase of Land and Property.....	n.a.	n.a.	1 181	4 037	1 152
School Bus Replacement.....	n.a.	n.a.	1 180	3 415	1 151
Small programs .....	n.a.	n.a.	—	1 160	—
<b>Total annual programs</b>			<b>5 966</b>	<b>14 146</b>	<b>7 869</b>
<b>Total investing expenditure</b>		<b>473 240</b>	<b>244 213</b>	<b>78 419</b>	<b>110 681</b>
<b>Reconciliation to agency total investing expenditure</b>					
<i>Add:</i> Investing expenditure transferred out:					
<b>Families SA to Department for Child Protection on 1 November 2016</b>					
Continuous Monitoring of Screening.....	Jun 2017	—	—	—	291
Residential Care Facilities .....	Jun 2018	—	—	—	5 944
<b>Equals: Total investing expenditure</b> (as per agency statement of cash flows)		<b>473 240</b>	<b>244 213</b>	<b>78 419</b>	<b>116 916<sup>(b)</sup></b>

(a) Formerly Fremont-Elizabeth City High School

(b) Does not reconcile with 2016–17 Budget as reported in the Investing Expenditure Summary in the 2016–17 Department for Education and Child Development agency statement due to discontinuation of the Families SA Northern Office project.

## Program 1: Early Childhood Development

### Description/objective

The department is responsible for the delivery of early childhood education, learning and care, health and wellbeing services for children, young people and families. The program recognises the importance of the parent's role in their child's development and builds upon establishing relationships with families to support each child to grow, learn and develop. The implementation of national and state early childhood reform agendas to improve outcomes for all South Australian children and families underpins the program.

There is a key focus on ensuring that the most vulnerable children and young people at risk of disadvantage are supported. The establishment of children's centres across the state in areas of highest need, the provision of preschool for all four-year olds, continued collaboration across agencies and the delivery of targeted family support programs contribute to achieving this goal. The provision of quality integrated early childhood education and care services that are accessible and support each child to develop and learn to their capacity are at the core of the program.

### Program summary — expenses, income and FTEs

	2017–18 Budget	2016–17 Estimated Result	2016–17 Budget <sup>(a)</sup>	2015–16 Actual
	\$000	\$000	\$000	\$000
<b>Expenses</b>				
Employee benefit expenses.....	190 670	186 673	181 324	172 952
Supplies and services.....	29 338	31 211	24 065	32 248
Depreciation and amortisation expenses.....	3 806	3 651	3 793	3 876
Borrowing costs.....	1 802	1 812	1 801	1 807
Grants and subsidies.....	39 777	40 059	38 526	32 963
Other expenses.....	3 117	2 908	2 830	2 513
<b>Total expenses</b>	<b>268 510</b>	<b>266 314</b>	<b>252 339</b>	<b>246 359</b>
<b>Income</b>				
Grant revenue <sup>(b)</sup> .....	59 749	59 138	59 096	54 584
Sales of goods and services.....	8 661	7 201	7 440	4 946
Other income.....	368	339	326	1 686
<b>Total income</b>	<b>68 778</b>	<b>66 678</b>	<b>66 862</b>	<b>61 216</b>
<b>Net cost of providing services</b>	<b>199 732</b>	<b>199 636</b>	<b>185 477</b>	<b>185 143</b>
<b>FTEs as of at 30 June (No.)</b>	<b>2 072.2</b>	<b>2 035.1</b>	<b>2 005.8</b>	<b>1 933.5</b>

(a) Does not reconcile with 2016–17 Budget reported in Program 1 in the 2016–17 Department for Education and Child Development agency statement due to inclusion of early intervention programs and the reallocation of corporate services across programs previously recognised in Program 3: Care and Protection.

(b) Grant revenue includes Commonwealth Government revenue, intra-government transfers and other grant amounts presented in the DECD statement of comprehensive income. The majority of Commonwealth Government revenue is received by DECD as an intra-government transfer from the Department of Treasury and Finance.

### Financial commentary

#### 2017–18 Budget/2016–17 Estimated Result

The \$2.2 million increase in expenses is primarily due to:

- additional expenditure associated with the implementation of recommendations of the Child Protection Systems Royal Commission (\$5.3 million)

- higher employee related benefits including as a result of the 2016 South Australian School and Preschool Education Staff Enterprise Agreement (\$2.4 million)
- additional expenditure associated with the implementation of the South Australian Collaborative Childhood Project (\$0.9 million)

partially offset by

- lower expenditure in 2017–18 (\$2.2 million) for Commonwealth Government funded programs including:
  - Australian Education Development Index
  - Home and Community Care Program (HACC) Improving Teacher Quality Rewards National Partnership
  - Indigenous Early Childhood Development National Partnership
  - Rural Care Program
- deferred expenditure from 2015–16 to 2016–17 for the Commonwealth Government funded Universal Access to Early Childhood Education National Partnership (\$1.3 million)
- lower expenditure due to the cessation of Shared Services SA charging arrangements effective 1 July 2017 (\$1.2 million)

The \$2.1 million increase in income is primarily due to:

- increased revenue from family day care and occasional care services (\$0.7 million)
- higher revenue from the Commonwealth Government funded Universal Access to Early Childhood Education National Partnership (\$0.5 million).

#### *2016–17 Estimated Result/2016–17 Budget*

The \$14.0 million increase in expenses is primarily due to:

- higher employee related benefits including as a result of the 2016 South Australian School and Preschool Education Staff Enterprise Agreement (\$4.4 million)
- expenditure deferred from prior year for various programs including Universal Access to Early Childhood Education National Partnership (\$2.6 million)
- higher expenses associated with family day care (\$1.0 million)
- additional expenditure associated with implementation of recommendations associated with the Child Protection Systems Royal Commission (\$0.9 million)
- higher expenses associated with the expansion of children’s centres (\$0.8 million)
- higher expenses associated with the Early Childhood Leaders (\$0.7 million)
- higher expenses associated with the Strong Start program (\$0.7 million)
- higher expenses associated with the purchase of devices for preschool leaders (\$0.5 million).

#### *2016–17 Estimated Result/2015–16 Actual*

The \$20.0 million increase in expenses is primarily due to:

- higher employee related benefits including as a result of the 2016 South Australian School and Preschool Education Staff Enterprise Agreement (\$7.5 million)
- increased staffing costs associated with the educator to child ratio requirements for preschools (\$5.4 million)

- higher expenses associated with the administration of Universal Access to Early Childhood Education National Partnership (\$3.9 million)
- higher expenses associated with the expansion of children's centres (\$0.8 million)
- higher expenses associated with the Early Childhood Leaders (\$0.7 million)
- higher expenses associated with the purchase of devices for preschool leaders (\$0.5 million).

The \$5.5 million increase in income is primarily due to increased revenue from family day care services.

### Highlights 2016–17

- As at 31 December 2016, 77 per cent of South Australian government preschools that were assessed under the National Quality Framework (NQF) were rated as exceeding the National Quality Standard under the NQF compared with 56 per cent of preschools nationally.
- The Hills Murraylands Family Day Care Scheme was rated as exceeding the National Quality Standard under the NQF. This is the first time a South Australian family day care scheme has been awarded this rating.
- 10 of the 20 outdoor learning spaces to be developed between 2014 and 2018 under the Nature Play Outdoor Learning Areas in Preschools Project have now been completed. The most recent round of five outdoor learning spaces were developed at Flinders Kindergarten, Solomontown Kindergarten, Adelaide Miethke Kindergarten, Brentwood Drive Kindergarten and Hackney Kindergarten.
- The department continued to expand the provision of allied health services in children's centres, providing more developmental support in early childhood education, learning and care settings to increase prevention and early intervention for developmental concerns in our youngest children.
- The Rural Care Program continues to grow with six sites increasing the number of places available to families in response to unmet demand for child care.

### Targets 2017–18

- Pilot three Child and Family Assessment Referral Networks within three children's centres, in the south, north and the west of Adelaide.
- Continue the redevelopment of the remaining 10 sites as part of the Nature Play Outdoor Learning Areas in Preschools Project, with completion due in 2018.
- Continue to grow the network of children's centres, with the anticipated completion of four centres at Renown Park, Pennington, Mount Barker and Roxby Downs and the expansion of the existing centre at Keithcot Farm.

### Performance indicators

	2017–18 Target	2016–17 Estimated Result	2016–17 Target	2015–16 Actual
No. of early childhood education and care services:				
• children's centres <i>Children's centres provide integrated services for children from birth to eight years old and their families. They can offer a range of education, licensed care, health and family services.</i>	47	43	44	42
• occasional care <i>Occasional care services include programs administered and funded by DECD. Occasional care sessions are allocated on a biennial basis and operate in some preschools in areas of highest need, where site capacity allows. This excludes the eight additional services established under the National Occasional Care Programme.</i>	94	90	90	89



	2017–18 Target	2016–17 Estimated Result	2016–17 Target	2015–16 Actual
• family day care <i>DECD is the approved provider of 12 family day care schemes under the provisions of the Education and Care Services National Regulations.</i>	12	12	12	12
• rural care <i>Rural care services include programs administered by DECD preschools.</i>	17	17	18	18
• preschool services <i>Includes all school-based and stand-alone preschools operated by DECD. Excludes preschools that are part of the services offered by children's centres.</i>	338	342	343	343
<b>No. of places in early childhood education and care services:</b>				
• occasional care <i>Occasional care services include programs administered and funded by DECD, noting that the places available in the 10 additional services established under the National Occasional Care Programme have been excluded.</i>	2 852	2 848	2 820	2 816
• family day care <i>Family day care is still adjusting to significant change including the implementation of the National Quality Framework requirements, an ageing workforce and new scheme operators in SA. This has had an impact on the number of educators, and therefore on the number of children accessing family day care and the loss of the Australian Government Child Support Program payments.</i>	2 300	2 300	2 300	2 620
• rural care <i>Available places in several Rural Care services have increased due to the number that now operate a two worker delivery model for either part or all of the week to cater for previously unmet demand.</i>	189	189	196	161
<b>No. of paid primary contact staff with relevant formal qualifications in preschools</b> <i>Preschool staff who are primary contacts have been based on their main employment category. Some preschool staff members may be counted more than once if they are employed at multiple preschools. The 2016–17 target provides for the forecasted increase in preschool staff employed as a result of the increased staff to child ratios for preschools implemented from 1 January 2016.</i>	1 620	1 620	1 620	1 468
<b>Government expenditure per child in early childhood education and care services:</b>				
• cost per child in family day care	\$3 753	n.a	\$3 550	\$3 642
• cost per place in family day care	\$11 258	n.a	\$11 089	\$10 843
• cost per child in occasional care	\$1 249	n.a	\$1 188	\$785
• cost per child in preschool services	\$10 603	n.a	\$10 130	\$10 175

## Activity indicators

	2017–18 Projection	2016–17 Estimated Result	2016–17 Projection	2015–16 Actual
<b>No. of children in early childhood education and care services:</b>				
• occasional care	2 852	2 848	2 820	2 816
• family day care	7 000	7 000	7 000	7 800
• rural care	450	452	410	407
• preschool services <i>Includes children who are eligible preschool enrolments and attendances in government and non-government preschool services that are funded by the state government to deliver preschool programs.</i>				
– attendances	17 700	17 631	17 700	17 739
– enrolments	18 000	17 954	18 000	18 027

## Program 2: School Education

### Description/objective

The department is responsible for the delivery of high quality primary and secondary public education across the state to all children and young people of school age. Through a focus on high achievement, growth, challenge, engagement and equity, the department seeks to maximise every child and young person's learning and help them to become successful learners, confident and creative individuals and informed citizens.

The department maintains high expectations of schools to increase student performance and reduce the gap between the highest and lower achievers. The department continues to drive improvement through strong leadership, effective accountability and system support. The department's work is strengthened by the involvement of parents and local communities in the education of children.

### Program summary – expenses, income and FTEs

	2017–18 Budget	2016–17 Estimated Result	2016–17 Budget <sup>(a)</sup>	2015–16 Actual
	\$000	\$000	\$000	\$000
<b>Expenses</b>				
Employee benefit expenses.....	2 234 678	2 137 092	2 129 450	1 966 603
Supplies and services.....	616 464	626 038	601 330	598 849
Depreciation and amortisation expenses.....	107 527	103 332	103 212	105 717
Borrowing costs.....	20 724	20 834	20 713	20 844
Grants and subsidies.....	14 198	15 088	12 876	13 285
Other expenses.....	35 540	35 393	33 657	25 084
<b>Total expenses</b>	<b>3 029 131</b>	<b>2 937 777</b>	<b>2 901 238</b>	<b>2 730 382</b>
<b>Income</b>				
Grant revenue <sup>(b)</sup> .....	521 868	493 508	489 487	450 888
Sales of goods and services.....	144 345	138 277	138 038	144 950
Other income.....	54 864	63 095	53 711	59 311
<b>Total income</b>	<b>721 077</b>	<b>694 880</b>	<b>681 236</b>	<b>655 149</b>
<b>Net cost of providing services</b>	<b>2 308 054</b>	<b>2 242 897</b>	<b>2 220 002</b>	<b>2 075 233</b>
<b>FTEs as at 30 June (No.)</b>	<b>20 343.3</b>	20 161.7	20 050.60	20 575.4

(a) Does not reconcile with 2016–17 Budget reported in Program 2 in the 2016–17 Department of Education and Child Development agency statement due to the reallocation of corporate services across programs previously recognised in program 3: Care and Protection.

(b) Grant revenue includes Commonwealth Government revenue, intra-government transfers and other grant amounts presented in the DECD statement of comprehensive income. The majority of Commonwealth Government revenue is received by DECD as an intra-government transfer from the Department of Treasury and Finance.

### Financial commentary

#### 2017–18 Budget/2016–17 Estimated Result

The \$91.4 million increase in expenses is primarily due to:

- higher employee related benefits and supplies and services expenditure, including as a result of the 2016 South Australian School and Preschool Education Staff Enterprise Agreement (\$88.8 million)
- enrolment growth in government schools (\$22.7 million)

- higher expenditure in 2017–18 for:
  - government schools utility bills (\$10.5 million)
  - the investment in renewable energy program for schools (\$10.0 million)
  - the Education Management System (\$6.3 million)
  - the Teacher Refresh Scheme (\$5.0 million)
  - the STEM strategy (\$4.3 million)
  - an increase in penalty rates for cleaning for eligible schools (\$3.3 million)

partially offset by

- deferred expenditure from 2015–16 to 2016–17 including timing of expenditure for the 2016 South Australian School and Preschool Education Staff Enterprise Agreement (\$41.1 million)
- once-off Asset Maintenance Program for schools (\$13.0 million)
- lower expenditure due to the cessation of Shared Services SA charging arrangements effective 1 July 2017 (\$12.5 million).

The \$26.2 million increase in income is primarily due to:

- an increase in Commonwealth Government revenue for government schools (\$31.0 million)

partially offset by

- a decrease in revenue for the Commonwealth Government funded Independent Public Schools initiative (\$1.4 million)
- a decrease in revenue for the Commonwealth Government funded Improving Teacher Quality program (\$0.3 million).

#### *2016–17 Estimated Result/2016–17 Budget*

The \$36.5 million increase in expenses is primarily due to:

- enrolment growth in government schools (\$33.6 million)
- deferred expenditure from 2015–16 to 2016–17 due to timing of expenditure for the 2016 South Australian School and Preschool Education Staff Enterprise Agreement (\$16.5 million)

partially offset by

- deferred expenditure from 2016–17 to 2017–18 for the investment in renewable energy program (\$10.0 million)
- the transfer of funding to the Department for Child Protection (\$4.1 million).

The \$13.6 million increase in income is primarily due to:

- an increase in revenue from the sale of land and buildings (\$8.6 million)
- an increase in Commonwealth Government revenue for government schools (\$2.8 million)
- a once-off insurance recovery from SAICORP in 2016–17 due to a fire at Victor Harbor Primary School (\$1.2 million).

#### *2016–17 Estimated Result/2015–16 Actual*

The \$207.4 million increase in expenses is primarily due to:

- higher employee related benefits and supplies and services expenditure, including as a result of the 2016 South Australian School and Preschool Education Staff Enterprise Agreement (\$75.2 million)

- higher school related expenditure in 2016–17 (\$44.7 million)
- deferred expenditure from 2015–16 to 2016–17 including timing of expenditure for the 2016 South Australian School and Preschool Education Staff Enterprise Agreement (\$41.1 million)
- enrolment growth in 2016–17 (\$35.9 million)
- higher expenditure in 2016–17 for:
  - the Asset Maintenance Program for schools (\$13.0 million)
  - 60 Child Wellbeing Officers to work in schools (\$6.0 million)
  - the Energy Renewable Program (\$5.0 million)
  - Commonwealth funded programs including Building Education Revolution, Students with Disabilities and Advanced Technology Industry Schools Pathways (\$3.0 million)
  - depreciation expense (\$2.3 million)

partially offset by

- deferred school related expenditure from 2014–15 to 2015–16 (\$22.0 million)
- transfer of funding to the Department of Child Protection (\$4.1 million).

The \$39.7 million increase in income is primarily due to:

- an increase in Commonwealth Government revenue for government schools (\$26.6 million)
- an increase in revenue from the sale of land and buildings (\$15.6 million).

### Highlights 2016–17

- The STEM Learning Strategy for DECD Preschool to Year 12: 2017 to 2020 was released, with the aim to increase child and student engagement, participation and achievement in science, technology, engineering and mathematics learning.
- Construction has commenced on the state government’s \$250 million investment to refurbish and redevelop 139 schools to deliver contemporary STEM facilities. Construction at the first school, Brompton Primary School, was completed at the end of May with a further 30 schools expected to be in construction by the end of June 2017. All 139 projects are planned to be completed by December 2018.
- Construction has begun on Adelaide’s new city high school. The \$100.0 million Adelaide Botanic High School is due to open from Term 1 2019 and will provide 1250 students from inner-city suburbs with greater access to high quality secondary schooling with a specialist health and science program.
- The teaching of Chinese and French in government schools received a significant boost with the commencement of the first Chinese bilingual school at Plympton International College (formally William Light R–12 School) and the first French bi-national programs at Highgate School and Unley High School.
- The number of students completing and achieving the SACE increased in 2016, with 15 003 students achieving their SACE across South Australia compared with 14 668 in 2015 (an increase of 335 students). This included 319 Aboriginal students, the most ever, up from 295 in 2015.
- By December 2016, the Child Wellbeing Program was providing a child and family focused service to some 315 preschools, primary and secondary schools across both country and metropolitan South Australia, identified through a vulnerability index.
- School improvement and accountability measures continued to be strengthened, with performance reviews of the 60 local partnerships continuing, and 277 external school reviews completed to date, to support schools to raise student achievement and sustain high performance.

- A total of ten non-government schools have been approved in the first round of the state government's Non-Government Schools Loan Scheme, delivering a total of \$38.5 million in loans for the development of STEM and/or early year's facilities. This initiative makes available \$250 million in low interest loans to the non-government school sector over a five year period.

### Targets 2017–18

- Increase the percentage of students whose National Assessment Program Literacy and Numeracy (NAPLAN) results demonstrate they achieve the DECD Standard of Educational Achievement (SEA) for Reading and Numeracy in Years 3, 5, 7 and 9 (i.e. above the national minimum standard).
- Increase the number of students who attain NAPLAN scores in the higher bands during Year 3 in Reading and Numeracy, and increase the number of students who, having attained NAPLAN scores in the higher bands in Year 3 in Reading and Numeracy, maintain their higher band achievement as they progress through their schooling years.
- Increase the numbers of students, including Aboriginal students, completing and achieving the SACE with increasingly higher grades.
- Increase student attendance at DECD schools.

### Performance indicators<sup>(a)(b)</sup>

	2017 Target	2016 Actual	2015 Actual
% of Year 3 students achieving the national minimum standard in reading:			
• all students	Increase	93.4%	93.4%
• Aboriginal students	Increase	74.7%	73.4%
• increase in higher proficiency bands	Increase	43.8%	43.0%
% of Year 3 students achieving the national minimum standard in writing:			
• all students	Increase	95.2%	94.0%
• Aboriginal students	Increase	82.5%	76.0%
• increase in higher proficiency bands	Increase	42.5%	35.2%
% of Year 3 students achieving the national minimum standard in numeracy:			
• all students	Increase	94.2%	92.8%
• Aboriginal students	Increase	78.0%	71.1%
• increase in higher proficiency bands	Increase	25.5%	25.4%
% of Year 5 students achieving the national minimum standard in reading:			
• all students	Increase	91.5%	91.7%
• Aboriginal students	Increase	67.2%	69.1%
• increase in higher proficiency bands	Increase	29.4%	28.2%
% of Year 5 students achieving the national minimum standard in writing:			
• all students	Increase	91.7%	89.7%
• Aboriginal students	Increase	70.1%	61.1%
• increase in higher proficiency bands	Increase	13.1%	12.4%
% of Year 5 students achieving the national minimum standard in numeracy:			
• all students	Increase	92.8%	94.0%
• Aboriginal students	Increase	71.0%	74.5%
• increase in higher proficiency bands	Increase	19.2%	19.5%
% of Year 7 students achieving the national minimum standard in reading:			
• all students	Increase	94.2%	95.0%
• Aboriginal students	Increase	78.7%	79.5%
• increase in higher proficiency bands	Increase	23.9%	25.1%
% of Year 7 students achieving the national minimum standard in writing:			
• all students	Increase	90.1%	87.6%
• Aboriginal students	Increase	67.3%	57.5%
• increase in higher proficiency bands	Increase	15.1%	14.7%

	2017 Target	2016 Actual	2015 Actual
% of Year 7 students achieving the national minimum standard in numeracy:			
• all students	Increase	95.2%	95.8%
• Aboriginal students	Increase	79.9%	83.0%
• increase in higher proficiency bands	Increase	25.7%	19.4%
% of Year 9 students achieving the national minimum standard in reading:			
• all students	Increase	91.9%	91.6%
• Aboriginal students	Increase	74.4%	75.0%
• increase in higher proficiency bands	Increase	16.8%	17.5%
% of Year 9 students achieving the national minimum standard in writing:			
• all students	Increase	81.5%	78.4%
• Aboriginal students	Increase	52.1%	46.3%
• increase in higher proficiency bands	Increase	10.9%	12.9%
% of Year 9 students achieving the national minimum standard in numeracy:			
• all students	Increase	94.4%	95.0%
• Aboriginal students	Increase	80.1%	82.9%
• increase in higher proficiency bands	Increase	15.2%	17.2%
Apparent retention rates, Years 8 to 12 (full-time equivalent):			
• all students <i>Can exceed 100 per cent to account for students entering the government education system from interstate, overseas and other sectors.</i>	Increase	104.6%	100.9%
• Aboriginal students	Increase	96.4%	89.5%
Apparent retention rates, Years 10 to 12 (full-time equivalent):			
• all students	Increase	99.9%	95.5%
• Aboriginal students	Increase	97.1%	89.6%
Student attendance rate	Increase	90.7%	90.7%
<i>Number of actual full-time equivalent student days attended as a percentage of total student days.</i>			

(a) Data is reported on a school year basis

(b) The National Assessment Program Literacy and Numeracy (NAPLAN) data reported in the Performance Indicators table is reported on the basis of Australian Curriculum, Assessment and Reporting (ACARA)'s national counting rules, i.e. students *at or above* the national minimum standard, not the DECD Standard of Educational Achievement (SEA), i.e. students *above* the national minimum standard.

### Activity indicators<sup>(a)</sup>

	2017 Target	2016 Actual	2015 Actual
No. of students in Reception to Year 12 (government schools):			
• total students	171 740	169 359	167 201
• Aboriginal students	10 856	10 705	10 367
• students with disabilities <i>Includes students identified by guidance officers and speech pathologists as having met the eligibility criteria of the Disability Support Program.</i>	15 664	15 447	15 147
• students with English as a second language <i>Includes students receiving English language support.</i>	23 016	22 697	22 671
• rural and isolated students <i>Includes all areas outside the Adelaide statistical division.</i>	52 827	52 095	51 904
<i>Numbers of students are expressed as full-time equivalents (that is, full-time plus full-time equivalent of part-time students) as at the Term 3 census each year, rounded to the nearest whole number. Numbers include students not allocated to a year level, apportioned based on their age. Full-fee paying overseas students are excluded.</i>			
<i>All numbers for student cohorts are actual figures or projections based on the relevant Term 3 DECD School Enrolment Census.</i>			
Total funding for Reception to Year 12 (government schools) per student	\$16 427	n.a.	\$15 550

(a) Data is reported on a school year basis

**Department for Education and Child Development**  
**Statement of comprehensive income**

	2017–18 Budget \$000	2016–17 Estimated Result \$000	2016–17 Budget \$000	2015–16 Actual \$000
<b>Expenses</b>				
Employee benefit expenses				
Salaries, wages, annual and sick leave.....	1 969 820	1 929 956	2 021 903	1 865 310
Long service leave.....	88 197	85 336	87 850	98 440
Payroll tax.....	119 690	116 639	121 848	106 387
Superannuation.....	231 378	225 940	235 393	196 435
Other.....	16 263	16 412	17 466	23 679
Supplies and services				
General supplies and services.....	645 745	668 244	673 406	673 916
Consultancy expenses.....	57	1 054	337	170
Depreciation and amortisation.....	111 333	107 582	109 148	111 477
Borrowing costs.....	22 526	22 646	22 514	22 651
Grants and subsidies.....	50 328	145 174	195 970	245 746
Intra government transfers.....	3 647	4 619	2 010	2 350
Other expenses.....	38 657	39 740	40 133	35 873
<b>Total expenses</b>	<b>3 297 641</b>	<b>3 363 342</b>	<b>3 527 978</b>	<b>3 382 434</b>
<b>Income</b>				
Commonwealth revenues.....	531 416	502 972	500 675	479 126
Intra-government transfers.....	12 775	13 732	13 555	12 338
Other grants.....	37 426	36 681	36 556	16 409
Fees, fines and penalties.....	—	41	89	104
Sales of goods and services.....	153 006	145 488	145 564	149 971
Interest revenues.....	8 158	8 158	8 158	8 971
Net gain or loss on disposal of assets.....	-1 929	5 852	-1 650	-6 277
Resources received free of charge.....	—	730	—	3
Other income.....	49 003	49 511	48 749	63 848
<b>Total income</b>	<b>789 855</b>	<b>763 165</b>	<b>751 696</b>	<b>724 493</b>
<b>Net cost of providing services</b>	<b>2 507 786</b>	<b>2 600 177</b>	<b>2 776 282</b>	<b>2 657 941</b>
<b>Income from/expenses to state government</b>				
Income				
Appropriation.....	2 506 014	2 524 087	2 778 732	2 679 876
Other income.....	—	39	—	2 469
Expenses				
Cash alignment.....	—	—	—	60 899
<b>Net income from/expenses to state government</b>	<b>2 506 014</b>	<b>2 524 126</b>	<b>2 778 732</b>	<b>2 621 446</b>
<b>Net Result</b>	<b>-1 772</b>	<b>-76 051</b>	<b>2 450</b>	<b>-36 495</b>
<b>Other comprehensive income</b>				
Changes in property, plant and equipment asset revaluation surplus.....	—	—	—	41 689
<b>Total comprehensive result</b>	<b>-1 772</b>	<b>-76 051</b>	<b>2 450</b>	<b>5 194</b>

## Department for Education and Child Development

### Statement of financial position

	2017–18 Budget \$000	2016–17 Estimated Result \$000	2016–17 Budget \$000	2015–16 Actual \$000
<b>Assets</b>				
<b>Current assets</b>				
Cash and cash equivalents.....	719 270	812 097	853 999	838 296
Receivables.....	55 188	55 385	40 593	46 045
Inventories.....	5 870	5 870	5 746	5 870
Other financial assets.....	2 016	2 016	2 050	2 016
Other current assets.....	10 809	10 809	4 412	11 024
Non-current assets held for sale.....	—	—	1	11 719
<b>Total current assets</b>	<b>793 153</b>	<b>886 177</b>	<b>906 801</b>	<b>914 970</b>
<b>Non current assets</b>				
Financial assets.....	98	98	80	98
Land and improvements.....	3 992 064	3 855 380	3 902 274	3 914 435
Plant and equipment.....	40 800	50 967	42 317	59 021
Intangible assets.....	17 928	18 775	20 656	22 118
<b>Total non-current assets</b>	<b>4 050 890</b>	<b>3 925 220</b>	<b>3 965 327</b>	<b>3 995 672</b>
<b>Total assets</b>	<b>4 844 043</b>	<b>4 811 397</b>	<b>4 872 128</b>	<b>4 910 642</b>
<b>Liabilities</b>				
<b>Current liabilities</b>				
Payables.....	165 092	162 415	186 569	162 578
Short-term borrowings.....	34	34	7	38
Employee benefits				
Salaries and wages.....	12 803	12 643	23 032	8 768
Annual leave.....	108 526	106 107	135 468	116 106
Long service leave.....	63 601	61 990	66 421	62 479
Other.....	19 747	19 747	21 199	20 420
Short-term provisions.....	26 578	26 091	27 363	30 625
Other current liabilities.....	33 679	32 846	30 342	32 760
<b>Total current liabilities</b>	<b>430 060</b>	<b>421 873</b>	<b>490 401</b>	<b>433 774</b>
<b>Non current liabilities</b>				
Long-term borrowings.....	165 511	167 548	167 867	169 683
Long-term employee benefits				
Long service leave.....	507 475	486 572	496 154	492 283
Long-term provisions.....	63 594	55 176	83 260	67 691
Other non-current liabilities.....	21 666	22 719	22 622	23 155
<b>Total non-current liabilities</b>	<b>758 246</b>	<b>732 015</b>	<b>769 903</b>	<b>752 812</b>
<b>Total liabilities</b>	<b>1 188 306</b>	<b>1 153 888</b>	<b>1 260 304</b>	<b>1 186 586</b>
<b>Net assets</b>	<b>3 655 737</b>	<b>3 657 509</b>	<b>3 611 824</b>	<b>3 724 056</b>



**Department for Education and Child Development**  
**Statement of financial position**

	<b>2017–18</b>	<b>2016–17</b>	<b>2016–17</b>	<b>2015–16</b>
	<b>Budget</b>	<b>Estimated</b>	<b>Budget</b>	<b>Actual</b>
	<b>\$000</b>	<b>Result</b>	<b>\$000</b>	<b>\$000</b>
<b>Equity</b>				
Retained earnings.....	<b>2 176 318</b>	2 178 090	2 160 675	2 247 172
Asset revaluation reserve.....	<b>1 479 419</b>	1 479 419	1 451 149	1 476 884
<b>Total equity</b>	<b>3 655 737</b>	<b>3 657 509</b>	<b>3 611 824</b>	<b>3 724 056</b>

Balances as at 30 June end of period.

## Department for Education and Child Development

### Statement of cash flows

	2017–18 Budget \$000	2016–17 Estimated Result \$000	2016–17 Budget \$000	2015–16 Actual \$000
<b>Operating activities</b>				
<b>Cash outflows</b>				
Employee benefit payments.....	2 393 897	2 345 237	2 451 323	2 322 715
Payments for supplies and services.....	644 956	670 521	672 894	757 253
Interest paid.....	22 529	22 647	22 516	20 834
Grants and subsidies.....	50 328	145 174	195 970	263 736
GST paid.....	—	—	—	5 681
Intra-government transfers.....	3 647	4 619	2 010	2 399
Other payments.....	31 281	30 766	32 421	39 198
<b>Cash used in operations</b>	<b>3 146 638</b>	<b>3 218 964</b>	<b>3 377 134</b>	<b>3 411 816</b>
<b>Cash inflows</b>				
Intra-government transfers.....	12 775	13 732	13 555	12 338
Commonwealth receipts.....	531 416	502 972	500 675	479 139
Other grants.....	37 426	36 681	36 556	15 020
Fees, fines and penalties.....	—	41	89	101
Sales of goods and services.....	153 176	138 859	145 734	149 068
Interest received.....	8 158	8 158	8 158	8 157
GST received.....	—	—	—	82 661
Other receipts.....	46 035	46 585	45 823	59 209
<b>Cash generated from operations</b>	<b>788 986</b>	<b>747 028</b>	<b>750 590</b>	<b>805 693</b>
<b>State government</b>				
Appropriation.....	2 506 014	2 524 087	2 778 732	2 679 876
Other receipts.....	—	39	—	2 469
Payments				
Cash alignment.....	—	—	—	60 899
<b>Net cash provided by state government</b>	<b>2 506 014</b>	<b>2 524 126</b>	<b>2 778 732</b>	<b>2 621 446</b>
<b>Net cash provided by (+)/used in (-) operating activities</b>	<b>148 362</b>	<b>52 190</b>	<b>152 188</b>	<b>15 323</b>
<b>Investing activities</b>				
<b>Cash outflows</b>				
Purchase of property, plant and equipment.....	244 213	78 419	120 316	49 849
Other investing payments.....	—	—	—	59
<b>Cash used in investing activities</b>	<b>244 213</b>	<b>78 419</b>	<b>120 316</b>	<b>49 908</b>
<b>Cash inflows</b>				
Proceeds from sale of property, plant and equipment.....	5 281	18 521	6 900	12 066
Other receipts.....	—	—	—	75
<b>Cash generated from investing activities</b>	<b>5 281</b>	<b>18 521</b>	<b>6 900</b>	<b>12 141</b>
<b>Net cash provided by (+)/used in (-) investing activities</b>	<b>-238 932</b>	<b>-59 898</b>	<b>-113 416</b>	<b>-37 767</b>

**Department for Education and Child Development**  
**Statement of cash flows**

	2017–18 Budget \$000	2016–17 Estimated Result \$000	2016–17 Budget \$000	2015–16 Actual \$000
<b>Financing activities</b>				
<b>Cash outflows</b>				
Repayment of borrowings.....	436	532	481	594
Finance lease payments.....	1 821	1 628	1 628	1 453
Cash transfers from restructuring activities.....	—	16 331	—	—
<b>Cash used in financing activities</b>	<b>2 257</b>	<b>18 491</b>	<b>2 109</b>	<b>2 047</b>
<b>Cash inflows</b>				
Proceeds of borrowings.....	—	—	—	47
<b>Cash generated from financing activities</b>	<b>—</b>	<b>—</b>	<b>—</b>	<b>47</b>
<b>Net cash provided by (+)/used in (-) financing activities</b>	<b>-2 257</b>	<b>-18 491</b>	<b>-2 109</b>	<b>-2 000</b>
<b>Net increase (+)/decrease (-) in cash equivalents</b>	<b>-92 827</b>	<b>-26 199</b>	<b>36 663</b>	<b>-24 444</b>
<b>Cash and cash equivalents at the start of the period</b>	<b>812 097</b>	<b>838 296</b>	<b>817 336</b>	<b>862 740</b>
<b>Cash and cash equivalents at the end of the period</b>	<b>719 270</b>	<b>812 097</b>	<b>853 999</b>	<b>838 296</b>
<b>Non cash transactions</b>				
Assets received (+)/donated (-) free of charge.....	—	730	—	-1 597

## Administered items for the Department for Education and Child Development

### Statement of comprehensive income

	2017–18 Budget	2016–17 Estimated Result	2016–17 Budget	2015–16 Actual
	\$000	\$000	\$000	\$000
<b>Expenses</b>				
Employee benefit expenses				
Salaries, wages, annual and sick leave.....	15 747	16 796	17 439	17 288
Long service leave.....	417	400	427	504
Payroll tax.....	905	917	955	732
Superannuation.....	2 050	2 118	2 189	1 627
Other.....	270	242	267	275
Supplies and services				
General supplies and services.....	8 260	8 466	7 516	7 731
Consultancy expenses.....	—	15	15	1
Depreciation and amortisation.....	1 286	1 004	1 004	712
Grants and subsidies.....	1 089 021	1 054 784	1 067 329	1 017 237
Intra government transfers.....	4 043	4 437	3 945	4 350
Other expenses.....	105	97	107	65
<b>Total expenses</b>	<b>1 122 104</b>	<b>1 089 276</b>	<b>1 101 193</b>	<b>1 050 522</b>
<b>Income</b>				
Commonwealth revenues.....	862 229	833 709	844 632	805 046
Intra-government transfers.....	1 832	1 646	700	500
Sales of goods and services.....	3 442	3 364	3 164	3 100
Interest revenues.....	240	227	284	274
Other income.....	969	945	943	1 172
<b>Total income</b>	<b>868 712</b>	<b>839 891</b>	<b>849 723</b>	<b>810 092</b>
<b>Income from/expenses to state government</b>				
Income				
Appropriation.....	254 739	250 987	252 637	244 909
Other income.....	—	—	—	20
<b>Net income from/expenses to state government</b>	<b>254 739</b>	<b>250 987</b>	<b>252 637</b>	<b>244 929</b>
<b>Total comprehensive result</b>	<b>1 347</b>	<b>1 602</b>	<b>1 167</b>	<b>4 499</b>

## Administered items for the Department for Education and Child Development

### Statement of financial position

	2017–18 Budget \$000	2016–17 Estimated Result \$000	2016–17 Budget \$000	2015–16 Actual \$000
<b>Assets</b>				
<b>Current assets</b>				
Cash and cash equivalents.....	45 468	44 585	42 249	43 610
Receivables.....	754	754	673	754
Other current assets.....	168	168	22	168
<b>Total current assets</b>	<b>46 390</b>	<b>45 507</b>	<b>42 944</b>	<b>44 532</b>
<b>Non current assets</b>				
Plant and equipment.....	3 186	2 717	2 438	2 021
<b>Total non-current assets</b>	<b>3 186</b>	<b>2 717</b>	<b>2 438</b>	<b>2 021</b>
<b>Total assets</b>	<b>49 576</b>	<b>48 224</b>	<b>45 382</b>	<b>46 553</b>
<b>Liabilities</b>				
<b>Current liabilities</b>				
Payables.....	2 665	2 661	3 387	2 657
Employee benefits				
Salaries and wages.....	301	300	180	235
Annual leave.....	1 006	1 007	1 005	1 008
Long service leave.....	594	594	583	594
Other.....	109	109	97	109
Other current liabilities.....	277	277	410	277
<b>Total current liabilities</b>	<b>4 952</b>	<b>4 948</b>	<b>5 662</b>	<b>4 880</b>
<b>Non current liabilities</b>				
Long-term employee benefits				
Long service leave.....	2 736	2 735	2 899	2 734
<b>Total non-current liabilities</b>	<b>2 736</b>	<b>2 735</b>	<b>2 899</b>	<b>2 734</b>
<b>Total liabilities</b>	<b>7 688</b>	<b>7 683</b>	<b>8 561</b>	<b>7 614</b>
<b>Net assets</b>	<b>41 888</b>	<b>40 541</b>	<b>36 821</b>	<b>38 939</b>
<b>Equity</b>				
Retained earnings.....	39 263	37 916	34 196	36 314
Other reserves.....	2 625	2 625	2 625	2 625
<b>Total equity</b>	<b>41 888</b>	<b>40 541</b>	<b>36 821</b>	<b>38 939</b>

Balances as at 30 June end of period.

## Administered items for the Department for Education and Child Development

### Statement of cash flows

	2017–18 Budget \$000	2016–17 Estimated Result \$000	2016–17 Budget \$000	2015–16 Actual \$000
<b>Operating activities</b>				
<b>Cash outflows</b>				
Employee benefit payments.....	19 384	20 404	21 208	20 125
Payments for supplies and services.....	8 260	8 481	7 531	8 777
Grants and subsidies.....	1 089 021	1 054 784	1 067 329	1 017 573
GST paid.....	—	—	—	21 135
Intra-government transfers.....	4 043	4 437	3 945	4 350
Other payments.....	94	87	97	71
<b>Cash used in operations</b>	<b>1 120 802</b>	<b>1 088 193</b>	<b>1 100 110</b>	<b>1 072 031</b>
<b>Cash inflows</b>				
Intra-government transfers.....	1 832	1 646	700	500
Commonwealth receipts.....	862 229	833 709	844 632	805 046
Fees, fines and penalties.....	—	—	—	21
Sales of goods and services.....	3 442	3 364	3 164	3 010
Interest received.....	240	227	284	275
GST received.....	—	—	—	21 133
Other receipts.....	958	935	933	1 167
<b>Cash generated from operations</b>	<b>868 701</b>	<b>839 881</b>	<b>849 713</b>	<b>831 152</b>
<b>State government</b>				
Appropriation.....	254 739	250 987	252 637	244 909
Other receipts.....	—	—	—	20
<b>Net cash provided by state government</b>	<b>254 739</b>	<b>250 987</b>	<b>252 637</b>	<b>244 929</b>
<b>Net cash provided by (+)/used in (-) operating activities</b>	<b>2 638</b>	<b>2 675</b>	<b>2 240</b>	<b>4 050</b>
<b>Investing activities</b>				
<b>Cash outflows</b>				
Purchase of property, plant and equipment.....	1 755	1 700	1 292	906
<b>Cash used in investing activities</b>	<b>1 755</b>	<b>1 700</b>	<b>1 292</b>	<b>906</b>
<b>Net cash provided by (+)/used in (-) investing activities</b>	<b>-1 755</b>	<b>-1 700</b>	<b>-1 292</b>	<b>-906</b>
<b>Net increase (+)/decrease (-) in cash equivalents</b>	<b>883</b>	<b>975</b>	<b>948</b>	<b>3 144</b>
<b>Cash and cash equivalents at the start of the period</b>	<b>44 585</b>	<b>43 610</b>	<b>41 301</b>	<b>40 466</b>
<b>Cash and cash equivalents at the end of the period</b>	<b>45 468</b>	<b>44 585</b>	<b>42 249</b>	<b>43 610</b>
<b>Non cash transactions</b>				
Assets received (+)/donated (-) free of charge.....	—	—	—	-3

## Summary of major variations

The following commentary relates to variations between the 2017–18 Budget and the 2016–17 Estimated Result.

### Statement of comprehensive income — controlled

#### Expenses

As a result of machinery of government changes in 2016–17, child protection expenditure of \$159.3 million was transferred to the Department for Child Protection, offset by a corresponding increase in expenditure in the Department for Child Protection. After adjusting for the financial impact of the change, the underlying increase in DECD budget in 2017–18 is an increase in expenses of \$93.6 million.

This \$93.6 million increase in expenses is primarily due to:

- higher employee related benefits and supplies and services expenditure, including as a result of the 2016 South Australian School and Preschool Education Staff Enterprise Agreement (\$91.2 million)
- enrolment growth (\$22.7 million)
- higher expenditure in 2017–18 for:
  - government schools utility bills (\$10.5 million)
  - the investment in renewable energy program for schools (\$10.0 million)
  - the Education Management System (\$6.3 million)
  - the Teacher Refresh Scheme (\$5.0 million)
  - the STEM strategy (\$4.3 million)
  - an increase in penalty rates for cleaning for eligible schools (\$3.3 million)
- additional expenditure associated with implementation of recommendations of the Child Protection Systems Royal Commission (\$5.3 million)
- additional expenditure associated with the implementation of the South Australian Collaborative Childhood Project (\$0.9 million)

partially offset by

- deferred expenditure from 2015–16 to 2016–17 including timing of expenditure for the 2016 South Australian School and Preschool Education Staff Enterprise Agreement (\$41.1 million)
- lower expenditure due to the cessation of Shared Services SA charging arrangements effective 1 July 2017 (\$13.7 million)
- once-off Asset Maintenance Program for schools in 2016–17 (\$13.0 million)
- lower expenditure in 2017–18 (\$2.2 million) for Commonwealth Government funded programs including:
  - Australian Education Development Index
  - Home and Community Care Program (HACC) Improving Teacher Quality Rewards National Partnership
  - Indigenous Early Childhood Development National Partnership
  - Rural Care Program
- deferred expenditure from 2015–16 to 2016–17 for the Commonwealth Government funded Universal Access to Early Childhood Education National Partnership (\$1.3 million).

### **Income**

The \$26.7 million increase in income is primarily due to:

- an increase in Commonwealth Government revenue for government schools (\$31.0 million)
- increased revenue from family day care and occasional care services (\$0.7 million)
- higher revenue from the Commonwealth Government funded Universal Access to Early Childhood Education National Partnership (\$0.5 million)

partially offset by

- lower income as a result of machinery of government changes in 2016–17 that resulted in child protection services being transferred to the Department for Child Protection from 1 November 2016, offset by a corresponding increase in income in the Department for Child Protection (\$1.6 million)
- decrease in revenue for the Commonwealth funded Independent Public Schools initiative (\$1.4 million)
- decrease in revenue for the Commonwealth funded Improving Teacher Quality program (\$0.3 million).

### **Statement of financial position — controlled**

The \$32.6 million increase in total assets is primarily due to:

- additional land and improvements associated with the following investing projects:
  - STEM facilities in schools (\$119.1 million)
  - Adelaide Botanic High School (\$49.0 million)
  - Renewable Energy Program (\$10.0 million)
  - Children’s Centres — Stage 2 (\$8.3 million)
  - Playford International College (formerly Fremont-Elizabeth City High School) (\$7.1 million)
  - other capital projects as outlined in the investing expenditure summary table (\$50.7 million)

partially offset by

- an increase in accumulated depreciation and amortisation (\$111.3 million)
- lower cash holdings (\$92.8 million)
- sale of land and buildings (\$5.3 million).

The \$34.4 million increase in total liabilities is primarily due to employee related provisions.

### **Statement of cash flows — controlled**

The movements in cash outflows and inflows are generally consistent with the changes discussed above under the statement of comprehensive income and the statement of financial position.

### **Statement of comprehensive income — administered items**

The \$32.8 million increase in expense is primarily due to an increase in non-government schools funding (\$33.6 million).

The \$28.8 million increase in income is primarily due to an increase in Commonwealth Government funding to non-government schools (\$28.5 million).



**Statement of financial position — administered items**

No major variations.

**Statement of cash flows — administered items**

The movements in cash payments and receipts are consistent with the changes identified under the statement of comprehensive income — administered items.

**Additional information for administered items**

Additional information on administered items is included in the following table.

## Additional information for administered items for Department for Education and Child Development Statement of cash flows

	2017–18 Budget	2016–17 Estimated Result	2016–17 Budget	2015–16 Actual
	\$000	\$000	\$000	\$000
<b>Operating activities</b>				
<b>Cash outflows</b>				
Employee payments				
Consultative committees .....	776	1 081	1 660	1 449
Parliamentary salaries and electorate and expense allowances .....	354	349	351	317
SACE Board of South Australia .....	14 164	14 594	14 814	14 235
Education and Early Childhood Services Registration and Standards Board of SA .....	4 090	4 380	4 383	4 124
Supplies and services				
Consultative committees .....	62	229	234	292
SACE Board of South Australia .....	7 019	7 114	6 159	6 847
Education and Early Childhood Services Registration and Standards Board of SA .....	1 159	1 108	1 108	1 624
Criminal History Screening for Ethnic Schools.....	20	30	30	14
Grants and subsidies				
Multicultural grants.....	1 924	1 877	1 717	1 466
Non-government schools — National Equity Program for schools .....	5 037	4 916	4 916	4 658
Non-government schools — per capita.....	1 058 687	1 025 129	1 037 712	990 020
Non-government preschools grants.....	5 274	5 166	5 166	4 674
Other organisations.....	2 615	2 454	2 537	1 878
Education and Early Childhood Services Registration and Standards Board of SA .....	463	452	452	630
School Chaplaincy Programme NP.....	1 622	1 622	1 622	1 622
Online Safety Programme NP.....	78	78	—	—
Transport concession to students and children.....	13 321	13 090	13 207	12 625
GST paid				
Expenses for administered items.....	—	—	—	20 408
SACE Board of South Australia .....	—	—	—	631
Education and Early Childhood Services Registration and Standard Board of SA .....	—	—	—	96
Intra-government transfers				
Special schools — Child and Youth Health.....	3 100	3 024	3 024	2 950
Multicultural grants.....	20	20	20	—
Other organisations.....	—	83	—	553
National Equity Program for schools.....	30	30	30	142
Transfer of Employee to Department of Health.....	—	37	—	—
Transfer of Salaries to DECD.....	—	372	—	—
SACE Board of South Australia .....	893	871	871	705

	2017–18 Budget	2016–17 Estimated Result	2016–17 Budget	2015–16 Actual
	\$000	\$000	\$000	\$000
Other payments				
Education and Early Childhood Services Registration and Standard Board of SA .....	8	—	—	—
SACE Board of South Australia .....	70	71	71	71
Other .....	16	16	26	—
<b>Cash used in operations</b>	<b>1 120 802</b>	<b>1 088 193</b>	<b>1 100 110</b>	<b>1 072 031</b>
<b>Cash inflows</b>				
Intra-government transfers				
Education and Early Childhood Services Registration and Standard Board of SA .....	—	700	700	500
SACE Board of South Australia .....	1 832	946	—	—
Commonwealth Government receipts				
Commonwealth Government grants — non-government schools .....	862 229	833 709	844 632	805 046
Fees, fines and penalties				
Education and Early Childhood Services Registration and Standard Board of SA .....	—	—	—	21
Sales of goods and services				
SACE Board of South Australia .....	3 022	2 955	2 755	2 603
Education and Early Childhood Services Registration and Standard Board of SA .....	420	409	409	407
Interest				
SACE Board of South Australia .....	203	184	184	210
Education and Early Childhood Services Registration and Standard Board of SA .....	37	43	100	65
GST received				
Expenses for administered items .....	—	—	—	20 495
SACE Board of South Australia .....	—	—	—	638
Other receipts				
SACE Board of South Australia .....	958	933	933	1 078
Education and Early Childhood Services Registration and Standard Board of SA .....	—	—	—	2
Administered Items .....	—	2	—	87
<b>Cash generated from operations</b>	<b>868 701</b>	<b>839 881</b>	<b>849 713</b>	<b>831 152</b>
<b>State government</b>				
Appropriation				
Expenses for administered items .....	254 385	250 638	252 286	244 596
Parliamentary salaries and allowances .....	354	349	351	313
Other receipts				
Transfer from contingencies .....	—	—	—	20
<b>Net cash provided by state government</b>	<b>254 739</b>	<b>250 987</b>	<b>252 637</b>	<b>244 929</b>
<b>Net cash provided by (+)/used in (-) operating activities</b>	<b>2 638</b>	<b>2 675</b>	<b>2 240</b>	<b>4 050</b>

	2017–18 Budget	2016–17 Estimated Result	2016–17 Budget	2015–16 Actual
	\$000	\$000	\$000	\$000
<b>Investing activities</b>				
<b>Cash outflows</b>				
Other payments				
SACE Board of South Australia .....	1 755	1 700	1 292	906
<b>Cash used in investing activities</b>	<b>1 755</b>	<b>1 700</b>	<b>1 292</b>	<b>906</b>
<b>Net cash provided by (+)/used in (-) investing activities</b>	<b>-1 755</b>	<b>-1 700</b>	<b>-1 292</b>	<b>-906</b>
<b>Net increase (+)/decrease (-) in cash equivalents</b>	<b>883</b>	<b>975</b>	<b>948</b>	<b>3 144</b>
<b>Cash and cash equivalents at the start of the financial year (as at 1 July)</b>	<b>44 585</b>	<b>43 610</b>	<b>41 301</b>	<b>40 466</b>
<b>Cash and cash equivalents at the end of the financial year (as at 30 June)</b>	<b>45 468</b>	<b>44 585</b>	<b>42 249</b>	<b>43 610</b>

**Agency: Electoral Commission  
of South Australia**

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**Attorney-General**



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## Objective

To provide services which enable the fair and independent election of government and governing bodies and which help and encourage the community to participate with confidence and trust in the democratic processes of representation.

## Ministerial responsibilities

Minister	Programs	Sub-programs
The Hon. JR Rau Attorney-General	1. Electoral Services	1.1 Parliamentary Electoral Services
		1.2 Non-parliamentary Electoral Services

### Administered items

In addition to the above responsibilities, the agency administers the following items on behalf of the minister:

- Electoral Districts Boundaries Commission
- public funding of election campaigns for participating individuals and parties
- special assistance funding for reimbursement of administrative costs incurred by registered political parties with parliamentary representation
- statutory officer salaries (Electoral Commissioner and Deputy Electoral Commissioner).

### Statutes

The Department of the Premier and Cabinet maintains a list of statutes applicable to ministers.

## Workforce summary

Agency	FTEs as at 30 June		
	2017–18 Budget <sup>(a)</sup>	2016–17 Estimated Result <sup>(a)</sup>	2015–16 Actual <sup>(b)</sup>
Electoral Commission of South Australia.....	28.4	27.4	21.8
Administered items for the Electoral Commission of South Australia .....	2.0	2.0	1.0
<b>Total</b>	<b>30.4</b>	<b>29.4</b>	<b>22.8</b>

(a) The 2017–18 Budget and 2016–17 Estimated Result reflect the established FTE caps.

(b) Data published by the Office for the Public Sector (Department of the Premier and Cabinet).



## Program net cost of services summary

Program	Net cost of services			
	2017–18 Budget	2016–17 Estimated Result	2016–17 Budget	2015–16 Actual
	\$000	\$000	\$000	\$000
1. Electoral Services .....	17 154	4 099	4 885	3 975
<b>Total</b>	<b>17 154</b>	<b>4 099</b>	<b>4 885</b>	<b>3 975</b>

## Investing expenditure summary

The 2017–18 investment program is \$0.9 million.

Investments	Estimated completion Quarter	Total project cost \$000	2017–18 Budget \$000	2016–17 Estimated Result \$000	2016–17 Budget \$000
<b>Existing projects</b>					
Funding and disclosure management systems .....	Dec 2017	400	87	100	100
State election management systems....	Jun 2018	1 000	657	323	575
<b>Total new projects</b>		<b>1 400</b>	<b>744</b>	<b>423</b>	<b>675</b>
<b>Annual programs</b>					
Minor capital works and equipment .....	n.a.	n.a.	134	50	50
<b>Total annual programs</b>			<b>134</b>	<b>50</b>	<b>50</b>
<b>Total investing expenditure</b>		<b>1 400</b>	<b>878</b>	<b>473</b>	<b>725</b>

## Program 1: Electoral Services

### Description/objective

The Electoral Commission of South Australia conducts fair and independent state, local government and nominated agency government elections and utilises its skill base to support non-government electoral activities and offer electoral advice across all community sectors.

A range of electoral services and products are provided, covering the parliamentary and non-parliamentary sectors, including:

- conduct of elections for representatives to sit in the state parliament, local government authorities and other organisations (attendance or postal voting)
- monitoring and reporting disclosures of donations and campaign expenditure for registered political parties, candidates, agents and third parties
- administering the public funding for election campaigns for registered political parties and candidates
- reimbursements of administrative expenditure incurred by registered political parties
- electoral education and information provision for the South Australian community
- research and evaluation of electoral matters
- electoral roll products and maps
- support for parliamentary electoral district boundary and council boundary representation reviews.

### Sub-programs

1.1 Parliamentary Electoral Services

1.2 Non-parliamentary Electoral Services

### Program summary — expenses, income and FTEs

	2017–18 Budget	2016–17 Estimated Result	2016–17 Budget	2015–16 Actual
	\$000	\$000	\$000	\$000
<b>Expenses</b>				
Employee benefit expenses.....	9 297	2 232	2 747	2 304
Supplies and services.....	8 236	2 284	2 432	2 185
Depreciation and amortisation expenses.....	267	206	249	276
Other expenses .....	32	30	30	33
<b>Total expenses</b>	<b>17 832</b>	<b>4 752</b>	<b>5 458</b>	<b>4 798</b>
<b>Income</b>				
Sales of goods and services.....	678	653	573	819
Other income .....	—	—	—	4
<b>Total income</b>	<b>678</b>	<b>653</b>	<b>573</b>	<b>823</b>
<b>Net cost of providing services</b>	<b>17 154</b>	<b>4 099</b>	<b>4 885</b>	<b>3 975</b>
<b>FTEs as at 30 June (No.)</b>	<b>28.4</b>	<b>27.4</b>	<b>27.4</b>	<b>21.8</b>

## Sub-program 1.1: Parliamentary Electoral Services

### Description/objective

Ensures the delivery of parliamentary electoral services for the South Australian community.

	2017–18 Budget	2016–17 Estimated Result	2016–17 Budget	2015–16 Actual
	\$000	\$000	\$000	\$000
Expenses.....	17 416	4 305	5 066	4 173
Income.....	26	26	26	16
<b>Net cost of sub-program</b>	<b>17 390</b>	<b>4 279</b>	<b>5 040</b>	<b>4 157</b>
<b>FTEs as at 30 June (No.)</b>	<b>24.6</b>	23.6	23.6	18.0

### Financial commentary

#### *2017–18 Budget/2016–17 Estimated Result*

The \$13.1 million increase in net cost is primarily due to the state election to be held in March 2018.

#### *2016–17 Estimated Result/2016–17 Budget*

The \$0.8 million decrease in net cost is due to lower employee benefit expenses due to vacant positions and staff working part-time and lower supplies and services costs due to reduced communications and ICT costs related to Funding & Disclosure activities.

#### *2016–17 Estimated Result/2015–16 Actual*

No major variations.

### Highlights 2016–17

- Undertook strategic review of operations and published a new strategic plan for 2017–20.
- Reviewed state election staffing arrangements and developed revised engagement and remuneration model.
- Finalised election management systems requirements and commenced redevelopment of state election management systems.
- Contracted for implementation of an online portal for collection of disclosures relating to political donations and gifts.
- Provided voting services to interstate electors for general elections held for Western Australia, Australian Capital Territory and the Northern Territory.

### Targets 2017–18

- Finalise state election planning following passage of the Electoral (Miscellaneous) Amendment Bill 2016.
- Implement changes to support amendments to the Legislative Council voting system, subject to passage of the Electoral (Legislative Council Voting) (Voter Choice) Amendment Bill 2016.
- Implement redistributed electoral boundaries into the national roll management system.
- Conduct of 2018 state elections to elect 47 Members of the House of Assembly and 11 Members to the Legislative Council.

## Performance indicators

	2017–18 Target	2016–17 Estimated Result	2016–17 Target	2015–16 Actual
No. of elections challenged and upheld due to administrative error	—	—	—	—
% of monthly member of parliament electoral roll extracts provided within seven days of end of month processing	90%	100%	90%	100%
% of people eligible to vote enrolled on the roll	>90%	>90%	>90%	96.1%
Size of the variance between initial results and any required recount	0.002	n.a.	0.002	n.a.
% of parliamentary elections declared within 18 days of poll close	98%	n.a.	98%	n.a.
No. of education activities delivered	3	5	5	3
No. of research projects completed	2	4	4	4

## Activity indicators

	2017–18 Projection	2016–17 Estimated Result	2016–17 Projection	2015–16 Actual
No. of parliamentary elections (general and by-elections) and referenda	48	—	—	—
No. of parliamentary members elected	58	—	—	—
No. of interstate/territory electors served	250	279	300	23
<i>Election expected during 2017–18 is the Queensland general election.</i>				
<i>Elections held during 2016–17 included general elections for Western Australia, Australian Capital Territory and the Northern Territory, Tasmanian Legislative Council elections for the divisions of Launceston, Murchison and Rumney and state by-elections in New South Wales for the districts of Canterbury, Orange, Wollongong, Gosford, Manly and North Shore and Queensland for the district of Toowoomba South.</i>				
<i>Elections held during 2015–16 included two Victorian by-elections, a Queensland state referendum, and two Tasmanian Legislative Council elections.</i>				
No. of parliamentary electors served	1 180 000	—	—	—

## Sub-program 1.2: Non-parliamentary Electoral Services

### Description/objective

The delivery of non-parliamentary electoral services for South Australian organisations and the community at large.

	2017–18 Budget	2016–17 Estimated Result	2016–17 Budget	2015–16 Actual
	\$000	\$000	\$000	\$000
Expenses.....	416	447	392	625
Income.....	652	627	547	807
<b>Net cost of sub-program</b>	<b>-236</b>	<b>-180</b>	<b>-155</b>	<b>-182</b>
<b>FTEs as at 30 June (No.)</b>	<b>3.8</b>	<b>3.8</b>	<b>3.8</b>	<b>3.8</b>

**Financial commentary***2017–18 Budget/2016–17 Estimated Result*

No major variations.

*2016–17 Estimated Result/2016–17 Budget*

No major variations.

*2016–17 Estimated Result/2015–16 Actual*

No major variations.

**Highlights 2016–17**

- Conducted the general elections for male and female members of the Anangu Pitjantjatjara Yankunytjatjara Executive Board.
- Conducted seven supplementary elections for the local government sector, one election to fill a casual vacancy for the Anangu Pitjantjatjara Yankunytjatjara Executive Board, and elections for board members of the South Eastern Water Conservation and Drainage Board and Architectural Practice Board of SA.
- Completed certification of local government representation reviews for 12 councils.

**Targets 2017–18**

- Conduct supplementary elections in three electorates for female members of the Anangu Pitjantjatjara Yankunytjatjara Executive Board.
- Implement a Memorandum of Understanding with the Local Government Association and commence operational planning for 2018 periodic election conduct.
- Certification of 19 local government elector representation reviews.
- Provide input to development of revised representation review schedule for gazettal by Minister for Local Government.

**Performance indicators**

	<b>2017–18 Target</b>	<b>2016–17 Estimated Result</b>	<b>2016–17 Target</b>	<b>2015–16 Actual</b>
No. of elections challenged and upheld due to administrative error	—	—	—	—
% of rolls provided to councils within five days of roll closure	<b>95%</b>	100%	95%	100%
No. of information and research programs	<b>3</b>	5	5	3
Size of the variance between initial results and any required recount	<b>0.002</b>	n.a.	0.002	n.a.
% of non-parliamentary elections and polls provisionally declared within 12 working hours from poll close	<b>95%</b>	100%	95%	100%

**Activity indicators**

	<b>2017–18 Projection</b>	<b>2016–17 Estimated Result</b>	<b>2016–17 Projection</b>	<b>2015–16 Actual</b>
No. of local government elections and polls	<b>6</b>	11	8	8
No. of non-parliamentary elections prescribed by Acts of parliament	<b>1</b>	3	3	4
No. of commercial services provided for client organisations	<b>2</b>	3	3	2
No. of local government representation reviews certified	<b>19</b>	12	14	—

## Electoral Commission of South Australia

### Statement of comprehensive income

	2017–18 Budget	2016–17 Estimated Result	2016–17 Budget	2015–16 Actual
	\$000	\$000	\$000	\$000
<b>Expenses</b>				
Employee benefit expenses				
Salaries, wages, annual and sick leave.....	8 170	1 868	2 282	1 788
Long service leave.....	52	44	53	169
Payroll tax.....	425	103	125	107
Superannuation.....	636	204	250	207
Other.....	14	13	37	33
Supplies and services				
General supplies and services.....	8 156	2 282	2 430	2 185
Consultancy expenses.....	80	2	2	—
Depreciation and amortisation.....	267	206	249	276
Other expenses.....	32	30	30	33
<b>Total expenses</b>	<b>17 832</b>	<b>4 752</b>	<b>5 458</b>	<b>4 798</b>
<b>Income</b>				
Sales of goods and services.....	678	653	573	819
Other income.....	—	—	—	4
<b>Total income</b>	<b>678</b>	<b>653</b>	<b>573</b>	<b>823</b>
<b>Net cost of providing services</b>	<b>17 154</b>	<b>4 099</b>	<b>4 885</b>	<b>3 975</b>
<b>Income from/expenses to state government</b>				
Income				
Appropriation.....	17 332	4 442	5 228	4 605
<b>Net income from/expenses to state government</b>	<b>17 332</b>	<b>4 442</b>	<b>5 228</b>	<b>4 605</b>
<b>Total comprehensive result</b>	<b>178</b>	<b>343</b>	<b>343</b>	<b>630</b>

## Electoral Commission of South Australia Statement of financial position

	2017–18 Budget \$000	2016–17 Estimated Result \$000	2016–17 Budget \$000	2015–16 Actual \$000
<b>Assets</b>				
<b>Current assets</b>				
Cash and cash equivalents.....	3 595	4 107	3 349	4 111
Receivables.....	275	180	454	85
Other current assets.....	10	10	8	10
<b>Total current assets</b>	<b>3 880</b>	<b>4 297</b>	<b>3 811</b>	<b>4 206</b>
<b>Non current assets</b>				
Land and improvements.....	21	95	70	208
Plant and equipment.....	360	166	261	166
Intangible assets.....	1 153	662	791	282
<b>Total non-current assets</b>	<b>1 534</b>	<b>923</b>	<b>1 122</b>	<b>656</b>
<b>Total assets</b>	<b>5 414</b>	<b>5 220</b>	<b>4 933</b>	<b>4 862</b>
<b>Liabilities</b>				
<b>Current liabilities</b>				
Payables.....	220	195	250	170
Employee benefits				
Salaries and wages.....	38	32	38	27
Annual leave.....	159	154	148	149
Long service leave.....	38	38	33	38
Other.....	7	7	18	7
Short-term provisions.....	7	7	6	7
Other current liabilities.....	—	—	195	—
<b>Total current liabilities</b>	<b>469</b>	<b>433</b>	<b>688</b>	<b>398</b>
<b>Non current liabilities</b>				
Long-term employee benefits				
Long service leave.....	442	462	356	482
Long-term provisions.....	9	9	17	9
<b>Total non-current liabilities</b>	<b>451</b>	<b>471</b>	<b>373</b>	<b>491</b>
<b>Total liabilities</b>	<b>920</b>	<b>904</b>	<b>1 061</b>	<b>889</b>
<b>Net assets</b>	<b>4 494</b>	<b>4 316</b>	<b>3 872</b>	<b>3 973</b>
<b>Equity</b>				
Contributed capital.....	1 558	1 558	1 558	1 558
Retained earnings.....	2 936	2 758	2 314	2 415
<b>Total equity</b>	<b>4 494</b>	<b>4 316</b>	<b>3 872</b>	<b>3 973</b>

Balances as at 30 June end of period.



## Electoral Commission of South Australia

### Statement of cash flows

	2017–18 Budget	2016–17 Estimated Result	2016–17 Budget	2015–16 Actual
	\$000	\$000	\$000	\$000
<b>Operating activities</b>				
<b>Cash outflows</b>				
Employee benefit payments.....	9 302	2 238	2 753	2 216
Payments for supplies and services.....	8 215	2 263	2 411	2 647
Other payments.....	32	30	30	36
<b>Cash used in operations</b>	<b>17 549</b>	<b>4 531</b>	<b>5 194</b>	<b>4 899</b>
<b>Cash inflows</b>				
Sales of goods and services.....	583	558	478	1 091
GST received.....	—	—	—	148
Other receipts.....	—	—	—	9
<b>Cash generated from operations</b>	<b>583</b>	<b>558</b>	<b>478</b>	<b>1 248</b>
<b>State government</b>				
Appropriation.....	17 332	4 442	5 228	4 605
<b>Net cash provided by state government</b>	<b>17 332</b>	<b>4 442</b>	<b>5 228</b>	<b>4 605</b>
<b>Net cash provided by (+)/used in (-) operating activities</b>	<b>366</b>	<b>469</b>	<b>512</b>	<b>954</b>
<b>Investing activities</b>				
<b>Cash outflows</b>				
Purchase of property, plant and equipment.....	268	50	132	59
Purchase of intangibles.....	610	423	593	234
<b>Cash used in investing activities</b>	<b>878</b>	<b>473</b>	<b>725</b>	<b>293</b>
<b>Net cash provided by (+)/used in (-) investing activities</b>	<b>-878</b>	<b>-473</b>	<b>-725</b>	<b>-293</b>
<b>Financing activities</b>				
<b>Cash inflows</b>				
Capital contributions from state government.....	—	—	—	195
<b>Cash generated from financing activities</b>	<b>—</b>	<b>—</b>	<b>—</b>	<b>195</b>
<b>Net cash provided by (+)/used in (-) financing activities</b>	<b>—</b>	<b>—</b>	<b>—</b>	<b>195</b>
<b>Net increase (+)/decrease (-) in cash equivalents</b>	<b>-512</b>	<b>-4</b>	<b>-213</b>	<b>856</b>
<b>Cash and cash equivalents at the start of the period</b>	<b>4 107</b>	<b>4 111</b>	<b>3 562</b>	<b>3 255</b>
<b>Cash and cash equivalents at the end of the period</b>	<b>3 595</b>	<b>4 107</b>	<b>3 349</b>	<b>4 111</b>

## Administered items for the Electoral Commission of South Australia

### Statement of comprehensive income

	2017–18 Budget	2016–17 Estimated Result	2016–17 Budget	2015–16 Actual
	\$000	\$000	\$000	\$000
<b>Expenses</b>				
Employee benefit expenses				
Salaries, wages, annual and sick leave.....	375	353	406	262
Long service leave.....	9	6	8	85
Payroll tax.....	20	19	22	19
Superannuation.....	36	32	39	33
Other.....	6	5	5	7
Supplies and services				
General supplies and services.....	456	349	287	153
Consultancy expenses.....	—	10	5	2
Intra government transfers.....	—	—	—	70
Other expenses.....	—	28	—	89
<b>Total expenses</b>	<b>902</b>	<b>802</b>	<b>772</b>	<b>720</b>
<b>Income</b>				
Fees, fines and penalties.....	—	28	—	87
Interest revenues.....	—	—	—	3
<b>Total income</b>	<b>—</b>	<b>28</b>	<b>—</b>	<b>90</b>
<b>Income from/expenses to state government</b>				
Income				
Appropriation.....	902	697	772	710
<b>Net income from/expenses to state government</b>	<b>902</b>	<b>697</b>	<b>772</b>	<b>710</b>
<b>Total comprehensive result</b>	<b>—</b>	<b>-77</b>	<b>—</b>	<b>80</b>

## Administered items for the Electoral Commission of South Australia

### Statement of financial position

	2017–18 Budget \$000	2016–17 Estimated Result \$000	2016–17 Budget \$000	2015–16 Actual \$000
<b>Assets</b>				
<b>Current assets</b>				
Cash and cash equivalents.....	211	210	186	286
Receivables.....	284	284	482	284
<b>Total current assets</b>	<b>495</b>	<b>494</b>	<b>668</b>	<b>570</b>
<b>Total assets</b>	<b>495</b>	<b>494</b>	<b>668</b>	<b>570</b>
<b>Liabilities</b>				
<b>Current liabilities</b>				
Payables.....	42	42	215	42
Employee benefits				
Salaries and wages.....	2	1	2	—
Annual leave.....	23	23	31	23
Long service leave.....	17	17	81	17
Other.....	9	9	14	9
<b>Total current liabilities</b>	<b>93</b>	<b>92</b>	<b>343</b>	<b>91</b>
<b>Non current liabilities</b>				
Long-term employee benefits				
Long service leave.....	215	215	141	215
<b>Total non-current liabilities</b>	<b>215</b>	<b>215</b>	<b>141</b>	<b>215</b>
<b>Total liabilities</b>	<b>308</b>	<b>307</b>	<b>484</b>	<b>306</b>
<b>Net assets</b>	<b>187</b>	<b>187</b>	<b>184</b>	<b>264</b>
<b>Equity</b>				
Retained earnings.....	187	187	184	264
<b>Total equity</b>	<b>187</b>	<b>187</b>	<b>184</b>	<b>264</b>

Balances as at 30 June end of period.

## Administered items for the Electoral Commission of South Australia

### Statement of cash flows

	2017–18 Budget \$000	2016–17 Estimated Result \$000	2016–17 Budget \$000	2015–16 Actual \$000
<b>Operating activities</b>				
<b>Cash outflows</b>				
Employee benefit payments.....	445	414	479	407
Payments for supplies and services.....	456	359	292	153
Intra-government transfers.....	—	—	—	70
Other payments.....	—	28	—	282
<b>Cash used in operations</b>	<b>901</b>	<b>801</b>	<b>771</b>	<b>912</b>
<b>Cash inflows</b>				
Fees, fines and penalties.....	—	28	—	282
Interest received.....	—	—	—	3
GST received.....	—	—	—	19
<b>Cash generated from operations</b>	<b>—</b>	<b>28</b>	<b>—</b>	<b>304</b>
<b>State government</b>				
Appropriation.....	902	697	772	710
<b>Net cash provided by state government</b>	<b>902</b>	<b>697</b>	<b>772</b>	<b>710</b>
<b>Net cash provided by (+)/used in (-) operating activities</b>	<b>1</b>	<b>-76</b>	<b>1</b>	<b>102</b>
<b>Net increase (+)/decrease (-) in cash equivalents</b>	<b>1</b>	<b>-76</b>	<b>1</b>	<b>102</b>
<b>Cash and cash equivalents at the start of the period</b>	<b>210</b>	<b>286</b>	<b>185</b>	<b>184</b>
<b>Cash and cash equivalents at the end of the period</b>	<b>211</b>	<b>210</b>	<b>186</b>	<b>286</b>

## Summary of major variations

The following commentary relates to variations between the 2017–18 Budget and the 2016–17 Estimated Result.

### Statement of comprehensive income — controlled

#### *Expenses*

The \$13.1 million increase in expenses is primarily due to the state election to be held in March 2018.

#### *Income*

No major variations.

### Statement of financial position — controlled

The \$0.2 million increase in total assets and net assets is primarily due to capital expenditure on the development and implementation of state election management systems and funding and disclosure management systems in 2017–18 (\$0.7 million), partially offset by a decrease in cash associated with funding the capital expenditure (\$0.5 million).

### Statement of cash flows — controlled

The movements in cash outflows and inflows are generally consistent with the changes discussed above under the statement of comprehensive income and the statement of financial position.

### Statement of comprehensive income — administered items

The \$0.1 million increase in expenses is primarily due to the increase in Special Assistance Funding claims (\$0.4 million), partially offset by completion of the Electoral Districts Boundaries Commission activities in 2016–17 (\$0.3 million).

### Statement of financial position — administered items

No major variations.

### Statement of cash flows — administered items

The movements in cash outflows and inflows are generally consistent with the changes discussed above under the statement of comprehensive income.

### Additional information for administered items

Additional information on administered items is included in the following table.

**Additional information for administered items for the  
Electoral Commission of South Australia  
Statement of cash flows**

	2017–18 Budget	2016–17 Estimated Result	2016–17 Budget	2015–16 Actual
	\$000	\$000	\$000	\$000
<b>Operating activities</b>				
<b>Cash outflows</b>				
Employee benefit payments				
Special Acts .....	445	323	398	382
Electoral Districts Boundaries Commission .....	—	91	81	25
Payments for supplies and services				
Electoral Districts Boundaries Commission .....	—	266	199	185
Special assistance funding .....	456	93	93	38
Other payments				
Expiation fees received paid to Consolidated Account .....	—	28	—	282
<b>Cash used in operations</b>	<b>901</b>	<b>801</b>	<b>771</b>	<b>912</b>
<b>Cash inflows</b>				
Interest received				
Electoral Districts Boundaries Commission .....	—	—	—	3
Other receipts				
Expiation fees received .....	—	28	—	282
GST received .....	—	—	—	19
<b>Cash generated from operations</b>	<b>—</b>	<b>28</b>	<b>—</b>	<b>304</b>
<b>State government</b>				
Appropriation				
Special Acts .....	446	324	399	382
Electoral Districts Boundaries Commission .....	—	280	280	290
Special assistance funding .....	456	93	93	38
<b>Net cash provided by state government</b>	<b>902</b>	<b>697</b>	<b>772</b>	<b>710</b>
<b>Net cash provided by (+)/used in (-) operating activities</b>	<b>1</b>	<b>-76</b>	<b>1</b>	<b>102</b>
<b>Net increase (+)/decrease (-) in cash equivalents</b>	<b>1</b>	<b>-76</b>	<b>1</b>	<b>102</b>
<b>Cash and cash equivalents at the start of the financial year (as at 1 July)</b>	<b>210</b>	<b>286</b>	<b>185</b>	<b>184</b>
<b>Cash and cash equivalents at the end of the financial year (as at 30 June)</b>	<b>211</b>	<b>210</b>	<b>186</b>	<b>286</b>

**Agency: South Australian  
Country Fire Service**

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**Minister for Emergency Services**





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## Objective

The South Australian Country Fire Service (CFS) serves communities through dedicated volunteers delivering professional fire and rescue services to outer metropolitan, regional and rural South Australia.

The objectives of the CFS are:

- to provide frontline services with a view to preventing the outbreak of fires, or reducing the impact of fires
- to provide efficient and responsive frontline services for the purpose of fighting fires, dealing with other emergencies or undertaking any rescues
- to protect life, property and environmental assets from fire and other emergencies
- to develop and maintain plans to cope with the effects of fires or emergencies
- to provide services or support to assist with recovery in the event of a fire or other emergency.

## Ministerial responsibilities

Minister	Programs	Sub-programs
<b>The Hon. P Malinauskas</b> Minister for Emergency Services	1. Country Fire Service	1.1 Frontline Service Delivery 1.2 Frontline Service Delivery Support

### Statutes

The Department of the Premier and Cabinet maintains a list of statutes applicable to ministers.

## Workforce summary

Agency	FTEs as at 30 June		
	2017–18 Budget <sup>(a)</sup>	2016–17 Estimated Result <sup>(a)</sup>	2015–16 Actual <sup>(b)</sup>
South Australian Country Fire Service.....	145.1	145.1	146.2
<b>Total</b>	<b>145.1</b>	<b>145.1</b>	<b>146.2</b>

(a) The 2017–18 Budget and 2016–17 Estimated Result reflect the established FTE caps.

(b) Data published by the Office for the Public Sector (Department of the Premier and Cabinet).

## Program net cost of services summary

Program	Net cost of services <sup>(a)</sup>			
	2017–18 Budget \$000	2016–17 Estimated Result \$000	2016–17 Budget \$000	2015–16 Actual \$000
1. Country Fire Service .....	72 017	66 590	68 496	71 728
<b>Total</b>	<b>72 017</b>	<b>66 590</b>	<b>68 496</b>	<b>71 728</b>

(a) The net cost of services excludes transfers from the Community Emergency Services Fund.

## Investing expenditure summary

The 2017–18 investment program is \$16.2 million.

The investing program provides emergency response vehicles, fire stations and buildings, operational equipment and information technology.

<b>Investments</b>	<b>Estimated completion</b>	<b>Total project cost</b>	<b>2017–18 Budget</b>	<b>2016–17 Estimated Result</b>	<b>2016–17 Budget</b>
	<b>Quarter</b>	<b>\$000</b>	<b>\$000</b>	<b>\$000</b>	<b>\$000</b>
<b><i>Annual programs</i></b>					
Capital works, vehicles and equipment.....	n.a.	n.a.	<b>15 320</b>	14 184	14 313
Replacement of telecommunications equipment.....	n.a.	n.a.	<b>840</b>	1 747	1 747
<b>Total annual programs</b>			<b>16 160</b>	<b>15 931</b>	<b>16 060</b>
<b>Total investing expenditure</b>			<b>16 160</b>	<b>15 931</b>	<b>16 060</b>

## Program 1: Country Fire Service

### Description/objective

The South Australian Country Fire Service (CFS) delivers a comprehensive range of fire and rescue services to the community. Our volunteers, supported by a small team of dedicated staff, protect the community by combating bushfires, responding to fires in houses and buildings, rescuing people from car crashes mostly involving high speed collisions and rollovers, isolating, containing and neutralising dangerous chemicals that have been spilt, and in times of need, providing services to the community by assisting other agencies.

CFS engages with the community to increase people's understanding of the risks they face from bushfire and how they can prepare for bushfire events.

When incidents occur, CFS provides information to keep the community informed of the locations and dangers involved.

CFS is an agency characterised by flexibility, depth, and responsiveness that frequently manoeuvres rapidly across the state in force to resolve an emergency incident.

CFS works with the community, industry, other agencies and local government to identify risks, reduce risks and control hazards.

CFS has strong representation in the community across South Australia. This is achieved through our volunteers, including our cadets, who are committed to protecting their communities. CFS has brigades operating across the state with a large fleet of fire trucks. Local brigades contribute to out of area deployments to assist neighbouring communities, communities elsewhere in the state, and interstate where required.

CFS has a strong focus on frontline service delivery to the community but this is only possible when it is supported by effective operational planning, infrastructure and training.

With a vision of 'a trusted and effective community based fire and emergency service', the CFS mission is 'an integrated and trusted fire and emergency service, contributing to safer and more resilient communities — today, tomorrow and for the future'.

### Sub-programs

- 1.1 Frontline Service Delivery
- 1.2 Frontline Service Delivery Support

## Program summary — expenses, income and FTEs

	2017–18 Budget	2016–17 Estimated Result	2016–17 Budget	2015–16 Actual
	\$000	\$000	\$000	\$000
<b>Expenses</b>				
Employee benefit expenses.....	15 434	15 167	15 171	16 145
Supplies and services.....	49 379	44 825	44 244	46 625
Depreciation and amortisation expenses.....	10 265	10 265	12 285	9 985
Grants and subsidies.....	434	423	423	389
Other expenses .....	548	534	534	3 491
<b>Total expenses</b>	<b>76 060</b>	<b>71 214</b>	<b>72 657</b>	<b>76 635</b>
<b>Income</b>				
Commonwealth revenues.....	1 877	1 876	1 876	2 011
Sales of goods and services.....	1 148	1 120	1 120	1 543
Other income .....	1 018	1 628	1 165	1 353
<b>Total income</b>	<b>4 043</b>	<b>4 624</b>	<b>4 161</b>	<b>4 907</b>
<b>Net cost of providing services</b>	<b>72 017</b>	<b>66 590</b>	<b>68 496</b>	<b>71 728</b>
<b>FTEs as at 30 June (No.)</b>	<b>145.1</b>	<b>145.1</b>	<b>144.1</b>	<b>146.2</b>

## Sub-program 1.1: Frontline Service Delivery

## Description/objective

This sub-program provides direct delivery of fire and emergency services to the South Australian community. This includes: response services by volunteer firefighters who generously give their time to attend incidents, aerial firefighting services, incident coordination, the provision of emergency warnings and incident information, engagement with the community to increase their resilience to fire and other emergencies, supporting the state's bushfire management framework, and maintaining building and bushfire safety compliance.

	2017–18 Budget	2016–17 Estimated Result	2016–17 Budget	2015–16 Actual
	\$000	\$000	\$000	\$000
Expenses.....	55 961	54 999	56 191	57 648
Income.....	2 688	2 756	2 646	4 155
<b>Net cost of sub-program</b>	<b>53 273</b>	<b>52 243</b>	<b>53 545</b>	<b>53 493</b>
<b>FTEs as at 30 June (No.)</b>	<b>96.5</b>	<b>96.5</b>	<b>95.5</b>	<b>97.2</b>

## Financial commentary

## 2017–18 Budget/2016–17 Estimated Result

The \$1.0 million increase in expenses is primarily due to additional charges associated with the Government Radio Network (\$0.7 million) and the establishment of a CFS Brigade at Leigh Creek (\$0.1 million).

*2016–17 Estimated Result/2016–17 Budget*

The \$1.2 million decrease in expenses is primarily due to:

- revised depreciation expense (\$2.0 million)

partially offset by

- additional volunteer information technology services (\$0.4 million)
- costs incurred responding to extreme weather events in 2016–17 (\$0.3 million).

*2016–17 Estimated Result/2015–16 Actual*

The \$2.6 million decrease in expenses is primarily due to extraordinary bushfire response costs incurred in 2015–16.

**Highlights 2016–17**

- CFS volunteers contributed thousands of hours responding to incidents resulting from multiple severe weather events across the state, including support to the South Australian State Emergency Service and South Australian Metropolitan Fire Service.
- Commenced implementation of relevant recommendations arising from the Independent Review of the Extreme Weather Event South Australia 28 September to 5 October 2016.
- Deployed South Australia’s incident management team personnel to Queensland to assist in the response to Cyclone Debbie.
- Finalised the Limestone Coast and Adelaide-Mount Lofty Ranges Bushfire Management Area Plans.
- Developed Bushfire Management Area Plans for the Flinders Mid-North Yorke, Fleurieu, Kangaroo Island, and Lower Eyre Peninsula areas.

**Targets 2017–18**

- Establishment of a CFS Brigade at Leigh Creek to maintain fire and emergency services to the local community previously provided by Flinders Power.
- Develop the Murray Mallee, Upper Eyre Peninsula and Outback Bushfire Management Area Plans.
- Install signage for bushfire Last Resort Refuges across the state prior to the next fire danger season.
- Undertake the procurement process for the next contract period for aerial firefighting aircraft.
- Review the cadet program to encourage younger people to be more actively involved in CFS and as a pathway to future membership as firefighters.

**Performance indicators**

	<b>2017–18 Target</b>	<b>2016–17 Estimated Result</b>	<b>2016–17 Target</b>	<b>2015–16 Actual</b>
Increase the number of households in high bushfire prone areas that are prepared for a bushfire by 30 per cent by 2020	<b>38%</b>	28%	38%	21%
No. of fire deaths per million people in CFS areas (three year average)	<b>&lt;4.3</b>	5.3	<4.7	4.6
<i>The target is based on achievement of lower rates than the national average (as reported in the Productivity Commission Report on Government Services).</i>				

	2017–18 Target	2016–17 Estimated Result	2016–17 Target	2015–16 Actual
No. of fire injuries per 100 000 people in CFS areas (three year average) <i>The target reflects the national average (as reported in the Productivity Commission Report on Government Services).</i>	<17.1	8.0	<17.6	13.1
% of fires for which a cause is determined <i>The 2015–16 actual and 2016–17 estimated result are lower due to reduced availability of bushfire cause investigators. Additional investigators will be trained in 2017–18.</i>	80%	50%	80%	60%
% of native vegetation clearance applications completed within 10 days	100%	100%	90%	100%
% of building development assessments within 42 days/legislative requirements by CFS	95%	98%	90%	96%

## Activity indicators

	2017–18 Projection	2016–17 Estimated Result	2016–17 Projection	2015–16 Actual
No. of volunteers:	13 550	13 530	14 000	13 932
• firefighters	10 500	10 500	10 900	10 808
• operational support	2 300	2 340	2 300	2 348
• cadets	750	690	800	776
No. of incidents attended:	<9 440	11 250	<8 640	9 043
• bushfire	<2 500	1 500	<2 500	2 496
• structure	<430	350	<430	468
• motor vehicle accidents	<2 300	2 200	<2 300	2 432
• Hazmat (hazardous materials)	<210	200	<210	226
• other	<4 000	7 000	<3 200	3 421
Volunteer hours in attendance at incidents	<700 000	700 000	<700 000	401 949
No. of aircraft operating hours	950	432	950	859
No. of participants at community engagement programs	15 000	16 000	15 000	16 206
No. of households participating in community resilience programs	3 000	2 684	3 000	3 510
No. of Bushfire Information Hotline calls from the community <i>The 2016–17 estimated result is lower than average due to relatively mild weather conditions during the fire season.</i>	<28 000	8 640	<28 000	27 914
No. of CFS website hits:				
• website page views	5 000 000	4 500 000	10 000 000	3 484 398
• website page visits	4 000 000	3 000 000	5 000 000	1 868 891
<i>The 2016–17 estimated result is lower than average due to relatively mild weather conditions during the fire season.</i>				
No. of CFS social media interactions:				
• Facebook page likes	350 000	301 453	300 000	292 961
• total reach	40 000 000	40 000 000	40 000 000	33 463 576
No. of native vegetation clearance applications	10	12	10	7
No. of building development assessments	500	476	600	530
No. of trained accredited bushfire cause investigators	64	54	60	54

## Sub-program 1.2: Frontline Service Delivery Support

### Description/objective

CFS delivers frontline services to the community by supporting that service delivery with review and planning of operational capability, sound governance frameworks, research and development to improve fire trucks, fire stations, equipment and firefighter protection systems as they are replaced, and maintaining high standards of operational readiness through the provision of nationally recognised training for frontline personnel.

	2017–18 Budget	2016–17 Estimated Result	2016–17 Budget	2015–16 Actual
	\$000	\$000	\$000	\$000
Expenses.....	20 099	16 215	16 466	18 987
Income.....	1 355	1 868	1 515	752
<b>Net cost of sub-program</b>	<b>18 744</b>	<b>14 347</b>	<b>14 951</b>	<b>18 235</b>
<b>FTEs as at 30 June (No.)</b>	<b>48.6</b>	48.6	48.6	49.0

### Financial commentary

#### *2017–18 Budget/2016–17 Estimated Result*

The \$3.9 million increase in expenses is primarily due to the provision of a second set of protective clothing to volunteer firefighters (\$2.3 million) and improved fire truck safety systems (\$1.3 million).

#### *2016–17 Estimated Result/2016–17 Budget*

No major variations.

#### *2016–17 Estimated Result/2015–16 Actual*

The \$2.8 million decrease in expenses is primarily due to the revaluation of the workers compensation provision in 2015–16.

### Highlights 2016–17

- Completed the procurement process to retrofit fire safety systems to fire trucks.
- New fire stations constructed at Farrell Flat, Gawler River, Port Victoria, Rapid Bay, Mundulla, Stewarts Range and Terowie.
- Delivered 38 new fire trucks to brigades across the state.
- Continued the roll-out of a second set of structural protective clothing and commenced the roll-out of a second set of rural protective clothing to volunteer firefighters.
- Delivered 3200 accredited training courses to staff and volunteers.

### Targets 2017–18

- Commence the three year program to retrofit safety systems across the CFS fleet to provide enhanced burn-over safety for fire crews.
- Upgrade the water retention and reticulation system used to support firefighter training at the State Training Centre in the Adelaide Hills.



- Construct 37 new fire trucks.
- Expected completion of new fire stations at Montacute, Rockleigh and Tailem Bend.

#### Performance indicators

	2017–18 Target	2016–17 Estimated Result	2016–17 Target	2015–16 Actual
No. of injuries per 100 000 operational hours	<15	10	<15	4

#### Activity indicators

	2017–18 Projection	2016–17 Estimated Result	2016–17 Projection	2015–16 Actual
No. of state level 3 exercises conducted	4	4	1	1
No. of regional level 2 exercises conducted	6	6	6	6
No. of accredited training courses:	3 400	3 200	3 400	3 345
• bushfire	1 600	1 651	1 600	1 624
• road crash rescue	60	56	120	68
• structural	400	400	600	460
• hazmat	15	14	20	16
• leadership	60	31	60	32
• other	1 265	1 048	1 000	1 145

## Country Fire Service

### Statement of comprehensive income

	2017–18 Budget	2016–17 Estimated Result	2016–17 Budget	2015–16 Actual
	\$000	\$000	\$000	\$000
<b>Expenses</b>				
Employee benefit expenses				
Salaries, wages, annual and sick leave.....	12 838	12 617	12 621	13 258
Long service leave.....	217	214	214	607
Payroll tax.....	698	686	686	737
Superannuation.....	1 301	1 278	1 278	1 289
Other.....	380	372	372	254
Supplies and services				
General supplies and services.....	49 184	44 654	44 073	46 560
Consultancy expenses.....	—	—	—	65
Depreciation and amortisation.....	10 265	10 265	12 285	9 985
Grants and subsidies.....	434	423	423	389
Intra government transfers.....	195	171	171	—
Other expenses.....	548	534	534	3 491
<b>Total expenses</b>	<b>76 060</b>	<b>71 214</b>	<b>72 657</b>	<b>76 635</b>
<b>Income</b>				
Commonwealth revenues.....	1 877	1 876	1 876	2 011
Intra-government transfers.....	87 453	83 425	82 407	74 986
Other grants.....	45	44	44	—
Fees, fines and penalties.....	—	—	—	508
Sales of goods and services.....	1 148	1 120	1 120	1 035
Interest revenues.....	94	78	269	122
Net gain or loss on disposal of assets.....	-19	-19	-19	-21
Other income.....	898	1 415	871	655
<b>Total income</b>	<b>91 496</b>	<b>87 939</b>	<b>86 568</b>	<b>79 296</b>
<b>Net cost of providing services</b>	<b>-15 436</b>	<b>-16 725</b>	<b>-13 911</b>	<b>-2 661</b>
<b>Income from/expenses to state government</b>				
Income				
Other income.....	—	—	—	48
<b>Net income from/expenses to state government</b>	<b>—</b>	<b>—</b>	<b>—</b>	<b>48</b>
<b>Total comprehensive result</b>	<b>15 436</b>	<b>16 725</b>	<b>13 911</b>	<b>2 709</b>

## Country Fire Service Statement of financial position

	2017–18 Budget \$000	2016–17 Estimated Result \$000	2016–17 Budget \$000	2015–16 Actual \$000
<b>Assets</b>				
<b>Current assets</b>				
Cash and cash equivalents.....	14 888	15 159	11 345	13 127
Receivables.....	1 860	1 860	4 787	1 860
Other financial assets.....	2 266	2 266	2 208	2 266
Other current assets.....	39	39	—	39
Non-current assets held for sale.....	742	742	742	742
<b>Total current assets</b>	<b>19 795</b>	<b>20 066</b>	<b>19 082</b>	<b>18 034</b>
<b>Non current assets</b>				
Land and improvements.....	51 732	52 484	51 575	53 273
Plant and equipment.....	125 376	118 998	114 909	112 812
Intangible assets.....	5	5	7	5
<b>Total non-current assets</b>	<b>177 113</b>	<b>171 487</b>	<b>166 491</b>	<b>166 090</b>
<b>Total assets</b>	<b>196 908</b>	<b>191 553</b>	<b>185 573</b>	<b>184 124</b>
<b>Liabilities</b>				
<b>Current liabilities</b>				
Payables.....	5 478	5 485	2 891	5 492
Employee benefits				
Salaries and wages.....	322	268	258	220
Annual leave.....	1 595	1 595	1 460	1 595
Long service leave.....	115	115	628	115
Other.....	151	151	135	151
Short-term provisions.....	2 562	2 562	985	2 562
<b>Total current liabilities</b>	<b>10 223</b>	<b>10 176</b>	<b>6 357</b>	<b>10 135</b>
<b>Non current liabilities</b>				
Long-term employee benefits				
Long service leave.....	3 773	3 669	3 202	3 565
Long-term provisions.....	86 724	96 956	98 533	2 461
<b>Total non-current liabilities</b>	<b>90 497</b>	<b>100 625</b>	<b>101 735</b>	<b>6 026</b>
<b>Total liabilities</b>	<b>100 720</b>	<b>110 801</b>	<b>108 092</b>	<b>16 161</b>
<b>Net assets</b>	<b>96 188</b>	<b>80 752</b>	<b>77 481</b>	<b>167 963</b>
<b>Equity</b>				
Retained earnings.....	50 486	35 050	31 778	122 261
Asset revaluation reserve.....	45 702	45 702	45 703	45 702
<b>Total equity</b>	<b>96 188</b>	<b>80 752</b>	<b>77 481</b>	<b>167 963</b>

Balances as at 30 June end of period.

## Country Fire Service Statement of cash flows

	2017–18 Budget \$000	2016–17 Estimated Result \$000	2016–17 Budget \$000	2015–16 Actual \$000
<b>Operating activities</b>				
<b>Cash outflows</b>				
Employee benefit payments.....	25 508	24 456	24 460	17 499
Payments for supplies and services.....	49 191	44 661	44 080	49 251
Grants and subsidies.....	434	423	423	389
Intra-government transfers.....	195	171	171	—
Other payments.....	548	534	534	2 353
<b>Cash used in operations</b>	<b>75 876</b>	<b>70 245</b>	<b>69 668</b>	<b>69 492</b>
<b>Cash inflows</b>				
Intra-government transfers.....	87 453	83 425	82 407	74 389
Commonwealth receipts.....	1 877	1 876	1 876	2 011
Other grants.....	45	44	44	—
Sales of goods and services.....	1 148	1 120	1 120	4 823
Interest received.....	94	78	269	124
GST received.....	—	—	—	5 664
Other receipts.....	898	1 415	871	1 307
<b>Cash generated from operations</b>	<b>91 515</b>	<b>87 958</b>	<b>86 587</b>	<b>88 318</b>
<b>State government</b>				
Other receipts.....	—	—	—	48
<b>Net cash provided by state government</b>	<b>—</b>	<b>—</b>	<b>—</b>	<b>48</b>
<b>Net cash provided by (+)/used in (-) operating activities</b>	<b>15 639</b>	<b>17 713</b>	<b>16 919</b>	<b>18 874</b>
<b>Investing activities</b>				
<b>Cash outflows</b>				
Purchase of property, plant and equipment.....	16 160	15 931	16 060	15 104
Other investing payments.....	—	—	—	58
<b>Cash used in investing activities</b>	<b>16 160</b>	<b>15 931</b>	<b>16 060</b>	<b>15 162</b>
<b>Cash inflows</b>				
Proceeds from sale of property, plant and equipment.....	250	250	250	280
<b>Cash generated from investing activities</b>	<b>250</b>	<b>250</b>	<b>250</b>	<b>280</b>
<b>Net cash provided by (+)/used in (-) investing activities</b>	<b>-15 910</b>	<b>-15 681</b>	<b>-15 810</b>	<b>-14 882</b>
<b>Net increase (+)/decrease (-) in cash equivalents</b>	<b>-271</b>	<b>2 032</b>	<b>1 109</b>	<b>3 992</b>
<b>Cash and cash equivalents at the start of the period</b>	<b>15 159</b>	<b>13 127</b>	<b>10 236</b>	<b>9 135</b>
<b>Cash and cash equivalents at the end of the period</b>	<b>14 888</b>	<b>15 159</b>	<b>11 345</b>	<b>13 127</b>

## Summary of major variations

The following commentary relates to variations between the 2017–18 Budget and the 2016–17 Estimated Result.

### Statement of comprehensive income — controlled

#### *Expenses*

The \$4.8 million increase in expenses is primarily due to:

- the provision of a second set of protective clothing to volunteer firefighters (\$2.3 million)
- improved fire truck safety systems (\$1.3 million)
- additional charges associated with the Government Radio Network (\$0.7 million)
- the establishment of a CFS Brigade at Leigh Creek (\$0.1 million).

#### *Income*

The \$3.6 million increase in income is primarily due to higher payments from the Community Emergency Services Fund reflecting budget initiatives.

### Statement of financial position — controlled

The \$5.4 million increase in total assets is primarily due to the recognition of new plant and equipment in 2017–18.

The \$10.0 million decrease in total liabilities is primarily due to the budgeted movement in the workers compensation provision as determined by actuarial assessment.

### Statement of cash flows — controlled

The movement in cash outflows and inflows are generally consistent with the changes discussed above under the statement of comprehensive income and the statement of financial position.



**Agency: South Australian  
Metropolitan Fire  
Service**

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**Minister for Emergency Services**





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## Objective

The South Australian Metropolitan Fire Service (MFS) is a statutory authority committed to protecting life, property and the environment from fire and other emergencies. The objectives of the MFS are to:

- demonstrate leadership and confidently advance our services
- engage with our stakeholders and effectively plan to meet community needs
- minimise the frequency and impacts of emergencies through safety regulation, community support and public education
- be prepared in order to provide efficient and effective emergency services
- provide a response service that minimises the effects of emergencies
- provide a recovery service that reduces the social and economic impacts of emergencies
- pursue service innovation and efficiencies.

## Ministerial responsibilities

Minister	Programs	Sub-programs
<b>The Hon. P Malinauskas</b> Minister for Emergency Services	1. South Australian Metropolitan Fire Service	1.1 Frontline Services 1.2 Frontline Support 1.3 Governance and Public Value

### Statutes

The Department of the Premier and Cabinet maintains a list of statutes applicable to ministers.

## Workforce summary

Agency	FTEs as at 30 June		
	2017–18 Budget <sup>(a)</sup>	2016–17 Estimated Result <sup>(a)</sup>	2015–16 Actual <sup>(b)</sup>
South Australian Metropolitan Fire Service .....	944.5	943.0	948.3
<b>Total</b>	<b>944.5</b>	<b>943.0</b>	<b>948.3</b>

(a) The 2017–18 Budget and 2016–17 Estimated Result reflect the established FTE caps.

(b) Data published by the Office for the Public Sector (Department of the Premier and Cabinet).

## Program net cost of services summary

Program	Net cost of services <sup>(a)</sup>			
	2017–18 Budget	2016–17 Estimated Result	2016–17 Budget	2015–16 Actual
	\$000	\$000	\$000	\$000
1. South Australian Metropolitan Fire Service	134 716	130 344	130 924	145 809
<b>Total</b>	<b>134 716</b>	<b>130 344</b>	<b>130 924</b>	<b>145 809</b>

(a) The net cost of services excludes transfers from the Community Emergency Services Fund.

## Investing expenditure summary

The 2017–18 investment program is \$5.2 million.

<b>Investments</b>	<b>Estimated completion Quarter</b>	<b>Total project cost \$000</b>	<b>2017–18 Budget \$000</b>	<b>2016–17 Estimated Result \$000</b>	<b>2016–17 Budget \$000</b>
<b>Existing projects</b>					
Aerial firefighting appliances.....	Jun 2017	7 740	—	1 258	2 500
General purpose pumpers.....	Jun 2017	4 900	—	4 900	3 400
<b>Total existing projects</b>		<b>12 640</b>	<b>—</b>	<b>6 158</b>	<b>5 900</b>
<b>Annual programs</b>					
Capital works, vehicles and equipment <sup>(a)</sup> .....	n.a.	n.a.	<b>5 018</b>	4 577	3 593
Replacement of telecommunications equipment.....	n.a.	n.a.	<b>211</b>	206	206
<b>Total annual programs</b>			<b>5 229</b>	<b>4 783</b>	<b>3 799</b>
<b>Total investing expenditure</b>		<b>12 640</b>	<b>5 229</b>	<b>10 941</b>	<b>9 699</b>

(a) Includes investing expenditure for two bulk water carrier pods.

## Program 1: South Australian Metropolitan Fire Service

### Description/objective

The MFS is the primary provider of urban firefighting services to the State of South Australia and a statutory authority committed to protecting life, property and the environment from fire and other emergencies. The MFS is governed by the *Fire and Emergency Services Act 2005*.

The MFS is responsible for the protection of the South Australian community from the effects of fires, road crash, hazardous materials, rescues and other incidents and deals with the effects of emergencies on a daily basis. The MFS operates from 20 stations throughout greater metropolitan Adelaide and 16 stations in major regional centres. The MFS maintains a trained professional workforce that includes full-time and retained firefighters, as well as non-operational management and support staff.

### Sub-programs

- 1.1 Frontline Services
- 1.2 Frontline Support
- 1.3 Governance and Public Value

### Program summary — expenses, income and FTEs

	2017–18 Budget	2016–17 Estimated Result	2016–17 Budget	2015–16 Actual
	\$000	\$000	\$000	\$000
<b>Expenses</b>				
Employee benefit expenses.....	118 517	116 025	115 797	114 877
Supplies and services.....	13 183	12 466	11 975	13 555
Depreciation and amortisation expenses.....	8 541	8 541	8 541	7 539
Grants and subsidies.....	—		—	185
Intra-government transfers .....	290	299	290	—
Other expenses .....	35	35	35	16 041
<b>Total expenses</b>	<b>140 566</b>	<b>137 366</b>	<b>136 638</b>	<b>152 197</b>
<b>Income</b>				
Commonwealth revenues .....	1 051	1 016	1 016	1 081
Fees, fines and penalties.....	4 379	4 636	4 286	4 393
Sales of goods and services.....	4	162	4	50
Interest revenues.....	112	112	112	82
Net gain or loss on disposal of assets .....	—	239	—	-28
Other income .....	304	857	296	810
<b>Total income</b>	<b>5 850</b>	<b>7 022</b>	<b>5 714</b>	<b>6 388</b>
<b>Net cost of providing services</b>	<b>134 716</b>	<b>130 344</b>	<b>130 924</b>	<b>145 809</b>
<b>FTEs as at 30 June (No.)</b>	<b>944.5</b>	943.0	943.0	948.3

## Sub-program 1.1: Frontline Services

### Description/objective

MFS Frontline Services protect the South Australian community, environment and economy from the effects of fires and other emergencies. Frontline Services include Prevention and Response programs.

Prevention programs minimise the frequency and effects of fires and other emergencies and include fire cause investigation, safety inspections of public buildings, regulation, community support and education. MFS personnel also provide engineering advice and assistance with the development of cost-effective fire safety systems.

Response programs reduce risk to South Australian lives, property, environment and economy and include 000 call receipts for the South Australian Emergency Services Sector, the dispatch and deployment of emergency resources and the management of emergency incidents. The MFS is the primary provider of structural firefighting services to South Australia and is responsible for the management and response to urban search and rescue for the state and hazardous materials and road crash rescue incidents in MFS' gazetted areas.

	2017–18 Budget	2016–17 Estimated Result	2016–17 Budget	2015–16 Actual
	\$000	\$000	\$000	\$000
Expenses.....	110 975	108 503	108 350	109 250
Income.....	4 668	4 724	4 290	4 524
<b>Net cost of sub-program</b>	<b>106 307</b>	<b>103 779</b>	<b>104 060</b>	<b>104 726</b>
<b>FTEs as at 30 June (No.)</b>	<b>832.4</b>	830.9	830.9	836.2

### Financial commentary

#### *2017–18 Budget/2016–17 Estimated Result*

The \$2.5 million increase in expenses is primarily due to additional funding for enhancements to 000 and 132 500 (\$0.4 million), firefighters protective clothing (\$0.3 million), perfluorinated chemical monitoring (\$0.3 million) and growth in base expenditure.

#### *2016–17 Estimated Result/2016–17 Budget*

No major variations.

#### *2016–17 Estimated Result/2015–16 Actual*

No major variations.

### Highlights 2016–17

- Identified the cause of fire in over 96 per cent of incidents.
- Significantly reduced high-risk behaviours among young South Australians through the Road Awareness Program (RAP) and Juvenile Fire Lighters Intervention Program (J-Flip). These programs also reduced the social and economic costs to the community.
- Answered 93 per cent of 000 calls from the public in less than five seconds ensuring the fastest and most appropriate response dispatch to all emergency incidents.
- Achieved an average 000 call answering time of 4.67 seconds, below the target time of five seconds.

- Contained 83 per cent of structure and other fires to the room or area of origin, helping minimise the cost of fires to the South Australian community.

### Targets 2017–18

- Implement a new tablet-based information management system on MFS Appliances that improves the agency's ability to capture key response performance data.
- Continue to develop a greatly enhanced technical rescue capability and capacity available across the state.
- Ensure all South Australian major events during 2017–18 are risk assessed and have appropriate fire protection plans.

### Performance indicators

	2017–18 Target	2016–17 Estimated Result	2016–17 Target	2015–16 Actual
<b>Ensure the development and delivery of effective emergency management systems</b>				
• Percentage of South Australian major events that have current fire protection plans	100%	100%	100%	100%
<b>Identify risks associated with fire and other emergencies:</b>				
• % of fire causes that are undetermined	<11%	4%	<11%	9%
<b>Foster safer community behaviours:</b>				
• Percentage of Road Awareness Program participants who indicate they have changed their attitudes towards safe road use behaviours.	>80%	99%	>80%	100%
• % of participants in the Juvenile Fire Lighters Intervention Program who are recidivists <i>This program is reducing community risk by decreasing the incidence of repeated fire lighting.</i>	<5%	1%	<5%	0%
<b>Ensure effective operational call receipt and dispatch:</b>				
• response to incidents	100%	100%	100%	100%
• average time to answer call (in seconds)	<5	4.67	<5	4.0
• average call handling time (in seconds)	<130	96	<130	102
• % of time agreed call response standard was met (service factor)	90%	93.4%	90%	98%
<b>Ensure response provided within appropriate timeframes:</b>				
<i>The MFS is transitioning to a new tablet-based operational data management system. This affected metropolitan response times from January 2016 onwards. Consequently, no response times will be reported for 2015–16 or 2016–17. Accurate data is projected for 2017–18.</i>				
• Average Metropolitan Out the Door Time (seconds)	<120	n.a	<120	115
• % of MFS arrivals to within seven minutes of callout in a metropolitan area with a full-time MFS crew	90%	n.a	90%	n.a
• % of MFS arrivals within 11 minutes of callout in a regional area with a retained MFS crew	90%	n.a	90%	n.a
• % of MFS arrivals within 11 minutes of callout in a town/area with a retained and a full-time crew	90%	n.a	90%	n.a
• % of MFS arrivals within 11 minutes of callout in a town/area with a retained and a full-time day working crew	90%	n.a	90%	n.a
<b>Ensure effective fire ground operations</b>				
<i>This was a new measure implemented from 2016–17.</i>				
• % of building fires contained to room of origin	>60%	72%	>60%	72%
• % of building and other fires contained to part of room or area of origin	>60%	83%	>60%	82%

## Activity indicators

	2017–18 Projection	2016–17 Estimated Result	2016–17 Projection	2015–16 Actual
<b>Identify risks associated with fire and other emergencies</b>				
• No. of fires investigated	150	106	150	137
• No. of fires investigated for the CFS	60	41	60	60
• No. of deliberate/accidental/undetermined	70/120/20	67/75/5	70/120/20	68/111/18
<b>Foster safer community behaviours</b>				
• No. of educational visits to community groups, including schools <i>There has been reduced demand for educational visits during 2016–17.</i>	500	200	500	394
• No. of participants in community education programs, including schools	40 000	42 000	40 000	53 000
<b>Ensure South Australian environs are safe places to live and work</b>				
• No. of health facilities inspections and fire safety surveys	200	201	200	259
• No. of building development proposals assessed	160	184	160	168
• No. of hazard complaint sites investigated <i>There has been reduced demand for investigations during 2016–17.</i>	100	48	100	95
• No. of fire alarm inspections and connections	250	316	250	362
• % of building development assessments appealed	—	—	—	—
• % of building development assessments completed within 28 days	100%	100%	100%	100%
• No. of booster/hydrant tests/commissioning	160	127	160	157
• No. of Building Fire Safety Committee meetings/inspections	140	127	140	134
• No. of public places inspected (PBI) by operational personnel	500	450	500	550
<b>All emergencies are effectively responded to:</b>				
• No. of emergency calls received	<35 000	40 000	<35 000	29 671
• Total number of incidents generating a response:	<20 150	23 138	<20 000	21 499
– metropolitan responses	<17 340	20 046	<17 340	17 841
– regional responses	<2 810	3 092	<2 810	3 658
• No. of responses to structure fires:	<1 250	1 156	<1 250	1 277
– metropolitan responses	<1 000	988	<1 000	1 046
– regional responses	<250	168	<250	231
• No. of responses to vehicle fires:	<1 000	610	<1 000	644
– metropolitan responses	<890	533	<890	546
– regional responses	<110	77	<110	98
• No. of responses to other fires:	<3 500	1 897	<3 500	2 293
– metropolitan responses	<3 000	1 490	<3 000	1 748
– regional responses	<500	407	<500	545
• No. of responses to dangerous substances:	<700	619	<700	683
– metropolitan responses	<600	496	<600	599
– regional responses	<100	123	<100	84
• No. of responses to rescues:	<3 400	5 303	<3 400	5 208
– metropolitan responses	<3 000	4 892	<3 000	4 286
– regional responses	<400	411	<400	922
• No. of responses to fire alarms:	<7 000	7 812	<7 000	6 820
– metropolitan area	<6 000	6 855	<6 000	6 028
– regional areas	<1 000	957	<1 000	792
• No. of other responses:	<3 300	5 741	<3 300	4 574
– metropolitan area	<2 850	4 794	<2 850	3 588
– regional areas	<450	947	<450	986

## Sub-program 1.2: Frontline Support

### Description/objective

The goal of the Frontline Support sub-program is to ensure the MFS is effectively prepared and capable of responding to the community's needs. Frontline Support contributes directly to community confidence in the Government of South Australia's capability to respond to emergencies and to protect the community, infrastructure, environment and economy. Frontline Support programs are essential to the provision of effective frontline emergency service delivery.

Key components include learning and development programs, the procurement and management of information and communications technology, and the provision of effective equipment, vehicles, infrastructure and plant.

	2017–18 Budget	2016–17 Estimated Result	2016–17 Budget	2015–16 Actual
	\$000	\$000	\$000	\$000
Expenses.....	16 498	16 012	15 437	16 819
Income.....	131	740	128	524
<b>Net cost of sub-program</b>	<b>16 367</b>	<b>15 272</b>	<b>15 309</b>	<b>16 295</b>
<b>FTEs as at 30 June (No.)</b>	<b>61.6</b>	61.6	61.6	61.6

### Financial commentary

#### *2017–18 Budget/2016–17 Estimated Result*

No major variations.

#### *2016–17 Estimated Result/2016–17 Budget*

No major variations.

#### *2016–17 Estimated Result/2015–16 Actual*

No major variations.

### Highlights 2016–17

- Completed two MFS recruit courses resulting in ongoing employment of 36 new full-time firefighters.
- Implemented a structural firefighting course to improve emergency response in regional operations.
- Deployed a new Combination Aerial Pumping Appliance (CAPA) to Christie Downs enhancing emergency service capability in Adelaide's south. This CAPA will be relocated to the proposed Noarlunga station when this is completed.
- Completed the rollout of the CAPA project supporting the 30-year plan of Greater Adelaide by providing enhanced emergency response to areas of urban renewal/consolidation.



**Targets 2017–18**

- Completion of at least one additional recruit course during 2017–18.
- Continue rollout of new 3000 litre Rear-Mount Appliances. These appliances will enhance community service across Adelaide’s north-eastern suburbs.
- Introduce vehicle protections systems for urban appliances contributing to firefighter safety in catastrophic bushfire scenarios.

**Performance indicators**

	2017-18 Target	2016-17 Estimated Result	2016-17 Target	2015-16 Actual
<b>Ensure frontline operations are supported by fit for purpose vehicles, equipment and infrastructure</b>				
• % of incidents that are supported by appropriate vehicles and equipment	100%	100%	100%	100%
• % of fleet maintained at operational capacity/availability	100%	100%	100%	100%
• Maintain a fleet reserve capability of two appliances <i>MFS placed two reserve appliances at CFS Mount Barker Station during 2015–16. This continues to significantly affect MFS fleet reserves.</i>	80%	50%	80%	40%
• % of MFS fleet requiring replacement within two years	<10%	10%	<10%	15%

**Activity indicators**

	2017-18 Projection	2016-17 Estimated Result	2016-17 Projection	2015-16 Actual
<b>Workforce renewal activities</b>				
• Total number of new firefighters recruited	36	36	36	36
<b>Career development and management activities</b>				
• Total number of MFS personnel enrolled in vocational education and training programs	200	280	200	175
• no. of personnel enrolled in vocational education and training programs on a voluntary basis	100	120	100	65
• no. of personnel enrolled in vocational education and training programs on a mandatory basis	150	160	150	110
• total units of study MFS personnel are enrolled in	750	1 200	750	826
• units enrolled on mandatory basis	500	860	500	602
• units enrolled in on a voluntary basis	250	340	250	224
• no. of programs delivered	2	3	2	3
• no. of major inter-agency exercises conducted	4	4	4	5
• no. of external training partnerships utilised	2	3	2	3
<b>Vehicles, equipment and infrastructure activities</b>				
• % of personal protection equipment fit for operational purposes	100%	100%	100%	99%

### Sub-program 1.3: Governance and Public Value

#### Description/objective

The objective of this sub-program is to ensure the MFS meets all required standards of corporate governance and that the services provided represent public value to the South Australian community.

Key components of this sub-program include initiatives to improve organisational performance, employee well-being, and sustainability. The sub-program also includes leadership development and cultural renewal.

	2017–18 Budget	2016–17 Estimated Result	2016–17 Budget	2015–16 Actual
	\$000	\$000	\$000	\$000
Expenses.....	13 093	12 851	12 851	26 128
Income.....	1 051	1 558	1 296	1 340
<b>Net cost of sub-program</b>	<b>12 042</b>	<b>11 293</b>	<b>11 555</b>	<b>24 788</b>
<b>FTEs as at 30 June (No.)</b>	<b>50.5</b>	50.5	50.5	50.5

#### Financial commentary

##### *2017–18 Budget/2016–17 Estimated Result*

No major variations.

##### *2016–17 Estimated Result/2016–17 Budget*

No major variations.

##### *2016–17 Estimated Result/2015–16 Actual*

The \$13.3 million decrease in expenses is primarily due to revaluations related to workers compensation and leave.

#### Highlights 2016–17

- Undertook analysis of the MFS' budget position and developed strategies to ensure a sustainable financial position.
- Prepared extensive analysis and supporting documentation for the SAFECOM Board and other relevant entities.
- Developed cultural renewal strategies including draft organisational doctrine and public value training for personnel.

#### Targets 2017–18

- Implement a new human resources information management system that provides real-time data and improves the ability of the MFS to manage leave and overtime.
- Complete the rollout of the new organisational doctrine as a key component of the MFS cultural renewal initiative.
- Develop strategies and organisational capacity to address firefighter wellness and safety.

## Performance indicators

	2017–18 Target	2016–17 Estimated Result	2016–17 Target	2015–16 Actual
Total MFS photovoltaic energy generation	125kW	125 kW	125kW	120kW
<i>The MFS aims to contribute to government sustainability objectives by increasing the amount of photovoltaic energy generated by the agency. All new MFS fire stations are now built with a minimum of 12.5 kilowatts.</i>				
Organisational plans required by the SAFECOM Board are developed and submitted:				
• business plan submitted	100%	100%	100%	100%
• workforce plan submitted	100%	100%	100%	100%

## Activity indicators

	2017–18 Projection	2016–17 Estimated Result	2016–17 Projection	2015–16 Actual
• No. of SAFECOM Board quarterly reports submitted	4	4	4	4
• No. of corporate governance committee meetings conducted	5	5	5	5
• No. of planning and resilience committee meetings conducted	5	5	5	5
• No. of finance committee meetings conducted	5	7	5	8
• No. of MFS employee assistance interventions for MFS personnel	150	201	70	200
<i>This figure is comprised of both MFS personnel and family members who accessed post-incident support.</i>				

## South Australian Metropolitan Fire Service Statement of comprehensive income

	2017–18 Budget	2016–17 Estimated Result	2016–17 Budget	2015–16 Actual
	\$000	\$000	\$000	\$000
<b>Expenses</b>				
Employee benefit expenses				
Salaries, wages, annual and sick leave.....	94 568	92 509	92 310	92 648
Long service leave.....	3 310	3 250	3 249	4 448
Payroll tax.....	4 934	4 851	4 841	5 386
Superannuation.....	11 922	11 711	11 698	11 972
Other.....	3 783	3 704	3 699	423
Supplies and services				
General supplies and services.....	13 183	12 466	11 975	13 512
Consultancy expenses.....	—	—	—	43
Depreciation and amortisation.....	8 541	8 541	8 541	7 539
Grants and subsidies.....	—	—	—	185
Intra government transfers.....	290	299	290	—
Other expenses.....	35	35	35	16 041
<b>Total expenses</b>	<b>140 566</b>	<b>137 366</b>	<b>136 638</b>	<b>152 197</b>
<b>Income</b>				
Commonwealth revenues.....	1 051	1 016	1 016	1 081
Intra-government transfers.....	137 605	136 603	136 381	136 443
Other grants.....	—	84	—	95
Fees, fines and penalties.....	4 379	4 636	4 286	4 393
Sales of goods and services.....	4	162	4	50
Interest revenues.....	112	112	112	82
Net gain or loss on disposal of assets.....	—	239	—	-28
Resources received free of charge.....	—	—	—	20
Other income.....	304	773	296	695
<b>Total income</b>	<b>143 455</b>	<b>143 625</b>	<b>142 095</b>	<b>142 831</b>
<b>Net cost of providing services</b>	<b>-2 889</b>	<b>-6 259</b>	<b>-5 457</b>	<b>9 366</b>
<b>Income from/expenses to state government</b>				
Income				
Other income.....	—	52	—	1
<b>Net income from/expenses to state government</b>	<b>—</b>	<b>52</b>	<b>—</b>	<b>1</b>
<b>Total comprehensive result</b>	<b>2 889</b>	<b>6 311</b>	<b>5 457</b>	<b>-9 365</b>

## South Australian Metropolitan Fire Service Statement of financial position

	2017–18 Budget \$000	2016–17 Estimated Result \$000	2016–17 Budget \$000	2015–16 Actual \$000
<b>Assets</b>				
<b>Current assets</b>				
Cash and cash equivalents.....	10 836	5 908	9 180	2 916
Receivables.....	865	865	930	865
Other current assets.....	77	77	—	77
Non-current assets held for sale.....	254	254	40	254
<b>Total current assets</b>	<b>12 032</b>	<b>7 104</b>	<b>10 150</b>	<b>4 112</b>
<b>Non current assets</b>				
Land and improvements.....	111 538	109 036	112 453	106 348
Plant and equipment.....	28 984	34 843	29 922	35 470
Intangible assets.....	95	95	119	95
<b>Total non-current assets</b>	<b>140 617</b>	<b>143 974</b>	<b>142 494</b>	<b>141 913</b>
<b>Total assets</b>	<b>152 649</b>	<b>151 078</b>	<b>152 644</b>	<b>146 025</b>
<b>Liabilities</b>				
<b>Current liabilities</b>				
Payables.....	6 662	6 947	6 687	7 232
Employee benefits				
Salaries and wages.....	1 091	781	874	477
Annual leave.....	8 807	8 700	8 346	8 593
Long service leave.....	2 463	2 213	4 336	1 963
Other.....	1 045	1 045	940	1 045
Short-term provisions.....	6 020	6 020	2 565	6 020
<b>Total current liabilities</b>	<b>26 088</b>	<b>25 706</b>	<b>23 748</b>	<b>25 330</b>
<b>Non current liabilities</b>				
Long-term employee benefits				
Long service leave.....	22 632	21 463	19 061	20 294
Long-term provisions.....	45 033	47 902	51 357	11 372
<b>Total non-current liabilities</b>	<b>67 665</b>	<b>69 365</b>	<b>70 418</b>	<b>31 666</b>
<b>Total liabilities</b>	<b>93 753</b>	<b>95 071</b>	<b>94 166</b>	<b>56 996</b>
<b>Net assets</b>	<b>58 896</b>	<b>56 007</b>	<b>58 478</b>	<b>89 029</b>
<b>Equity</b>				
Retained earnings.....	-39 549	-42 438	-39 967	-9 416
Asset revaluation reserve.....	98 445	98 445	98 445	98 445
<b>Total equity</b>	<b>58 896</b>	<b>56 007</b>	<b>58 478</b>	<b>89 029</b>

Balances as at 30 June end of period.

## South Australian Metropolitan Fire Service Statement of cash flows

	2017–18 Budget	2016–17 Estimated Result	2016–17 Budget	2015–16 Actual
	\$000	\$000	\$000	\$000
<b>Operating activities</b>				
<b>Cash outflows</b>				
Employee benefit payments.....	119 550	116 998	116 770	122 727
Payments for supplies and services.....	13 468	12 751	12 260	16 116
Grants and subsidies.....	—	—	—	185
Intra-government transfers.....	290	299	290	—
Other payments.....	35	35	35	—
<b>Cash used in operations</b>	<b>133 343</b>	<b>130 083</b>	<b>129 355</b>	<b>139 028</b>
<b>Cash inflows</b>				
Intra-government transfers.....	137 605	136 603	136 381	136 443
Commonwealth receipts.....	1 051	1 016	1 016	1 081
Other grants.....	—	84	—	95
Fees, fines and penalties.....	4 379	4 636	4 286	4 903
Sales of goods and services.....	4	162	4	—
Interest received.....	112	112	112	88
GST received.....	—	—	—	1 735
Other receipts.....	304	750	296	732
<b>Cash generated from operations</b>	<b>143 455</b>	<b>143 363</b>	<b>142 095</b>	<b>145 077</b>
<b>State government</b>				
Other receipts.....	—	52	—	1
<b>Net cash provided by state government</b>	<b>—</b>	<b>52</b>	<b>—</b>	<b>1</b>
<b>Net cash provided by (+)/used in (-) operating activities</b>	<b>10 112</b>	<b>13 332</b>	<b>12 740</b>	<b>6 050</b>
<b>Investing activities</b>				
<b>Cash outflows</b>				
Purchase of property, plant and equipment.....	5 229	10 941	9 699	9 494
<b>Cash used in investing activities</b>	<b>5 229</b>	<b>10 941</b>	<b>9 699</b>	<b>9 494</b>
<b>Cash inflows</b>				
Proceeds from sale of property, plant and equipment.....	45	601	45	5
<b>Cash generated from investing activities</b>	<b>45</b>	<b>601</b>	<b>45</b>	<b>5</b>
<b>Net cash provided by (+)/used in (-) investing activities</b>	<b>-5 184</b>	<b>-10 340</b>	<b>-9 654</b>	<b>-9 489</b>
<b>Net increase (+)/decrease (-) in cash equivalents</b>	<b>4 928</b>	<b>2 992</b>	<b>3 086</b>	<b>-3 439</b>
<b>Cash and cash equivalents at the start of the period</b>	<b>5 908</b>	<b>2 916</b>	<b>6 094</b>	<b>6 355</b>
<b>Cash and cash equivalents at the end of the period</b>	<b>10 836</b>	<b>5 908</b>	<b>9 180</b>	<b>2 916</b>
<b>Non cash transactions</b>				
Assets received (+)/donated (-) free of charge.....	—	—	—	20

## Summary of major variations

The following commentary relates to variations between the 2017–18 Budget and the 2016–17 Estimated Result.

### Statement of comprehensive income — controlled

#### *Expenses*

The \$3.2 million increase in expenses is primarily due to additional funding for enhancements to 000 and 132 500 (\$0.4 million), firefighters protective clothing (\$0.3 million), perfluorinated chemical monitoring (\$0.3 million) and growth in base expenditure.

#### *Income*

No major variations.

### Statement of financial position — controlled

The \$1.6 million increase in total assets is primarily due to an increase in the funding received from the Community Emergency Services Fund.

### Statement of cash flows — controlled

The movements in cash outflows and inflows are generally consistent with the changes discussed above under the statement of comprehensive income and the statement of financial position.





**Agency: South Australian  
Fire and Emergency  
Services Commission**

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**Minister for Emergency Services**



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## Objective

To create a safer community by providing a unified strategic direction to the emergency services sector for service delivery, governance and accountability.

## Ministerial responsibilities

Minister	Programs	Sub-programs
<b>The Hon. P Malinauskas</b> Minister for Emergency Services	1. Fire and Emergency Services Strategic Services and Business Support	1.1 Emergency Service Support 1.2 Emergency Management

### Administered items

In addition to the above responsibilities, the agency administers the following item on behalf of the minister:

- Community Emergency Services Fund.

### Statutes

The Department of the Premier and Cabinet maintains a list of statutes applicable to ministers.

## Workforce summary

Agency	FTEs as at 30 June		
	2017–18 Budget <sup>(a)</sup>	2016–17 Estimated Result <sup>(a)</sup>	2015–16 Actual <sup>(b)</sup>
South Australian Fire and Emergency Services Commission.....	61.4	67.2	69.5
<b>Total</b>	<b>61.4</b>	<b>67.2</b>	<b>69.5</b>

(a) The 2017–18 Budget and 2016–17 Estimated Result reflect the established FTE caps.

(b) Data published by the Office for the Public Sector (Department of the Premier and Cabinet).

## Program net cost of services summary

Program	Net cost of services <sup>(a)</sup>			
	2017–18 Budget \$000	2016–17 Estimated Result \$000	2016–17 Budget \$000	2015–16 Actual \$000
1. Fire and Emergency Services Strategic Services and Business Support .....	15 159	16 900	13 188	15 816
<b>Total</b>	<b>15 159</b>	<b>16 900</b>	<b>13 188</b>	<b>15 816</b>

(a) The net cost of services excludes transfers from the Community Emergency Services Fund.

## Investing expenditure summary

The 2017–18 investing program is \$0.1 million.

Investments	Estimated completion Quarter	Total project cost \$000	2017–18 Budget \$000	2016–17 Estimated Result \$000	2016–17 Budget \$000
<b>Existing projects</b>					
Emergency Information Warning System (Alert SA).....	Jun 2018	2 311	140	140	—
<b>Total existing projects</b>		<b>2 311</b>	<b>140</b>	<b>140</b>	<b>—</b>
<b>Annual programs</b>					
Minor capital works and equipment .....	n.a.	n.a.	—	229	—
<b>Total annual programs</b>			<b>—</b>	<b>229</b>	<b>—</b>
<b>Total investing expenditure</b>		<b>2 311</b>	<b>140</b>	<b>369</b>	<b>—</b>

## Program 1: Fire and Emergency Services Strategic Services and Business Support

### Description/objective

The emergency services sector is comprised of the South Australian Fire and Emergency Services Commission (SAFECOM), the South Australian Metropolitan Fire Service (MFS), the South Australian Country Fire Service (CFS) and the South Australian State Emergency Service (SES).

SAFECOM performs the following functions for the sector:

- develops and maintains a strategic and policy framework across the emergency services sector
- develops and maintains a framework of sound corporate governance and business support across the emergency services sector
- ensures that appropriate strategic, administrative and other support services are provided to the emergency services organisations
- develops and implements an emergency management framework for South Australia in the national context.

### Sub-programs

1.1 Emergency Service Support

1.2 Emergency Management

### Program summary – expenses, income and FTEs

	2017–18 Budget	2016–17 Estimated Result	2016–17 Budget	2015–16 Actual
	\$000	\$000	\$000	\$000
<b>Expenses</b>				
Employee benefit expenses.....	7 046	7 498	7 115	8 009
Supplies and services.....	5 014	5 291	5 035	6 733
Depreciation and amortisation expenses.....	867	867	867	841
Grants and subsidies.....	6 331	4 264	4 860	2 961
Intra-government transfers.....	1 899	822	248	68
Other expenses.....	97	95	95	96
<b>Total expenses</b>	<b>21 254</b>	<b>18 837</b>	<b>18 220</b>	<b>18 708</b>
<b>Income</b>				
Commonwealth revenues.....	5 220	1 044	4 176	2 088
Intra-government transfers.....	75	112	75	—
Sales of goods and services.....	634	619	619	708
Interest revenues.....	24	24	24	53
Other income.....	142	138	138	43
<b>Total income</b>	<b>6 095</b>	<b>1 937</b>	<b>5 032</b>	<b>2 892</b>
<b>Net cost of providing services</b>	<b>15 159</b>	<b>16 900</b>	<b>13 188</b>	<b>15 816</b>
<b>FTEs as at 30 June (No.)</b>	<b>61.4</b>	<b>67.2</b>	<b>55.8</b>	<b>69.5</b>

## Sub-program 1.1: Emergency Service Support

### Description/objective

This sub-program provides service support to the operational agencies MFS, CFS and SES. This includes risk, human resource management, health, safety and welfare management, information technology, asset procurement, financial management, Emergency Information Warning System (Alert SA) and State Emergency Information Call Centre Capability (SEICCC).

	2017–18 Budget	2016–17 Estimated Result	2016–17 Budget	2015–16 Actual
	\$000	\$000	\$000	\$000
Expenses.....	13 944	12 945	12 598	13 654
Income.....	875	856	856	775
<b>Net cost of sub-program</b>	<b>13 069</b>	<b>12 089</b>	<b>11 742</b>	<b>12 879</b>
<b>FTEs as at 30 June (No.)</b>	<b>57.4</b>	62.4	52.8	58.9

### Financial commentary

#### *2017–18 Budget/2016–17 Estimated Result*

The \$1.0 million increase in expenses is primarily due to Emergency Alert Phase 4 funding (\$1.4 million) partially offset by a decrease in funding for SAFECOM operations (\$0.4 million).

#### *2016–17 Estimated Result/2016–17 Budget*

The \$0.3 million increase in expenses is primarily due to the realignment of Alert SA funding.

#### *2016–17 Estimated Result/2015–16 Actual*

The \$0.7 million decrease in expenses is primarily due to:

- higher expenditure in 2015–16 for Alert SA (\$1.5 million)
- funding received in 2015–16 for volunteer training and support (\$0.3 million)

partially offset by

- additional funding provided for SAFECOM operations in 2016–17 (\$1 million).

### Highlights 2016–17

- Managed and completed an equal opportunity refit to upgrade various MFS stations across the state.
- Completed the work health and safety and injury management audit.
- Developed a public value framework to meet community expectation.
- Developed a strategic framework for the emergency services sector to replace the South Australian Fire and Emergency Services Strategic Plan 2015–2025.
- Updated and deployed enhancements to the Alert SA mobile app to replace services available through the CFS mobile app which is being decommissioned.
- Completed services mapping for functional support by SAFECOM to the emergency services agencies.

**Targets 2017–18**

- Implement streamlined systems and procedures for CFS and SES volunteer finance.
- Develop and implement a mental health and wellbeing framework and a 3–5 year action plan that promotes and supports positive mental health and wellbeing for our people.
- Identify and implement a sector wide asset management system and contract management system.
- Review and enhance the induction program for non-operational employees, new volunteers and/or contractors.
- Deliver an updated Alerts Creation Module to operational agencies to enable the consistent and timely generation of public information and warnings.
- Contribute to the National Emergency Alert Phase 4 project to ensure the new service is operational in 2018.

**Sub-program 1.2: Emergency Management**

**Description/objective**

This sub-program provides emergency management initiatives across the state as well as administering a range of joint state and Commonwealth Government funded initiatives.

	2017–18 Budget	2016–17 Estimated Result	2016–17 Budget	2015–16 Actual
	\$000	\$000	\$000	\$000
Expenses.....	7 310	5 892	5 622	5 054
Income.....	5 220	1 081	4 176	2 117
<b>Net cost of sub-program</b>	<b>2 090</b>	<b>4 811</b>	<b>1 446</b>	<b>2 937</b>
<b>FTEs as at 30 June (No.)</b>	<b>4.0</b>	4.8	3.0	10.6

**Financial commentary**

*2017–18 Budget/2016–17 Estimated Result*

The \$4.1 million increase in income and the \$1.4 million increase in expenses is primarily due to the carryover of funding for the 2015–2017 Natural Disaster Resilience Program (NDRP) and the 12 month extension to the National Partnership Agreement on Natural Disaster Resilience.

*2016–17 Estimated Result/2016–17 Budget*

The \$3.1 million decrease in income is primarily due to the NDRP.

*2016–17 Estimated Result/2015–16 Actual*

The \$1.0 million decrease in income is primarily due to the NDRP.

**Highlights 2016–17**

- Completed the implementation of a revised cost-share arrangement for the Regional Capability Community Fund (RCCF) grant scheme to provide grants to eligible community groups and individuals.



- Disbursed \$0.5 million in grants for the RCCF to successful applicants who purchased equipment prior to the 2016–17 summer season.
- Completed development of the South Australian Emergency Risk Management Framework.
- Approved \$3.9 million of NDRP grant funding for 43 state, regional, local and community focused projects that will progress implementation of the National Strategy for Disaster Resilience.

**Targets 2017–18**

- Deliver agreed outcomes for 12 SAFECOM led recommendations arising from the Independent Review of the Extreme Weather Event South Australia 28 September to 5 October 2016.
- Undertake business analysis and improvement of SAFECOM administered grant funding using a user centred design process.
- Formalise arrangements with critical suppliers covering logistical support, food, accommodation, plant and equipment as part of logistics functional support.
- Conduct an NDRP grant round in response to the 12 month extension of the 2015–2017 National Partnership Agreement.
- Disburse 2017–18 RCCF grant funding to approved applicants and approve applications for the funds to be expended in 2018–19.

## South Australian Fire and Emergency Services Commission

### Statement of comprehensive income

	2017–18 Budget	2016–17 Estimated Result	2016–17 Budget	2015–16 Actual
	\$000	\$000	\$000	\$000
<b>Expenses</b>				
Employee benefit expenses				
Salaries, wages, annual and sick leave.....	5 474	5 872	5 245	6 375
Long service leave.....	215	207	204	239
Payroll tax.....	381	396	378	349
Superannuation.....	829	864	832	1 006
Other.....	147	159	456	40
Supplies and services				
General supplies and services.....	4 934	5 211	4 916	6 658
Consultancy expenses.....	80	80	119	75
Depreciation and amortisation.....	867	867	867	841
Borrowing costs.....	7	7	7	—
Grants and subsidies.....	6 331	4 264	4 860	2 961
Intra government transfers.....	1 899	822	248	68
Other expenses.....	90	88	88	96
<b>Total expenses</b>	<b>21 254</b>	<b>18 837</b>	<b>18 220</b>	<b>18 708</b>
<b>Income</b>				
Commonwealth revenues.....	5 220	1 044	4 176	2 088
Intra-government transfers.....	12 951	12 362	11 952	10 795
Sales of goods and services.....	634	619	619	708
Interest revenues.....	24	24	24	53
Other income.....	142	138	138	43
<b>Total income</b>	<b>18 971</b>	<b>14 187</b>	<b>16 909</b>	<b>13 687</b>
<b>Net cost of providing services</b>	<b>2 283</b>	<b>4 650</b>	<b>1 311</b>	<b>5 021</b>
<b>Income from/expenses to state government</b>				
Income				
Other income.....	—	2 379	—	2 102
<b>Net income from/expenses to state government</b>	<b>—</b>	<b>2 379</b>	<b>—</b>	<b>2 102</b>
<b>Total comprehensive result</b>	<b>-2 283</b>	<b>-2 271</b>	<b>-1 311</b>	<b>-2 919</b>

## South Australian Fire and Emergency Services Commission

### Statement of financial position

	2017–18 Budget \$000	2016–17 Estimated Result \$000	2016–17 Budget \$000	2015–16 Actual \$000
<b>Assets</b>				
<b>Current assets</b>				
Cash and cash equivalents.....	2 002	3 137	1 460	4 492
Receivables.....	439	439	626	439
Other current assets.....	—	—	3	—
<b>Total current assets</b>	<b>2 441</b>	<b>3 576</b>	<b>2 089</b>	<b>4 931</b>
<b>Non current assets</b>				
Land and improvements.....	21	21	24	21
Plant and equipment.....	523	514	1 343	275
Intangible assets.....	380	1 116	794	1 852
<b>Total non-current assets</b>	<b>924</b>	<b>1 651</b>	<b>2 161</b>	<b>2 148</b>
<b>Total assets</b>	<b>3 365</b>	<b>5 227</b>	<b>4 250</b>	<b>7 079</b>
<b>Liabilities</b>				
<b>Current liabilities</b>				
Payables.....	1 550	1 487	2 303	1 423
Employee benefits				
Salaries and wages.....	139	117	121	98
Annual leave.....	661	661	615	661
Long service leave.....	167	167	370	167
Other.....	61	61	55	61
Short-term provisions.....	31	31	30	31
<b>Total current liabilities</b>	<b>2 609</b>	<b>2 524</b>	<b>3 494</b>	<b>2 441</b>
<b>Non current liabilities</b>				
Long-term employee benefits				
Long service leave.....	2 478	2 142	2 321	1 806
Long-term provisions.....	40	40	64	40
<b>Total non-current liabilities</b>	<b>2 518</b>	<b>2 182</b>	<b>2 385</b>	<b>1 846</b>
<b>Total liabilities</b>	<b>5 127</b>	<b>4 706</b>	<b>5 879</b>	<b>4 287</b>
<b>Net assets</b>	<b>-1 762</b>	<b>521</b>	<b>-1 629</b>	<b>2 792</b>
<b>Equity</b>				
Retained earnings.....	-1 762	521	-1 629	2 792
<b>Total equity</b>	<b>-1 762</b>	<b>521</b>	<b>-1 629</b>	<b>2 792</b>

Balances as at 30 June end of period.

## South Australian Fire and Emergency Services Commission

### Statement of cash flows

	2017–18 Budget \$000	2016–17 Estimated Result \$000	2016–17 Budget \$000	2015–16 Actual \$000
<b>Operating activities</b>				
<b>Cash outflows</b>				
Employee benefit payments.....	6 625	7 080	6 697	7 950
Payments for supplies and services.....	5 014	5 291	5 035	9 795
Interest paid.....	7	7	7	—
Grants and subsidies.....	6 331	4 264	4 860	2 785
Intra-government transfers.....	1 899	822	248	68
Other payments.....	90	88	88	—
<b>Cash used in operations</b>	<b>19 966</b>	<b>17 552</b>	<b>16 935</b>	<b>20 598</b>
<b>Cash inflows</b>				
Intra-government transfers.....	12 951	12 362	11 952	10 795
Commonwealth receipts.....	5 220	1 044	4 176	2 088
Sales of goods and services.....	634	619	619	865
Interest received.....	24	24	24	60
GST received.....	—	—	—	2 166
Other receipts.....	142	138	138	44
<b>Cash generated from operations</b>	<b>18 971</b>	<b>14 187</b>	<b>16 909</b>	<b>16 018</b>
<b>State government</b>				
Other receipts.....	—	2 379	—	2 102
<b>Net cash provided by state government</b>	<b>—</b>	<b>2 379</b>	<b>—</b>	<b>2 102</b>
<b>Net cash provided by (+)/used in (-) operating activities</b>	<b>-995</b>	<b>-986</b>	<b>-26</b>	<b>-2 478</b>
<b>Investing activities</b>				
<b>Cash outflows</b>				
Purchase of property, plant and equipment.....	140	369	—	483
<b>Cash used in investing activities</b>	<b>140</b>	<b>369</b>	<b>—</b>	<b>483</b>
<b>Net cash provided by (+)/used in (-) investing activities</b>	<b>-140</b>	<b>-369</b>	<b>—</b>	<b>-483</b>
<b>Net increase (+)/decrease (-) in cash equivalents</b>	<b>-1 135</b>	<b>-1 355</b>	<b>-26</b>	<b>-2 961</b>
<b>Cash and cash equivalents at the start of the period</b>	<b>3 137</b>	<b>4 492</b>	<b>1 486</b>	<b>7 453</b>
<b>Cash and cash equivalents at the end of the period</b>	<b>2 002</b>	<b>3 137</b>	<b>1 460</b>	<b>4 492</b>

**Administered items for the  
South Australian Fire and Emergency Services Commission  
Statement of comprehensive income**

	2017–18 Budget \$000	2016–17 Estimated Result \$000	2016–17 Budget \$000	2015–16 Actual \$000
<b>Expenses</b>				
Supplies and services				
General supplies and services.....	9 141	7 967	8 918	9 258
Grants and subsidies.....	6 778	4 065	4 368	2 674
Intra government transfers.....	286 058	279 656	276 291	264 477
<b>Total expenses</b>	<b>301 977</b>	<b>291 688</b>	<b>289 577</b>	<b>276 409</b>
<b>Income</b>				
Intra-government transfers.....	291 525	302 130	290 476	277 975
Fees, fines and penalties.....	428	424	424	442
Interest revenues.....	1 500	1 500	1 500	1 308
<b>Total income</b>	<b>293 453</b>	<b>304 054</b>	<b>292 400</b>	<b>279 725</b>
<b>Total comprehensive result</b>	<b>-8 524</b>	<b>12 366</b>	<b>2 823</b>	<b>3 316</b>

**Administered items for the  
South Australian Fire and Emergency Services Commission  
Statement of financial position**

	2017-18 Budget	2016-17 Estimated Result	2016-17 Budget	2015-16 Actual
	\$000	\$000	\$000	\$000
<b>Assets</b>				
<b>Current assets</b>				
Cash and cash equivalents.....	13 772	22 296	17 714	34 518
Receivables.....	1 625	1 625	2 260	1 625
<b>Total current assets</b>	<b>15 397</b>	<b>23 921</b>	<b>19 974</b>	<b>36 143</b>
<b>Total assets</b>	<b>15 397</b>	<b>23 921</b>	<b>19 974</b>	<b>36 143</b>
<b>Liabilities</b>				
<b>Current liabilities</b>				
Payables.....	690	690	1 282	25 278
<b>Total current liabilities</b>	<b>690</b>	<b>690</b>	<b>1 282</b>	<b>25 278</b>
<b>Total liabilities</b>	<b>690</b>	<b>690</b>	<b>1 282</b>	<b>25 278</b>
<b>Net assets</b>	<b>14 707</b>	<b>23 231</b>	<b>18 692</b>	<b>10 865</b>
<b>Equity</b>				
Retained earnings.....	14 707	23 231	18 692	10 865
<b>Total equity</b>	<b>14 707</b>	<b>23 231</b>	<b>18 692</b>	<b>10 865</b>

Balances as at 30 June end of period.

**Administered items for the  
South Australian Fire and Emergency Services Commission  
Statement of cash flows**

	2017–18 Budget	2016–17 Estimated Result	2016–17 Budget	2015–16 Actual
	\$000	\$000	\$000	\$000
<b>Operating activities</b>				
<b><i>Cash outflows</i></b>				
Payments for supplies and services.....	9 141	7 967	8 918	9 182
Grants and subsidies.....	6 778	4 065	4 368	2 712
Intra-government transfers.....	286 058	304 244	276 291	240 519
<b>Cash used in operations</b>	<b>301 977</b>	<b>316 276</b>	<b>289 577</b>	<b>252 413</b>
<b><i>Cash inflows</i></b>				
Intra-government transfers.....	291 525	302 130	290 476	278 622
Fees, fines and penalties.....	428	424	424	444
Interest received.....	1 500	1 500	1 500	1 294
<b>Cash generated from operations</b>	<b>293 453</b>	<b>304 054</b>	<b>292 400</b>	<b>280 360</b>
<b>Net cash provided by (+)/used in (-) operating activities</b>	<b>-8 524</b>	<b>-12 222</b>	<b>2 823</b>	<b>27 947</b>
<b>Net increase (+)/decrease (-) in cash equivalents</b>	<b>-8 524</b>	<b>-12 222</b>	<b>2 823</b>	<b>27 947</b>
<b>Cash and cash equivalents at the start of the period</b>	<b>22 296</b>	<b>34 518</b>	<b>14 891</b>	<b>6 571</b>
<b>Cash and cash equivalents at the end of the period</b>	<b>13 772</b>	<b>22 296</b>	<b>17 714</b>	<b>34 518</b>

## Summary of major variations

The following commentary relates to variations between the 2017–18 Budget and the 2016–17 Estimated Result.

### Statement of comprehensive income — controlled

#### *Expenses*

The \$2.4 million increase in expenses is primarily due to:

- Emergency Alert Phase 4 funding (\$1.4 million)
- an increase in grant expenditure mainly related to the carryover of funding for the 2015–2017 NDRP and the 12 month extension to the National Partnership Agreement on Natural Disaster Resilience (\$1.5 million)

partially offset by

- a decrease in funding for SAFECOM operations (\$0.4 million).

#### *Income*

The \$4.8 million increase in income is primarily due to:

- the carryover of funding for the 2015–2017 NDRP and the 12 month extension to the National Partnership Agreement on Natural Disaster Resilience (\$4.1 million)
- Emergency Alert Phase 4 funding (\$1.2 million)

partially offset by

- a decrease in funding for SAFECOM operations (\$0.4 million).

### Statement of financial position — controlled

The \$1.9 million decrease in total assets is primarily due to:

- reduction in cash from the payment of NDRP grants (\$1.1 million)
- depreciation of emergency services sector software (\$0.7 million).

### Statement of cash flows — controlled

The movements in cash outflows and inflows are generally consistent with the changes discussed above under the statement of comprehensive income and the statement of financial position.

### Statement of comprehensive income — administered items

#### *Expenses*

The \$10.3 million increase in expenses is primarily due to expenditure on new measures included in the 2017–18 Budget and growth in base expenditure.

#### *Income*

The \$10.6 million decrease in income is primarily due to the collection of some 2015–16 emergency services levy amounts in 2016–17.



**Statement of financial position — administered items**

The \$8.5 million decrease in total assets is primarily due to a decrease in cash and cash equivalents due to a run down in cash to partially support 2017–18 expenditure.

**Statement of cash flows — administered items**

The \$14.3 million reduction in cash outflows is primarily due to:

- payment in 2016–17 to South Australia Police and the Department of Environment, Water and Natural Resources in relation to 2015-16 (\$24.6 million)

partially offset by

- new measures included in the 2017–18 Budget and growth in base expenditure (\$10.3 million).

The movement in cash inflows is generally consistent with the changes discussed above under the Statement of comprehensive income and the Statement of financial position.

**Additional information for administered items**

Additional information on administered items is included in the following table.

**Additional information for administered items for the  
South Australian Fire and Emergency Services Commission  
Statement of cash flows**

	2017–18 Budget	2016–17 Estimated Result	2016–17 Budget	2015–16 Actual
	\$000	\$000	\$000	\$000
<b>Operating activities</b>				
<b>Cash Outflows</b>				
Payments for supplies and services				
Community Emergency Services Fund — levy collection.....	7 532	7 348	7 348	8 576
Community Emergency Services Fund — other expenses and projects.....	634	619	619	604
Community Emergency Services Fund — other supplies and services.....	975	—	951	2
Grants and subsidies				
Volunteer support and community grants .....	6 778	4 065	4 368	2 712
Intra-government transfers				
Community Emergency Services Fund — emergency services agencies .....	258 002	252 139	248 774	237 917
Community Emergency Services Fund — emergency services provided by other government agencies.....	28 056	52 105	27 517	2 602
<b>Cash used in operations</b>	<b>301 977</b>	<b>316 276</b>	<b>289 577</b>	<b>252 413</b>
<b>Cash inflows</b>				
Intra-government transfers				
Emergency services levy — fixed property collections (government).....	6 621	9 697	6 731	2 012
Emergency services levy — fixed property collections (private — including local government).....	206 549	214 850	206 497	198 054
Emergency services levy — mobile property.....	43 403	42 795	42 795	42 566
Emergency services levy — remissions.....	28 329	28 322	27 888	29 574
Emergency services levy — pensioner concessions .....	6 623	6 466	6 565	6 416
Fees, fines and penalties				
Emergency services levy — certificate sales and other....	428	424	424	444
Interest received				
Community Emergency Services Fund — from fund cash balance.....	1 500	1 500	1 500	1 294
<b>Cash generated from operations</b>	<b>293 453</b>	<b>304 054</b>	<b>292 400</b>	<b>280 360</b>
<b>Net cash provided by (+)/used in (-) operating activities</b>	<b>-8 524</b>	<b>-12 222</b>	<b>2 823</b>	<b>27 947</b>
<b>Net increase (+)/decrease (-) in cash equivalents</b>	<b>-8 524</b>	<b>-12 222</b>	<b>2 823</b>	<b>27 947</b>
<b>Cash and cash equivalents at the start of the financial year (as at 1 July)</b>	<b>22 296</b>	<b>34 518</b>	<b>14 891</b>	<b>6 571</b>
<b>Cash and cash equivalents at the end of the financial year (as at 30 June)</b>	<b>13 772</b>	<b>22 296</b>	<b>17 714</b>	<b>34 518</b>

**Agency: South Australian  
State Emergency  
Service**

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**Minister for Emergency Services**



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## Objective

The *Fire and Emergency Services Act 2005* provides for the South Australian State Emergency Service (SES) to:

- assist the South Australian Commissioner of Police in dealing with any emergency
- assist the State Coordinator, in accordance with the State Emergency Management Plan, in carrying out prevention, preparedness, response and recovery operations under the *Emergency Management Act 2004*
- assist the Chief Executive, Department for Health and Ageing, in accordance with the Public Health Emergency Management Plan, in carrying out prevention, preparedness, response or recovery operations under the *South Australian Public Health Act 2011*
- assist the South Australian Metropolitan Fire Service and South Australian Country Fire Service in dealing with any emergency
- deal with any emergency caused by flood or storm damage, or where there is no other body or person with lawful authority to assume control of operations for dealing with the emergency
- deal with any emergency until such time as any other body or person that has lawful authority to assume control of operations for dealing with the emergency has assumed control
- respond to emergency calls and, where appropriate, provide assistance in any situation of need (whether or not the situation constitutes an emergency)
- undertake rescues.

## Ministerial responsibilities

Minister	Programs	Sub-programs
<b>The Hon. P Malinauskas</b> Minister for Emergency Services	1. State Emergency Service	Nil

### Statutes

The Department of the Premier and Cabinet maintains a list of statutes applicable to ministers.

## Workforce summary

Agency	FTEs as at 30 June		
	2017–18 Budget <sup>(a)</sup>	2016–17 Estimated Result <sup>(a)</sup>	2015–16 Actual <sup>(b)</sup>
South Australian State Emergency Service .....	62.3	55.3	50.5
<b>Total</b>	<b>62.3</b>	<b>55.3</b>	<b>50.5</b>

(a) The 2017–18 Budget and 2016–17 Estimated Result reflect the established FTE caps.

(b) Data published by the Office for the Public Sector (Department of the Premier and Cabinet).

## Program net cost of services summary

Program	Net cost of services <sup>(a)</sup>			
	2017–18 Budget	2016–17 Estimated Result	2016–17 Budget	2015–16 Actual
	\$000	\$000	\$000	\$000
1. State Emergency Service .....	17 777	17 772	15 842	15 303
<b>Total</b>	<b>17 777</b>	<b>17 772</b>	<b>15 842</b>	<b>15 303</b>

(a) The net cost of services excludes transfers from the Community Emergency Services Fund.

## Investing expenditure summary

The 2017–18 investment program is \$4.3 million.

The investing program represents building works, the replacement program for rescue vehicles and vessels, information technology and major rescue equipment acquisition.

Investments	Estimated completion Quarter	Total project cost \$000	2017–18 Budget \$000	2016–17 Estimated Result \$000	2016–17 Budget \$000
<b>Annual programs</b>					
Capital works and rescue equipment.....	n.a.	n.a.	3 642	3 515	3 565
Replacement of telecommunications equipment.....	n.a.	n.a.	407	397	397
SES light vehicle fleet.....	n.a.	n.a.	276	269	269
<b>Total annual programs</b>			<b>4 325</b>	<b>4 181</b>	<b>4 231</b>
<b>Total investing expenditure</b>			<b>4 325</b>	<b>4 181</b>	<b>4 231</b>

## Program 1: State Emergency Service

### Description/objective

SES provides a community based volunteer emergency service across the state. Provisions under the State Emergency Management Plan, established by the *Emergency Management Act 2004*, confer responsibilities on SES to act as a control agency for emergencies associated with flooding, extreme weather and structural collapse, and establishes the SES as a functional service in its own right. SES is also responsible as a hazard leader for maintaining the state plan for extreme weather.

SES currently consists of 67 units located in both rural and urban centres across South Australia (54 units are based in rural areas). The service comprises approximately 1500 volunteers and around 55 employees. SES also provides support for volunteer marine rescue organisations including the 550 operational volunteer marine rescue volunteers who are strategically located along South Australia's coastline.

The rescue and support services SES volunteer units provide include:

- storm damage and flood response
- general rescue
- road crash rescue
- structural collapse response and confined space search
- land, air and evidence search (including canine search capabilities)
- animal rescue
- vertical rescue of all forms (cliffs, caves and structures)
- marine search and rescue (rivers, lakes and sea)
- operations and logistics support
- aerial observation and reconnaissance
- basecamp and staging area management.

In addition to volunteer response, training and operations, SES is also involved in community education and emergency management activities including planning, training and support to Zone Emergency Management Committees.



## Program summary — expenses, income and FTEs

	2017–18 Budget	2016–17 Estimated Result	2016–17 Budget	2015–16 Actual
	\$000	\$000	\$000	\$000
<b>Expenses</b>				
Employee benefit expenses.....	7 035	6 170	6 172	5 315
Supplies and services.....	8 404	9 567	7 277	7 673
Depreciation and amortisation expenses.....	2 316	2 316	2 316	1 990
Grants and subsidies.....	—	—	—	245
Other expenses .....	190	188	188	206
<b>Total expenses</b>	<b>17 945</b>	<b>18 241</b>	<b>15 953</b>	<b>15 429</b>
<b>Income</b>				
Intra government transfers .....	55	358	—	61
Interest revenue.....	23	23	23	32
Other income .....	90	88	88	33
<b>Total income</b>	<b>168</b>	<b>469</b>	<b>111</b>	<b>126</b>
<b>Net cost of providing services</b>	<b>17 777</b>	<b>17 772</b>	<b>15 842</b>	<b>15 303</b>
<b>FTEs as at 30 June (No.)</b>	<b>62.3</b>	55.3	55.3	50.5

## Financial commentary

*2017–18 Budget/2016–17 Estimated Result*

The \$0.3 million decrease in expenses is primarily due to:

- costs incurred responding to extreme weather events in 2016–17 (\$1.8 million) partially offset by additional funding in 2017–18 for
- the enhancements to 132 500 initiative (\$0.6 million)
- the enhanced flood response and incident management capabilities initiative (\$0.5 million)
- training for Volunteer Marine Rescue and SES volunteers to comply with new national maritime laws (\$0.4 million).

*2016–17 Estimated Result/2016–17 Budget*

The \$2.3 million increase in expenses is primarily due to:

- costs incurred responding to extreme weather events in 2016–17 (\$1.8 million)
- Natural Disaster Resilience Program grants (\$0.4 million).

*2016–17 Estimated Result/2015–16 Actual*

The \$2.8 million increase in expenses is primarily due to:

- costs incurred responding to extreme weather events in 2016–17 (\$1.8 million)
- the enhanced flood response and incident management capabilities initiative (\$0.5 million)
- Zone Emergency Risk Management system initiative (\$0.5 million).

**Highlights 2016–17**

- Responded to approximately 16 000 requests for assistance. This is more than double the yearly average experienced over the last 10 years and more than 1.5 times the previously highest ever recorded workload.
- Coordinated state-wide responses to significant severe weather events in September, October and December 2016.
- Coordinated interstate deployment of three South Australian taskforces to Queensland and New South Wales to assist in managing the impacts of Cyclone Debbie in March and April 2017.
- Finalised building improvements for the Sturt, Salisbury and Burra SES units.
- Delivered approximately 297 training courses covering more than 50 skill areas.

**Targets 2017–18**

- Implement improvements to systems and processes supporting the 132 500 request for emergency support services phone number.
- Further support South Australia's volunteer marine rescue associations to meet new national training requirements.
- Implement phase two of the Flood Resilient SA program.
- Deliver replacement rescue vessels, vehicles and equipment for various SES units and commence building works in a range of locations including Loxton and Barmera.

**Performance indicators**

	2017–18 Target	2016–17 Estimated Result	2016–17 Target	2015–16 Actual
Average response time to road rescues (in minutes) <i>A revised data capture and reporting approach was implemented and is responsible for the change in response time indicators.</i>	10	10	10	10
Cost of injury management	n.a.	\$162 891	n.a.	\$304 032
Average length of service of volunteer members as at 30 June each year	8 years and 3 months	8 years and 3 months	8 years and 3 months	8 years and 1 months
No. of state and regional training courses conducted	330	297	255	213

**Activity indicators**

	2017–18 Projection	2016–17 Estimated Result	2016–17 Projection	2015–16 Actual
No. of major exercises participated in or conducted	6	6	6	8
No. of incidents	7 000	16 000	7 000	9 586
No. of community engagement activities held	325	170	325	189
No. of volunteers as at 30 June each year	1 600	1 525	1 750	1 572
No. of qualified peer support volunteers	8	6	8	6
No. of hours personnel provided with Critical Incident Stress Management services	60	25	60	45
No. of Zone Emergency Management Committee meetings held	44	43	44	40
No. of accredited trainer assessors and lead trainers	112	87	85	76

## State Emergency Service Statement of comprehensive income

	2017–18 Budget	2016–17 Estimated Result	2016–17 Budget	2015–16 Actual
	\$000	\$000	\$000	\$000
<b>Expenses</b>				
Employee benefit expenses				
Salaries, wages, annual and sick leave.....	5 878	5 109	5 111	4 352
Long service leave.....	125	115	115	219
Payroll tax.....	265	242	242	225
Superannuation.....	557	511	511	458
Other.....	210	193	193	61
Supplies and services				
General supplies and services.....	8 404	9 567	7 277	7 664
Consultancy expenses.....	—	—	—	9
Depreciation and amortisation.....	2 316	2 316	2 316	1 990
Grants and subsidies.....	—	—	—	245
Other expenses.....	190	188	188	206
<b>Total expenses</b>	<b>17 945</b>	<b>18 241</b>	<b>15 953</b>	<b>15 429</b>
<b>Income</b>				
Commonwealth revenues.....	—	—	—	18
Intra-government transfers.....	20 123	20 329	18 109	16 351
Interest revenues.....	23	23	23	32
Net gain or loss on disposal of assets.....	—	—	—	-132
Other income.....	90	88	88	147
<b>Total income</b>	<b>20 236</b>	<b>20 440</b>	<b>18 220</b>	<b>16 416</b>
<b>Net cost of providing services</b>	<b>-2 291</b>	<b>-2 199</b>	<b>-2 267</b>	<b>-987</b>
<b>Income from/expenses to state government</b>				
Income				
Other income.....	—	—	—	145
<b>Net income from/expenses to state government</b>	<b>—</b>	<b>—</b>	<b>—</b>	<b>145</b>
<b>Total comprehensive result</b>	<b>2 291</b>	<b>2 199</b>	<b>2 267</b>	<b>1 132</b>

## State Emergency Service Statement of financial position

	2017–18 Budget	2016–17 Estimated Result	2016–17 Budget	2015–16 Actual
	\$000	\$000	\$000	\$000
<b>Assets</b>				
<b>Current assets</b>				
Cash and cash equivalents.....	3 079	2 650	2 968	2 170
Receivables.....	394	394	327	394
Other financial assets.....	391	391	342	391
Other current assets.....	13	13	—	13
<b>Total current assets</b>	<b>3 877</b>	<b>3 448</b>	<b>3 637</b>	<b>2 968</b>
<b>Non current assets</b>				
Land and improvements.....	25 071	23 758	23 883	22 498
Plant and equipment.....	16 535	15 839	15 630	15 234
Intangible assets.....	1	1	1	1
<b>Total non-current assets</b>	<b>41 607</b>	<b>39 598</b>	<b>39 514</b>	<b>37 733</b>
<b>Total assets</b>	<b>45 484</b>	<b>43 046</b>	<b>43 151</b>	<b>40 701</b>
<b>Liabilities</b>				
<b>Current liabilities</b>				
Payables.....	1 934	1 900	1 582	1 866
Employee benefits				
Salaries and wages.....	116	98	80	81
Annual leave.....	486	486	400	486
Long service leave.....	298	298	242	298
Other.....	30	30	29	30
Short-term provisions.....	125	129	118	133
<b>Total current liabilities</b>	<b>2 989</b>	<b>2 941</b>	<b>2 451</b>	<b>2 894</b>
<b>Non current liabilities</b>				
Long-term employee benefits				
Long service leave.....	955	828	854	701
Long-term provisions.....	140	168	339	196
<b>Total non-current liabilities</b>	<b>1 095</b>	<b>996</b>	<b>1 193</b>	<b>897</b>
<b>Total liabilities</b>	<b>4 084</b>	<b>3 937</b>	<b>3 644</b>	<b>3 791</b>
<b>Net assets</b>	<b>41 400</b>	<b>39 109</b>	<b>39 507</b>	<b>36 910</b>
<b>Equity</b>				
Retained earnings.....	36 248	33 957	34 355	31 758
Asset revaluation reserve.....	5 152	5 152	5 152	5 152
<b>Total equity</b>	<b>41 400</b>	<b>39 109</b>	<b>39 507</b>	<b>36 910</b>

Balances as at 30 June end of period.

## State Emergency Service Statement of cash flows

	2017–18 Budget \$000	2016–17 Estimated Result \$000	2016–17 Budget \$000	2015–16 Actual \$000
<b>Operating activities</b>				
<b>Cash outflows</b>				
Employee benefit payments.....	6 964	6 100	6 103	5 228
Payments for supplies and services.....	8 403	9 566	7 276	8 553
Grants and subsidies.....	—	—	—	242
Other payments.....	115	113	112	—
<b>Cash used in operations</b>	<b>15 482</b>	<b>15 779</b>	<b>13 491</b>	<b>14 023</b>
<b>Cash inflows</b>				
Intra-government transfers.....	20 123	20 329	18 109	16 351
Other grants.....	—	—	—	18
Interest received.....	23	23	23	32
GST received.....	—	—	—	859
Other receipts.....	90	88	88	249
<b>Cash generated from operations</b>	<b>20 236</b>	<b>20 440</b>	<b>18 220</b>	<b>17 509</b>
<b>State government</b>				
Other receipts.....	—	—	—	145
<b>Net cash provided by state government</b>	<b>—</b>	<b>—</b>	<b>—</b>	<b>145</b>
<b>Net cash provided by (+)/used in (-) operating activities</b>	<b>4 754</b>	<b>4 661</b>	<b>4 729</b>	<b>3 631</b>
<b>Investing activities</b>				
<b>Cash outflows</b>				
Purchase of property, plant and equipment.....	4 325	4 181	4 231	3 654
Other investing payments.....	—	—	—	51
<b>Cash used in investing activities</b>	<b>4 325</b>	<b>4 181</b>	<b>4 231</b>	<b>3 705</b>
<b>Cash inflows</b>				
Proceeds from sale of property, plant and equipment.....	—	—	—	129
<b>Cash generated from investing activities</b>	<b>—</b>	<b>—</b>	<b>—</b>	<b>129</b>
<b>Net cash provided by (+)/used in (-) investing activities</b>	<b>-4 325</b>	<b>-4 181</b>	<b>-4 231</b>	<b>-3 576</b>
<b>Net increase (+)/decrease (-) in cash equivalents</b>	<b>429</b>	<b>480</b>	<b>498</b>	<b>55</b>
<b>Cash and cash equivalents at the start of the period</b>	<b>2 650</b>	<b>2 170</b>	<b>2 470</b>	<b>2 115</b>
<b>Cash and cash equivalents at the end of the period</b>	<b>3 079</b>	<b>2 650</b>	<b>2 968</b>	<b>2 170</b>

## Summary of major variations

The following commentary relates to variations between the 2017–18 Budget and the 2016–17 Estimated Result.

### Statement of comprehensive income — controlled

#### *Expenses*

The \$0.3 million decrease in expenses is primarily due to:

- costs incurred responding to extreme weather events in 2016–17 (\$1.8 million)

partially offset by additional funding in 2017–18 for

- the enhancements to 132 500 initiative (\$0.6 million)
- the enhanced flood response and incident management capabilities initiative (\$0.5 million)
- training for Volunteer Marine Rescue and SES volunteers to comply with new national maritime laws (\$0.4 million).

#### *Income*

No major variations.

### Statement of financial position — controlled

The \$2.3 million increase in net assets is primarily due to the acquisition of new buildings, rescue vehicles and vessels, and equipment for SES units across the state.

### Statement of cash flows — controlled

The movements in cash outflows and inflows are generally consistent with the changes discussed above under the statement of comprehensive income and the statement of financial position.

**Agency: Environment  
Protection Authority**

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**Minister for Sustainability, Environment and  
Conservation**





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## Objective

To achieve a better environment for the wellbeing and prosperity of all South Australians.

The Environment Protection Authority was established to administer and enforce the *Environment Protection Act 1993*. The Environment Protection Authority also provides supports to the Radiation Protection Committee established by the *Radiation Protection and Control Act 1982*.

## Ministerial responsibilities

Minister	Programs	Sub-programs
<b>The Hon. IK Hunter</b> Minister for Sustainability, Environment and Conservation	1. Environment and Radiation Protection	1.1 Environment Protection 1.2 Radiation Protection

### Statutes

The Department of the Premier and Cabinet maintains a list of statutes applicable to ministers.

## Workforce summary

Agency	FTEs as at 30 June		
	2017–18 Budget <sup>(a)</sup>	2016–17 Estimated Result <sup>(a)</sup>	2015–16 Actual <sup>(b)</sup>
Environment Protection Authority .....	212.2	212.4	210.0
<b>Total</b>	<b>212.2</b>	<b>212.4</b>	<b>210.0</b>

(a) The 2017–18 Budget and 2016–17 Estimated Result reflect the established FTE caps.

(b) Data published by the Office for the Public Sector (Department of the Premier and Cabinet).

## Program net cost of services summary

Program	Net cost of services			
	2017–18 Budget \$000	2016–17 Estimated Result \$000	2016–17 Budget \$000	2015–16 Actual \$000
1. Environment and Radiation Protection.....	-14 237	-10 336	-11 934	-5 601
<b>Total</b>	<b>-14 237</b>	<b>-10 336</b>	<b>-11 934</b>	<b>-5 601</b>

## Investing expenditure summary

The 2017–18 investment program is \$1 039 000.

Investments	Estimated completion Quarter	Total project cost \$000	2017–18 Budget \$000	2016–17 Estimated Result \$000	2016–17 Budget \$000
<b>Existing projects</b>					
Material Flow and Levy Information System .....	Jun 2020	1 500	465	—	—
<b>Total existing projects</b>		<b>1 500</b>	<b>465</b>	<b>—</b>	<b>—</b>
<b>Annual programs</b>					
Minor Capital Works and Equipment ....	n.a.	n.a.	574	471	565
<b>Total annual programs</b>			<b>574</b>	<b>471</b>	<b>565</b>
<b>Total investing expenditure</b>		<b>1 500</b>	<b>1 039</b>	<b>471</b>	<b>565</b>

## Program 1: Environment and Radiation Protection

### Description/objective

The objective of this program is to achieve a better environment for the wellbeing and prosperity of all South Australians.

### Sub-programs

- 1.1 Environment Protection
- 1.2 Radiation Protection

### Program summary – expenses, income and FTEs

	2017–18 Budget	2016–17 Estimated Result	2016–17 Budget	2015–16 Actual
	\$000	\$000	\$000	\$000
<b>Expenses</b>				
Employee benefit expenses.....	23 578	23 166	22 929	23 669
Supplies and services.....	8 569	9 274	8 425	8 470
Depreciation and amortisation expenses.....	1 020	1 020	780	1 084
Grants and subsidies.....	812	498	654	360
Intra-government transfers.....	31 632	27 434	27 830	22 317
Other expenses.....	127	122	122	418
<b>Total expenses</b>	<b>65 738</b>	<b>61 514</b>	<b>60 740</b>	<b>56 318</b>
<b>Income</b>				
Commonwealth Government revenues.....	636	630	512	564
Intra-government transfers.....	344	340	310	829
Other grants.....	35	273	—	118
Fees, fines and penalties.....	78 717	70 368	71 613	60 182
Sales of goods and services.....	141	137	137	102
Interest revenue.....	102	102	102	126
Other income.....	—	—	—	-2
<b>Total income</b>	<b>79 975</b>	<b>71 850</b>	<b>72 674</b>	<b>61 919</b>
<b>Net cost of providing services</b>	<b>-14 237</b>	<b>-10 336</b>	<b>-11 934</b>	<b>-5 601</b>
<b>FTEs as at 30 June (No.)</b>	<b>212.2</b>	212.4	210.4	210.0

## Sub-program 1.1: Environment Protection

### Description/objective

The objective of the Environment Protection sub-program is to achieve a better environment for the wellbeing and prosperity of all South Australians through the protection, restoration and enhancement of the environment, and the risk-based regulation of pollution, waste and noise. The Environment Protection Authority (EPA) works closely with industry, the community and government to protect our unique natural environment while supporting economic growth and improving wellbeing.

The EPA administers and enforces the *Environment Protection Act 1993* by:

- licensing, inspecting and auditing activities that have an impact on the environment
- developing environmental policies
- undertaking environmental assessment of new developments
- monitoring and reporting on air and water quality
- delivering pollution avoidance and reduction programs for water, catchments, air, noise and waste
- providing support to local government
- undertaking state of the environment reporting.

	2017–18 Budget	2016–17 Estimated Result	2016–17 Budget	2015–16 Actual
	\$000	\$000	\$000	\$000
Expenses.....	64 167	59 953	59 136	54 855
Income.....	76 821	68 798	69 622	58 610
<b>Net cost of sub-program</b>	<b>-12 654</b>	<b>-8 845</b>	<b>-10 486</b>	<b>-3 755</b>
<b>FTEs as at 30 June (No.)</b>	<b>197.7</b>	198.7	195.9	196.3

### Financial commentary

#### 2017–18 Budget/2016–17 Estimated Result

The \$4.2 million increase in expenses is primarily due to an increase in solid waste levy payments to the Green Industry Fund (\$4.2 million).

The \$8.0 million increase in income is primarily due to:

- an increase in solid waste levy revenue (\$8.4 million)

partially offset by

- a decrease in externally funded projects (\$0.2 million).

#### 2016–17 Estimated Result/2016–17 Budget

The \$0.8 million increase in expenses is primarily due to:

- an increase in externally funded projects (\$0.4 million)
- carrying over expenditures from 2015–16 (\$0.4 million).

The \$0.8 million decrease in revenue is primarily due to:

- a decrease in waste levy revenue (\$1.0 million)
- a decrease in EPA licence fees (\$0.2 million)

partially offset by

- an increase in externally funded projects (\$0.4 million).

#### *2016–17 Estimated Result/2015–16 Actual*

The \$5.1 million increase in expenses is primarily due to an increase in solid waste levy payments to the Green Industry Fund (\$5.2 million).

The \$10.2 million increase in income is primarily due to an increase in solid waste levy revenue (\$10.2 million).

#### **Highlights 2016–17**

- The Environment Protection (Air Quality) Policy 2016 was gazetted and the EPA worked with local government to implement the new policy.
- Continued to engage and assist industry transformation in the Upper Spencer Gulf region.
- Continued development of a regulatory framework to support innovation and investment in the resource recovery sector through the development of the Environment Protection (Waste Reform) Amendment Bill 2017. The EPA also prepared a Site Contamination Regulatory and Orphan Site Management Framework and improved its capability for community engagement in assessment areas.
- Worked with small and medium enterprises to develop a publication with case studies of good practice in environmental management.
- Improved the delivery of scientific services by consolidating the Air & Noise and Water Quality branches into an Environmental Science Branch to improve our scientific capability.
- Launched a ‘Dob in a litterer’ app and website to allow members of the public to report cases of littering from vehicles.
- Contributed to the government's open data and digital initiatives by providing increased open access to information, providing additional data sets to Data SA, participating in the GovHack (previously known as ‘Unleashed’) initiative and launching an updated online public register.

#### **Targets 2017–18**

- Work with local councils to support implementation of the *Local Nuisance and Litter Control Act 2016*.
- Support the Environment Protection (Waste Reform) Amendment Bill 2017.
- Continue to conduct orphan site risk assessments and engage communities in areas affected by site contamination.
- Continue the process of amending the Environment Protection (Water Quality) Policy 2015 to effect a ban on per- and poly-fluoroalkyl substances (PFASs) in fire-fighting foams.
- Work with small and medium enterprises to improve environmental regulatory compliance.
- Contribute to the implementation of the *Planning, Development and Infrastructure Act 2016*.

## Performance indicators

	2017–18 Target	2016–17 Estimated Result	2016–17 Target	2015–16 Actual
Average annual concentration of airborne lead within agreed limits at key Port Pirie community sites:				
• Port Pirie Oliver Street	<b>Not to exceed 0.5 µg/m<sup>3</sup></b>	0.36	Not to exceed 0.5 µg/m <sup>3</sup>	0.28
• Pirie West Primary School	<b>Not to exceed 0.5 µg/m<sup>3</sup></b>	0.36	Not to exceed 0.5 µg/m <sup>3</sup>	0.27
<i>The data is an interim 12 month rolling average based on data provided by Nyrstar. This indicator will be revised following Nyrstar's transformation.</i>				
% of development plan amendment responses made within statutory timeframes	<b>100%</b>	92%	100%	97%
% of development application responses and approvals made within statutory timeframes	<b>100%</b>	97%	100%	99%
% of surveyed callers that were either satisfied or very satisfied with the overall service provided by the call centre	<b>80%</b>	79%	80%	88%
% of enquiries and incident reports actioned within three business days	<b>80%</b>	82%	80%	83%

## Activity indicators

	2017–18 Projection	2016–17 Estimated Result	2016–17 Projection	2015–16 Actual
No. of inspections and audits to ensure compliance	<b>700</b>	700	750	701

## Sub-program 1.2: Radiation Protection

### Description/objective

The objective of the Radiation Protection sub-program is to achieve a better environment for the wellbeing and prosperity of all South Australians by ensuring the safe use of radiation to minimise adverse impacts on human health and the environment, through the risk-based regulation of radiation. The EPA works closely with industry, the community and government to promote the safe use of radiation.

The EPA administers and enforces the *Radiation Protection and Control Act 1982* by:

- assessing applications for new radiation sources, premises and users
- developing and reviewing radiation protection policies
- monitoring radiation management at operating uranium mines and former mining and milling sites
- monitoring radiation use by industry, science, medicine, the public and in the environment
- developing options and assessment of proposals for radioactive waste management
- assessing proposals for new projects involving radiation or radioactive materials
- providing advice on ionising and non-ionising radiation protection to government departments, workers, industry and the public.

	2017–18 Budget	2016–17 Estimated Result	2016–17 Budget	2015–16 Actual
	\$000	\$000	\$000	\$000
Expenses.....	1 571	1 561	1 604	1 463
Income.....	3 154	3 052	3 052	3 309
<b>Net cost of sub-program</b>	<b>-1 583</b>	<b>-1 491</b>	<b>-1 448</b>	<b>-1 846</b>
<b>FTEs as at 30 June (No.)</b>	<b>14.5</b>	13.7	14.5	13.7

### Financial commentary

#### *2017–18 Budget/2016–17 Estimated Result*

No major variations.

#### *2016–17 Estimated Result/2016–17 Budget*

No major variations.

#### *2016–17 Estimated Result/2015–16 Actual*

No major variances in expenses.

The \$0.3 million decrease in income is primarily due to a decrease in Radiation licence fees as a result of amalgamation of two uranium mining licences in 2016–17.

### Highlights 2016–17

- Provided regulatory expertise, assistance and support to the community consultation process led by the Nuclear Fuel Cycle Royal Commission Consultation and Response Agency (CARA).

### Targets 2017–18

- Undertake a review of the protocols for the transportation of uranium oxide in South Australia.
- Develop EPA’s capability for the regulation of proton radiation applications.

### Performance indicators

	2017–18 Target	2016–17 Estimated Result	2016–17 Target	2015–16 Actual
Ensure licensed uranium mines and proposals for new projects comply with the <i>Radiation Protection and Control Act 1982</i> :				
• % of radiation reports from uranium mines and all new projects are assessed	100%	100%	100%	100%
Ensure diagnostic x-ray apparatus comply with regulations:				
• % of all new diagnostic x-ray apparatus fully registered under the third party certification program	90%	87%	90%	88%



**Environment Protection Authority  
Statement of comprehensive income**

	2017–18 Budget	2016–17 Estimated Result	2016–17 Budget	2015–16 Actual
	\$000	\$000	\$000	\$000
<b>Expenses</b>				
Employee benefit expenses				
Salaries, wages, annual and sick leave.....	19 102	18 761	18 559	18 883
Long service leave.....	650	640	635	1 157
Payroll tax.....	1 128	1 108	1 098	1 105
Superannuation.....	2 121	2 085	2 067	2 105
Other.....	577	572	570	419
Supplies and services				
General supplies and services.....	8 569	9 274	8 425	8 464
Consultancy expenses.....	—	—	—	6
Depreciation and amortisation.....	1 020	1 020	780	1 084
Grants and subsidies.....	812	498	654	360
Intra government transfers.....	31 632	27 434	27 830	22 317
Other expenses.....	127	122	122	418
<b>Total expenses</b>	<b>65 738</b>	<b>61 514</b>	<b>60 740</b>	<b>56 318</b>
<b>Income</b>				
Commonwealth revenues.....	636	630	512	564
Intra-government transfers.....	344	340	310	829
Other grants.....	35	273	—	118
Fees, fines and penalties.....	78 717	70 368	71 613	60 182
Sales of goods and services.....	141	137	137	102
Interest revenues.....	102	102	102	126
Net gain or loss on disposal of assets.....	—	—	—	-6
Other income.....	—	—	—	4
<b>Total income</b>	<b>79 975</b>	<b>71 850</b>	<b>72 674</b>	<b>61 919</b>
<b>Net cost of providing services</b>	<b>-14 237</b>	<b>-10 336</b>	<b>-11 934</b>	<b>-5 601</b>
<b>Income from/expenses to state government</b>				
Expenses				
Cash alignment.....	—	5 802	—	6 275
<b>Net income from/expenses to state government</b>	<b>—</b>	<b>-5 802</b>	<b>—</b>	<b>-6 275</b>
<b>Total comprehensive result</b>	<b>14 237</b>	<b>4 534</b>	<b>11 934</b>	<b>-674</b>

## Environment Protection Authority Statement of financial position

	2017–18 Budget \$000	2016–17 Estimated Result \$000	2016–17 Budget \$000	2015–16 Actual \$000
<b>Assets</b>				
<b>Current assets</b>				
Cash and cash equivalents.....	35 949	21 287	29 751	15 576
Receivables.....	8 047	8 047	7 562	8 047
Other current assets.....	84	84	106	84
<b>Total current assets</b>	<b>44 080</b>	<b>29 418</b>	<b>37 419</b>	<b>23 707</b>
<b>Non current assets</b>				
Land and improvements.....	603	627	607	651
Plant and equipment.....	3 765	3 426	6 173	3 655
Intangible assets.....	1 837	2 133	61	2 429
<b>Total non-current assets</b>	<b>6 205</b>	<b>6 186</b>	<b>6 841</b>	<b>6 735</b>
<b>Total assets</b>	<b>50 285</b>	<b>35 604</b>	<b>44 260</b>	<b>30 442</b>
<b>Liabilities</b>				
<b>Current liabilities</b>				
Payables.....	1 786	1 724	2 342	1 662
Employee benefits				
Salaries and wages.....	200	331	462	276
Annual leave.....	1 578	1 565	1 599	1 552
Long service leave.....	392	386	585	380
Other.....	257	190	247	123
Short-term provisions.....	58	57	13	56
Other current liabilities.....	78	78	67	78
<b>Total current liabilities</b>	<b>4 349</b>	<b>4 331</b>	<b>5 315</b>	<b>4 127</b>
<b>Non current liabilities</b>				
Long-term employee benefits				
Long service leave.....	6 603	6 111	5 626	5 619
Long-term provisions.....	105	104	116	105
Other non-current liabilities.....	311	378	377	445
<b>Total non-current liabilities</b>	<b>7 019</b>	<b>6 593</b>	<b>6 119</b>	<b>6 169</b>
<b>Total liabilities</b>	<b>11 368</b>	<b>10 924</b>	<b>11 434</b>	<b>10 296</b>
<b>Net assets</b>	<b>38 917</b>	<b>24 680</b>	<b>32 826</b>	<b>20 146</b>
<b>Equity</b>				
Retained earnings.....	37 985	23 748	31 894	19 214
Asset revaluation reserve.....	932	932	932	932
<b>Total equity</b>	<b>38 917</b>	<b>24 680</b>	<b>32 826</b>	<b>20 146</b>

Balances as at 30 June end of period.

## Environment Protection Authority Statement of cash flows

	2017-18 Budget \$000	2016-17 Estimated Result \$000	2016-17 Budget \$000	2015-16 Actual \$000
<b>Operating activities</b>				
<b>Cash outflows</b>				
Employee benefit payments.....	23 067	22 471	22 234	22 736
Payments for supplies and services.....	8 636	9 341	8 492	8 942
Grants and subsidies.....	812	498	654	360
Intra-government transfers.....	31 632	27 434	27 830	22 317
Other payments.....	127	122	122	483
<b>Cash used in operations</b>	<b>64 274</b>	<b>59 866</b>	<b>59 332</b>	<b>54 838</b>
<b>Cash inflows</b>				
Intra-government transfers.....	344	340	310	829
Commonwealth receipts.....	636	630	512	564
Other grants.....	35	273	—	118
Fees, fines and penalties.....	78 717	70 368	71 613	59 802
Sales of goods and services.....	141	137	137	—
Interest received.....	102	102	102	127
Other receipts.....	—	—	—	43
<b>Cash generated from operations</b>	<b>79 975</b>	<b>71 850</b>	<b>72 674</b>	<b>61 483</b>
<b>State government</b>				
Payments				
Cash alignment.....	—	5 802	—	6 275
<b>Net cash provided by state government</b>	<b>—</b>	<b>-5 802</b>	<b>—</b>	<b>-6 275</b>
<b>Net cash provided by (+)/used in (-) operating activities</b>	<b>15 701</b>	<b>6 182</b>	<b>13 342</b>	<b>370</b>
<b>Investing activities</b>				
<b>Cash outflows</b>				
Purchase of property, plant and equipment.....	1 039	471	565	497
Purchase of intangibles.....	—	—	—	73
<b>Cash used in investing activities</b>	<b>1 039</b>	<b>471</b>	<b>565</b>	<b>570</b>
<b>Net cash provided by (+)/used in (-) investing activities</b>	<b>-1 039</b>	<b>-471</b>	<b>-565</b>	<b>-570</b>
<b>Net increase (+)/decrease (-) in cash equivalents</b>	<b>14 662</b>	<b>5 711</b>	<b>12 777</b>	<b>-200</b>
<b>Cash and cash equivalents at the start of the period</b>	<b>21 287</b>	<b>15 576</b>	<b>16 974</b>	<b>15 776</b>
<b>Cash and cash equivalents at the end of the period</b>	<b>35 949</b>	<b>21 287</b>	<b>29 751</b>	<b>15 576</b>

## Summary of major variations

The following commentary relates to variations between the 2017–18 Budget and the 2016–17 Estimated Result.

### Statement of comprehensive income — controlled

#### *Expenses*

The \$4.2 million increase in expense is primarily due to an increase in solid waste levy payments to the Green Industry Fund (\$4.2 million).

#### *Income*

The \$8.1 million increase in income is primarily due to:

- an increase in solid waste levy revenue (\$8.4 million)

partially offset by

- a decrease in externally funded projects (\$0.2 million).

### Statement of financial position — controlled

The \$14.7 million increase in total assets is primarily due to:

- an increase in 2017–18 cash deposits from increased fees and charges revenue (\$8.3 million)
- a decrease in 2016–17 cash deposits due to the payment of surplus cash to the Government of South Australia in 2016–17 (\$5.8 million).

### Statement of cash flows — controlled

The movements in cash outflows and inflows are generally consistent with the changes discussed above under the statement of comprehensive income.

**Agency: Department of  
Environment,  
Water and Natural  
Resources**

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**Minister for Sustainability, Environment and  
Conservation**

**Minister for Water and the River Murray**

**Minister for Climate Change**



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## Objective

The Department of Environment, Water and Natural Resources (DEWNR) helps South Australians conserve, sustain and prosper.

DEWNR achieves this by:

- taking action to address and adapt to our changing climate
- sustaining the natural resources of our state
- connecting people to nature, parks and places
- managing water for the future.

## Ministerial responsibilities

Minister	Programs	Sub-programs
<b>The Hon. IK Hunter</b> Minister for Sustainability, Environment and Conservation Minister for Water and the River Murray Minister for Climate Change	1. Sustainability	1.1 Sustainable Natural Resources Management 1.2 Preparing for Climate Change 1.3 Animal Welfare
	2. Water	2.1 Water Resource Management 2.2 Murray-Darling Basin
	3. Parks and Public Assets	3.1 Visitor Experiences and Services 3.2 Mitigate Impacts of Bushfires 3.3 Management of Public and Listed Assets 3.4 Botanic Gardens

### *Administered items*

In addition to the above responsibilities, the agency administers the following items on behalf of the minister:

- National Landcare Program
- Ministerial other items allocations
- Natural Resources Management (NRM) Fund
- Pastoral Board
- Qualco Sunlands Ground Water Control Trust
- Stormwater Management Authority
- Surplus Land and Property Sales Account.

### *Statutes*

The Department of the Premier and Cabinet maintains a list of statutes applicable to ministers.



## Ministerial office resources

	2017–18 Budget	
	Cost of provision	
Minister	\$000	FTE
The Hon. IK Hunter .....	1 709	10.0

## Workforce summary

Agency	FTEs as at 30 June		
	2017–18 Budget <sup>(a)</sup>	2016–17 Estimated Result <sup>(a)</sup>	2015–16 Actual <sup>(b)</sup>
Department of Environment, Water and Natural Resources .....	1 504.1	1 547.8	1 610.0
Administered items for Department of Environment, Water and Natural Resources .....	1.0	1.0	1.0
<b>Total</b>	<b>1 505.1</b>	<b>1 548.8</b>	<b>1 611.0</b>

(a) The 2017–18 Budget and 2016–17 Estimated Result reflect the established FTE caps.

(b) Data published by the Office for the Public Sector (Department of the Premier and Cabinet).

## Program net cost of services summary

Program	Net cost of services			
	2017–18 Budget	2016–17 Estimated Result	2016–17 Budget	2015–16 Actual
	\$000	\$000	\$000	\$000
1. Sustainability .....	35 611	41 645	40 676	43 096
2. Water .....	-33 743	23 106	-22 873	3 728
3. Parks and Public Assets .....	89 002	96 600	88 127	88 633
<b>Total</b>	<b>90 870</b>	<b>161 351</b>	<b>105 930</b>	<b>135 457</b>

## Investing expenditure summary

The 2017–18 investment program is \$115.2 million.

The program includes Murray Futures infrastructure investments including the Riverine Recovery program that will achieve healthier wetlands habitats and improve water quality; the South East Flows Restoration project that will assist salinity management, enhance flows to wetlands and reduce drainage outflow in the South East; and the South Australian Riverland Floodplains Integrated Infrastructure program that will deliver improved long-term health and resilience of the Riverland floodplains.

The program also includes a new pedestrian bridge at Brownhill Creek to provide amenity to visitors as well as providing safe passage across the creek, and a coastal discovery trail through the Tennyson Dunes Conservation Reserve allowing more people to experience this important ecological asset and provide opportunities for education and interpretation.

The program continues to invest in some of the state's most popular parks and gardens to conserve the state's natural and heritage assets and develop nature-based tourism and recreational opportunities.

	Estimated completion Quarter	Total project cost \$000	2017–18 Budget \$000	2016–17 Estimated Result \$000	2016–17 Budget \$000
<b>Investments</b>					
<b><i>New projects</i></b>					
Brownhill Creek Pedestrian Bridge .....	Jun 2018	200	200	—	—
<b>Total new projects</b>		<b>200</b>	<b>200</b>	<b>—</b>	<b>—</b>
<b><i>Existing projects</i></b>					
Kangaroo Island Wilderness Trail .....	Jun 2017	5 323	—	1 689	—
Metropolitan Parks — Mountain Bicycling in the Mount Lofty Ranges.....	Jun 2018	1 331	100	376	300
Metropolitan Parks — Northern Suburban Parks and Reserves .....	Jun 2018	5 522	2 066	2 428	2 262
Metropolitan Parks — Southern Suburban Parks and Reserves .....	Jun 2018	1 984	734	987	1 000
Riverine Recovery .....	Jun 2018	49 827	29 060	822	8 174
South Australian Riverland Floodplains Integrated Infrastructure program (SARF IIP) .....	Jun 2020	107 652	47 226	11 379	27 784
South East Flows Restoration Project...	Jun 2019	48 140	26 320	15 559	42 871
Tennyson Dunes Coast Park Discovery Trail .....	Jun 2018	1 960	1 855	105	—
<b>Total existing projects</b>		<b>221 739</b>	<b>107 361</b>	<b>33 345</b>	<b>82 391</b>
<b><i>Annual programs</i></b>					
Fire Management on Public Land — Enhanced Capabilities .....	n.a.	n.a.	1 116	1 089	1 089
Minor Capital Works and Equipment.....	n.a.	n.a.	4 428	7 147	5 025
Water Monitoring Equipment.....	n.a.	n.a.	2 135	2 073	2 073
<b>Total annual programs</b>		<b>n.a.</b>	<b>7 679</b>	<b>10 309</b>	<b>8 187</b>
<b><i>Other</i></b>					
Assets Contributed to DEWNR .....	n.a.	240	—	93	—
<b>Total other</b>		<b>240</b>	<b>—</b>	<b>93</b>	<b>—</b>
<b>Total investing expenditure</b>		<b>222 179</b>	<b>115 240</b>	<b>43 747</b>	<b>90 578</b>

## Program 1: Sustainability

### Description/objective

Ensure the effective management of South Australia's natural resources through statewide policy, planning and frontline service delivery for the benefit of the community, our economy and ecosystems.

### Sub-programs

- 1.1 Sustainable Natural Resources Management
- 1.2 Preparing for Climate Change
- 1.3 Animal Welfare

### Program summary—expenses, income and FTEs

	2017–18 Budget	2016–17 Estimated Result	2016–17 Budget	2015–16 Actual
	\$000	\$000	\$000	\$000
<b>Expenses</b>				
Employee benefit expenses .....	54 261	54 707	55 998	54 975
Supplies and services .....	22 405	29 001	23 468	28 658
Depreciation and amortisation expenses .....	3 543	3 560	3 367	3 097
Grants and subsidies .....	2 023	3 110	2 478	2 776
Intra-government transfers .....	383	436	236	695
Other expenses .....	293	293	293	355
<b>Total expenses</b>	<b>82 908</b>	<b>91 107</b>	<b>85 840</b>	<b>90 556</b>
<b>Income</b>				
Commonwealth Government revenues .....	—	172	172	172
Intra-government transfers .....	6 507	7 347	5 150	6 366
Other grants .....	707	1 687	1 193	656
Fees, fines and penalties .....	629	548	534	830
Sales of goods and services .....	39 369	39 358	38 070	39 358
Interest revenues .....	45	45	45	45
Net gain or loss from disposal of assets .....	—	—	—	-179
Resources received free of charge .....	—	93	—	—
Other income .....	40	212	—	212
<b>Total income</b>	<b>47 297</b>	<b>49 462</b>	<b>45 164</b>	<b>47 460</b>
<b>Net cost of providing services</b>	<b>35 611</b>	<b>41 645</b>	<b>40 676</b>	<b>43 096</b>
<b>FTEs as at 30 June (No.)</b>	<b>585.6</b>	<b>597.6</b>	<b>595.7</b>	<b>600.0</b>

## Sub-program 1.1: Sustainable Natural Resources Management

### Description/objective

Ensuring the sustainability of South Australia's natural resources through the administration of legislation, planning, and the delivery of natural resources management programs.

	2017–18 Budget	2016–17 Estimated Result	2016–17 Budget	2015–16 Actual
	\$000	\$000	\$000	\$000
Expenses .....	78 105	86 247	81 480	86 143
Income .....	45 762	48 636	44 565	47 351
<b>Net cost of sub-program</b>	<b>32 343</b>	<b>37 611</b>	<b>36 915</b>	<b>38 792</b>
<b>FTEs as at 30 June (No.)</b>	<b>572.6</b>	584.6	582.7	587.0

### Financial commentary

#### 2017–18 Budget/2016–17 Estimated Result

The \$8.1 million decrease in expenses is primarily due to:

- cessation of the intra-government budget charging model for shared services to government agencies from 2017–18 (\$2.3 million)
- once-off expenditure in 2016–17 for 2016 storm and flood damage remediation works as part of the Adelaide Living Beaches program (\$1.0 million)
- reduced expenditure associated with the closure of the Dry Creek salt field (\$0.6 million)
- once-off expenditure in 2016–17 for the South Australian Native Title Services (SANTS) funded Working on Country project (\$0.5 million)
- expenditure on projects relating to the restoration of natural habitats recognised in 2016–17 only (\$0.4 million)
- reduced expenditure for NatureLinks: Strategic, scientific and inclusive coastal conservation works (\$0.4 million)
- reduced expenditure relating to native vegetation management and compliance projects (\$0.4 million)
- once-off expenditure in 2016–17 for the Rangelands Partnership with the SA Murray-Darling Basin Natural Resource Management (NRM) Board (\$0.4 million)
- once-off expenditure in 2016–17 for the SA Urban Forest Projects Sites program (\$0.3 million)
- Information Spatial Analysis support to various NRM Boards recognised in 2016–17 only (\$0.3 million)
- reduced expenditure for the Trans-Australia Eco-Link project (\$0.2 million)
- reduced expenditure for the River Murray Forest project (\$0.2 million).

The \$2.9 million decrease in income is primarily due to:

- reduced income for the implementation of the Limestone Coast and Coorong Coastal Action Plan (\$0.5 million)
- once-off income in 2016–17 for the SANTS funded Working on Country project (\$0.5 million)
- income on projects relating to the restoration of natural habitats recognised in 2016–17 only (\$0.4 million)

- once-off income in 2016–17 for the Rangelands Partnership with the SA Murray-Darling Basin NRM Board (\$0.4 million)
- reduced income relating to native vegetation management and compliance projects (\$0.4 million)
- reduced income for NatureLinks: Strategic, scientific and inclusive coastal conservation works (\$0.4 million).

*2016–17 Estimated Result/2016–17 Budget*

The \$4.8 million increase in expenses is primarily due to:

- increased expenditure on the Adelaide Living Beaches program as a result of the 2016 storm and flood events (\$1.0 million)
- additional native vegetation management and compliance projects (\$0.9 million)
- increased expenditure for the SANTS funded Working on Country project (\$0.5 million)
- additional expenditure for the Rangelands Partnership with the SA Murray-Darling Basin NRM Board (\$0.4 million)
- increased expenditure on the SA Urban Forest Projects Sites program (\$0.3 million)
- additional Information Spatial Analysis support to various NRM Boards (\$0.3 million)
- carryover of expenditure into 2016–17 for the Trans-Australia Eco-Link project (\$0.2 million)
- carryover of expenditure into 2016–17 for the River Murray Forest project (\$0.2 million).

The \$4.1 million increase in income is primarily due to:

- an increase in the cost recovery from NRM Boards consistent with 2015–16 charges (\$1.3 million)
- increased income for native vegetation management and compliance projects (\$0.8 million)
- increased income for the SANTS funded Working on Country project (\$0.5 million)
- additional income for the Rangelands Partnership with the SA Murray-Darling Basin NRM Board (\$0.4 million)
- increased income from various NRM Boards for Information Spatial Analysis support (\$0.3 million)
- additional income for the implementation of the Limestone Coast and Coorong Coastal Action Plan (\$0.2 million).

*2016–17 Estimated Result/2015–16 Actual*

The \$0.1 million increase in expenses is primarily due to:

- additional expenditure on the Adelaide Living Beaches program in 2016–17 as a result of the 2016 storm and flood events (\$1.0 million)

partially offset by

- reduced accommodation expenditure in 2016–17 (\$0.9 million).

The \$1.3 million increase in income is primarily due to:

- increased income for native vegetation management and compliance projects (\$0.8 million)
- increased income for the SANTS funded Working on Country project (\$0.5 million).

### Highlights 2016–17

- Maintained partnerships with the eight regional Natural Resources Management (NRM) Boards to facilitate community involvement in regional Natural Resources Management Plans and deliver programs across the state under those Plans.
- Continued to work with the community to develop a future state biodiversity conservation position (Nature of SA), using innovative engagement techniques.
- Developed a South Australian Koala Conservation and Management Strategy.
- Developed a Natural Resource Management Investment Strategy for South Australia, co-designed with key external partners.
- Completed the native vegetation regulatory reform with the Native Vegetation Regulations 2017 gazetted on 28 February 2017 and set to commence on 1 July 2017, and completed the significant environmental benefit reform including new policy, metrics and assessment methodologies for determining environmental offsets in South Australia.
- Beach replenishment under Adelaide’s Living Beaches strategy provided protection of the coast from three severe storms in the winter of 2016, seeing these beaches endure minimal damage compared to what might be expected without the strategy.

### Targets 2017–18

- Host the 2018 Natural Resource Management Science Conference, demonstrating national NRM science leadership by showcasing the best examples of applied NRM research from across the state.
- Review the current State Natural Resource Management Plan.
- Produce the 2017 set of statewide Trend and Condition Report Cards to communicate the status and changes in the condition of our state’s natural resources.
- Develop a ‘Soil Health’ index suitable for statewide and regional NRM reporting on the health of soils, including those that underpin the production of premium food and wine.
- Deliver up to 20 000 cubic metres of additional sand to Adelaide’s beaches for the Adelaide’s Living Beaches strategy.
- Implement the Native Vegetation Regulations 2017 and promote the significant environmental benefit third party credit scheme as a new market solution to offsetting in South Australia.

### Performance indicators

	2017–18 Target	2016–17 Estimated Result	2016–17 Target	2015–16 Actual
% of development applications processed within statutory timeframes <i>Includes approximately 99 per cent of referrals covered under the River Murray Act 2003 and approximately 1 per cent under the Natural Resources Management Act 2004.</i>	100	100	100	100
% of coastal development applications processed within statutory timeframes <i>This measure reflects DEWNR performance in supporting the Coast Protection Board.</i>	100	97	100	92
% of native vegetation clearance applications processed within agreed timeframes	100	90	100	80
% of mining applications processed within agreed timeframes	100	97	100	90

## Activity indicators

	2017–18 Projection	2016–17 Estimated Result	2016–17 Projection	2015–16 Actual
Number of River Murray development applications assessed <i>Progress on a referral reduction program, noted in past years, is pending the implementation of planning reforms.</i>	340	340	400	385
Number of <i>Development Act 1993</i> River Murray policy referrals processed	50	60	45	42
Number of native vegetation clearance applications processed <i>Native vegetation clearance applications include matters considered under Section 28 of the Native Vegetation Act 1991 and under the Native Vegetation Regulations 2003. This measure reflects DEWNR activity in supporting the Native Vegetation Council.</i>	160	160	200	231
Number of Significant Environmental Benefit Grants processed	2	—	2	53

## Sub-program 1.2: Preparing for Climate Change

### Description/objective

Respond to the challenges of climate change to improve the wellbeing and resilience of South Australia's economy, community and natural resources.

	2017–18 Budget	2016–17 Estimated Result	2016–17 Budget	2015–16 Actual
	\$000	\$000	\$000	\$000
Expenses .....	3 190	3 235	2 736	2 786
Income .....	1 469	760	533	43
<b>Net cost of sub-program</b>	<b>1 721</b>	<b>2 475</b>	<b>2 203</b>	<b>2 743</b>
<b>FTEs as at 30 June (No.)</b>	<b>10.6</b>	10.6	10.6	10.6

### Financial commentary

#### 2017–18 Budget/2016–17 Estimated Result

No major variation in expenditure.

The \$0.7 million increase in income is primarily due to:

- increased income for the Carbon Sequestration initiative (\$0.5 million)
- increased income for Carbon Neutral Adelaide (\$0.5 million)

partially offset by

- once-off income in 2016–17 for the European Climate Knowledge Information Community initiative (\$0.2 million).

#### 2016–17 Estimated Result/2016–17 Budget

The \$0.5 million increase in expenses is primarily due to:

- increased expenditure for the Building Upgrade Finance project (\$0.3 million)

- additional expenditure for the European Climate Knowledge Information Community initiative (\$0.2 million).

The \$0.2 million increase in income is primarily due to additional funding for the European Climate Knowledge Information Community initiative (\$0.2 million).

*2016–17 Estimated Result/2015–16 Actual*

The \$0.4 million increase in expenses is primarily due to:

- the Carbon Neutral Adelaide initiative commencing in 2016–17 (\$0.3 million)
- the European Climate Knowledge Information Community initiative commencing in 2016–17 (\$0.2 million).

The \$0.7 million increase in income is primarily due to:

- the Carbon Neutral Adelaide initiative commencing in 2016–17 (\$0.5 million)
- the European Climate Knowledge Information Community initiative commencing in 2016–17 (\$0.2 million).

**Highlights 2016–17**

- Engaged local business and residents in the delivery of a Carbon Neutral Adelaide, unlocking discretionary effort and local innovation, in partnership with the City of Adelaide.
- Completed climate change adaptation plans in all 12 state government regions, and commenced development of a statewide Adaptation Action Plan.

**Targets 2017–18**

- Deliver on-ground projects as part of the Building Upgrade Finance initiative, including an Early Adopter Program.
- Complete the South Australian Climate Change Adaptation Plan that will respond to the completed climate change adaptation plans developed across all 12 state government regions.
- Complete a South Australian Carbon Sequestration Strategy and pilot projects.
- Launch the Carbon Neutral Adelaide partnership program.

**Sub-program 1.3: Animal Welfare**

**Description/objective**

To ensure the humane treatment of animals, and manage dogs and cats.

	<b>2017–18 Budget</b>	<b>2016–17 Estimated Result</b>	<b>2016–17 Budget</b>	<b>2015–16 Actual</b>
	<b>\$000</b>	<b>\$000</b>	<b>\$000</b>	<b>\$000</b>
Expenses .....	<b>1 613</b>	1 625	1 624	1 627
Income .....	<b>66</b>	66	66	66
<b>Net cost of sub-program</b>	<b>1 547</b>	<b>1 559</b>	<b>1 558</b>	<b>1 561</b>
<b>FTEs as at 30 June (No.)</b>	<b>2.4</b>	2.4	2.4	2.4



### **Financial commentary**

#### *2017–18 Budget/2016–17 Estimated Result*

No major variations.

#### *2016–17 Estimated Result/2016–17 Budget*

No major variations.

#### *2016–17 Estimated Result/2015–16 Actual*

No major variations.

### **Highlights 2016–17**

- Introduced the South Australian Standards and Guidelines for Breeding and Trading Dogs and Cats and worked with the sector on its implementation to make sure family pets come from healthy and humane conditions.
- Inspected facilities owned by individuals authorised as ‘wildlife dealers’ to ensure permit conditions are being met.
- Commenced the development of an online smart form to process hunting permits (Basic, Duck and Quail), which will streamline the process for fauna permit issue and improve the customer experience.
- Completed and received endorsement for the South Australian Oiled Wildlife Response plan.
- Provided effective support for the Dog and Cat Management Board.

### **Targets 2017–18**

- Implement the Dogs and Cats Online System, a publicly accessible database to support councils with online registration and fee payment services.
- Develop regional oiled wildlife response plans, to build on the statewide plan developed in 2016–17.
- Amend regulations to simplify the requirements of annual reports for interstate animal ethics committees, and investigate options for training of animal ethics committee members and potential members.
- Implement the South Australian Standards and Guidelines for Trading Companion Animals.

## Program 2: Water

### Description/objective

Sustainably manage South Australia's water resources, including the River Murray, for the benefit of the economy, community and environment.

### Sub-programs

- 2.1 Water Resource Management
- 2.2 Murray-Darling Basin

### Program summary—expenses, income and FTEs

	2017–18 Budget	2016–17 Estimated Result	2016–17 Budget	2015–16 Actual
	\$000	\$000	\$000	\$000
<b>Expenses</b>				
Employee benefit expenses .....	39 684	41 767	41 665	43 983
Supplies and services .....	14 660	18 589	19 473	17 341
Depreciation and amortisation expenses .....	5 956	5 966	5 849	5 686
Grants and subsidies .....	32 414	36 261	26 936	27 140
Intra-government transfers .....	135	320	41	2 493
Other expenses .....	63	4 357	1 763	1 291
<b>Total expenses</b>	<b>92 912</b>	<b>107 260</b>	<b>95 727</b>	<b>97 934</b>
<b>Income</b>				
Taxation .....	—	—	—	1 453
Commonwealth Government revenues .....	91 124	44 660	83 968	49 531
Intra-government transfers .....	1 258	4 363	2 348	3 267
Other grants .....	489	1 213	534	508
Fees, fines and penalties .....	605	605	1 630	826
Sales of goods and services .....	31 334	30 898	28 230	30 229
Interest revenues .....	—	—	—	619
Net gain or loss from disposal of assets .....	—	—	—	-352
Other income .....	1 845	2 415	1 890	8 125
<b>Total income</b>	<b>126 655</b>	<b>84 154</b>	<b>118 600</b>	<b>94 206</b>
<b>Net cost of providing services</b>	<b>-33 743</b>	<b>23 106</b>	<b>-22 873</b>	<b>3 728</b>
<b>FTEs as at 30 June (No.)</b>	<b>330.7</b>	<b>355.7</b>	<b>359.3</b>	<b>384.4</b>

## Sub-program 2.1: Water Resource Management

### Description/objective

Ensure that South Australia has water for its economy, its environment and its communities.

	2017–18 Budget	2016–17 Estimated Result	2016–17 Budget	2015–16 Actual
	\$000	\$000	\$000	\$000
Expenses .....	28 444	42 640	29 018	39 317
Income .....	31 291	39 857	30 923	43 617
<b>Net cost of sub-program</b>	<b>-2 847</b>	<b>2 783</b>	<b>-1 905</b>	<b>-4 300</b>
<b>FTEs as at 30 June (No.)</b>	<b>171.1</b>	179.1	171.7	184.9

### Financial commentary

#### *2017–18 Budget/2016–17 Estimated Result*

The \$14.2 million decrease in expenses is primarily due to:

- reduced expenditure for the Great Artesian Basin Sustainability initiative (\$7.1 million)
- the delivery of various services associated with the SA Water funded Town Water Supply project recognised in 2016–17 only (\$1.5 million)
- reduced expenditure for the South East Confined Aquifers Wells Rehabilitation Scheme (\$1.2 million)
- cessation of the intra-government budget charging model for shared services to government agencies from 2017–18 (\$0.6 million)
- reduced expenditure for Implementing the Limestone Coast and Coorong Coastal Action Plan (\$0.5 million)
- once-off expenditure on Highbury Aqueduct remediation works in 2016–17 (\$0.4 million)
- reduced expenditure for the construction of groundwater wells in the Anangu Pitjantjatjara Yankunytjatjara (APY) Lands (\$0.4 million).

The \$8.6 million decrease in income is primarily due to:

- reduced income for the Commonwealth Government funded Great Artesian Basin Sustainability initiative (\$4.4 million)
- the delivery of various services associated with the SA Water funded Town Water Supply project recognised in 2016–17 only (\$1.5 million)
- once-off income for Highbury Aqueduct remediation works in 2016–17 (\$0.4 million)
- reduced income for the construction of groundwater wells in the APY Lands (\$0.4 million).

#### *2016–17 Estimated Result/2016–17 Budget*

The \$13.6 million increase in expenses is primarily due to:

- increased expenditure for the Great Artesian Basin Sustainability initiative (\$7.1 million)
- increased expenditure for the delivery of various services associated with the SA Water funded Town Water Supply project (\$1.5 million)

- carryover of expenditure into 2016–17 for the South East Confined Aquifers Wells Rehabilitation Scheme (\$1.2 million)
- additional expenditure for the Water Management Partnership Agreement State Priority Project — Business Case Development Funding (\$0.7 million)
- increased expenditure for services provided on behalf of the Stormwater Management Authority (\$0.6 million).
- additional expenditure on Highbury Aqueduct remediation works (\$0.4 million)
- increased expenditure for the construction of groundwater wells in the APY Lands (\$0.4 million).

The \$8.9 million increase in income is primarily due to:

- increased income for the Great Artesian Basin Sustainability initiative (\$4.4 million)
- additional income from SA Water for the delivery of various services associated with the Town Water Supply project (\$1.5 million)
- additional income for the Water Management Partnership Agreement State Priority Project — Business Case Development Funding (\$0.7 million)
- increased income for the service level agreement between the department and the Stormwater Management Authority (\$0.6 million)
- additional income for the Highbury Aqueduct remediation works (\$0.4 million)
- increased income for the construction of groundwater wells in the APY Lands (\$0.4 million).

#### *2016–17 Estimated Result/2015–16 Actual*

The \$3.3 million increase in expenses is primarily due to:

- increased expenditure for the Great Artesian Basin Sustainability Initiative (\$4.7 million)

partially offset by

- reduced expenditure for the construction of groundwater wells in the APY Lands (\$2.2 million).

The \$3.8 million decrease in income is primarily due to:

- once-off sales of water entitlements in 2015–16 (\$8.0 million)

partially offset by

- an increase in the Water Planning and Management cost recovery from NRM Boards (\$3.2 million).

#### **Highlights 2016–17**

- Supported Natural Resource Management Boards in developing and/or implementing water allocation plans for the River Murray Prescribed Watercourse, the Adelaide Plains (Central Adelaide, Dry Creek and Northern Adelaide Plains Prescribed Wells Areas), the Eastern and Western Mount Lofty Ranges Prescribed Water Resources Areas, Lower Limestone Coast Prescribed Wells Area, the Barossa Prescribed Water Resources Area and the upper South East (Tintinara Coonalpyn Prescribed Wells Area, Tatiara Prescribed Wells Area and Padthaway Prescribed Wells Area).
- Adopted the Southern Basins and Musgrave Water Allocation Plan on the Eyre Peninsula and reissued licences consistent with the plan, and completed the existing user licence process in the Eastern Mount Lofty Ranges Prescribed Water Resources Area.

- Supported Natural Resource Management Boards in developing water management policies for inclusion in the regional Natural Resource Management plans for Kangaroo Island, Eyre Peninsula and the South Australian Arid Lands region.
- Supported pastoralists to cap six wells, with a total cost of \$7.9 million, in the Great Artesian Basin to save 1887 megalitres of water each year.
- Received endorsement for the Brown Hill and Keswick Creek Stormwater Management Plan and the commitment of funding up to fifty per cent of the total capital cost of the works identified in the plan.

### Targets 2017–18

- Develop a water demand and supply statement for the South East Natural Resources Management Region and review and develop a new Eyre Peninsula water demand and supply statement.
- Undertake the five year review of the *Water Industry Act 2012*.
- Contribute to the Review of the Lake Eyre Basin Intergovernmental Agreement.
- Complete key water licensing projects (Kangaroo Flat and Central Adelaide existing user licensing projects).
- Formalise funding arrangements with the Commonwealth Government for the Water Management Solution Reform Project, finalise contract negotiations with the respondent and commence the build phase of the project.
- Support Natural Resource Management Boards in developing and/or implementing water allocation plans for the River Murray Prescribed Watercourse, the Adelaide Plains Prescribed Wells Area, Lower Limestone Coast Prescribed Wells Area, the Barossa Prescribed Water Resources Area, the Far North Prescribed Wells Area and the Tatiara Prescribed Wells Area, and support NRM Boards in the development of water affecting activity policies in the South East and Northern and Yorke Natural Resource Management Plans.

### Performance indicators

	2017–18 Target	2016–17 Estimated Result	2016–17 Target	2015–16 Actual
Number of new trial sites established and monitored in the Mount Lofty Ranges <i>Including the installation and operations of site infrastructure and the commencement of site monitoring.</i> <i>All trial sites have been established and the project is complete therefore this activity indicator is discontinued.</i>	n.a.	n.a.	2	10

### Activity indicators

	2017–18 Projection	2016–17 Estimated Result	2016–17 Projection	2015–16 Actual
Water Resource Monitoring <i>The bulk number of water resource monitoring stations currently being monitored by the department in South Australia at least annually for water level and/or salinity and/or meteorology:</i>				
• Groundwater	3 681	3 681	3 645	3 617
• Surface water	250	241	245	251
<i>Numbers reduced due to a new classification system for water resource monitoring sites to enable optimisation of the monitoring networks.</i>				
WaterConnect website visitation <i>Number of unique users to the WaterConnect website.</i>	150 000	181 533	130 000	135 481

## Sub-program 2.2: Murray-Darling Basin

### Description/objective

Manage the River Murray system to ensure a healthy functioning river that supports resilient and productive industries, communities and ecosystems.

	2017–18 Budget	2016–17 Estimated Result	2016–17 Budget	2015–16 Actual
	\$000	\$000	\$000	\$000
Expenses .....	64 468	64 620	66 709	58 617
Income .....	95 364	44 297	87 677	50 589
<b>Net cost of sub-program</b>	<b>-30 896</b>	<b>20 323</b>	<b>-20 968</b>	<b>8 028</b>
<b>FTEs as at 30 June (No.)</b>	<b>159.6</b>	176.6	187.6	199.5

### Financial commentary

#### 2017–18 Budget/2016–17 Estimated Result

No major variation in expenses.

The \$51.1 million increase in income is primarily due to:

- increased income (from a change in timing) relating to the delivery of the Commonwealth Government funded South Australian Riverland Floodplains Integrated Infrastructure program (\$21.5 million)
- increased income (from a change in timing) relating to the Commonwealth Government funded Riverine Recovery program (\$20.3 million)
- increased income (from a change in timing) relating to the delivery of the Commonwealth Government funded Coorong, Lower Lakes and Murray Mouth program (\$9.2 million).

#### 2016–17 Estimated Result/2016–17 Budget

The \$2.1 million decrease in expenses is primarily due to:

- reduced expenditure relating to the delivery of the Coorong, Lower Lakes and Murray Mouth program (\$12.9 million)

partially offset by

- an increase in the state contribution to the Murray-Darling Basin Authority (\$4.0 million)
- increased expenditure relating to the delivery of the South Australian Riverland Floodplains Integrated Infrastructure program (\$3.5 million)
- increased expenditure relating to the delivery of the Flows for the Future program (\$2.8 million)
- additional expenditure for the Water Management Partnership Agreement State Priority Project — Business Case Development Funding (\$0.7 million).

The \$43.4 million decrease in income is primarily due to:

- reduced income relating to the delivery of the Commonwealth Government funded Coorong, Lower Lakes and Murray Mouth program (\$27.3 million)
- reduced income relating to the delivery of the Commonwealth Government funded South Australian Riverland Floodplains Integrated Infrastructure program (\$15.0 million)

- reduced income relating to the Commonwealth Government funded Riverine Recovery program (\$6.6 million)

partially offset by

- increased income relating to the Commonwealth Government funded Flows for the Future program (\$2.5 million)
- increased Commonwealth Government funding for the Living Murray program (\$1.8 million).

*2016–17 Estimated Result/2015–16 Actual*

The \$6.0 million increase in expenses is primarily due to:

- an increase in the state contribution to the Murray-Darling Basin Authority (\$4.6 million)
- increased expenditure relating to the Flows for the Future program (\$2.3 million).

The \$6.3 million decrease in income is primarily due to:

- reduced income relating to the delivery of the Commonwealth Government funded South Australian Riverland Floodplains Integrated Infrastructure program (\$10.0 million)
- reduced income relating to the Commonwealth Government funded Riverine Recovery program (\$4.3 million)

partially offset by

- increased income relating to the delivery of the Commonwealth Government funded Coorong, Lower Lakes and Murray Mouth program (\$9.4 million).

### **Highlights 2016–17**

- Delivered and influenced the implementation of the Murray-Darling Basin Plan and Murray-Darling Basin Agreement, including:
  - managing salinity
  - securing water for future critical human water needs and private carryover
  - planning, management and delivery of environmental water
  - delivering projects to achieve enhanced environmental and socio-economic outcomes.
- Completed a draft of the South Australian Murray Region Water Resource Plan for review by the Murray-Darling Basin Authority, and progressed developing the two remaining water resource plans in the South Australian Murray-Darling Basin including engagement with Aboriginal Nations and other stakeholders.
- Successfully managed the risks and opportunities arising from the highest River Murray flows in 32 years, including substantial coordination with relevant state agencies, the State Emergency Services, local government, the tourism industry and broad community communications.
- Continued delivering major Murray-Darling Basin projects, including the:
  - South Australian Riverland Floodplains Integrated Infrastructure program, including construction of new regulators and fishways at major inlets
  - Riverine Recovery Project
  - Coorong, Lower Lakes and Murray Mouth Recovery Project.
- Successfully tested Chowilla regulator and inundated over 7500 hectares of floodplain and wetland.
- Through the provision of Commonwealth environmental water, Living Murray environmental water, and return flows from upstream environmental watering events in New South Wales and

Victoria, over 920 gigalitres (GL) of environmental water was delivered to South Australia (to the end of May 2017). This water supported improved ecological outcomes for the River Murray consistent with Basin Plan objectives. These outcomes included a substantial floodplain watering event at Chowilla, successful weir pool raisings in various weir pools and sustained barrage flows to the Coorong and southern ocean.

### Targets 2017–18

- Continue to deliver and influence implementation of the Murray-Darling Basin Plan and Murray-Darling Basin Agreement.
- Through negotiation with the Commonwealth Environmental Water Holder, the Living Murray Water Holder and through return flows from upstream environmental watering events, deliver up to 1000 gigalitres (GL) of environmental water to South Australia to support ecological outcomes for the River Murray consistent with the Basin Plan.
- Complete a draft of the Eastern Mount Lofty Ranges Water Resource Plan for review by the Murray-Darling Basin Authority.
- Submit the South Australian Murray Region Water Resource Plan for accreditation by the Murray-Darling Basin Authority.
- Continue developing the River Murray Water Resource Plan, including engagement with Aboriginal Nations and other stakeholders.
- Continue delivering major Murray-Darling Basin projects, including the:
  - South Australian Riverland Floodplains Integrated Infrastructure program, including construction of new regulators and fishways at major inlets
  - Riverine Recovery Project
  - Coorong, Lower Lakes and Murray Mouth Recovery Project
  - Flows for the Future programme in the Eastern Mount Lofty Ranges.

### Performance indicators

	2017–18 Target	2016–17 Estimated Result	2016–17 Target	2015–16 Actual
Number of works approval holders that submitted a meter reading, October to July	5 980	5 793	6 040	5 972

### Activity indicators

	2017–18 Projection	2016–17 Estimated Result	2016–17 Projection	2015–16 Actual
Number of River Murray Flow Reports provided	51	51	51	51
River Murray Infrastructure operated in accordance with plans	100%	100%	100%	100%
Environmental water delivered to South Australia (GL)	1 000	900	300-500	973



## Program 3: Parks and Public Assets

### Description/objective

Conserve, sustain and build South Australia's reserve system to enhance visitor experiences, improve management practices and help mitigate against the impacts of bushfire.

### Sub-programs

- 3.1 Visitor Experiences and Services
- 3.2 Mitigate Impacts of Bushfires
- 3.3 Management of Public and Listed Assets
- 3.4 Botanic Gardens

### Program summary—expenses, income and FTEs

	2017–18 Budget	2016–17 Estimated Result	2016–17 Budget	2015–16 Actual
	\$000	\$000	\$000	\$000
<b>Expenses</b>				
Employee benefit expenses .....	63 019	63 019	64 270	61 594
Supplies and services .....	40 995	46 667	36 803	37 909
Depreciation and amortisation expenses .....	11 958	11 974	11 782	11 514
Grants and subsidies .....	573	2 565	1 434	2 296
Intra-government transfers .....	8	58	58	952
Other expenses .....	2 311	1 393	1 393	1 652
<b>Total expenses</b>	<b>118 864</b>	<b>125 676</b>	<b>115 740</b>	<b>115 917</b>
<b>Income</b>				
Commonwealth Government revenues .....	—	1 146	293	1 146
Intra-government transfers .....	5 887	4 679	4 020	4 100
Other grants .....	135	135	135	587
Fees, fines and penalties .....	612	612	612	843
Sales of goods and services .....	22 008	22 202	22 156	22 156
Interest revenues .....	79	79	79	19
Net gain or loss from disposal of assets .....	—	—	—	-1 618
Other income .....	1 141	223	318	51
<b>Total income</b>	<b>29 862</b>	<b>29 076</b>	<b>27 613</b>	<b>27 284</b>
<b>Net cost of providing services</b>	<b>89 002</b>	<b>96 600</b>	<b>88 127</b>	<b>88 633</b>
<b>FTEs as at 30 June (No.)</b>	<b>587.8</b>	<b>594.5</b>	<b>590.9</b>	<b>625.6</b>

### Sub-program 3.1: Visitor Experiences and Services

#### Description/objective

Contribute to state and regional economies through tourism and recreation within South Australia's parks and reserves.

	2017–18 Budget	2016–17 Estimated Result	2016–17 Budget	2015–16 Actual
	\$000	\$000	\$000	\$000
Expenses .....	73 380	75 882	66 864	71 831
Income .....	20 251	18 337	17 033	17 538
<b>Net cost of sub-program</b>	<b>53 129</b>	<b>57 545</b>	<b>49 831</b>	<b>54 293</b>
<b>FTEs as at 30 June (No.)</b>	<b>331.1</b>	336.8	335.2	342.0

#### Financial commentary

##### *2017–18 Budget/2016–17 Estimated Result*

The \$2.5 million decrease in expenses is primarily due to:

- cessation of the intra-government budget charging model for shared services to government agencies from 2017–18 (\$1.3 million)
- higher expenditure in 2016–17 to restore critical infrastructure damaged by the 2016 storm and flood events (\$0.8 million)
- reduced expenditure for various marine park and recreational fishing initiatives nearing completion (\$0.7 million)

partially offset by

- increased expenditure on the creation of a comprehensive master plan for Cleland Wildlife Park (\$2.0 million).

The \$1.9 million increase in income is primarily due to additional income for the construction of the Tennyson Dunes Coast Park Discovery Trail.

##### *2016–17 Estimated Result/2016–17 Budget*

The \$9.0 million increase in expenses is primarily due to:

- additional expenditure to restore critical infrastructure damaged by the 2016 storm and flood events (\$5.2 million)
- additional expenditure for the construction of the Tennyson Dunes Coast Park Discovery Trail (\$0.2 million).

The \$1.3 million increase in income is primarily due to:

- increased Commonwealth Government funding for Tourism Demand Driven Infrastructure projects (\$0.7 million)
- additional income for the construction of the Tennyson Dunes Coast Park Discovery Trail (\$0.2 million).

*2016–17 Estimated Result/2015–16 Actual*

The \$4.1 million increase in expenses is primarily due to:

- expenditure in 2016–17 to restore critical infrastructure damaged by the 2016 storm and flood events (\$5.2 million)

partially offset by

- reduced accommodation expenditure in 2016–17 (\$0.6 million)
- reduced expenditure in 2016–17 for proclamation of new parks and reserves (\$0.2 million).

The \$0.8 million increase in income is primarily due to:

- income in 2016–17 for the construction of the Tennyson Dunes Coast Park Discovery Trail (\$0.4 million)
- income in 2016–17 for the Australian Fossil Mammal Sites World Heritage Area project (\$0.2 million).

**Highlights 2016–17**

- Opened the Kangaroo Island Wilderness Trail.
- Established the Adelaide International Bird Sanctuary National Park — the first new National Park in 10 years.
- Introduced an online booking system for all South Australian national parks and other reserves where an entry fee, camping fee, accommodation charge or facility hire charge applies.
- Amended the management plans for seven metropolitan parks, allowing for further development of visitor experiences, including mountain bike riding, bush camping, horse riding and dog walking, and commenced upgrading visitor facilities and cycling trails in seven priority parks in the Adelaide region, including a new nature play space at Cobbler Creek Recreation Park.
- Released Making Contact with Nature, Second Nature: Healthy Parks, Healthy People: South Australian Framework, for discussion with the community and the health and environment sectors.
- Progressed strategies to position Cleland Wildlife Park as a destination of choice for international tourists.
- Established four new state parks and made additions to eight existing parks.

**Targets 2017–18**

- Release a nature-based tourism prospectus of private investment opportunities in South Australia's marine parks, national parks and other reserves.
- Complete the assessment of the request for proposals for eco-sensitive accommodation on the Kangaroo Island Wilderness Trail.
- Host the 2017 Global Eco Asia Pacific Tourism Conference in Adelaide in November 2017.
- Progress planning for the reinvigoration of the southern and northern sections of the Heysen Trail.
- Host an expanded program of community events and public activities in South Australian parks and reserves, including within the Park of the Month program.
- Complete the upgrade of:
  - visitor facilities and cycling trails in seven priority parks in the Adelaide region, including a new nature play space at Morialta Conservation Park, and new campgrounds at Para Wirra Conservation Park and Onkaparinga River Recreation Park and National Park

- priority visitor facilities at the Naracoorte Caves World Heritage Site, including a class one walking trail, observation decks and in cave interpretation and audio-visual experiences.

### Performance indicators

	2017–18 Target	2016–17 Estimated Result	2016–17 Target	2015–16 Actual
Park revenue				
<ul style="list-style-type: none"> <li>Revenue earned from sale of goods, admissions, entry fees, park passes, guided tours, commercial operators, camping, accommodation and other activities within DEWNR's Iconic Tourism Sites. Sites include Cleland, Mt Lofty, Seal Bay, Kelly Hill, Naracoorte Caves and Tantanoola Caves.</li> </ul>	<b>\$8.26m</b>	\$8.26m	\$7.45m	\$7.97m
<ul style="list-style-type: none"> <li>Park revenue generated at sites other than the key visitor sites. Park revenue includes all revenue from the sale of goods, admissions, entry fees, park passes, guided tours, commercial operators, camping and accommodation.</li> </ul>	<b>\$6.26m</b>	\$6.20m	\$5.98m	\$5.91m
Other commercial revenue <i>Revenue items include State Flora, Adelaide Gaol and Mapland.</i>	<b>\$2.67m</b>	\$2.36m	\$2.68m	\$2.46m
Community support for marine parks <i>Results of telephone survey of 909 South Australians conducted by Square Holes Market Research Company.</i>	<b>&gt;80%</b>	80%	>80%	88%
Park visitation <i>Percentage of the population visiting parks.</i>	<b>50%</b>	69%	75%	70%

### Activity indicators

	2017–18 Projection	2016–17 Estimated Result	2016–17 Projection	2015–16 Actual
Visitor numbers for key iconic tourism sites <i>Key sites include Cleland Wildlife Park, Naracoorte Caves and Seal Bay Conservation Park</i>	<b>363 737</b>	355 000	280 562	335 864
Number of marine park compliance patrols <i>Patrols consist of shore based, boat and aerial surveillance activities that commenced in November 2014.</i>	<b>2 000</b>	3 643	2 000	2 530
Number of transactions made via the online booking system	<b>55 000</b>	52 000	60 000	39 342

## Sub-program 3.2: Mitigate Impacts of Bushfires

### Description/objective

Improve South Australia's capability to prevent, prepare for, respond to and recover from bushfire on public lands in order to contribute to a safer and more resilient community and environment.

	2017–18 Budget	2016–17 Estimated Result	2016–17 Budget	2015–16 Actual
	\$000	\$000	\$000	\$000
Expenses .....	<b>19 483</b>	21 394	21 442	16 047
Income .....	<b>3 656</b>	4 539	4 651	4 549
<b>Net cost of sub-program</b>	<b>15 827</b>	<b>16 855</b>	<b>16 791</b>	<b>11 498</b>
<b>FTEs as at 30 June (No.)</b>	<b>79.2</b>	79.2	79.2	103.2

**Financial commentary***2017–18 Budget/2016–17 Estimated Result*

The \$1.9 million decrease in expenses is primarily due to once-off expenditure in 2016–17 to repair fire tracks damaged in the 2016 storm and flood events (\$1.5 million).

The \$0.9 million decrease in income is primarily due to:

- reduced income for the National Bushfire Mitigation Program (\$0.4 million)
- reduced funding for fire truck safety systems (\$0.3 million).

*2016–17 Estimated Result/2016–17 Budget*

No major variations.

*2016–17 Estimated Result/2015–16 Actual*

The \$5.3 million increase in expenses is primarily due to increased state government funding to respond to bushfire threats.

No major variation in income.

**Highlights 2016–17**

- Delivered a rolling program of prescribed burning on public lands across South Australia.
- Influenced the adoption of a single approach to assessing bushfire risk and the development of Bushfire Management Area Plans through a tenure blind landscape approach, in collaboration with the South Australian Country Fire Service (CFS).
- Expanded DEWNR's capacity to undertake prescribed burning on private lands, in collaboration with the CFS and Bushfire Management Area Committees.
- Increased the capacity of DEWNR's mapping support capability, supporting the emergency services sector across government.

**Targets 2017–18**

- Continue delivering a strategic program of prescribed burning on public and private lands across South Australia, engendering community support for the prescribed burning program.
- Expand prescribed burning on private lands, in collaboration with the CFS and Bushfire Management Area Committees.
- Work with the CFS in the development of further Bushfire Management Area Plans.
- Continue to update the suite of Emergency Service Mapbooks to expand the available rural information.
- Increase DEWNR's information management and mapping capability to support the emergency management sector of South Australia, reviewing the latest research outcomes and incorporating these outcomes in operational practices.
- Continue to work with grape growers and the wine industry to mitigate the possibility of smoke taint on wine grapes.

**Performance indicators**

	2017–18 Target	2016–17 Estimated Result	2016–17 Target	2015–16 Actual
Number of DEWNR staff in the DEWNR fire brigade <i>Represents the participation of DEWNR staff, including contractors, in the DEWNR brigade.</i>	550	518	580	569
Annual works programs implemented	100%	90%	100%	73%
Prescribed burns planned and completed (number and hectares) <i>Figures include burns completed by DEWNR on DEWNR managed land and on behalf of SA Water, ForestrySA, and privately managed land.</i>	70 burns / 10 000 ha	45 burns / 15 900 ha	75 burns/ 9 000 ha	57 burns / 4 937 ha
Percentage of DEWNR managed land covered by fire management plans <i>Only fire prone land is planned for inclusion in a fire management plan.</i>	60%	58%	58%	55%

**Activity indicators**

	2017–18 Projection	2016–17 Estimated Result	2016–17 Projection	2015–16 Actual
Number of training competencies delivered	2 500	3 000	2 200	2 271

**Sub-program 3.3: Management of Public and Listed Assets****Description/objective**

Manage South Australia's Crown lands and heritage places, as well as the preservation of the State Herbarium of South Australia and South Australia's botanical collections as key centres for knowledge and information.

	2017–18 Budget	2016–17 Estimated Result	2016–17 Budget	2015–16 Actual
	\$000	\$000	\$000	\$000
Expenses .....	15 105	16 383	15 659	16 553
Income .....	4 267	4 427	4 391	4 932
<b>Net cost of sub-program</b>	<b>10 838</b>	<b>11 956</b>	<b>11 268</b>	<b>11 621</b>
<b>FTEs as at 30 June (No.)</b>	<b>88.5</b>	89.5	88.5	91.4

**Financial commentary***2017–18 Budget/2016–17 Estimated Result*

The \$1.3 million decrease in expenses is primarily due to:

- reduced expenditure associated with native title claims (\$0.5 million)
- cessation of the intra-government budget charging model for shared services to government agencies from 2017–18 (\$0.3 million)
- once-off expenditure in 2016–17 for the Australian Fossil Mammal Sites World Heritage Area at Naracoorte (\$0.2 million).

No major variation in income.

*2016–17 Estimated Result/2016–17 Budget*

The \$0.7 million increase in expenses is primarily due to:

- increased expenditure for the Australian Fossil Mammal Sites World Heritage Area at Naracoorte (\$0.2 million)
- increased expenditure relating to the Mid North Forests Future Strategy (\$0.2 million)
- additional expenditure associated with native title claims (\$0.2 million).

No major variation in income.

*2016–17 Estimated Result/2015–16 Actual*

No major variations.

**Highlights 2016–17**

- Commenced work in partnership with researchers and the community, to nominate key geological and paleontological sites in the Flinders Ranges and Arkaroola region for World Heritage status.
- Protection of Sacred Canyon in the Flinders Ranges, a significant Adnyamathanha cultural site through purchase and inclusion in the Ikara-Flinders Ranges National Park.
- Increased the Reserves system through the proclamation of three new state parks:
  - Lawari Conservation Park on Hindmarsh Island
  - Kinchina Conservation Park at Monarto
  - Winaityinaityi Pangkara National Park — Adelaide International Bird Sanctuary
- *Historic Shipwrecks Act 2016* amendments and regulatory changes were proclaimed and became operational on 1 May 2016.
- Facilitated heritage tourism in conjunction with the Heritage Tourism Alliance, heritage owners and tourism providers with a focus on the City of Adelaide and iconic regions.
- Digitised and made available on-line over 120 heritage surveys dating from 1981–2007.

**Targets 2017–18**

- Develop a strategy for protection and public access to Yourambulla Caves in the Flinders Ranges.
- Implement amendments to the *Crown Land Management Act 2009* resulting from the Statutes Amendment and Repeal (Simplify) Bill 2017.
- Implement strategic lease reform initiatives to improve the establishment, management and governance of leases on Crown land and within the reserve system.
- Finalise review of fees and charges associated with Crown lands tenure.

**Activity indicators**

	2017–18 Projection	2016–17 Estimated Result	2016–17 Projection	2015–16 Actual
Number of heritage development applications assessed <i>This indicator includes development applications received and assessed under delegation.</i>	600	600	600	532
Value of Crown lands disposals	\$8.074m	\$9.485m	\$9.485m	\$1.925m

## Sub-program 3.4: Botanic Gardens

### Description/objective

Manage the Botanic Gardens and State Herbarium of South Australia as a collections based cultural and scientific institution, linking plants, people and culture and encouraging their use for conservation, education, tourism, recreation and cultural events.

	2017–18 Budget	2016–17 Estimated Result	2016–17 Budget	2015–16 Actual
	\$000	\$000	\$000	\$000
Expenses .....	10 896	12 017	11 775	11 486
Income .....	1 688	1 773	1 538	265
<b>Net cost of sub-program</b>	<b>9 208</b>	<b>10 244</b>	<b>10 237</b>	<b>11 221</b>
<b>FTEs as at 30 June (No.)</b>	<b>89.0</b>	89.0	88.0	89.0

### Financial commentary

#### *2017–18 Budget/2016–17 Estimated Result*

The \$1.1 million decrease in expenses is primarily due to:

- higher expenditure in 2016–17 to restore critical infrastructure damaged by the 2016 storm and flood events (\$0.6 million)
- cessation of the intra-government budget charging model for shared services to government agencies from 2017–18 (\$0.3 million).

No major variation in income.

#### *2016–17 Estimated Result/2016–17 Budget*

No major variations.

#### *2016–17 Estimated Result/2015–16 Actual*

The \$0.5 million increase in expenses is primarily due to expenditure in 2016–17 to restore critical infrastructure damaged by the 2016 storm and flood events (\$0.6 million).

The \$1.5 million increase in income is primarily due to the donation of assets to the Board of Botanic Gardens and the State Herbarium in 2015–16 which is reported in the net gain or loss on disposal of assets (\$1.4 million).

### Highlights 2016–17

- Developed a new five year Botanic Gardens and State Herbarium Strategic Plan 2017–22 in consultation with key stakeholders.
- Completed the stage 3 infrastructure for the Kitchen Garden Project to cater for up to 5000 children per year.
- Graduated the first class of Certificate 3 Horticulture students as part of the Australian Centre of Horticultural Excellence, delivered in Partnership with ARO Educational Services Pty Ltd.
- Built on the ongoing scientific partnership with the University of Adelaide through the development and delivery of a plant identification course.



- Further developed corporate, community and philanthropic partnerships to support program delivery.
- Maintained a sustainable and effective education program for South Australian students.

#### Targets 2017–18

- Further develop corporate, community and philanthropic partnerships to support program delivery through the launch of a bequest program.
- Celebrate the 40th anniversaries of both the formation of the Friends of the Botanic Gardens of Adelaide and the opening of Mount Lofty Botanic Garden to the public in November 2017.
- Curate three exhibitions in the Santos Museum of Economic Botany, in collaboration with partners, showcasing the botanical world through art and design.
- Review the living collections and deliver a plan for collection revitalisation.
- Release the first issue of the rebranded Journal of the Adelaide Botanic Garden — Swainsona, the Board of the Botanic Gardens and State Herbarium’s flagship publication.
- Launch a digital interpretive trail in the Adelaide Botanic Garden Bicentennial Conservatory through app-based technology (iBeacon).
- Fundraise to support infrastructure projects (e.g. Night Lighting Adelaide Botanic Garden).

#### Performance indicators

	2017–18 Target	2016–17 Estimated Result	2016–17 Target	2015–16 Actual
Satisfaction rate with facilities	95%	95%	97%	94%

#### Activity indicators

	2017–18 Projection	2016–17 Estimated Result	2016–17 Projection	2015–16 Actual
Number of visits to the Botanic Gardens of Adelaide	2 000 000	1 900 000	1 800 000	2 150 000
Number of major cultural events	12	12	10	12
Number of participants in formal plant-based learning programs	40 000	40 000	45 000	30 000
South Australian threatened plant species safeguarded in the conservation seed bank	75%	73%	73%	71%

## Department of Environment, Water and Natural Resources

### Statement of comprehensive income

	2017–18 Budget	2016–17 Estimated Result	2016–17 Budget	2015–16 Actual
	\$000	\$000	\$000	\$000
<b>Expenses</b>				
Employee benefit expenses				
Salaries, wages, annual and sick leave.....	128 394	130 674	134 303	130 175
Long service leave.....	5 302	5 200	4 233	6 078
Payroll tax.....	7 206	7 299	7 243	7 398
Superannuation.....	13 427	13 592	13 488	13 507
Other.....	2 635	2 728	2 666	3 394
Supplies and services				
General supplies and services.....	77 843	94 004	79 491	83 690
Consultancy expenses.....	217	253	253	218
Depreciation and amortisation.....	21 457	21 500	20 998	20 297
Grants and subsidies.....	35 010	41 936	30 848	32 212
Intra government transfers.....	526	814	335	4 140
Other expenses.....	2 667	6 043	3 449	3 298
<b>Total expenses</b>	<b>294 684</b>	<b>324 043</b>	<b>297 307</b>	<b>304 407</b>
<b>Income</b>				
Taxation.....	—	—	—	1 453
Commonwealth revenues.....	91 124	45 978	84 433	50 849
Intra-government transfers.....	13 652	16 389	11 518	13 733
Other grants.....	1 331	3 035	1 862	1 751
Fees, fines and penalties.....	1 846	1 765	2 776	2 499
Sales of goods and services.....	92 711	92 458	88 456	91 743
Interest revenues.....	124	124	124	683
Net gain or loss on disposal of assets.....	—	—	—	-2 149
Resources received free of charge.....	—	93	—	—
Other income.....	3 026	2 850	2 208	8 388
<b>Total income</b>	<b>203 814</b>	<b>162 692</b>	<b>191 377</b>	<b>168 950</b>
<b>Net cost of providing services</b>	<b>90 870</b>	<b>161 351</b>	<b>105 930</b>	<b>135 457</b>
<b>Income from/expenses to state government</b>				
Income				
Appropriation.....	153 209	150 065	144 698	155 185
Other income.....	—	4 288	—	955
Expenses				
Cash alignment.....	—	12 939	—	13 652
<b>Net income from/expenses to state government</b>	<b>153 209</b>	<b>141 414</b>	<b>144 698</b>	<b>142 488</b>
<b>Net Result</b>	<b>62 339</b>	<b>-19 937</b>	<b>38 768</b>	<b>7 031</b>
<b>Other comprehensive income</b>				
Changes in property, plant and equipment asset revaluation surplus.....	—	—	—	48 949
<b>Total comprehensive result</b>	<b>62 339</b>	<b>-19 937</b>	<b>38 768</b>	<b>55 980</b>

**Department of Environment, Water and Natural Resources**  
**Statement of financial position**

	2017–18 Budget \$000	2016–17 Estimated Result \$000	2016–17 Budget \$000	2015–16 Actual \$000
<b>Assets</b>				
<b>Current assets</b>				
Cash and cash equivalents.....	83 859	113 867	103 393	147 428
Receivables.....	14 916	14 743	13 061	18 151
Inventories.....	2 423	2 423	2 365	2 423
Other current assets.....	1 251	1 251	1 257	1 251
<b>Total current assets</b>	<b>102 449</b>	<b>132 284</b>	<b>120 076</b>	<b>169 253</b>
<b>Non current assets</b>				
Financial assets.....	—	—	3	—
Land and improvements.....	370 746	372 140	312 412	372 647
Plant and equipment.....	317 732	221 635	305 597	200 554
Heritage assets.....	1 199	1 199	1 217	1 199
Intangible assets.....	3 433	4 353	3 023	5 273
<b>Total non-current assets</b>	<b>693 110</b>	<b>599 327</b>	<b>622 252</b>	<b>579 673</b>
<b>Total assets</b>	<b>795 559</b>	<b>731 611</b>	<b>742 328</b>	<b>748 926</b>
<b>Liabilities</b>				
<b>Current liabilities</b>				
Payables.....	26 176	25 656	29 478	25 396
Employee benefits				
Salaries and wages.....	2 272	2 178	1 821	1 731
Annual leave.....	10 155	9 853	9 574	9 551
Long service leave.....	2 157	2 159	1 720	2 161
Other.....	938	938	823	938
Short-term provisions.....	931	922	602	913
Other current liabilities.....	2 535	2 535	2 312	2 535
<b>Total current liabilities</b>	<b>45 164</b>	<b>44 241</b>	<b>46 330</b>	<b>43 225</b>
<b>Non current liabilities</b>				
Long-term employee benefits				
Long service leave.....	40 528	37 834	37 112	35 140
Long-term provisions.....	1 992	1 899	1 895	1 936
Other non-current liabilities.....	15 823	17 924	20 238	20 025
<b>Total non-current liabilities</b>	<b>58 343</b>	<b>57 657</b>	<b>59 245</b>	<b>57 101</b>
<b>Total liabilities</b>	<b>103 507</b>	<b>101 898</b>	<b>105 575</b>	<b>100 326</b>
<b>Net assets</b>	<b>692 052</b>	<b>629 713</b>	<b>636 753</b>	<b>648 600</b>
<b>Equity</b>				
Contributed capital.....	22 612	22 612	22 612	22 612
Retained earnings.....	329 834	267 495	323 484	286 382
Asset revaluation reserve.....	339 606	339 606	290 657	339 606
<b>Total equity</b>	<b>692 052</b>	<b>629 713</b>	<b>636 753</b>	<b>648 600</b>

Balances as at 30 June end of period.

## Department of Environment, Water and Natural Resources

### Statement of cash flows

	2017–18 Budget \$000	2016–17 Estimated Result \$000	2016–17 Budget \$000	2015–16 Actual \$000
<b>Operating activities</b>				
<b>Cash outflows</b>				
Employee benefit payments.....	153 873	156 177	158 617	154 005
Payments for supplies and services.....	79 641	95 838	81 325	102 041
Grants and subsidies.....	35 010	41 936	30 848	34 202
Intra-government transfers.....	526	814	335	4 140
Other payments.....	2 568	2 303	2 302	1 172
<b>Cash used in operations</b>	<b>271 618</b>	<b>297 068</b>	<b>273 427</b>	<b>295 560</b>
<b>Cash inflows</b>				
Taxation.....	—	—	—	1 453
Intra-government transfers.....	13 652	19 710	11 518	13 733
Commonwealth receipts.....	91 124	45 978	84 433	50 849
Other grants.....	1 331	3 035	1 862	4 818
Fees, fines and penalties.....	1 846	1 765	2 776	2 499
Sales of goods and services.....	92 797	92 544	88 542	89 157
Interest received.....	124	124	124	712
GST received.....	—	—	—	11 886
Other receipts.....	2 767	2 591	1 949	8 388
<b>Cash generated from operations</b>	<b>203 641</b>	<b>165 747</b>	<b>191 204</b>	<b>183 495</b>
<b>State government</b>				
Appropriation.....	153 209	150 065	144 698	155 185
Other receipts.....	—	4 288	—	955
Payments				
Cash alignment.....	—	12 939	—	13 652
<b>Net cash provided by state government</b>	<b>153 209</b>	<b>141 414</b>	<b>144 698</b>	<b>142 488</b>
<b>Net cash provided by (+)/used in (-) operating activities</b>	<b>85 232</b>	<b>10 093</b>	<b>62 475</b>	<b>30 423</b>
<b>Investing activities</b>				
<b>Cash outflows</b>				
Purchase of property, plant and equipment.....	115 240	43 654	90 578	17 475
<b>Cash used in investing activities</b>	<b>115 240</b>	<b>43 654</b>	<b>90 578</b>	<b>17 475</b>
<b>Cash inflows</b>				
Proceeds from sale of property, plant and equipment.....	—	—	—	30
<b>Cash generated from investing activities</b>	<b>—</b>	<b>—</b>	<b>—</b>	<b>30</b>
<b>Net cash provided by (+)/used in (-) investing activities</b>	<b>-115 240</b>	<b>-43 654</b>	<b>-90 578</b>	<b>-17 445</b>

**Department of Environment, Water and Natural Resources**  
**Statement of cash flows**

	2017–18 Budget \$000	2016–17 Estimated Result \$000	2016–17 Budget \$000	2015–16 Actual \$000
<b>Net increase (+)/decrease (-) in cash equivalents</b>	<b>-30 008</b>	<b>-33 561</b>	<b>-28 103</b>	<b>12 978</b>
<b>Cash and cash equivalents at the start of the period</b>	<b>113 867</b>	<b>147 428</b>	<b>131 496</b>	<b>134 450</b>
<b>Cash and cash equivalents at the end of the period</b>	<b>83 859</b>	<b>113 867</b>	<b>103 393</b>	<b>147 428</b>
<b>Non cash transactions</b>				
Assets received (+)/donated (-) free of charge.....	—	-3 550	-1 050	-1 684

**Administered items for the  
Department of Environment, Water and Natural Resources  
Statement of comprehensive income**

	2017–18 Budget	2016–17 Estimated Result	2016–17 Budget	2015–16 Actual
	\$000	\$000	\$000	\$000
<b>Expenses</b>				
Employee benefit expenses				
Salaries, wages, annual and sick leave.....	360	355	357	306
Payroll tax.....	—	—	—	17
Supplies and services				
General supplies and services.....	609	443	629	122
Depreciation and amortisation.....	—	10 088	—	10 110
Grants and subsidies.....	12 820	12 684	12 501	12 204
Intra government transfers.....	38 416	36 451	34 686	36 410
Other expenses.....	13 725	10 326	9 697	3 769
<b>Total expenses</b>	<b>65 930</b>	<b>70 347</b>	<b>57 870</b>	<b>62 938</b>
<b>Income</b>				
Taxation.....	16 155	16 018	14 679	14 055
Commonwealth revenues.....	13 687	13 594	13 612	14 112
Intra-government transfers.....	—	210	103	—
Fees, fines and penalties.....	150	150	—	531
Sales of goods and services.....	—	—	—	17
Interest revenues.....	—	—	—	100
Net gain or loss on disposal of assets.....	—	-795	—	308
Resources received free of charge.....	—	4 574	—	3 760
Other income.....	250	23 175	250	18 130
<b>Total income</b>	<b>30 242</b>	<b>56 926</b>	<b>28 644</b>	<b>51 013</b>
<b>Net cost of providing services</b>	<b>35 688</b>	<b>13 421</b>	<b>29 226</b>	<b>11 925</b>
<b>Income from/expenses to state government</b>				
Income				
Appropriation.....	27 911	19 061	19 550	19 179
<b>Net income from/expenses to state government</b>	<b>27 911</b>	<b>19 061</b>	<b>19 550</b>	<b>19 179</b>
<b>Net Result</b>	<b>-7 777</b>	<b>5 640</b>	<b>-9 676</b>	<b>7 254</b>
<b>Other comprehensive income</b>				
Changes in property, plant and equipment asset revaluation surplus.....	—	—	—	16 254
<b>Total comprehensive result</b>	<b>-7 777</b>	<b>5 640</b>	<b>-9 676</b>	<b>23 508</b>

**Administered items for the  
Department of Environment, Water and Natural Resources  
Statement of financial position**

	2017–18 Budget \$000	2016–17 Estimated Result \$000	2016–17 Budget \$000	2015–16 Actual \$000
<b>Assets</b>				
<b>Current assets</b>				
Cash and cash equivalents.....	5 753	5 753	5 676	6 434
Receivables.....	5 597	5 597	6 980	6 481
<b>Total current assets</b>	<b>11 350</b>	<b>11 350</b>	<b>12 656</b>	<b>12 915</b>
<b>Non current assets</b>				
Interest in joint ventures.....	—	—	834 835	—
Land and improvements.....	644 151	643 858	87 262	643 965
Plant and equipment.....	731 914	731 910	8	714 386
Intangible assets.....	148 097	148 097	—	148 097
<b>Total non-current assets</b>	<b>1 524 162</b>	<b>1 523 865</b>	<b>922 105</b>	<b>1 506 448</b>
<b>Total assets</b>	<b>1 535 512</b>	<b>1 535 215</b>	<b>934 761</b>	<b>1 519 363</b>
<b>Liabilities</b>				
<b>Current liabilities</b>				
Payables.....	3 417	3 417	2 914	3 417
Other current liabilities.....	102	102	—	102
<b>Total current liabilities</b>	<b>3 519</b>	<b>3 519</b>	<b>2 914</b>	<b>3 519</b>
<b>Total liabilities</b>	<b>3 519</b>	<b>3 519</b>	<b>2 914</b>	<b>3 519</b>
<b>Net assets</b>	<b>1 531 993</b>	<b>1 531 696</b>	<b>931 847</b>	<b>1 515 844</b>
<b>Equity</b>				
Retained earnings.....	1 354 189	1 353 892	499 654	1 338 040
Asset revaluation reserve.....	177 804	177 804	432 193	177 804
<b>Total equity</b>	<b>1 531 993</b>	<b>1 531 696</b>	<b>931 847</b>	<b>1 515 844</b>

Balances as at 30 June end of period.

**Administered items for the  
Department of Environment, Water and Natural Resources  
Statement of cash flows**

	2017–18 Budget	2016–17 Estimated Result	2016–17 Budget	2015–16 Actual
	\$000	\$000	\$000	\$000
<b>Operating activities</b>				
<b>Cash outflows</b>				
Employee benefit payments.....	360	355	357	323
Payments for supplies and services.....	609	443	629	122
Grants and subsidies.....	12 820	12 684	12 501	11 967
Intra-government transfers.....	38 416	36 451	34 686	36 490
Other payments.....	13 725	9 262	9 624	1 228
<b>Cash used in operations</b>	<b>65 930</b>	<b>59 195</b>	<b>57 797</b>	<b>50 130</b>
<b>Cash inflows</b>				
Taxation.....	16 155	16 018	14 679	14 055
Intra-government transfers.....	—	210	103	—
Commonwealth receipts.....	13 687	13 594	13 612	14 112
Other grants.....	—	—	—	134
Fees, fines and penalties.....	150	150	—	535
Interest received.....	—	—	—	100
Other receipts.....	250	—	250	19
<b>Cash generated from operations</b>	<b>30 242</b>	<b>29 972</b>	<b>28 644</b>	<b>28 955</b>
<b>State government</b>				
Appropriation.....	27 911	19 061	19 550	19 179
<b>Net cash provided by state government</b>	<b>27 911</b>	<b>19 061</b>	<b>19 550</b>	<b>19 179</b>
<b>Net cash provided by (+)/used in (-) operating activities</b>	<b>-7 777</b>	<b>-10 162</b>	<b>-9 603</b>	<b>-1 996</b>
<b>Investing activities</b>				
<b>Cash outflows</b>				
Purchase of property, plant and equipment.....	297	4	297	—
<b>Cash used in investing activities</b>	<b>297</b>	<b>4</b>	<b>297</b>	<b>—</b>
<b>Cash inflows</b>				
Proceeds from sale of property, plant and equipment.....	8 074	9 485	9 890	1 925
<b>Cash generated from investing activities</b>	<b>8 074</b>	<b>9 485</b>	<b>9 890</b>	<b>1 925</b>
<b>Net cash provided by (+)/used in (-) investing activities</b>	<b>7 777</b>	<b>9 481</b>	<b>9 593</b>	<b>1 925</b>
<b>Net increase (+)/decrease (-) in cash equivalents</b>	<b>—</b>	<b>-681</b>	<b>-10</b>	<b>-71</b>
<b>Cash and cash equivalents at the start of the period</b>	<b>5 753</b>	<b>6 434</b>	<b>5 686</b>	<b>6 505</b>
<b>Cash and cash equivalents at the end of the period</b>	<b>5 753</b>	<b>5 753</b>	<b>5 676</b>	<b>6 434</b>
<b>Non cash transactions</b>				
Assets received (+)/donated (-) free of charge.....	—	4 394	-73	3 760



## Summary of major variations

The following commentary relates to variations between the 2017–18 Budget and the 2016–17 Estimated Result.

### Statement of comprehensive income — controlled

#### Expenses

The \$29.4 million decrease in expenses is primarily due to:

- reduced expenditure for the Commonwealth Government funded Great Artesian Basin Sustainability initiative (\$7.2 million)
- cessation of the intra-government budget charging model for shared services to government agencies from 2017–18 (\$6.0 million)
- higher expenditure in 2016–17 to restore critical infrastructure damaged by the 2016 storm and flood events (\$4.0 million)
- various departmental savings measures (\$3.2 million)
- delivery of The Living Murray Program recognised in 2016–17 only (\$1.8 million)
- reduced accommodation expenditure in 2017–18 (\$1.7 million)
- once-off delivery of services in 2016–17 associated with the SA Water funded Town Water Supply project (\$1.5 million)
- once-off expenditure in 2016–17 for the South East Confined Aquifers Wells Rehabilitation Scheme (\$1.2 million)
- reduced expenditure for various marine park and recreational fishing initiatives nearing completion (\$0.7 million)
- once-off expenditure in 2016–17 for the Water Management Partnership Agreement State Priority Project — Business Case Development Funding (\$0.7 million)
- reduced expenditure associated with the closure of the Dry Creek salt field (\$0.6 million)
- reduced expenditure relating to the delivery of the South Australian Riverland Floodplains Integrated Infrastructure program (\$0.5 million)
- once-off expenditure in 2016–17 for the SANTS funded Working on Country project (\$0.5 million)
- reduced expenditure for Implementing the Limestone Coast and Coorong Coastal Action Plan (\$0.5 million)
- reduced expenditure for NatureLinks: Strategic, scientific and inclusive coastal conservation works (\$0.4 million)
- reduced expenditure relating to native vegetation projects (\$0.4 million)
- once-off expenditure in 2016–17 for the Rangelands Partnership with the SA Murray-Darling Basin NRM Board (\$0.4 million)
- once-off expenditure on Highbury Aqueduct remediation works in 2016–17 (\$0.4 million)
- reduced expenditure for the construction of groundwater wells in the Anangu Pitjantjatjara Yankunytjatjara (APY) Lands (\$0.4 million)

partially offset by

- increased expenditure for the Flows For The Future program (\$3.3 million)
- increased expenditure for the Cleland Wildlife Park (\$2.0 million)

- increased expenditure for Carbon Neutral Adelaide (\$0.5 million)
- increased expenditure for the Carbon Sequestration initiative (\$0.5 million).

### **Income**

The \$41.1 million increase in income is primarily due to:

- increased Commonwealth Government funding relating to the delivery of the South Australian Riverland Floodplains Integrated Infrastructure program (\$21.5 million)
- increased Commonwealth Government funding relating to the delivery of the Riverine Recovery program (\$20.3 million)
- increased Commonwealth Government funding relating to the delivery of the Coorong, Lower Lakes and Murray Mouth program (\$9.2 million)
- increased income for the construction of the Tennyson Dunes Coast Park Discovery Trail (\$1.8 million)
- increased income for the Carbon Sequestration initiative (\$0.5 million)
- increased income for Carbon Neutral Adelaide (\$0.5 million)

partially offset by

- reduced income for the Great Artesian Basin Sustainability initiative (\$4.4 million)
- income for The Living Murray Program recognised in 2016–17 only (\$1.8 million)
- once-off income from SA Water in 2016–17 for the Town Water Supply project (\$1.5 million)
- once-off funding for Tourism Demand Driven Infrastructure projects in 2016–17 (\$0.7 million)
- once-off funding in 2016–17 for the Water Management Partnership Agreement State Priority Project — Business Case Development Funding (\$0.7 million)
- reduced income associated with the closure of the Dry Creek salt field (\$0.6 million)
- once-off income in 2016–17 for the SANTS funded Working on Country project (\$0.5 million)
- reduced income for Implementing the Limestone Coast and Coorong Coastal Action Plan (\$0.5 million)
- reduced funding for native vegetation projects (\$0.4 million)
- reduced income for NatureLinks: Strategic, scientific and inclusive coastal conservation works (\$0.4 million)
- once-off income in 2016–17 for the Rangelands Partnership with the SA Murray-Darling Basin NRM Board (\$0.4 million)
- once-off income for Highbury Aqueduct remediation works in 2016–17 (\$0.4 million)
- reduced income for the construction of groundwater wells in the Anangu Pitjantjatjara Yankunytjatjara (APY) Lands (\$0.4 million).

### **Statement of financial position — controlled**

The \$63.9 million increase in total assets is primarily due to:

- an increase in non-current assets largely associated with Commonwealth Government funded programs (\$93.8 million)

partially offset by

- a reduction in cash primarily resulting from significant expenditure on Commonwealth Government funded projects in 2017–18 (\$30.0 million).

**Statement of cash flows — controlled**

The movements in cash outflows and inflows are generally consistent with the changes discussed above under the statement of comprehensive income and the statement of financial position.

The \$71.6 million increase in investing cash outflows is primarily due to increased expenditure for:

- the South Australian Riverland Floodplains Integrated Infrastructure program (\$35.8 million)
- the Riverine Recovery program (\$28.2 million)
- South East Flows Restoration project (\$10.8 million).

**Statement of comprehensive income — administered items**

The following commentary relates to variations between the 2017–18 Budget and the 2016–17 Estimated Result.

Variations include the recognition of the state's 26.67 per cent share in Murray-Darling Basin Authority joint venture operations' income, expenditure and assets in accordance with the proportionate consolidation method recommended by the Auditor-General.

**Expenses**

The \$4.4 million decrease in expenses is primarily due to:

- the recognition of the state's 26.67 per cent share in Murray-Darling Basin Authority joint venture operations' depreciation expenses in 2016–17 (\$10.1 million)

partially offset by

- a budget provision for payments to the Consolidated Account in 2017–18 for the Natural Resources Management Boards (\$6.0 million).

**Income**

The \$26.7 million decrease in revenue is primarily due to the recognition of the state's 26.67 per cent share in Murray-Darling Basin Authority joint venture operations' assets identified as gains in 2016–17 revenue (\$26.9 million).

**Statement of financial position — administered items**

The variations in net assets are consistent with the changes discussed above under the statement of comprehensive income.

**Statement of cash flows — administered items**

The movement in cash outflows and inflows are consistent with the changes discussed above under the statement of comprehensive income and the statement of financial position.

The \$6.7 million increase in operating cash outflows is primarily due to a budget provision for payments to the Consolidated Account in 2017–18 for the Natural Resources Management Boards (\$6.0 million).

**Additional information for administered items**

Additional information on administered items is included in the following table.

**Additional information for administered items for the  
Department of Environment, Water and Natural Resources  
Statement of cash flows**

	2017–18 Budget	2016–17 Estimated Result	2016–17 Budget	2015–16 Actual
	\$000	\$000	\$000	\$000
<b>Operating activities</b>				
<b>Cash outflows</b>				
Employee benefit payments				
Parliamentary salaries and electorate and expense allowances .....	360	355	357	323
Payments for supplies and services				
Surplus Land and Property Sales Account .....	599	433	619	122
Pastoral Board .....	10	10	10	—
Grants and transfers				
Royal Zoological Society of SA Incorporated .....	5 709	5 604	5 547	5 486
Surplus Land and Property Sales Account .....	—	10	10	—
Adelaide City Council Parklands .....	1 613	1 574	1 574	1 486
NRM Fund — Grants .....	2 558	2 478	2 479	3 011
National Landcare Program .....	13 687	14 130	13 612	14 248
Native Vegetation Fund .....	1 138	1 108	1 108	1 080
Natural Heritage Trust .....	—	135	—	—
Coast Protection Fund .....	2 377	515	515	503
Qualco Sunlands .....	250	—	250	—
Stormwater Management Authority .....	5 248	5 120	5 120	4 995
NRM Fund — Water Levies .....	16 142	16 005	14 516	15 246
NRM Fund — out-of-council land-based levies .....	163	163	163	165
South Eastern Water Conservation and Drainage Board .....	2 351	2 293	2 293	2 237
Other Payments				
Surplus Land and Property Sales Account .....	7 475	9 262	9 374	1 228
Qualco Sunlands .....	250	—	250	—
NRM Fund .....	6 000	—	—	—
<b>Cash used in operations</b>	<b>65 930</b>	<b>59 195</b>	<b>57 797</b>	<b>50 130</b>
<b>Cash inflows</b>				
Taxation				
NRM Fund — out-of-council land-based levies .....	163	163	163	165
NRM Fund — Water Levies .....	15 992	15 855	14 516	13 890
Grants and transfers receipts				
Surplus Land and Property Sales Account .....	—	210	103	—
National Landcare Program .....	13 687	13 594	13 612	14 246
Fees, fines and penalties				
NRM Fund — Water Levies .....	150	150	—	535
Interest received				
NRM Fund .....	—	—	—	89
National Landcare Program .....	—	—	—	11

	2017–18 Budget	2016–17 Estimated Result	2016–17 Budget	2015–16 Actual
	\$000	\$000	\$000	\$000
Other receipts				
Qualco Sunlands .....	250	—	250	—
Surplus Land and Property Sales Account .....	—	—	—	19
<b>Cash generated from operations</b>	<b>30 242</b>	<b>29 972</b>	<b>28 644</b>	<b>28 955</b>
<b>State government</b>				
Appropriation				
Coast Protection Fund .....	2 377	515	515	503
Royal Zoological Society of SA Incorporated .....	5 709	5 604	5 547	5 486
Adelaide City Council parklands .....	1 613	1 574	1 574	1 535
Parliamentary salaries and electorate and expense allowance .....	360	355	357	318
Surplus Land and Property Sales Account .....	293	—	293	—
NRM Fund .....	8 558	2 478	2 479	3 011
Native Vegetation Fund .....	1 138	1 108	1 108	1 080
Pastoral Board .....	14	14	14	14
Qualco Sunlands .....	250	—	250	—
Stormwater Management Authority Grant .....	5 248	5 120	5 120	4 995
South Eastern Water Conservation and Drainage Board .....	2 351	2 293	2 293	2 237
<b>Net cash provided by state government</b>	<b>27 911</b>	<b>19 061</b>	<b>19 550</b>	<b>19 179</b>
<b>Net cash provided by (+)/used in (-) operating activities</b>	<b>-7 777</b>	<b>-10 162</b>	<b>-9 603</b>	<b>-1 996</b>
<b>Investing activities</b>				
<b>Cash outflows</b>				
Purchase of property, plant and equipment				
Pastoral Board .....	4	4	4	—
Surplus Land and Property Sales Account .....	293	—	293	—
<b>Cash used in investing activities</b>	<b>297</b>	<b>4</b>	<b>297</b>	<b>—</b>
<b>Cash inflows</b>				
Proceeds from sale of property, plant and equipment				
Surplus Land and Property Sales Account .....	8 074	9 485	9 890	1 925
<b>Cash generated from investing activities</b>	<b>8 074</b>	<b>9 485</b>	<b>9 890</b>	<b>1 925</b>
<b>Net cash provided by (+)/used in (-) investing activities</b>	<b>7 777</b>	<b>9 481</b>	<b>9 593</b>	<b>1 925</b>
<b>Net increase (+)/decrease (-) in cash equivalents</b>	<b>—</b>	<b>-681</b>	<b>-10</b>	<b>-71</b>
<b>Cash and cash equivalents at the start of the financial year (as at 1 July)</b>	<b>5 753</b>	<b>6 434</b>	<b>5 686</b>	<b>6 505</b>
<b>Cash and cash equivalents at the end of the financial year (as at 30 June)</b>	<b>5 753</b>	<b>5 753</b>	<b>5 676</b>	<b>6 434</b>



# Accounting standards

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The financial statements included in the 2017–18 Agency Statements are special purpose financial statements.

Estimates in these financial statements have been prepared on a basis consistent with:

- Australian Accounting Standards, except where these notes indicate otherwise
- accounting policies expected to be used in preparing historically orientated general purpose financial statements for that year, and the same accounting policies have been used for the subsequent forecast years (forward estimates).

## Reporting entities

The financial statements include all estimated assets, liabilities, incomes and expenses of individual agencies.

Consistent with Australian Accounting Standards, estimated transactions and balances that are controlled are budgeted for, and reported on, separately to estimated transactions and balances which are administered but not controlled by the agency.

Activities that are ‘controlled’ are those where the agency delivers services and governs the financial and operating policies so as to obtain benefits from these activities and assets in the pursuit of its objectives.

Generally, activities that are ‘administered’ are those where the agency provides a service or function on behalf of the Minister and is unable to use the resources for the furtherance of its own objectives.

## Basis of accounting and measurement

The estimated financial statements include a statement of comprehensive income, statement of financial position and a statement of cash flows.

The format of these estimated financial statements is consistent with the model financial statements (prepared by the Department of Treasury and Finance for statutory reporting requirements) and is consistent with the requirements of AASB 101 *Presentation of Financial Statements* and AASB 107 *Statement of Cash Flows*.

The accrual basis of accounting has been applied in the preparation of the estimated financial statements whereby estimated assets, liabilities, equity, incomes and expenses are recognised in the reporting period to which they relate, regardless of when cash is received or paid.

## Assets

Most government assets are valued at their written-down current cost. Otherwise agencies adopt one of the following measurement bases:

- fair value — is the price that would be received to sell an asset in an orderly transaction between market participants at measurement date.
- market value — amount that uses prices and other relevant information generated by market transactions involving identical or comparable assets.
- current cost — amount that would be required currently to replace the service capacity of an asset.

All non-current tangible assets, with a cost of acquisition greater than \$1.0 million and a useful life of more than three years, are required to be valued at fair value unless excluded from the scope of Australian Accounting Standard AASB 116 *Property, Plant and Equipment* and/or an alternative valuation is specified by another accounting standard.

All intangible assets are measured at cost.

## Depreciation and amortisation

All non-current assets having limited useful lives are systematically depreciated over their useful lives in a manner that reflects the consumption of their service potential. The most common method used for calculating depreciation expense is the straight line method.

Certain heritage assets have very long and indeterminate useful lives. Their service potential has not, in any material sense, been consumed during the reporting period. As such, no amount for depreciation has been recognised in respect of those assets.

Assets acquired under finance leases are depreciated/amortised over the period during which the government is expected to benefit from use of the leased asset.

## Employee benefits

Employee benefits (including salaries and wages, annual leave, long service leave, skills and experience retention leave, sick leave and superannuation benefits) reflect those benefits accrued as a result of services provided by employees up to the reporting date.

Short-term employee benefits (expected to be settled within 12 months after the end of the reporting period in which the employee rendered the services) are measured at a nominal amount based on the remuneration rates an agency expects to pay. Examples of short-term employee benefits include salaries and wages and annual leave.

Long-term employee benefits (other than short-term) are measured at the present value of estimated future cash flows. An example of a long-term employee benefit is long service leave.

## Sick leave

For the majority of agencies, no liability will be recognised for sick leave.

There is no liability for non-vesting sick leave (a non-vesting entitlement is that which does not constitute a legal obligation of the employing agency until a valid claim is made by an employee or an event has occurred) if, on average, sick leave taken is less than total entitlements accruing.

Vesting sick leave entitlements are rare for state government employees.



## Superannuation

For most state government controlled agencies, the Treasurer assumes the accrued superannuation liability in return for periodic payments from agencies. Therefore, unless there are contributions due but not yet paid at the reporting date, there is no superannuation liability recorded for the agency.

Two types of superannuation plans are in operation currently in the public sector: defined benefit plans and defined contribution plans. In a defined benefit plan, a member's entitlement is determined by reference to a formula based on years of membership and/or salary levels. In a defined contribution plan, a member's entitlement is determined by reference to accumulated contributions made to the plan together with investment earnings thereon.

Under existing arrangements, the Treasurer is liable for any net deficiency in assets for the defined benefits plans. Deficits in defined benefit superannuation plans are recognised as liabilities in the statement of financial position for the Treasurer. The deficits are measured as the excess of employees' accrued benefits resulting from services up to the reporting date over the fair value of the plan's assets as at the reporting date.

## Income recognition

Wherever possible, income is recognised when the transaction or event giving rise to the income occurs. As a result, all items of income are normally reported in the statement of comprehensive income when an agency obtains control over the respective amounts. In circumstances where it is not possible to determine objectively when control over the asset passes to the agency, the amounts are recognised upon receipt.

## Appropriation

The investment program requirements for agencies included in the agency statements may be funded through operating appropriation, operating receipts, the proceeds of asset sales, grants and through Commonwealth payments. Where the investment requirements of an agency are not funded from these sources, the state government funding of an agency's investment program will generally be treated as an equity contribution from the government, as representative owner. These contributions are treated as contributions to equity rather than income in an agency.

Funds appropriated, but not required to meet current year cash outflows will be deposited with the Treasurer and will show as an asset in the agency's statement of financial position.

## Cash alignment policy

Where agencies have returned excess cash held to the Treasurer in accordance with the cash alignment policy, the payment is generally recorded as 'expenses to state government' in the statement of comprehensive income. Some agencies have elected to repay debt or return contributed capital with excess cash balances. These transactions will be reflected in the statement of financial position.

## Rounding

All estimated amounts in the financial statements have been rounded to the nearest thousand dollars, unless otherwise indicated.

Due to rounding, there may be instances where estimated financial statements and tables do not add correctly.



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# State Budget 2017-18

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