



**Government
of South Australia**

Department for Child Protection

2021-22 Annual Report

Department for Child Protection

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To:

The Hon Katrine Hildyard MP

Minister for Child Protection

This annual report will be presented to Parliament to meet the statutory reporting requirements of the *Public Sector Act 2009* and the *Children and Young People (Safety) Act 2017* and the requirements of Premier and Cabinet Circular *PC013 Annual Reporting*.

This report is verified to be accurate for the purposes of annual reporting to the Parliament of South Australia.

Submitted on behalf of the Department for Child Protection by:

Cathy Taylor

Chief Executive

Date 30/9/2022

Signature



From the Chief Executive



I am pleased to present the annual report for the South Australian Department for Child Protection (DCP) for the year 2021-22.

As a department we embraced the new government's commitment to building the child protection system for the future, one that is equipped to respond to the challenges and complexities we face as a community. Working with our partners and the community and listening closely to those who are impacted by our efforts is critical to this.

Work has already started on actively and genuinely listening to the voices of children, young people, their carers and their communities and others, to inform our actions.

First and foremost, we need to place the voice of children and young people front and centre of everything we do. That's why we are amplifying the voices of children and young people directly through new initiatives such as the Guardian for Children and Young People's Community Visitor Program and CREATE's work with young people on sibling connections and pathways to housing, study and work.

The department sponsored the 2022 CREATE Foundation Voices in Action conference. Held over four days the conference was an innovative and inspiring event where young people, carers, professionals and sector leaders came together to work on making improvements to the out of home care system for children and young people.

In June 2022, the government's Country Cabinet visits started with a visit to the Limestone Coast. This included the first family based carer roundtable, which provided an opportunity for myself and the Minister to hear directly from carers about their experience of providing care and of working with the department, support agencies and other critical services supporting the children and young people in their care.

In recognition of the critical role that carers play and our commitment to continuously improving how we support them, we increased payment rates for foster and kinship carers. We have also been working alongside Connecting Foster and Kinship Carers SA (CFKCSA) and Child and Family Focus South Australia (CAFFSA) to embed the Statement of Commitment to carers in all that we do. Over the past year, we launched a carer newsletter, Caring Together, to share the latest news and information with carers. In addition, we commenced trials of new family based care models. We pursued reforms within the DCP Kinship Care Program to improve and enhance kinship carer supports, including expanding the program with an additional 16 FTEs. We also welcomed the commencement of the Independent Review into Foster and Kinship Carers as an opportunity to further improve our approach to family based carers.

On a national level, we co-led the development of Safe and Supported: the National Framework for Protecting Australia's Children 2021-2031 with the Commonwealth

Government in collaboration with state and territory governments, SNAICC-National Voice for our Children, the Aboriginal Leadership Group and the National Coalition.

The plan provides the roadmap for transformative change in Child Protection across Australia and ensures that our efforts at the National and state levels are aligned and connected. As co-chair of the Child and Families Secretaries Working Group, we will continue our role in driving the implementation of Safe and Supported, including an Aboriginal specific Action Plan.

Core to our work going forward is our commitment to reducing the overrepresentation of Aboriginal children and young people in care. Over the past year, we supported an important community-led consultation process to design a model for a South Australian peak body for Aboriginal children and young people. Acknowledging the critical role of Aboriginal Community Controlled Organisations (ACCOs) in ensuring culturally safe services are available to Aboriginal families, children and young people, we continued to increase our investment in ACCOs including establishing a new specific family group conferencing service for Aboriginal people in the Anangu Pitjantjatjara Yankunytjatjara (APY) Lands. As part of ongoing efforts through Closing the Gap, we are finding new ways to ensure that Aboriginal people are at the centre of decision making for Aboriginal children and young people. This will be key to our work going forward.

Through our partnerships with the sector and activities such as the Out of Home Care Heads of Industry Forums we have strengthened the way we work together to solve the challenges child protection faces. We have also worked with CAFFSA, the peak body for providers, to identify collaborative actions for the next 12 months.

We have continued to have open dialogue and work closely with the Commissioner for Aboriginal Children and Young People and the Guardian for Children and Young People. We look forward to working with the new Guardian for Children and Young People.

The department implemented a range of service improvements to better support young people's move to independence. These included developing a new model for our supported independent living services, and conducting extensive consultation about post care services. We also supported an increased number of young people to remain with their family based carers after turning 18. The valuable insights gained through this consultation informed the development of the Next Steps Pilot Service as well as a new post-care service model. We are also increasing our investment in post-care services.

In 2021, we hosted the inaugural Child Protection Awards, in partnership with National Association for Prevention of Child abuse and Neglect (NAPCAN). This now annual event creates an opportunity to celebrate the significant contribution and outstanding achievements of children and young people, carers, volunteers, staff and organisations from across the child protection sector.

The Multicultural Services team were awarded with the Public Sector Award, in the Governor's Multicultural Awards in 2021. The culturally responsive Child Placement Policy is one of the first of its kind in Australia and internationally, and prioritises the

placement of children with carers of like cultural background. In addition to the Public Sector Award, DCP continued to be recognised with two staff from the department awarded with a 2021 Premier's Excellence Award in the inaugural Making a Difference – Living the Public Sector Purpose Individual Award and the Public Sector Values Individual Award.

The COVID-19 pandemic continued to have a significant impact on all parts of the child protection system in 2021-22. While the sustained impact on children, families and the community, including our valued carers and staff continued to place pressure on the system we progressed improvements on a range of fronts.

As we look to the future, we will continue to learn and incorporate new knowledge and practice to deliver the best services we can for children, young people and families. Keeping vulnerable children and young people safe from harm and feeling safe, loved and cared for requires a connected whole of government and community approach. This will be a strong focus going forward.



Cathy Taylor
Chief Executive
Department for Child Protection

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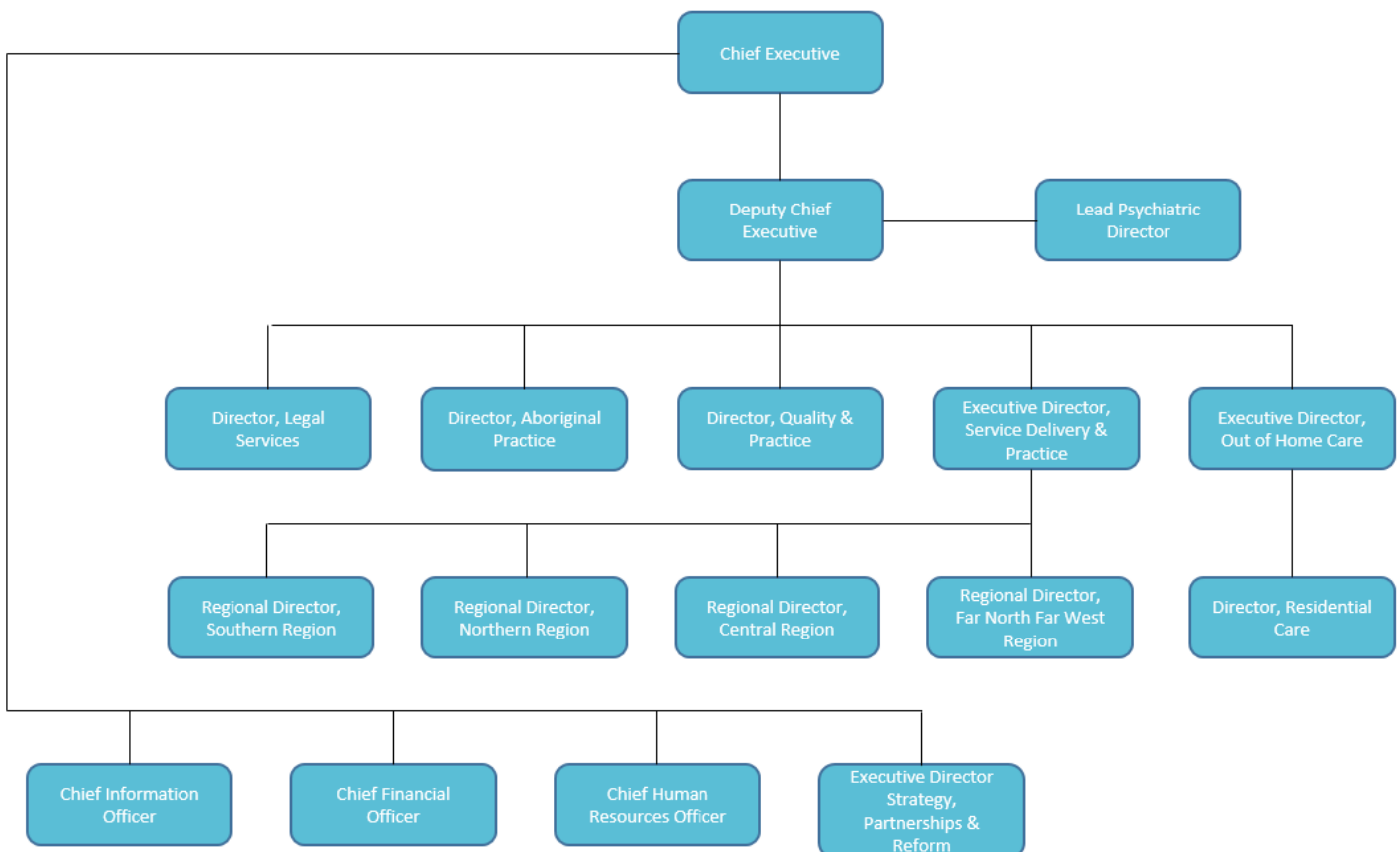
Overview: about the agency

Our strategic focus

Our Purpose	The Department for Child Protection's (DCP) purpose is to care for and protect at risk children and young people by working together to address abuse and neglect and to keep them safe from further harm. In all that we do, we value children's voices and reflect their views.
Our Vision	DCP's vision is for all children and young people to grow up safe, happy, healthy and nurtured to reach their full potential.
Our Values	<ul style="list-style-type: none"> • Respect • Trust • Courage
Our functions, objectives and deliverables	<p>DCP has a leadership role in the South Australian Government's child protection strategy – Safe and well: Supporting families, protecting children – which focuses on across government reform in 3 areas:</p> <ul style="list-style-type: none"> • supporting families at risk of entering the child protection system to safely care for their children • protecting children and young people from harm including when they are in care • investing in young people in care, and on leaving care, to provide them with opportunities for a bright future. <p>The department's Strategic Plan sets out its key areas of focus:</p> <ul style="list-style-type: none"> • Achieving practice excellence – Staff are supported to develop and use best practice in their work with children, young people, families and carers. • Honouring the Aboriginal Child Placement Principle – We will address the disproportionate number of children in care by involving Aboriginal families and communities in decisions about the care of their children. • Partnering with carers – Carers are respected and valued as partners in the care team and are supported to meet the needs of children and young people in their care. • Supporting our staff – We recruit, develop and support our staff with systems, processes and workplaces that enable them to be effective and efficient in their work and maintain their wellbeing.

	<ul style="list-style-type: none"> • Working together – We team up with our service partners to improve outcomes for families, children, young people and carers. • Designing a care system based on need – The individual needs of children and young people are well understood and inform the services and support we provide. • Delivering quality and safety – We are accountable and transparent in the services we provide and invest to strengthen quality and safety.
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Our organisational structure



Changes to the agency

During 2021, there were the following changes to the agency's structure and objectives as a result of internal reviews or machinery of government changes.

- As part of a comprehensive Kinship Care Reform agenda, the DCP Kinship Care Program transitioned from the Out of Home Care Directorate to the Service Delivery and Practice Directorate to align kinship support with regional service delivery. As part of the reform an additional 16 staff FTE were allocated to enable quality service provision.
- Staff from the Kanggarendi Team were integrated into regional offices. This together with a 7.4 increase in staff FTE enabled an expansion of Aboriginal specific roles and greater support for Aboriginal children, young people and families.
- The Aboriginal Family Mapping Team transitioned from the Northern Region to the Aboriginal Practice Directorate and staffing increased by 3 staff FTE. This enabled an increased focus on Aboriginal staff taking a lead role in finding family for Aboriginal Children and Young People.

Our Minister



The Hon Katrine Hildyard MP is the Minister for Child Protection and is responsible for the care and protection of children and young people in South Australia. The Minister is also responsible for promoting the wellbeing of children and young people, and supporting early intervention where there may be a risk of harm.

Our Executive team

- Chief Executive
- Deputy Chief Executive
- Executive Director, Service Delivery and Practice
- Executive Director, Out of Home Care
- Executive Director, Strategy, Partnerships and Reform
- Director, Aboriginal Practice
- Director, Quality and Practice
- Regional Director, Northern Region
- Regional Director, Far North Far West Region
- Regional Director, Central Region
- Regional Director, Southern Region
- Director, Residential Care

- Chief Financial Officer
- Chief Human Resources Officer
- Chief Information Officer
- Director, Legal Services

Legislation administered by the agency

- *Adoption Act 1988*
- *Adoption (General) Regulations 2018*
- *Child Protection Review (Powers and Immunities) Act 2002*
- *Children and Young People (Safety) Act 2017*
- *Children and Young People (Safety) Regulations 2017*
- *Children and Young People (Safety) (Transitional Provisions) Regulations 2017*
- *Children's Protection Law Reform (Transitional Arrangements and Related Amendments) Act 2017 (administered by Department of Human Services)*
- *Commission of Inquiry (Children in State Care and Children on APY Lands) Act 2004*
- *Family and Community Services Act 1972*
- *Family and Community Services Regulations 2009*

Other related agencies (within the Minister's area/s of responsibility)

Minister for Women and the Prevention of Domestic and Family Violence

- Office for Women, Department of Human Services <https://dhs.sa.gov.au/>

Minister for Recreation, Sport and Racing.

- Office for Recreation, Sport and Racing <https://www.orsr.sa.gov.au/>

The agency's performance

Performance at a glance

This year marks the third and final year of the Department for Child Protection's 3-year Strategic Plan 2019-2022, which set an ambitious agenda in 2019, framed around seven departmental priorities:

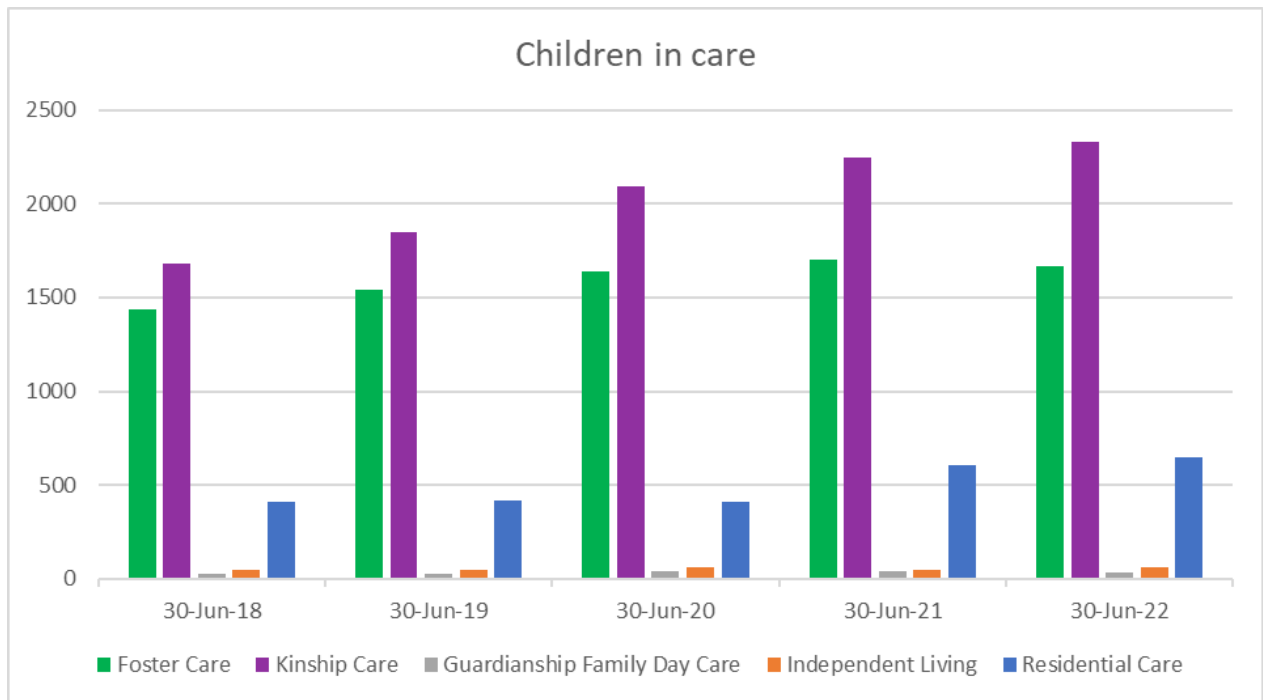
- Achieving practice excellence
- Honouring the Aboriginal Child Placement Principle
- Partnering with carers
- Supporting our staff
- Working together
- Designing a care system based on need
- Delivering quality and safety

The Strategic Plan has kept us on course to significantly progress improvements across all aspects of the child protection system, with an active agenda driven through a series of annual department-wide action plans. Alongside this, DCP's third Aboriginal Action Plan in 2021-22 captured our efforts to further embed the Aboriginal Child Placement Principle in all parts of the department's business and practice.

Notwithstanding high demand for child protection services, DCP has continued to improve on a range of fronts this includes:

- Increased response to screened-in notifications, which were investigated or referred for a response
- Increased the number of children placed in accordance with the Aboriginal Child Placement Principle
- Increased carer participation in annual case planning
- Supported an increased number of children and young people in care to access an National Disability Insurance Scheme (NDIS) plan
- Increased procurement from ACCOs.

We recognise that a single government department alone cannot do the critical work of child protection. We have continued to advance both a whole-of-government and a whole-of-community approach to keeping children safe and breaking the intergenerational cycle of child abuse and neglect. Our non-government providers are critical partners and, throughout this year, DCP has hosted a regular series of Out of Home Care Heads of Industry Forums. These have strengthened our sector partnerships, and provided opportunities to work together, build understanding of the issues facing the sector and jointly develop solutions.



CHILDREN IN CARE	30-Jun-18	30-Jun-19	30-Jun-20	30-Jun-21	30-Jun-22
Foster Care	1434	1540	1641	1705	1669
Kinship Care	1684	1852	2090	2247	2327
Guardianship Family Day Care	29	28	40	41	35
Independent Living	47	50	63	50	60
Residential Care	408	415	413	604	649

The South Australian government joined the National Redress Scheme (NRS) in February 2019. Between February 2019 and 30 June 2022 DCP received 1017 Requests for Information (RFIs) in relation to 491 applicants. Approximately 25% of applicants identified as Aboriginal. Of the applications received by DCP, 288 have received an offer from the NRS. A total of 272 survivors have accepted an offer of redress and 14 survivors have sought and received a Direct Personal Response.

Agency contribution to whole of Government objectives**Agency's contribution**

- Recruited 201 new Child & Youth Workers into Residential Care.
- Continued our commitment to the Aboriginal Cadetship Program.
- Continued our commitment to supporting Aboriginal Traineeships as part of the South Australian Government's Skilling SA initiative.
- Commenced recruitment campaigns for roles within our country locations.
- Maintained Aboriginal employment at approximately 5%, and continued to develop the cultural capability of our workforce in line with the Aboriginal Child Placement Principle.
- Supported an Aboriginal community led consultation process to develop a model for a peak body for Aboriginal children and young people.
- Commenced trials of new models of family based care – Treatment Foster Care Oregon – Adolescents (SA) program and the Mockingbird Family carer support model.
- Pursued reforms within the Kinship Care Program to improve and enhance kinship carer supports, including expanding the program with an additional 16 FTEs.
- Hosted regular engagement with child protection Out of Home Care Heads of Industry to address key challenges and opportunities collectively.
- Increased procurement from ACCOs to 8.0% in 2021-22.
- Increased the number of children and young people in care receiving supports through the NDIS plan to 26.1% of all children in care.
- Secured new services and programs offering priority access to children and young people in care through a refreshed and expanded Investing in their future initiative, including:
 - Scholarships for children in care through Catholic Education and other independent schools.
 - Fee capped orthodontic treatment and post-care dental services.
- Commenced new Aboriginal specific family group conferencing services through Relationships South Australia (RSA) and Aboriginal Family Support Services (AFSS) to provide an opportunity to engage with and empower family and community to make informed decisions about what is best for children and young people. This includes a new family group conference program for Unborn Child Concerns.

Agency specific objectives and performance

Agency objectives	Indicators	Performance
Achieving practice excellence Staff are supported to develop and use best practice in their work with children, young people, families and carers	Increase staff participation in learning and professional development	Mandatory training completion rates have continued to increase. The frequency of cultural footprint training, has increased from last financial year. There has been increased participation in Skilling SA with a 50% increase from 2020-21 and the second cohort of the department's internal talent development program (Accelerated Development).
	Increase case plans for children and young people in care	As at 30 June 2022, 96.2% of children and young people had an approved and completed case plan.
	Increase response to screened-in notifications	72.9% were investigated or referred for a response compared to last year's reported response of 65.4%.
Honouring the Aboriginal Child Placement Principle We will address the disproportionate number of children in care by involving Aboriginal families and communities in decisions about the care of their children	Increase Aboriginal employment	Aboriginal employment maintained at 5% in June 2022. DCP remains committed to increased recruitment of Aboriginal trainees and cadets. The development of an Aboriginal Workforce Strategy commenced during 2021-22.
	Increase and expanded procurement from Aboriginal Community Controlled Organisations	Increased procurement of ACCOs to 8.0% in 2021-22.
	Increase number of children placed in accordance with the Placement Principle	As at 30 June 2022, the number of Aboriginal children and young people placed in accordance with the Aboriginal Child Placement Principle was 1,133 (64.5%) compared to last year's reported response of 1,092 (65.2%).

Agency objectives	Indicators	Performance
Partnering with carers Carers are respected and valued as partners in the care team and are supported to meet the needs of children and young people in their care	Increase net number of foster carers (at least 50 new foster carers above annual attrition)	Primarily due to a result of COVID-19, there was a net decrease of 46 primary foster carers for the 2021-22 financial year down to 1,412 from 1,458 in 2020-21.
	Increase carer participation in annual case planning	As at 30 June 2022, the rate of carer participation in Annual Reviews was 95.5%. An increase from 71.5% in 2020-21.
	Increase proportion of carers who have a child in their care	As at 30 June 2022, the percentage of approved primary foster carers who have had at least one child placed in their care was 70.5%, an increase from 67.3% in 2021. Excluding emergency/respice/specialist respice carers at 30 June 2022, this increases to 81%.
Supporting our staff We recruit, develop and support our staff with systems, processes and workplaces that enable them to be effective and efficient in their work and maintain their wellbeing	Increase work health and safety	Work Health and Safety and Injury Management (WHSIM) policies and procedures have been developed to support safe work practices, including fatigue management, infection control, Workplace Hazard and Risk Management Procedure and Cultural Safety Procedure.
	Increase digitisation of services	<p>Increased the uptake and enabled broader embedding of the Digital Workspace Electronic Document Record Management System (EDRMS) for electronic recordkeeping across the department.</p> <p>Commenced the digitisation of all historical adoption records from microfiche archives into the Digital Workspace EDRMS to enable rapid retrieval and ongoing accessibility.</p> <p>Creation of a SharePoint COVID-19 hub with improved reporting</p>

Agency objectives	Indicators	Performance
		<p>mechanisms to capture COVID-19 positive workers or children/young people, close contact workers and vaccination status.</p> <p>Streamlined the digitisation of forms across the department.</p>
	Increase engagement with the I WORK FOR SA Your Voice Survey	<p>Over 1500 people across the department shared their views and experiences in the 2021 I Work For SA (IWFSa) Your Voice Survey, a 64% response rate.</p> <p>The department implemented a department-wide I Work For SA (IWFSa) action plan which was published within the department and lodged with the Office of the Commissioner for Public Sector Employment.</p> <p>In accordance with the overall results, the action plan communicated a number of initiatives targeted at specific areas such as wellbeing, leadership and engagement and are updated and tracked against deliverable dates. Other supporting tools included developing and implementing a toolkit to support local action planning and providing support to managers/directors with local action plans where required.</p> <p>Implementation of Teamgage will occur later in 2022, which will allow the department to pulse survey staff and provide monthly metrics to measure and report progress.</p>
Working together We team up with our service partners to improve	Increase stakeholder engagement	The department has worked actively to increase direct communication with carers. This includes:

Agency objectives	Indicators	Performance
outcomes for families, children, young people and carers		<ul style="list-style-type: none"> • Round table discussions where the Minister and the department meet directly with carers. • A regular publication to share information and news with carers – Caring Together – the DCP Newsletter for Foster and Kinship Carers. • Expanded information resources on the department's Carer platform, hosted on the DCP website, which provides a dedicated space for carers to find information and resources to support them in their caring role. <p>Enhanced our partnership with our non-government providers through:</p> <ul style="list-style-type: none"> • Hosted regular Out of Home Care Heads of Industry Forums to address key challenges and opportunities together. • Continued to convene a sector taskforce in relation to carer recruitment and retention. • Consulted on the redesign of Post-Care Services for young people leaving care. • Continued to work closely with peak bodies including CFKCSA, CREATE, SNAICC, Reconciliation SA and CAFFSA, engaging in shared activities to improve outcomes for children and young people in care, families and carers. <p>Commenced hosting regional conversations to hear directly</p>

Agency objectives	Indicators	Performance
		from children and young people in care, carers, providers and staff.
	Increase participation of children in education, training and employment	<p>56 young people completed the South Australian Certificate of Education (SACE) in 2021 compared to 62 in 2020, and 51 in 2019.</p> <p>DCP and the Department for Education have continued to work together and committed to a second joint plan of action, to support children in care to actively participate and achieve in their education.</p>
	Increase family engagement in support services	<p>DCP recognises a whole-of-system response based on early intervention and support is key to reducing demand for a statutory child protection response and to providing effective support for vulnerable children and their families. In the 2021-22 financial year, DCP continued to build upon Family Group Conference services (FGC) (with 119 FGCs convened for 220 children in 2021-22), family reunification services, Intensive Family Services through Department of Human Services (DHS), and supported the introduction of a multi-agency approach for Social Impact Investments such as the Newpin Program and Resilient Families Program.</p>
	Reduce rate of children coming into care	<p>DCP has worked with DHS to implement a Child and Family Support System which aims to support vulnerable families to safely care for their children at home and reduce the need for children and young people to come into care. During the 2021-22 financial year, the rate</p>

Agency objectives	Indicators	Performance
		of growth for the number of children and young people coming into care decreased, with a growth rate of 2.0% as at 30 June 2022 compared to 6.4% as at 30 June 2021 (using point in time data).
Designing a care system based on need The individual needs of children and young people are well understood and inform the services and support we provide	Reduce average length of stay per child in emergency care placements	The Placement and Support Packages (PaSP) model continues to provide short-term, individualised and targeted support specific to the needs to children and young people.
	Increase percentage of children placed in family based care	As at 30 June 2022, 85.0% of children and young people in care resided in family based placements.
	Reduce number of children who experience more than 2 placements	As at 30 June 2022, 84.2% of children and young people aged 2-17 years who have been in care for 24 months or more have experienced 1 or 2 placements within the previous 2 years.
Delivering quality and safety We are accountable and transparent in the services we provide and invest to strengthen quality and safety	Reduce time taken to finalise investigations of serious care concerns	There has been a 49% increase in the number of serious care concern investigations closed in 2021-22 compared to 2020-21.
	Increase percentage of complaints resolved within policy timeframes	In 2021-22, 96.5% of complaints were resolved within policy timeframes compared to 98.9% in 2020-21.
	Improve outcomes in quarterly performance reviews	As above.

Corporate performance summary

During 2021-22, DCP continued to progress and deliver on key corporate initiatives, including having:

- Co-led the development of *Safe and Supported: the National Framework for Protecting Australia's Children 2021-2031* with the Commonwealth government in collaboration with state and territory governments, SNAICC-National Voice for our Children, the Aboriginal Leadership Group and the National Coalition.
- Supported a community-led consultation process to develop a model for a peak body for Aboriginal children and young people.
- Increased procurement from ACCOs to 8.0% in 2021-22.
- Contracted an ACCO to deliver an Aboriginal specific family group conferencing service.
- Implemented the Family Led Decision Making Framework, with a focus on Aboriginal families.
- Established a new program in the APY Lands to deliver culturally responsive services for kinship carer families of Aboriginal children and young people.
- Worked alongside CFKCSA and CAFFSA to embed the Statement of Commitment across services for carers.
- Increased the base and respite payments by \$50 to general foster and kinship carers.
- Pursued reforms within the Kinship Care Program to improve and enhance kinship carer supports and expanded the FTE by 16.
- Expanded the range of resources on the DCP Carer website and launched the Caring Together newsletter for foster and kinship carers.
- Commenced a trial of the Treatment Foster Care Oregon – Adolescents (SA) program with specially-trained carers supporting young people aged 12 to 17 with the aim to return to family or be placed with a stable, long-term foster carer.
- Commenced a trial of the Mockingbird Family carer support model, establishing 'constellations' of carers who live in a similar area to provide ongoing peer support, access to shared resources and respite care.
- Re-commissioned family reunification services with nine service providers, including two Aboriginal-specific services, commencing on 1 July 2021 to provide practical and therapeutic support to families.

- Implemented a new model of Supported Independent Living Services, supporting young people in care from the age of 16 years to live in independent shared housing in the community with pathways to sustainable ongoing accommodation when they leave care.
- Developed and launched the Next Steps Pilot Program to support people aged 17 to 21 years moving from residential care into adult life and independence.
- Undertook consultation with young people, carers, staff and service providers to re-design post care services.
- Consolidated the coordination and management of the Stability in Family Based Care and Over 18 Education Initiative programs, supporting young people to remain with family based carers after they turn 18.
- Continued the multi-year implementation of the Sanctuary model of therapeutic care for DCP residential care, with over 700 staff having now completed training.
- Reviewed and refreshed DCP residential care properties, increasing the number of properties and providing dwellings more tailored to the needs of children and young people.
- Established a Significant Incident Reporting Unit, enabling central coordination and monitoring of all significant incident reports.
- Hosted the inaugural SA Child Protection Awards, recognising the outstanding achievements of children and young people, carers, volunteers, staff and organisations from across the child protection sector.
- Strengthened partnerships with the sector through activities such as the Out of Home Care Heads of Industry to address key challenges and opportunities together.
- Commenced work on new government commitments that give greater voice to children and young people in care including committed funding for the Community Visitor Program for young people in residential care and will be developing future housing, work and study pathways through a partnership with CREATE.

Employment opportunity programs

Program name	Performance
Aboriginal Employment	<p>DCP has continued to work toward delivering on the commitments outlined in the Aboriginal Employment Strategy 2019-2022.</p> <p>At 30 June 2022, DCP employed 132 people (5%) who identify as Aboriginal, compared to 121 employees at 30 June 2021.</p>
Skilling SA Signature Project	<p>DCP continues to actively contribute to the South Australian Government Skilling SA Signature Project, supporting the employment of trainees and upskilling of employees in the public sector.</p> <p>During the 2021-22 financial year, the department has successfully commenced 33 Contracts of Training under this initiative.</p>
Disability Employment	<p>Following the release of the department's Disability Access and Inclusion Plan 2020-2024 in 2020-2021, DCP continued to implement steps to improve outcomes for children and young people, carers and the workforce.</p> <p>The plan outlines the department's commitment to increasing disability employment in the organisation and supporting employees with disability. As at 30 June 2022, DCP have a total of 32 employees who have declared they have a disability.</p>
Gender Equality & Respect	<p>DCP has continued to implement the actions outlined in its Gender Equality & Respect Action Plan, demonstrating commitment and actions to support gender equality.</p> <p>DCP has been re-accredited as a White Ribbon Accredited Workplace for a further 3 years (April 2024), reaffirming our commitment to ending gendered violence against women, and supporting employees in our workplace who may be experiencing domestic violence.</p>
Diversity & Inclusion	<p>DCP respects and values the diversity of its employees, clients and partners, and is committed to a diverse and inclusive workforce. DCP continued the implementation of the three key priorities of the Diversity and Inclusion Action Plan 2020-2022.</p>

Agency performance management and development systems

Performance management and development system	Performance
Performance Development Plans	<p>As at 30 June 2022, 58.6% of employees had recorded a Performance Development Plan (PDP) completed within the previous six months.</p> <p>Compliance rates are reported to leaders and monitored on a monthly basis.</p> <p>DCP is committed to improving performance and implemented a new Performance Management System as part of the Human Capital System, Pledge, in June 2022. This is a wholly online system capturing PDP conversations.</p>

Work health, safety and return to work programs

Program name	Performance
Injury Management	<p>The department has increased its early intervention initiatives by linking in with additional Rehabilitation Consultants to facilitate timely and sustainable recovery from work injuries.</p>
Management of WHS risks	<p>The department has transitioned to the new WHS reporting system – GOV Safety – to enable more streamlined hazard and incident reporting for the workforce.</p> <p>A number of WHSIM policies and procedures have been developed or renewed to support safe work practices including: Agency Worker WHS Incident, Hazard, Injury Reporting Procedure, Asbestos Safety Procedure, Consultation and Communication Procedure, Fatigue Management Procedure, Infection Control Procedure, Management of work related injury/illness Procedure, Performance review and continuous improvement Procedure, Workplace Hazard and Risk Management Procedure, and Cultural Safety Procedure.</p>

Workplace injury claims	Current year 2021-22	Past year 2020-21	% Change (+ / -)
Total new workplace injury claims	133	121	+ 10%
Fatalities	0	0	0%
Seriously injured workers*	1	0**	+100%
Significant injuries (where lost time exceeds a working week, expressed as frequency rate per 1000 FTE)	35.28	30.2	+ 17%

*Number of claimants assessed during the reporting period as having a whole person impairment of 30% or more under the Return to Work Act 2014 (Part 2 Division 5).

**Consistent with what was published in the 2020-21 DCP Annual Report (claims can subsequently be backdated).

Work health and safety regulations	Current year 2021-22	Past year 2020-21	% Change (+ / -)
Number of notifiable incidents (<i>Work Health and Safety Act 2012, Part 3</i>)	6	2	200%
Number of provisional improvement, improvement and prohibition notices (<i>Work Health and Safety Act 2012 Sections 90, 191 and 195</i>)	0	0	0%

Return to work costs**	Current year 2021-22	Past year 2020-21	% Change (+ / -)
Total gross workers compensation expenditure (\$)	7,767,966	6,047,219	+ 28%
Income support payments – gross (\$)	2,699,000	2,042,450	+ 32%

**Before third party recovery.

Data for previous years is available at: <https://data.sa.gov.au/data/dataset/work-health-safety-and-return-to-work-performance-for-dcp>

Executive employment in the agency

Executive classification	Number of executives
EXECOF	1
SAES 2	3
SAES 1	8

Data reflects the number of employees under an executive contract as at 30 June 2022, this figure does not include vacancies or persons employed on executive backfill arrangements (non-executive contracts) at this date.

Data for previous years is available at: <https://data.sa.gov.au/data/dataset/executive-employment-in-the-department-for-child-protection>

The [Office of the Commissioner for Public Sector Employment](#) has a [workforce information](#) page that provides further information on the breakdown of executive gender, salary and tenure by agency.

Financial performance

Financial performance at a glance

The following is a brief summary of the overall financial position of the department. The information is unaudited. Full audited financial statements for 2021-2022 are attached to this report.

Statement of Comprehensive Income	2021-22 Actual \$000s	Past year 2020-21 \$000s	Variation \$000s
Total Income	703 718	614 117	89 601
Total Expenses	702 150	628 632	73 518
Net Result	1 568	(14 515)	16 083
Total Comprehensive Result	3 450	(13 432)	16 882

Statement of Financial Position	2021-22 Actual \$000s	2020-21 Actual \$000s	Variation \$000s
Current assets	47 957	37 824	10 133
Non-current assets	45 606	44 649	957
Total assets	93 563	82 473	11 090
Current liabilities	71 111	62 171	8 940
Non-current liabilities	52 212	54 422	(2 210)
Total liabilities	123 323	116 593	6 730
Net assets	(29 760)	(34 120)	4 360

Consultants disclosure

The following is a summary of external consultants that have been engaged by the agency, the nature of work undertaken, and the actual payments made for the work undertaken during the financial year.

Consultancies with a contract value below \$10,000 each

Consultancies	Purpose	\$ Actual payment
All consultancies below \$10,000 each – combined	N/A	N/A

Consultancies with a contract value above \$10,000 each

Consultancies	Purpose	\$ Actual payment
Arney Chong Consulting	Independent inquiry into Foster and Kinship care in South Australia	\$47, 000
Monash University	Evaluation of the Sanctuary model in Residential Out of Home Care	\$22, 000
	Total	\$69, 000

Data for previous years is available at:

<https://data.sa.gov.au/data/dataset/consultants-utilised-in-department-for-child-protection>

See also the [Consolidated Financial Report of the Department of Treasury and Finance](#) for total value of consultancy contracts across the South Australian Public Sector.

Contractors disclosure

The following is a summary of external contractors that have been engaged by the agency, the nature of work undertaken, and the actual payments made for work undertaken during the financial year.

Contractors with a contract value below \$10,000

Contractors	Purpose	\$ Actual payment
All contractors below \$10,000 each – combined	Various	\$87,745

Contractors with a contract value above \$10,000 each

Contractors	Purpose	\$ Actual payment
Hays Specialist Recruitment	HR – Short term staffing	\$701,556
Hudson Global Resources (Aust) Pty Ltd	HR – Short term staffing	\$631,321
SRA Information Technology Pty Ltd	Professional services – ICT services	\$536,660

Contractors	Purpose	\$ Actual payment
Talent International (SA) Pty Ltd	HR – Short term staffing	\$229,970
Randstad Pty Ltd	HR – Short term staffing	\$186,617
Fujifilm Business Innovations	Professional services – ICT services	\$134,054
DFP Recruitment Services	HR – Short term staffing	\$111,629
Timetarget Pty Ltd	Professional services – ICT services	\$99,763
NEC Australia Pty Ltd	Professional services – ICT services	\$79,552
Insync Solutions Pty Ltd	Professional services – ICT services	\$76,500
Objective Corporation Ltd	Professional services – ICT services	\$60,928
Health Safety Environment Australia Pty Ltd	Professional services – Respirator fit testing	\$57,795
Kornar Winmil Yunti Aboriginal Corporation	Professional services – Collaborative Intervention	\$57,559
Chamonix IT Management Consulting (SA) Pty Ltd	Professional services – ICT services	\$51,421
FSE Consulting	Professional Services – Contract reform	\$46,080
Paul Nixon Associates Ltd	Professional services – Evaluation Services	\$45,900
B Pragmatic Pty Ltd	HR – Short term staffing	\$39,716
KKIT	Professional services – ICT services	\$36,030
Greencap – NAA Pty Ltd	Professional services – Respirator fit testing	\$35,300
Edge Recruitment (SA) Pty Ltd	HR – Short term staffing	\$30,881

Contractors	Purpose	\$ Actual payment
Women's Safety Services SA	Professional services – Collaborative Intervention	\$30,331
Fragile to Agile (Asia Pac) Pty Ltd	Professional services – ICT services	\$29,000
NEC IT Services Australia Pty Ltd	Professional services – ICT services	\$27,446
Austhealth Corporate Pty Ltd	Professional services – Respirator fit testing	\$25,910
Maxima Training Group Aust Ltd	HR – Short term staffing	\$24,371
360edge Pty Ltd	Professional services – Human Resources	\$24,338
Martine Hawkes	Professional services – Evaluation Services	\$23,547
Chantelle Schutz	Professional services – Evaluation Services	\$20,975
Franca Petrone	Professional services – Redress Direct Personal Response Services	\$19,024
Gordon McIntyre Consulting	HR – Short term staffing	\$16,100
Keito Events Pty Ltd	Professional services – Event Management	\$15,340
Joy Woodhouse Consultancy	Professional services – Human Resources	\$15,220
Zed Management Consulting	Professional services – Evaluation Services	\$15,091
Datacom Systems (Au) Pty Ltd	Professional services – ICT services	\$14,170
Hayley Wilson	Professional services – Evaluation Services	\$14,015
Unified Solutions Group Pty Ltd	Professional services – ICT services	\$12,200

Contractors	Purpose	\$ Actual payment
Henderson Horrocks Risk Services Pty Ltd	Professional services – Human Resources	\$10,906
Contour Management	Professional services – Architecture	\$10,768
Donna Mayhew Consulting	Professional services – Evaluation Services	\$10,671
	Total	\$3,608,655

Data for previous years is available at:

<https://data.sa.gov.au/data/dataset/contractors-utilised-by-dcp>

The details of South Australian Government-awarded contracts for goods, services, and works are displayed on the SA Tenders and Contracts website. [View the agency list of contracts.](#)

The website also provides details of [across government contracts.](#)

Risk Management

Risk and audit at a glance

The DCP Internal Audit and Risk team continued to work with all areas of the department in reviewing and updating the strategic and operational risk registers.

During 2021-22, the DCP Risk Assessment Matrix was reviewed and updated to better reflect risk environments and operations of the agency.

Internal audit reviews were undertaken in line with DCP's three-year internal audit plan and in line with a revised Strategic Risk Register. During 2021, the Internal Audit and Risk team revised and updated the Strategic Risk Register, which utilises a risk prioritisation methodology that applies the assessed risk likelihood and consequence scores from the Strategic and Operational Risk Registers, combined with a number of other factors to determine a risk prioritisation score for each identified audit area.

Following the review and update of the Internal Audit Framework (Charter) in 2020-21, Internal Audit Methodology and associated templates were updated to incorporate stronger and clearer links to the current requirements and guidance of the Institute of Internal Auditors International Professional Practices Framework (IIA IPPF).

Fraud detected in the agency

Category/nature of fraud	Number of instances
Falsifying a medical certificate in order to support an application for sick leave.	1
Making false statements in case notes and government vehicle log books regarding attendance.	1
Falsifying start times (in-house log books) for another staff member	1

NB: Fraud reported includes actual and reasonably suspected incidents of fraud.

Strategies implemented to control and prevent fraud

DCP is committed to the prevention, detection and control of fraud, corruption and other criminal conduct, misconduct and maladministration in connection with the activities of the department. Fraud risks are identified as part of the department's risk management activities and are captured in a Fraud Risk Register.

The DCP Fraud and Corruption Control Framework, adopted from the South Australian Public Sector Fraud and Corruption Control policy, aligns with Australian Standard – AS 8001:2008 Fraud and Corruption Control. It is designed to assist in the prevention, detection and response to activities labelled or defined as fraud.

DCP continued to implement the framework through corporate and operational activities to prevent and detect fraud, including regular review of financial management policies and procedures, a comprehensive internal audit program,

undertaking strategic and operational risk assessments, and raising the general awareness of fraud amongst staff.

The DCP Internal Audit and Risk Team carried out operational risk assessments across key areas of the business, with regular reviews of fraud risks pertinent to specific business functions. Operational risk registers were continually assessed and updated, in line with the updated Risk Assessment Matrix. Fraud risks continued to be captured through operational risk workshops and through the Fraud Risk Register.

DCP addresses any suspected, alleged or proven instances of fraud, corruption or other criminal conduct, misconduct or maladministration by employees or other public officers, including through:

- Investigation by appropriately skilled and experienced personnel who are independent of the business unit in which the alleged conduct occurred
- Reporting to the Office for Public Integrity or Ombudsman
- Involvement of other authorities such as South Australia Police
- Compliance with the *Public Interest Disclosure Act 2018*.

Data for previous years is available at: <https://data.sa.gov.au/data/dataset/fraud-detected-in-the-department-for-child-protection>

Public interest disclosure

Number of occasions on which public interest information has been disclosed to a responsible officer of the agency under the *Public Interest Disclosure Act 2018*:

0

Data for previous years is available at: <https://data.sa.gov.au/data/dataset/public-interest-disclosures-for-the-department-for-child-protection>

Note: Disclosure of public interest information was previously reported under the *Whistleblowers Protection Act 1993* and repealed by the *Public Interest Disclosure Act 2018* on 1/7/2019.

Reporting required under any other act or regulation

Act or Regulation	Requirement
Children and Young People (Safety) Act 2017	<p>Part 4 – Additional Reporting Obligations of the Chief Executive</p> <p>Section 156(1) The Chief Executive must, not later than 30 September in each year, submit to the Minister a report setting out:</p> <p>(a) the following information in respect of Aboriginal and Torres Strait Islander children and young people:</p> <p>(i) the extent to which case planning in relation to such children and young people includes the development of cultural maintenance plans with input from local Aboriginal and Torres Strait Islander communities and organisations:</p> <p>(ii) the extent to which agreements made in case planning relating to supporting the cultural needs of such children and young people are being met (being support such as transport to cultural events, respect for religious laws, attendance at funerals, providing appropriate food and access to religious celebrations);</p> <p>(iii) the extent to which such children and young people have access to a case worker, community, relative or other person from the same Aboriginal or Torres Strait Islander community as the child or young person</p>

DCP's capacity to report on section 156(1)(a)(ii) and (iii) is in development. As at 30 June 2022:

- The rate of case plan completion for Aboriginal children and young people in care is 94.9%.
- 92.9% of Aboriginal children and young people in care have a current and approved Aboriginal Cultural Identity Support Tool.

Act or Regulation	Requirement
Children and Young People (Safety) Act 2017	<p>Part 4 – Additional Reporting Obligations of the Chief Executive</p> <p>Section 156(1) The Chief Executive must, not later than 30 September in each year, submit to the Minister a report setting out:</p> <p>(b) the following information relating to case workers and children and young people in care:</p> <p>(i) whether a case worker has been allocated to each child and young person in care;</p> <p>(ii) whether each child and young person in care has had face to face contact with their allocated case worker at least once in each month, and, if not, the extent to which those targets have been achieved; and</p> <p>(c) whether each child or young person under the guardianship of the Chief Executive until they are 18 years of age has a case plan that is developed, monitored and reviewed as part of a regular 6 monthly planning cycle and, if not, the extent to which that target has been achieved; and</p> <p>(d) the emergence of any recurring themes in the matters referred to in a preceding paragraph; and</p> <p>(e) the following information relating to recommendations of the Child Protection Systems Royal Commission (being information relating to the preceding financial year):</p> <p>(i) the extent to which any outstanding recommendations have been implemented;</p> <p>(ii) if a decision was made to implement a particular recommendation that the government, or the Minister or Chief Executive, had previously indicated would not be implemented – the reasons for that decision and the manner in which</p>

Act or Regulation	Requirement
	<p>the recommendation is to be implemented;</p> <p>(iii) if a decision was made not to implement a particular recommendation that the government, or the Minister or Chief Executive, had previously indicated would be implemented – the reasons for that decision; and</p> <p>(f) the number, and general nature, of placements of children and young people under section 77; and</p> <p>(g) any other matter prescribed by the regulations for the purposes of this paragraph</p>

- As at 30 June 2022, all children and young people in care were allocated to a Primary Assigned Case Worker.
- DCP has implemented the Data & Analytics Hub with internal reporting capabilities, with the intention to better support service provision through access to enhanced data analysis and operational reporting including monitoring how many children and young people have had face to face contact with their allocated case worker at least once in each month.
- As at 30 June 2022, 96.2% of children and young people had a current and approved case plan.
- In the period from 1 July 2021 to 30 June 2022, 16 recommendations of the Child Protection Systems Royal Commission were completed. As at 30 June 2022, 238 recommendations were completed in total and 18 recommendations were yet to be completed (noting 4 recommendations were not accepted).
- DCP has reported on section 156(1)(e) in the form of the Safe and well: 2022 Annual Report, which is a comprehensive multi-agency response to the implementation of the Child Protection Systems Royal Commission recommendations available on the DCP website via the following link: <https://www.childprotection.sa.gov.au/child-protection-initiatives/system-reform/safe-and-well>.
- The government's implementation of Royal Commission recommendations is currently under review by Ms Kate Alexander.
- At the beginning of the 2021-22 financial year, 393 children and young people were placed with a temporary carer.
- Of these 393 children and young people:
 - 330 children and young people remain in care as at 30 June 2022

- 63 children and young people are no longer in care as at 30 June 2022.

Reporting by the Minister for Child Protection

Act or Regulation	Requirement
Children and Young People (Safety) Act 2017	<p>Section 15 – Additional annual reporting obligations</p> <p>(1) The Minister must, not later than 30 September in each year, prepare a report: –</p> <p>(a) detailing the role of the Minister, and the extent to which the Minister has performed the Minister's functions, in respect of the operation of this Act for the financial year ending on the preceding 30 June;</p>

This annual report details the role of the Minister and the extent to which the Minister has performed the Minister's functions for the 2021-22 financial year. In addition, the Minister has:

- committed to improving the South Australian child protection system and its capacity to meet the needs of children, young people, families, carers and communities.
- established a program of carer roundtables, to work collaboratively with carers to build on the supports available, including specialist support for carers of children with complex needs and the timely provision of information through the online carer platform.
- funded the role of Child and Young Person's Visitor to promote and advocate for the best interests of children and young people who are under the guardianship, or in the custody, of the DCP Chief Executive, living in DCP residential care.
- committed to a number of important services to be delivered across the child protection sector including:
 - funding to extend post-care services and to develop a comprehensive support program for young people leaving care to become independent adults and improve the long-term life outcomes experienced by care leavers,
 - actively working for young people with a disability to ensure that there are NDIS plans in place to support their smooth transition to post-care supports,
 - investment in the CREATE Foundation to improve advocacy and support for young people in care by providing greater opportunities and pathways to access housing, study and work,
 - delivery of Family Reunification Services to reunite families with children and young people who have been in care,

- funding the Next Steps pilot to assist young people transition to adulthood,
- confirmation of family group conferencing including an Aboriginal-specific service to support vulnerable families,
- provision of carer payments for young people 18 and over in family based care placements.

Act or Regulation	Requirement
Children and Young People (Safety) Act 2017	<p>Section 15 – Additional annual reporting obligations</p> <p>(1) (b) setting out the following information relating to the provision of family support services and intensive family support services to children and young people who are at risk and their families:</p> <p>(i) the extent to which such services were provided by, or on behalf of, the State (including statistical data relating to the number of times such services were provided) during the financial year ending on the preceding 30 June;</p> <p>(ii) the amount of resources allocated for the provision of such services by or on behalf of the State –</p> <p>(A) during the financial year ending on the preceding 30 June; and</p> <p>(B) during the current financial year;</p> <p>(iii) the extent to which the allocated resources were, in fact, spent on the provision of such services during the financial year ending on the preceding 30 June.</p>

The following information summarises the delivery of programs/services that relate to the provision of family support services and intensive services to children and young people who are at risk and their families.

Program/ Service	Description and Summary of Outcomes in 2020-21	Financial Information		
		2021-22 Budget \$m	2020-21 Actual expenditure \$m	2020-21 Budget \$m
Child Wellbeing Practitioners	Child Wellbeing Practitioners deliver services to children and families to improve the safety and wellbeing of children who are identified as vulnerable and/or at	5.127	4.632	5.043 ¹

Program/ Service	Description and Summary of Outcomes in 2020-21	Financial Information		
		2021-22 Budget \$m	2020-21 Actual expenditure \$m	2020-21 Budget \$m
	<p>risk of child protection within the state's public-school system.</p> <p>There were 479 families with 1,256 associated children supported during 2021-22 (excluding country teams).²</p> <p>In country teams, Child Wellbeing Practitioners and Family Practitioners were integrated - data is reported separately under Safer Family Services Country Teams.</p>			
Childhood Sexual Abuse Counselling Service	<p>Commencing on 1 June 2021, the Childhood Sexual Abuse Counselling Service provides counselling statewide to survivors of childhood sexual abuse, including family members.</p> <p>771 participants were supported between 1 July 2021 and 30 June 2022.</p>	0.465	0.453	0.453
Community Services Support Program (CSSP) - Family Support and Early Intervention	<p>CSSP Family Support and Early Intervention services aim to improve child development outcomes in vulnerable families, and to prevent crises or problems escalating within vulnerable families that can lead to family conflict and family breakdown. Services include the Sole Parenting Program funded through the former Community Support Program.</p> <p>2,448 individuals were provided with family support and early intervention between 1 July 2021 and 30 June 2022.</p> <p>These services expire in December 2022, with a tender to be released for new services commencing 1 January 2023.</p>	2.039	4.078	4.078
Family by Family	<p>Family by Family is delivered by a non-government organisation to children and families who are assessed as vulnerable to child abuse and neglect and who are at risk of being involved in the statutory child protection system.</p>	1.794	1.750	1.750

Program/ Service	Description and Summary of Outcomes in 2020-21	Financial Information		
		2021-22 Budget \$m	2020-21 Actual expenditure \$m	2020-21 Budget \$m
	There were 206 families with 406 associated children supported during 2021-22.			
Family Practitioners	<p>Family Practitioners deliver a statewide service to children and families where child protection risks have been identified, to support children's overall safety and wellbeing within the state's Children's Centres.</p> <p>There were 376 families with 820 associated children supported during 2021-22 (excluding country teams).²</p> <p>In country teams, Child Wellbeing Practitioners and Family Practitioners were integrated - data is reported separately under Safer Family Services Country Teams.</p>	3.636	3.240	3.582 ¹
GFGSA Village	<p>Commencing on 1 July 2021, Grandparents for Grandchildren (GFGSA) Village mutual support program assists grandparent and kinship carers and the children in their care through a network of local 'Village' support groups across South Australia.</p> <p>151 individuals were supported between 1 July 2021 and 30 June 2022.</p>	0.200	0.200	0.150
Intensive Family Services	<p>Intensive Family Services are delivered by non-government organisations and provide earlier, intensive and targeted support to families involving children aged 0-18 years with multiple and complex needs who have been identified as high to very high risk of entering the statutory child protection system.</p> <p>There were 823 families with 2,032 associated children supported during 2021-22.²</p>	12.067	11.772	11.772
Northern Adelaide Intensive Support Pilot	The Northern Adelaide Intensive Support Pilot is delivered by a non-government organisation to provide services to families whose children have been assessed by the Department for Child Protection (DCP) as being at imminent risk of	0.687	1.346	1.340

Program/ Service	Description and Summary of Outcomes in 2020-21	Financial Information		
		2021-22 Budget \$m	2020-21 Actual expenditure \$m	2020-21 Budget \$m
	having their child or children placed in out of home care. The pilot program is funded to 31 December 2022. There were 22 families with 55 associated children supported during 2021-22.			
Pathways Service	Commencing on 31 March 2021, Pathways is a centralised triage service that provides a single point of entry for families in need of intensive support. The service also captures family complexity data to inform system reform and matches families to appropriate services. Pathways processed 3,506 referrals during 2021-22, with 1,598 (45.6%) of these referrals allocated to services for the provision of support.	0.957	1.494	0.942
Prisoner Kids Family Care Team	Commencing on 1 July 2021, this service is delivered by a non-government organisation to support the families and children of people who have been incarcerated. 78 individuals received support between 1 July 2021 and 30 June 2022.	0.177	0.172	0.172
Resilient Families Program	Commencing on 1 July 2021, the Resilient Families Program is a Social Impact Investment initiative being delivered by a non-government organisation to provide services to families whose children have been assessed by DCP as being at imminent risk of having their children placed in out-of-home care. There were 58 families consisting of 143 associated children supported during 2021-22.	1.75	1.75	1.75
Safe Start (formerly known as Child and Family Assessment and Referral Networks (CFARN))	Safe Start teams work with children and families to provide a coordinated, targeted and culturally appropriate earlier intervention approach to improve the safety, health, development and education outcomes where risk factors exist. Safe Start is led by DHS in Northern Adelaide, Southern	3.377	2.559	2.708

Program/ Service	Description and Summary of Outcomes in 2020-21	Financial Information		
		2021-22 Budget \$m	2020-21 Actual expenditure \$m	2020-21 Budget \$m
	Adelaide and the Limestone Coast, and by Relationships Australia SA (non-government partner) in Western Adelaide and the Inner North (commenced May 2022). From May 2022, DHS also commenced a new service in the Whyalla/Port Augusta region. There were 338 clients with 764 associated children supported during 2021-22. ²			
Safer Family Services Country Teams ³	In country teams, Child Wellbeing Practitioners and Family Practitioners were integrated into Safer Family Services Country Teams. There were 388 families and 967 associated children supported during 2021-22 through the integrated Country Teams. ²	4.077	3.082	4.015
Strong Start	Strong Start is a government led service in Northern and Southern Adelaide to support first time mothers experiencing multiple complexities in their lives, to create a safe and nurturing environment for their baby. There were 125 families with 156 associated children supported during 2021-22. ²	1.555	1.518	1.529
Tiraapendi Wodli (Justice Reinvestment Port Adelaide)	Tiraapendi Wodli is an Aboriginal community led approach aimed at increasing the strength and resilience of Aboriginal families living in Port Adelaide and Enfield. The Initiative is currently led by the Australian Red Cross, in collaboration with Justice Reinvestment SA. A new iteration of the Tiraapendi Wodli Priority Action Plan 2022-2023 identifies actions to strengthen local community capacity and deliver improvements across a range of indicators in education, child protection, justice, and family safety. 210 individuals and their families were provided with support during 2021-22.	0.433	0.422	0.422

Program/ Service	Description and Summary of Outcomes in 2020-21	Financial Information		
		2021-22 Budget \$m	2020-21 Actual expenditure \$m	2020-21 Budget \$m
Western Adelaide Intensive Support Pilot	<p>The Western Adelaide Intensive Support Pilot is delivered by a non-government organisation to provide services to Aboriginal and Torres Strait Islander families whose children have been assessed by DCP as being at imminent risk of having their child or children placed in out-of-home care.</p> <p>The variance between the 2021-22 Actual Expenditure and 2021-22 Budget is due to the service being extended by 15 months from 1 April 2022 to 30 June 2023.</p> <p>There were 19 families consisting of 53 associated children supported during 2021-22.</p>	1.057	1.035	0.769

¹ The 2021-22 Budget was revised to reflect a reallocation to the integrated Safer Family Services Country Teams. The budget for Child Wellbeing Practitioners was also revised due to the establishment of the Pathways Service.

² Supported defined as cases open as of 30 June 2021 and those accepted into Program/Service from 1 July 2021 to 30 June 2022.

³ In 2020-21, the budget and expenditure for the integrated Safer Family Services Country Teams were included under Child Wellbeing Practitioners, Family Practitioners, CFARN (DHS) (now Safe Start) and Strong Start.

- Data in the above table has been sourced from DHS internal reporting systems.

Act or Regulation	Requirement
Children and Young People (Safety) Act 2017	<p>Section 15 – Additional annual reporting obligations</p> <p>(1) (b) The Minister must, not later than 30 September in each year, prepare a report –</p> <p>:(iv) bench-marking the resources referred to in subparagraph (ii) and (iii) against those allocated and spent by other States and Territories in the provision of such services during the financial year ending on the preceding 30 June;</p>

The Report on Government Services (ROGS) details this information. It is published in January each year and is available from

<https://www.pc.gov.au/research/ongoing/report-on-government-services>

Act or Regulation	Requirement
Children and Young People (Safety) Act 2017	Section 15 – Additional annual reporting obligations (1) (c) providing any other information required by the regulations for the purposes of this paragraph.

	Indicators of Performance	Performance 2021-22	Performance Comparison to 2020-21
Responding to notifications	Total calls made to the Call Centre	61,328	In 2021-22, the number of calls to the Call Centre decreased by 8.2% from 2020-21 (66,833). In 2021-22, 81.4% of calls to the Call Centre were answered, a 1.4 percentage point increase on the 80.0% (53,474) answered in 2020-21.
Responding to notifications	Number of calls answered	49,934	
Responding to notifications	Average wait time to the Child Abuse Report Line	11 min 04 sec	The average wait time to the Child Abuse Report Line (CARL) in 2021-21 was 45 seconds less than 2020-21 (11 min 49 sec).
Responding to notifications	Number of eCARL submissions	43,031	There were 1,751 (4.2%) more eCARL submissions in 2021-22 than in 2020-21 (41,280).
Responding to notifications	Total number of notifications referred for an alternative response	18,197	Of the 18,197 notifications referred: <ul style="list-style-type: none"> • 9,386 were referred to an appropriate State Authority • 1,107 were referred to another Agency

	Indicators of Performance	Performance 2021-22	Performance Comparison to 2020-21
			<ul style="list-style-type: none"> 7,704 were referred for another outcome, including family meeting, case management response or internal service response.
Child protection responses	Number of notifications	80,374 (18,600 notifications for Aboriginal children and young people)	In 2021-22, there were 199 (0.2%) more notifications received than in 2020-21 (80,175).
Child protection responses	Number of screened-in notifications	34,748 (9,248 screened-in notifications for Aboriginal children and young people)	<p>There were 3,725 (9.7%) fewer notifications screened-in for further assessment and response in 2021-22, than in 2020-21 (38,473).</p> <p>Of the 2021-22 notifications, 43.2% were screened-in compared to 48.0% screened-in for 2020-21.</p> <p>Notifications for Aboriginal children comprised 23.1% of all notifications in 2021-22 compared to 23.4% (18,754) in 2020-21 and 26.6% of screened-in notifications compared to 28.0% (10,782) in 2020-21.</p>
Children placed on child protection orders	Total children placed on orders	1,895 (686 Aboriginal children and young people)	The number of children admitted to an order decreased by 833 (30.5%) compared to 2020-21 (2,728).

	Indicators of Performance	Performance 2021-22	Performance Comparison to 2020-21
			Aboriginal children comprised 36.2% of children admitted to an order in 2021-22 compared to 33.9% (925) in 2020-21.
Children placed on child protection orders	Children placed on orders for first time	809 (312 Aboriginal children and young people)	<p>The number of children admitted to an order for the first time decreased by 204 (20.1 %) from 2020-21 (1,013).</p> <p>In 2021-22, 42.7% of children were admitted to an order for the first time, compared to 37.1% in 2020-21. Aboriginal children comprised 38.6% of children admitted to an order for the first time in 2021-22 compared to 33.1% (335) in 2020-21.</p>
Children placed on child protection orders	Total children on a 12-month order at 30 June 2022	495 (191 Aboriginal children and young people)	<p>At 30 June 2022, 55 (-10.0%) fewer children were on a Guardianship for 12 months order, than at 30 June 2021 (550).</p> <p>Aboriginal children comprised 38.5% (191) of children on a 12 month order at 30 June 2022 compared to 34.0% (187) in 2021.</p>
Children placed on child protection orders	Total children on an order until 18 years of age under Guardianship of the Chief Executive	4,057 (1,550 Aboriginal children and young people)	The number of children on a Guardianship of the Chief Executive to 18 years order at 30 June 2022 increased by 150 (3.8%) from 30 June 2021 (3,907).

	Indicators of Performance	Performance 2021-22	Performance Comparison to 2020-21
			Aboriginal children comprised 38.2% of children on an order to 18 years at 30 June 2021 compared to 37.9% (1,480) in 2021.
Children in care	Number of children (0-17 years) in care at 30 June 2022	4,740 (1,756 Aboriginal children and young people)	<p>The number of children aged 0-17 years in care at 30 June 2022 increased by 94 (2.0%) to a total of 4,740 compared to 30 June 2021 (4,646).</p> <p>The proportion of children in family based care has decreased by 0.9% (85.0%) from 2021 (85.9%). Family based care includes foster, kinship, specific child only and family day care.</p> <p>The number of Aboriginal children aged 0-17 years in care at 30 June increased by 81 (4.8%) in 2022 from 2021 (1,675).</p> <p>Aboriginal children comprise 37.0% of the 0-17 year old in care population at 30 June 2022, compared to last year's reported response of 36.0%.</p>
Child Protection Reform – Implementing A Fresh Start		Refer to Child Protection Systems Royal Commission reporting on our website	

Figures may be different from those nationally reported, due to timing and the reconciliation process.

Public complaints

Number of public complaints reported

Complaint categories	Sub-categories	Example	Number of Complaints 2021-22
Professional behaviour	Staff attitude	Failure to demonstrate values such as empathy, respect, fairness, courtesy, extra mile, cultural competency.	13
Professional behaviour	Staff competency	Failure to action service request, poorly informed decisions, incorrect or incomplete service provided.	9
Professional behaviour	Staff knowledge	Lack of service specific knowledge, incomplete or out-of-date knowledge.	0
Communication	Communication quality	Inadequate, delayed or absent communication with customer.	342
Communication	Confidentiality	Customer's confidentiality or privacy not respected, information shared incorrectly.	14
Service delivery	Systems/technology	System offline, inaccessible to customer, incorrect result/information provided, poor system design.	12
Service delivery	Access to services	Service difficult to find, location poor, facilities/ environment poor standard, not accessible to customers with disabilities.	11
Service delivery	Process	Processing error, incorrect process used, delay in processing application, process not customer responsive.	118

Complaint categories	Sub-categories	Example	Number of Complaints 2021-22
Policy	Policy application	Incorrect policy interpretation, incorrect policy applied, conflicting policy advice given.	3
Policy	Policy content	Policy content difficult to understand, policy unreasonable or disadvantages customer.	0
Service quality	Information	Incorrect, incomplete, out dated or inadequate information, not fit for purpose.	54
Service quality	Access to information	Information difficult to understand, hard to find or difficult to use, not plain English.	14
Service quality	Timeliness	Lack of staff punctuality, excessive waiting times (outside of service standard), and timelines not met.	0
Service quality	Safety	Maintenance, personal or family safety, duty of care not shown, poor security service/ premises, poor cleanliness.	103
Service quality	Service responsiveness	Service design doesn't meet customer needs, poor service fit with customer expectations.	5
		Total	698

Count is inclusive of 4 general enquiries and 5 feedback.

Note: the allocation of sub-category is driven by the content of the complaint. Therefore these figures relate to the complainants' views of the department.

Public complaints received by the Complaints and Feedback Management Unit (CFMU), Executive Services.

Additional Metrics	Total
Number of positive feedback comments	0
Number of negative feedback comments	35
Total number of feedback comments	35
% complaints resolved within policy timeframes	96.5%

Data for previous years is available at: <https://data.sa.gov.au/data/dataset/public-complaints-received-by-dcp-complaints-unit>

DCP notes that Dr Fiona Arney is leading the Independent Inquiry into Foster and Kinship Care, which includes consideration of existing complaint mechanisms as they relate to foster and kinship care.

Service Improvements

- The department's Complaints Policy and Procedure is published on the intranet and internet in order to assist accessing information more readily.
- Internal Review process and procedure have been reviewed and updated.
- Policy and practice guidance is in accordance with the principles in the Australian/New Zealand Standard: Guidelines for Complaint Management in Organisations (AS/NZA 10002:2014) and is subject to regular review.
- The department's commitment to Aboriginal and Torres Strait Islander people's access to and understanding of complaints process is evidenced through policy and procedures containing a statement setting out a culturally safe and responsive practice.
- Performance reporting is captured by Complaints and Feedback Management Unit to ensure key performance targets are monitored.
- Complaints and Feedback Management Unit provide feedback to Regional Directors and the Senior Executive Group regarding trends and issues that are identified.

Compliance Statement

Department for Child Protection is compliant with Premier and Cabinet Circular 039 – complaint management in the South Australian public sector	Y
Department for Child Protection has communicated the content of PC 039 and the agency's related complaints policies and procedures to employees.	Y

Appendix: Audited financial statements 2021-22

OFFICIAL



Government of South Australia

Auditor-General's Department

Level 9
State Administration Centre
200 Victoria Square
Adelaide SA 5000

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Our ref: A22/107

Ms C Taylor
Chief Executive
Department for Child Protection
Level 1 East
31 Flinders Street
ADELAIDE SA 5000
email: cathy.taylor4@sa.gov.au

Dear Ms Taylor

Audit of Department for Child Protection for the year to 30 June 2022

We have completed the audit of your accounts for the year ended 30 June 2022. Two key outcomes from the audit are the:

- 1** Independent Auditor's Report on your agency's financial report
- 2** audit management letters recommending you address identified weaknesses.

1 Independent Auditor's Report

We are returning the financial report for Department for Child Protection, with the Independent Auditor's Report. This report is unmodified.

My annual report to Parliament indicates that we have issued an unmodified Independent Auditor's Report on your financial report.

2 Audit management letters

During the year, we sent you audit management letters detailing the weaknesses we noted and improvements we considered you need to make.

Significant matters related to:

- procurement and contract management processes
- IT systems access
- payroll-related controls.

We have received responses to our letters and will follow these up in the 2022-23 audit.

What the audit covered

Our audits meet statutory audit responsibilities under the *Public Finance and Audit Act 1987* and the Australian Auditing Standards.

Our audit covered the principal areas of the agency's financial operations and included test reviews of systems, processes, internal controls and financial transactions. Some notable areas were:

- expenditure including child protection services
- payroll
- property, plant, and equipment
- general ledger
- contract management
- procurement
- employee performance management
- carer reviews.

I would like to thank the staff and management of your agency for their assistance during this year's audit.

Yours sincerely



Andrew Richardson
Auditor-General

23 September 2022

enc

INDEPENDENT AUDITOR'S REPORT



Government of South Australia

Auditor-General's Department

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State Administration Centre
200 Victoria Square
Adelaide SA 5000
Tel +618 8226 9640
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**To the Chief Executive
Department for Child Protection**

Opinion

I have audited the financial report of the Department for Child Protection for the financial year ended 30 June 2022.

In my opinion, the accompanying financial report gives a true and fair view of the financial position of the Department for Child Protection as at 30 June 2022, its financial performance and its cash flows for the year then ended in accordance with the relevant Treasurer's Instructions issued under the provisions of the *Public Finance and Audit Act 1987* and Australian Accounting Standards.

The financial report comprises:

- a Statement of Comprehensive Income for the year ended 30 June 2022
- a Statement of Financial Position as at 30 June 2022
- a Statement of Changes in Equity for the year ended 30 June 2022
- a Statement of Cash Flows for the year ended 30 June 2022
- notes, comprising material accounting policies and other explanatory information
- a Certificate from the Chief Executive and the Chief Financial Officer.

Basis for opinion

I conducted the audit in accordance with the *Public Finance and Audit Act 1987* and Australian Auditing Standards. My responsibilities under those standards are further described in the 'Auditor's responsibilities for the audit of the financial report' section of my report. I am independent of the Department for Child Protection. The *Public Finance and Audit Act 1987* establishes the independence of the Auditor-General. In conducting the audit, the relevant ethical requirements of APES 110 *Code of Ethics for Professional Accountants (including Independence Standards)* have been met.

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

Responsibilities of the Chief Executive for the financial report

The Chief Executive is responsible for the preparation of the financial report that gives a true and fair view in accordance with relevant Treasurer's Instructions issued under the provisions of the *Public Finance and Audit Act 1987* and the Australian Accounting Standards, and for such internal control as management determines is necessary to enable the preparation of the financial report that gives a true and fair view and is free from material misstatement, whether due to fraud or error.

In preparing the financial report, the Chief Executive is responsible for assessing the entity's ability to continue as a going concern, taking into account any policy or funding decisions the government has made which affect the continued existence of the entity. The Chief Executive is also responsible for disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the assessment indicates that it is not appropriate.

Auditor's responsibilities for the audit of the financial report

As required by section 31(1)(b) of the *Public Finance and Audit Act 1987*, I have audited the financial report of the Department for Child Protection for the financial year ended 30 June 2022.

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

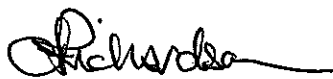
As part of an audit in accordance with Australian Auditing Standards, I exercise professional judgement and maintain professional scepticism throughout the audit. I also:

- identify and assess the risks of material misstatement of the financial report, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for my opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control
- obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Department for Child Protection's internal control
- evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Chief Executive

- conclude on the appropriateness of the Chief Executive's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the entity's ability to continue as a going concern. If I conclude that a material uncertainty exists, I am required to draw attention in my auditor's report to the related disclosures in the financial report or, if such disclosures are inadequate, to modify the opinion. My conclusion is based on the audit evidence obtained up to the date of the auditor's report. However, future events or conditions may cause an entity to cease to continue as a going concern
- evaluate the overall presentation, structure and content of the financial report, including the disclosures, and whether the financial report represents the underlying transactions and events in a manner that achieves fair presentation.

My report refers only to the financial report described above and does not provide assurance over the integrity of electronic publication by the entity on any website nor does it provide an opinion on other information which may have been hyperlinked to/from the report.

I communicate with the Chief Executive about, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that I identify during the audit.



Andrew Richardson
Auditor-General

23 September 2022

Department for Child Protection

**Financial Statements
for the year ended
30 June 2022**

Department for Child Protection
Certification of the Financial Statements
for the year ended 30 June 2022

Certification of the financial statements

We certify that the:

- financial statements of the Department for Child Protection:
 - are in accordance with the accounts and records of the department; and
 - comply with relevant Treasurer's instructions; and
 - comply with relevant accounting standards; and
 - present a true and fair view of the financial position of the department at the end of the financial year and the result of its operations and cash flows for the financial year.
- internal controls employed by the Department for Child Protection for the financial year over its financial reporting and its preparation of financial statements have been effective.



Catherine Taylor
Chief Executive

16 September 2022



Joanne Male
Chief Financial Officer

16 September 2022

Department for Child Protection
Statement of Comprehensive Income
for the year ended 30 June 2022

		2022	2021
	Note	\$'000	\$'000
Income			
Appropriation	2.1	692 630	601 448
Resources received free of charge	2.4	4 515	4 957
Commonwealth-sourced grants and funding	2.2	1 500	1 486
Fees and charges	2.3	1 053	1 102
Net gain from disposal of property, plant and equipment	2.6	-	575
Other income	2.5	4 020	4 549
Total income		703 718	614 117
Expenses			
Child protection services	4.2	385 920	323 905
Employee benefits expenses	3.3	254 730	239 025
Supplies and services	4.1	55 749	54 391
Depreciation and amortisation	4.4	5 086	4 466
Grants and subsidies	4.3	363	906
Borrowing costs	4.5	27	36
Cash alignment transfers to Consolidated Account		-	5 624
Other expenses	4.6	275	279
Total expenses		702 150	628 632
Net result		1 568	(14 515)
Other comprehensive income			
Items that will not be reclassified to net result			
Changes in property, plant and equipment asset revaluation surplus	5.1	1 882	1 083
Total other comprehensive income		1 882	1 083
Total comprehensive result		3 450	(13 432)

The accompanying notes form part of these financial statements. The net result and total comprehensive result are attributable to the SA Government as owner.

Department for Child Protection
Statement of Financial Position
as at 30 June 2022

		2022	2021
	Note	\$'000	\$'000
Current assets			
Cash and cash equivalents	6.1	39 954	31 341
Receivables	6.2	6 428	6 483
Non-current assets classified as held for sale	5.3	1 575	-
Total current assets		47 957	37 824
Non-current assets			
Property, plant and equipment	5.1	44 882	43 796
Receivables	6.2	519	459
Intangible assets	5.2	205	394
Total non-current assets		45 606	44 649
Total assets		93 563	82 473
Current liabilities			
Payables	7.1	33 200	25 117
Employee benefits	3.4	29 415	29 581
Provisions	7.3	6 029	5 113
Financial liabilities	7.2	2 355	2 248
Other liabilities	7.4	112	112
Total current liabilities		71 111	62 171
Non-current liabilities			
Employee benefits	3.4	25 129	30 077
Provisions	7.3	22 850	19 551
Payables	7.1	2 433	2 846
Financial liabilities	7.2	1 397	1 472
Other liabilities	7.4	403	476
Total non-current liabilities		52 212	54 422
Total liabilities		123 323	116 593
Net assets		(29 760)	(34 120)
Equity			
Contributed capital		910	-
Retained earnings	8.1	(39 359)	(40 927)
Asset revaluation surplus	8.1	8 689	6 807
Total equity		(29 760)	(34 120)

The accompanying notes form part of these financial statements. The total equity attributable to the SA Government as owner.

Department for Child Protection
Statement of Changes in Equity
for the year ended 30 June 2022

		Contributed	Asset revaluation	Retained	Total
	Note	capital	surplus	earnings	equity
		\$'000	\$'000	\$'000	\$'000
Balance at 1 July 2020		-	5 724	(26 412)	(20 688)
Net result for 2020-21		-	-	(14 515)	(14 515)
Gain/loss on revaluation of leasehold improvements and land during 2020-21	5.1	-	1 083	-	1 083
Total comprehensive result for 2020-21		-	1 083	(14 515)	(13 432)
Balance at 30 June 2021		-	6 807	(40 927)	(34 120)
Net result for 2021-22		-	-	1 568	1 568
Gain on revaluation of land during 2021-22	5.1	-	1 882	-	1 882
Total comprehensive result for 2021-22		-	1 882	1 568	3 450
Equity contribution received		910			910
Balance at 30 June 2022		910	8 689	(39 359)	(29 760)

The accompanying notes form part of these financial statements. All changes in equity are attributable to the SA Government as owner.

Department for Child Protection
Statement of Cash Flows
for the year ended 30 June 2022

	2022 \$'000 (Outflows)	2021 \$'000 (Outflows)
	Note	
Cash flows from operating activities		
Cash inflows		
Appropriation	692 630	601 448
GST recovered from the ATO	32 128	29 826
Receipts from Commonwealth-sourced grants and funding	1 500	1 486
Fees and charges	1 074	1 112
Other income	5 950	1 219
Cash generated from operations	733 282	635 091
Cash outflows		
Payments for child protection services	(415 657)	(348 771)
Employee benefits payments	(255 457)	(229 703)
Payments for supplies and services	(44 826)	(54 261)
Payments of grants and subsidies	(391)	(906)
Cash alignment transfers to Consolidated Account	-	(5 624)
Interest paid	(27)	(36)
Other payments	(294)	(285)
Cash used in operations	(716 652)	(639 586)
Net cash provided by / (used in) operating activities	8.2 16 630	(4 495)
Cash flows from investing activities		
Cash inflows		
Proceeds from the sale of property, plant and equipment	4	2 600
Cash generated from investing activities	4	2 600
Cash outflows		
Purchase of property, plant and equipment	(5 680)	(2 995)
Cash used in investing activities	(5 680)	(2 995)
Net cash used in investing activities	(5 676)	(395)
Cash flows from financing activities		
Cash inflows		
Capital contributions from government	910	-
Cash generated from financing activities	910	-
Cash outflows		
Repayment of principal portion of lease liabilities	(3 251)	(2 811)
Cash used in financing activities	(3 251)	(2 811)
Net cash used in financing activities	(2 341)	(2 811)
Net increase / (decrease) in cash and cash equivalents	8 613	(7 701)
Cash and cash equivalents at the beginning of the reporting period	31 341	39 042
Cash and cash equivalents at the end of the reporting period	6.1 39 954	31 341

The accompanying notes form part of these financial statements.

Department for Child Protection

Notes to and forming part of the financial statements

for the year ended 30 June 2022

1. About the Department for Child Protection

The Department for Child Protection (the department) is a not-for-profit government department of the State of South Australia. The department is established pursuant to the *Public Sector Act 2009* as an administrative unit acting on behalf of the Crown.

The department does not control any other entity and has no interests in unconsolidated structured entities. The financial statements and accompanying notes include all the controlled activities of the department.

Transactions and balances relating to administered resources are presented separately and are disclosed in Note 11. Except as otherwise disclosed administered items are accounted for on the same basis as the department's transactions.

1.1. Basis of preparation

The financial statements are general purpose financial statements prepared in compliance with:

- section 23 of the *Public Finance and Audit Act 1987*;
- Treasurer's Instructions and Accounting Policy Statements issued by the Treasurer under the *Public Finance and Audit Act 1987*; and
- relevant Australian Accounting Standards.

The financial statements are prepared based on a 12 month reporting period and presented in Australian currency. All amounts in the financial statements and accompanying notes have been rounded to the nearest thousand dollars (\$'000). The historical cost convention is used unless a different measurement basis is specifically disclosed in the note associated with the item measured.

Significant accounting policies are set out throughout the notes.

The department is liable for fringe benefits tax (FBT) and goods and services tax (GST).

Income, expenses and assets are recognised net of the amount of GST except:

- when the GST incurred on a purchase of goods or services is not recoverable from the Australian Taxation Office (ATO), in which case the GST is recognised as part of the cost of acquisition of the asset or as part of the expense item applicable; and
- receivables and payables, which are stated with the amount of GST included.

The net amount of GST recoverable from, or payable to, the ATO is included as part of receivables or payables in the Statement of Financial Position.

Assets and liabilities that are to be sold, consumed or realised as part of the normal operating cycle have been classified as current assets or current liabilities. All other assets and liabilities are classified as non-current.

Cash flows are included in the Statement of Cash Flows on a gross basis, and the GST component of cash flows arising from investing and financial activities, which is recoverable from, or payable to, the ATO is classified as part of operating cash flows.

1.2. New and amended standards adopted by the department

The department has early adopted AASB 2021-2 *Amendments to Australian Accounting Standards – Disclosure of Accounting Policies and Definition of Accounting Estimates* which clarifies the requirements for disclosure of material accounting policy information and clarifies the distinction between accounting policies and accounting estimates. There has been no impact on the department's financial statements.

Department for Child Protection
Notes to and forming part of the financial statements
for the year ended 30 June 2022

1.3. Objectives and programs

Objectives

The department's primary objective is to work with government and non-government agencies to keep children and young people safe from abuse and neglect, and to support families, through the administration of the state's child protection statutory framework. The department is committed to placing the safety of children and young people at the centre of decision-making, and work across the child protection system to amplify their voices and the voices of their families and carers.

The department receives, assesses, refers and investigates child protection notifications, and is required to make an application to the court where it assesses that an order is required to ensure the safety of a child or young person. Where a court determines that a child or young person cannot remain safely at home, the department is responsible for the provision (either directly or indirectly) of quality care and case management and, when it is safe to do so, supporting the reunification of children and young people with their families.

The department works closely with a range of government and non-government agencies so that children and young people who have been abused or are at risk of further abuse can be directly referred, together with their families, to appropriate intensive family supports within the broader child protection service sector.

Programs

The department operates within the activity, **Care and protection**.

This includes:

- Assessing and responding to reports of abuse and risk of harm to children and young people, including referral and/or investigation where appropriate;
- Referring children and young people who are at risk of harm, together with their families, to appropriate intensive family supports within the broader child protection service sector and specialist services, including family group conferencing.
- Applying for care and protection orders and placing children and young people in care to ensure their safety when all other options have been explored and the child or young person remains at risk;
- Implementing the Aboriginal and Torres Strait Islander Child Placement Principle;
- Working with families to address the safety concerns that led to a child or young person entering care, so reunification can take place when it is safe and in the best interests of the child or young person;
- Supporting children and young people in care to help them to recover from their abuse and trauma and reach their full potential.
- Providing assistance and support to young people to transition from care to independent adult life.

1.4. Impact of COVID-19 pandemic on the department

The COVID-19 pandemic has impacted on the operations of the department and the impacts are included under the relevant disclosure notes. In 2021-22 there was an increase in the costs associated with providing care services to children and young people in care during the pandemic. The key impacts for 2021-22 were:

- backfill of workforce due to COVID related absenteeism
- lower average utilisation rate of contracted residential care placements
- reduced growth in available family based care placements
- standing up and staffing of dedicated COVID facilities and the emergency management team
- staff training and purchase of personal protective equipment and rapid antigen tests.

The COVID-19 pandemic outlook for the department is explained in note 9.3.

Department for Child Protection
Notes to and forming part of the financial statements
for the year ended 30 June 2022

1.5. Budget performance

The budget performance table compares the department's outcomes against budget information presented to Parliament (2021-22 Budget Paper 4). Appropriation reflects appropriation issued to special deposit accounts controlled by the department. The budget amounts have not been adjusted to reflect revised budgets or administrative restructures. The budget process is not subject to audit.

		Original Budget 2022 \$'000	Actual 2022 \$'000	Variance \$'000
Statement of Comprehensive Income				
Income				
Appropriation		647 162	692 630	45 468
Resources received free of charge	(a)	-	4 515	4 515
Commonwealth-sourced grants and funding		1 385	1 500	115
Fees and charges	(b)	56	1 053	997
Other income	(c)	2 169	4 020	1 851
Total income		650 772	703 718	52 946
Expenses				
Employee benefits expenses		242 337	254 730	12 393
Supplies and services		60 870	55 749	(5 121)
Child protection services	(d)	339 740	385 920	46 180
Grants and subsidies		-	363	363
Depreciation and amortisation	(e)	4 020	5 086	1 066
Borrowing costs		68	27	(41)
Other expenses		158	275	117
Total expenses		647 193	702 150	54 957
Net result		3 579	1 568	(2 011)
Other comprehensive income				
Items that will not be reclassified to net result				
Changes in property, plant and equipment asset revaluation surplus		-	1 882	1 882
Total other comprehensive income		-	1 882	1 882
Total comprehensive result		3 579	3 450	(129)
Investing expenditure summary				
Total leases		2 574	3 287	713
Total existing projects		6 861	2 393	(4 468)
Total investing expenditure		9 435	5 680	(3 755)

Expenditure incurred for existing projects later than originally budgeted predominantly due to prolonged lease negotiations and challenging property and construction market conditions.

Department for Child Protection
Notes to and forming part of the financial statements
for the year ended 30 June 2022

1.5. Budget performance (continued)

Explanations are provided for variances where the variance exceeds the greater of 10% of the original budgeted amount and 5% of original budgeted amount for expenses.

- (a) Accounting impact of unbudgeted Shared Services SA resources received free of charge. This is offset by unbudgeted costs for a comparable amount and hence no impact to the net result.
- (b) The variance relates primarily to a MOAA with the Department for Human Services which was formalised after the budget was set.
- (c) Property held for sale as at 30 June 2022 was anticipated to be sold during 2021-22.
- (d) Predominately reflective of the increased number of children and young people in care and the costs associated with providing care services during covid-19. Opening budget does not include the mid-year budget review and 2022-23 budget measure adjustments. This variance can also be observed in Appropriation.
- (e) The variance relates to increased leasing costs and additional leasing of residential care facilities under AASB 16 than budgeted.

Department for Child Protection
Notes to and forming part of the financial statements
for the year ended 30 June 2022

1.6. Significant transactions with government related entities

Significant transactions with the SA Government are identifiable throughout this financial report.

The department had no significant transactions with government related entities except for the appropriation funding received from the Department of Treasury and Finance (DTF) (note 2.1) and incurred expenditure with the Department of Infrastructure and Transport (DIT) of \$20.8 million (2021: \$19.8 million) (note 4.1).

The department also receives Commonwealth-sourced grants and funding, some of which are received from the Commonwealth indirectly through DTF (refer note 2.2).

2. Income

2.1. Appropriation

	2022	2021
	\$'000	\$'000
Appropriation from the Consolidated Account pursuant to the <i>Appropriation Act</i>	647 162	601 448
Appropriation from the Governor's Appropriation Fund	45 468	-
Total appropriation	692 630	601 448

Appropriation is recognised on receipt.

2.2. Commonwealth-sourced grants and funding

	2022	2021
	\$'000	\$'000
Family allowances	839	906
Unaccompanied Humanitarian Minors	387	55
Transition to Independent Living Allowance	183	122
Family Law Information Sharing Project*	91	90
Newpin program*	-	313
Total Commonwealth-sourced grants and funding	1 500	1 486

*Received from the Commonwealth indirectly through DTF.

Commonwealth-sourced grants and funding are recognised in accordance with AASB 1058 as income on receipt.

2.3. Fees and charges

	2022	2021
	\$'000	\$'000
Intra Government fees and charges	993	1 037
Other fees and charges	60	65
Total fees and charges	1 053	1 102

Intra Government fees and charges are recognised as income on receipt.

Department for Child Protection
Notes to and forming part of the financial statements
for the year ended 30 June 2022

2.4. Resources received free of charge

	2022	2021
	\$'000	\$'000
Services received free of charge - Shared Services SA	3 758	3 647
Services received free of charge - DPC - ICT	757	739
Contributed assets	-	571
Total resources received free of charge	4 515	4 957

Contributed assets relates to a vacant parcel of land transferred to the department from the Minister for Education and a donated security system.

Contributions of services are recognised only when a fair value can be determined reliably, and the services would be purchased if they had not been donated.

The department receives Financial Accounting, Taxation, Payroll, Accounts Payable and Accounts Receivable from Shared Services SA free of charge. ICT services are received from the Department of the Premier and Cabinet.

A corresponding expense is recognised in the financial statements (see note 4.1).

2.5. Other income

	2022	2021
	\$'000	\$'000
Recoveries	3 859	3 443
Child payment recoups	128	142
Contingencies transferred from DTF	-	787
Discount given on assets purchased	-	163
Other	33	14
Total other income	4 020	4 549

Recoveries are recognised on receipt

2.6. Net gain from disposal of property, plant and equipment

	2022	2021
	\$'000	\$'000
Land and buildings		
Net proceeds from disposal	-	2 600
Less carrying amount of assets disposed	-	(2 025)
Net gain from disposal of land and buildings	-	575

Department for Child Protection
Notes to and forming part of the financial statements
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3. Board, committees and employees

3.1. Key management personnel

Key management personnel of the department include the Minister for Child Protection (the Minister), the Chief Executive and the other members of the executive team who have responsibility for the strategic direction and management of the department.

The compensation excludes salaries and other benefits the Minister receives. The Minister's remuneration and allowances are set by the *Parliamentary Remuneration Act 1990* and the Remuneration Tribunal of SA respectively and are payable from the Consolidated Account (via DTF) under section 6 the *Parliamentary Remuneration Act 1990*.

	2022	2021
Compensation	\$'000	\$'000
Salaries and other short-term employee benefits	3 566	3 459
Post-employment benefits	643	449
Total compensation	4 209	3 908

Transactions with key management personnel and other related parties

The department did not enter into transactions with key management personnel or their close family during the reporting period.

3.2. Board and committee members

Members during the 2021- 2022 financial year were:

Performance and Risk Committee

Ms Mel Bradley* (retired December 2021)
 Ms Kitty McClean* (appointed December 2021)
 Ms Tina Armiento* (appointed March 2022)
 Mr Michael Burton* (retired March 2022)
 Ms Joanne Male*
 Ms Fiona Ward*
 Ms Nerida Saunders*
 Ms Rosina Hislop
 Mr Onno van der Wel
 Ms Linda South*

Dame Roma Mitchell Trust Funds Board of Advice

Ms Chelsea Hall*
 Ms Colleen Fitzpatrick (Chair)
 Ms Megan Hender
 Ms Joanna Saies
 Mr Nick Jenkins
 Ms Susan Richards (resigned October 2021)
 Mr Peter Giffard (resigned November 2021)
 Ms Brigitte Goepfert (appointed May 2022)
 Mr Lachlan McFarlane (appointed May 2022)
 Ms Marjorie Ellis (appointed September 2021)

*Government employees did not receive any remuneration for board/committee duties during the financial year where the board/committee falls under the definitions of Premier and Cabinet Circular No. 016.

The department has other internal boards and committees that do not meet disclosure requirements. Paid members of internal boards and committees include:

- Procurement and Contract Management Governance Committee - Zofia Nowak
- Contract Arrangements Review Panel – Helen Kay, Ann-Marie Hayes

The total remuneration received or receivable by members was \$38 000 (2021: \$34 000). Remuneration of members reflects all costs of performing board/committee member duties including sitting fees, superannuation contributions, salary sacrifice benefits and fringe benefits and any related fringe benefits tax paid.

Department for Child Protection
Notes to and forming part of the financial statements
for the year ended 30 June 2022

3.2. Board and committee members (continued)

Board and committee remuneration	2022	2021
The number of members whose remuneration received/receivable falls within the following bands:		
	Number of members	Number of members
\$0	17	14
\$1 - \$19 999	3	2
\$20 000 - \$39 999	-	1
Total number of members	20	17

3.3. Employee benefits expenses

	2022	2021
	\$'000	\$'000
Salaries and wages	190 472	176 712
Employment on-costs - superannuation	20 637	18 616
Annual leave	17 672	16 735
Employment on-costs - other	11 235	10 355
Workers compensation	12 171	15 713
Skills and experience retention leave	602	601
Targeted voluntary separation packages	2 013	259
Board and committee fees	38	34
Long service leave	(1 320)	(1 052)
Other employee related expenses	1 210	1 052
Total employee benefits expenses	254 730	239 025

The superannuation employment on-cost charge represents the department's contributions to superannuation plans in respect of current services of current employees. The DTF centrally recognises the superannuation liability in the whole of government financial statements.

Department for Child Protection
Notes to and forming part of the financial statements
for the year ended 30 June 2022

3.3. Employee benefits expenses (continued)

Employee remuneration

	2022	2021
The number of employees whose remuneration received or receivable falls within the following bands:	No	No
\$154 000 to \$157 000*	N/A	5
\$157 001 to \$177 000	24	10
\$177 001 to \$197 000	4	6
\$197 001 to \$217 000	5	2
\$217 001 to \$237 000	3	1
\$237 001 to \$257 000	1	3
\$257 001 to \$277 000	1	1
\$277 001 to \$297 000	1	1
\$297 001 to \$317 000	1	-
\$337 001 to \$357 000	-	1
\$357 001 to \$377 000	-	1
\$377 001 to \$397 000	-	1
\$397 001 to \$417 000	1	-
\$417 001 to \$437 000	1	-
Total	42	32

The total remuneration received by these employees for the year was \$8.3 million (2021: \$6.5 million).

*This band has been included for the purposes of reporting comparative figures based on the executive base level remuneration rate for 2020-21.

The table includes all employees who received remuneration equal to or greater than the base executive remuneration level during the year. Remuneration of employees reflects all costs of employment including salaries and wages, overtime, penalties, attraction allowance, payments in lieu of leave, superannuation contributions, salary sacrifice benefits and fringe benefits and any related fringe benefits tax paid or payable. Award classifications included in the above bands include SAES, MAS, ASO, AHP, LE, OPX and MIN.

Targeted voluntary separation packages (TVSP)

The number of employees who received a TVSP during the reporting period was 2 (2021: 2).

	2022	2021
	\$'000	\$'000
Amounts paid to separated employees:		
Targeted voluntary separation packages	169	259
Workforce rejuvenation scheme	1 844	-
Leave paid to separated employees	114	130
Total amount paid	2 127	389
Net cost to the department	2 127	389

During the year, the SA Government offered employees the opportunity to participate in the South Australian Public Sector Workforce Rejuvenation Scheme. The above table includes 43 employees who accepted the offer under the scheme.

Department for Child Protection
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3.4. Employee benefits liability

	2022 \$'000	2021 \$'000
Current		
Annual leave	19 180	18 135
Long service leave	4 403	4 240
Accrued salaries and wages	5 036	6 349
Skills and experience retention leave	796	857
Total current employee benefits	29 415	29 581
Non-current		
Long service leave	25 129	30 077
Total non-current employee benefits	25 129	30 077
Total employee benefits	54 544	59 658

Employee benefits accrue as a result of services provided up to the reporting date that remain unpaid. Long-term employee benefits are measured at present value and short-term employee benefits are measured at nominal amounts.

Salaries and wages, annual leave, skills and experience retention leave (SERL) and sick leave

The liability for salaries and wages is measured as the amount unpaid at the reporting date at remuneration rates current at the reporting date.

The annual leave liability and the SERL liability in full is expected to be payable within 12 months and is measured at the undiscounted amount expected to be paid.

Salary inflation rate for annual leave, skills, experience and retention leave liability reduced to 1.5% from 2.0% in 2021.

No provision has been made for sick leave as all sick leave is non-vesting and the average sick leave taken in future years by employees is estimated to be less than the annual entitlement for sick leave.

Long service leave

The liability for long service leave is measured as the present value of expected future payments to be made in respect of services provided by employees up to the end of the reporting period using the projected unit credit method.

AASB 119 *Employee Benefits* contains the calculation methodology for long service leave liability.

The actuarial assessment performed by DTF has provided a basis for the measurement of long service leave and is based on actuarial assumptions on expected future salary and wage levels, experience of employee departures and periods of service. These assumptions are based on employee data over SA Government entities.

AASB 119 *Employee Benefits* requires the use of the yield on long-term Commonwealth Government bonds as the discount rate in the measurement of the long service leave liability. The yield on long term Commonwealth Government bonds increased to 3.5% (2021: 1.25%).

The actuarial assessment performed by DTF did not change the salary inflation rate (2021: 2.5%) for long service leave liability.

The net financial effect of the changes in the actuarial assumptions and methodology is a decrease in the long service leave liability of \$5.2 million.

The split for long service leave between current and non-current is based on the department's best estimate of the amount to be paid in the coming year.

Department for Child Protection
Notes to and forming part of the financial statements
for the year ended 30 June 2022

4. Expenses

4.1. Supplies and services

	2022	2021
	\$'000	\$'000
Accommodation	12 148	12 474
Information technology and communications	10 094	9 616
Minor works, maintenance and equipment	7 793	8 603
Shared Services SA charges	4 580	4 412
Vehicle and travelling expenses	4 487	4 012
Employee related costs	3 333	2 575
Office administration	2 183	2 261
Contractors – Agency staff	1 973	979
Contractors	1 723	1 531
Rental and leases accommodation	1 479	1 641
Utilities	1 290	1 189
Intra government charges	1 198	1 951
Cleaning	959	838
Legal costs	980	701
Insurance	872	816
Security	358	306
Consultants	69	267
Advertising expenses	1	36
Other supplies and services	229	183
Total supplies and services	55 749	54 391

Accommodation

Most of the department's accommodation is provided by DIT under Memoranda of Administrative Arrangement (MoAA) issued in accordance with Government-wide accommodation policies. These arrangements do not meet the definition of a lease and accordingly are expensed and disclosed under accommodation. Information about accommodation incentives relating to this arrangement is shown at note 7.4.

Consultants

The number of consultancies and the dollar amount paid/payable (included in supplies and services expense) to consultants that fell within the following bands:

	No	2022	No	2021
		\$'000		\$'000
Below \$10 000	-	-	1	6
\$10 000 or above	2	69	1	261
Total	2	69	2	267

Department for Child Protection
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for the year ended 30 June 2022

4.2. Child protection services

	2022	2021
	\$'000	\$'000
Contracted Out-of-Home care services ¹	267 782	217 292
Carer payments and client related costs ²	107 871	97 136
Family support services	6 863	6 449
Advocacy and support services	3 404	3 028
Total child protection services	385 920	323 905

¹ incorporates residential based care, family based care, other supported placement services and immediate response services.

² incorporates all carer payments and other client related costs associated with having a child in a placement.

4.3. Grants and subsidies

	2022	2021
	\$'000	\$'000
Child and Family Welfare	282	290
Connecting Foster Carers SA	41	-
NAIDOC SA Inc	25	25
Care Leavers Australia Network	15	15
Australian Centre for Child Protection	-	500
Create Foundation South Australia	-	65
University of Adelaide	-	8
Flinders Foundation	-	3
Total grants and subsidies	363	906

4.4. Depreciation and amortisation

	2022	2021
	\$'000	\$'000
Right-of-use vehicles	1 911	1 958
Right-of-use buildings	1 334	850
Leasehold improvements	833	688
Residential accommodation housing	733	728
Computer software	189	214
Computing, communications, furniture and equipment	86	28
Total depreciation and amortisation	5 086	4 466

All non-current assets not held for sale with a limited useful life are systematically depreciated/amortised over their useful lives in a manner that reflects the consumption of their service potential.

Useful life

Depreciation/amortisation is calculated on a straight-line basis over the estimated useful life of the following classes of assets as follows:

<u>Class of asset</u>	<u>Useful life (years)</u>
Residential accommodation housing	30-50
Leasehold improvements	1-20
Computing, communications, furniture and equipment	5-10
Computer Software	3-10
Right-of-use vehicles and buildings	1-5

Department for Child Protection
Notes to and forming part of the financial statements
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4.4. Depreciation and amortisation (Continued)

Review of accounting estimates

Assets' residual values, useful lives and depreciation/amortisation methods are reviewed and adjusted if appropriate on an annual basis. Changes in the expected useful life or the expected pattern of consumption of future economic benefits embodied in the asset are accounted for prospectively by changing the time period or method, as appropriate.

4.5. Borrowing costs

	2022	2021
	\$'000	\$'000
Interest expense on lease liabilities	27	36
Total borrowing costs	27	36

4.6. Other expenses

	Note	2022	2021
		\$'000	\$'000
Audit fees *		264	240
Impairment (gain)/loss on receivables	6.2	6	(3)
Asset disposals/derecognised	5.1	-	33
Interest		2	6
Other expenses		3	3
Total other expenses		275	279

* Audit fees paid / payable to the Auditor-General's Department relate to work performed under the *Public Finance and Audit Act 1987*. No other services were provided by Auditor-General's Department.

Department for Child Protection
Notes to and forming part of the financial statements
for the year ended 30 June 2022

5. Non-financial assets

5.1. Property, plant and equipment by asset class

Property, plant and equipment comprises tangible assets owned and right-of-use (leased) assets. The assets presented below do not meet the definition of investment property.

	2022 \$'000	2021 \$'000
Land		
Land at fair value	20 512	19 730
Total land	20 512	19 730
Residential accommodation housing		
Residential accommodation housing at fair value	31 238	30 147
Accumulated depreciation at the end of the period	(16 010)	(16 105)
Total residential accommodation housing	15 228	14 042
Construction work in progress		
Construction work in progress at cost	863	1 770
Total construction work in progress	863	1 770
Right-of-use buildings		
Right-of-use buildings at cost (deemed fair value)	3 704	2 163
Accumulated depreciation	(2 375)	(1 041)
Total right-of-use buildings	1 329	1 122
Right-of-use vehicles		
Right-of-use vehicles at cost (deemed fair value)	5 021	4 894
Accumulated depreciation	(2 604)	(2 308)
Total right-of-use vehicles	2 417	2 586
Leasehold improvements		
Leasehold improvements at fair value	13 811	13 080
Accumulated depreciation at the end of the period	(9 791)	(8 958)
Total leasehold improvements	4 020	4 122
Computing, communications, furniture and equipment		
Computing, communications, furniture and equipment at cost (deemed fair value)	649	475
Accumulated depreciation at the end of the period	(136)	(51)
Total computing, communications, furniture and equipment	513	424
Total property, plant and equipment	44 882	43 796

Property, plant and equipment with a value equal to or in excess of \$15 000 is capitalised, otherwise it is expensed. Property, plant and equipment is recorded at fair value. Detail about the department's approach to fair value is set out in note 10.1.

Department for Child Protection
Notes to and forming part of the financial statements
for the year ended 30 June 2022

5.1 Property, plant and equipment by asset class (continued)

Property, plant and equipment owned

Impairment

Property, plant and equipment owned by the department has not been assessed for impairment as they are non-cash generating assets, that are specialised in nature and held for continual use of their service capacity.

Revaluation of property, plant and equipment is undertaken on a regular cycle as detailed in Note 10.1. If at any time management considers that the carrying amount of an asset materially differs from its fair value, then the asset will be revalued regardless of when the last valuation took place.

Reconciliation 2021-22

	Land \$'000	Residential accommodation housing \$'000	Construction work in progress \$'000	Leasehold improvements \$'000	Computing, communications, furniture and equipment \$'000	Total \$'000
Carrying amount at 1 July 2021	19 730	14 042	1 770	4 122	424	40 088
Additions	-	-	2 218	-	175	2 393
Assets reclassified to assets held for sale	(1 100)	(475)	-	-	-	(1 575)
Transfers to/(from) work in progress	-	2 394	(3 125)	731	-	-
Asset revaluation increment/(decrement)	1 882	-	-	-	-	1 882
Depreciation and amortisation	-	(733)	-	(833)	(86)	(1 652)
Carrying amount at 30 June 2022	20 512	15 228	863	4 020	513	41 136
Gross carrying amount						
Gross carrying amount	20 512	31 238	863	13 811	649	67 073
Accumulated depreciation	-	(16 010)	-	(9 791)	(136)	(25 937)
Carrying amount at the end of the period	20 512	15 228	863	4 020	513	41 136

Department for Child Protection
Notes to and forming part of the financial statements
for the year ended 30 June 2022

5.1. Property, plant and equipment by asset class (continued)

Reconciliation 2020-21

	Land \$'000	Residential accommodation housing \$'000	Construction work in progress \$'000	Leasehold improvements \$'000	Computing, communications, furniture and equipment \$'000	Total \$'000
Carrying amount at 1 July 2020	19 542	15 370	981	3 735	137	39 765
Additions	-	-	2 623	-	116	2 739
Disposals	(1 425)	(600)	-	-	-	(2 025)
Assets derecognised	-	-	-	-	(33)	(33)
Transfers to/(from) work in progress	-	-	(1 834)	1 075	191	(568)
Asset revaluation increment/(decrement)	1 083	-	-	-	-	1 083
Depreciation and amortisation	-	(728)	-	(688)	(28)	(1 444)
Contributed assets	530	-	-	-	41	571
Carrying amount at 30 June 2021	19 730	14 042	1 770	4 122	424	40 088
Gross carrying amount						
Gross carrying amount	19 730	30 147	1 770	13 080	475	65 202
Accumulated depreciation	-	(16 105)	-	(8 958)	(51)	(25 114)
Carrying amount at the end of the period	19 730	14 042	1 770	4 122	424	40 088

Department for Child Protection
Notes to and forming part of the financial statements
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5.1 Property, plant and equipment by asset class (continued)

Property, plant and equipment leased

Right-of-use assets are recorded at cost.

Short-term leases of 12 months or less and low-value leases, where the underlying asset value is less than \$15 000, are not recognised as right-of-use assets. The associated lease payments are recognised as an expense and are disclosed in note 4.1.

The department has a limited number of leases:

- 705 motor vehicle leases with the South Australian Government Financing Authority (SAFA) to support a fleet of approximately 450 vehicles. Motor vehicle leases are non-cancellable, with rental payments monthly in arrears. Motor vehicle lease terms range from 3 years (60,000km) to 5 years (100,000km).
- 52 residential accommodation properties leased with private landlords that are non-cancellable. Residential accommodation lease terms range from 1 year to 3 years.

The lease liabilities related to the right-of-use assets are disclosed in note 7.2. The department's maturity analysis of its lease liabilities is disclosed in note 7.2. Expenses related to leases, including depreciation and interest expenses, are disclosed in note 4. Cash outflows related to leases are disclosed in note 8.2.

Impairment

Property, plant and equipment leased by the department has been assessed for impairment. There was no indication of impairment. No impairment loss or reversal of impairment loss was recognised.

Reconciliation 2021-22

	Right-Of-Use Buildings \$'000	Right-Of-Use Vehicles \$'000	Total \$'000
Carrying amount at 1 July 2021	1 122	2 586	3 708
Additions	1 541	1 746	3 287
Disposals	-	(4)	(4)
Depreciation and amortisation	(1 334)	(1 911)	(3 245)
Carrying amount at 30 June 2022	1 329	2 417	3 746

Reconciliation 2020-21

	Right Of Use Buildings \$'000	Right Of Use Vehicles \$'000	Total \$'000
Carrying amount at 1 July 2020	649	2 637	3 286
Additions	1 375	1 920	3 295
Disposals	(52)	(13)	(65)
Depreciation and amortisation	(850)	(1 958)	(2 808)
Carrying amount at 30 June 2021	1 122	2 586	3 708

Department for Child Protection
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5.2. Intangible assets

	2022	2021
	\$'000	\$'000
Computer software		
Internally developed computer software	8 882	8 882
Accumulated amortisation	(8 677)	(8 488)
Total computer software	205	394
Total intangible assets	205	394

Intangible assets are initially measured at cost and are tested for indications of impairment at each reporting date. Following initial recognition, intangible assets are carried at cost less any accumulated amortisation and any accumulated impairment losses.

The acquisition of computer software is capitalised only when the expenditure meets the definition criteria (identifiable control and the existence of future economic benefits) and recognition criteria (probability of future economic benefits and cost can be reliably measured) and when the amount of expenditure is greater than or equal to \$15 000.

The computer software relates to the department's Connected Client and Case Management System (C3MS) for case management of children.

Reconciliation 2021-22

	Computer software	Total
	\$'000	\$'000
Carrying amount at 1 July 2021	394	394
Amortisation	(189)	(189)
Total as at 30 June 2022	205	205

Reconciliation 2020-21

	Computer software	Total
	\$'000	\$'000
Carrying amount at 1 July 2020	40	40
Transfers from WIP	568	568
Amortisation	(214)	(214)
Total as at 30 June 2021	394	394

5.3. Non-current assets classified as held for sale

	2022	2021
	\$'000	\$'000
Land	1 100	-
Building	475	-
Total non-current assets classified as held for sale	1 575	-

Department for Child Protection
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6. Financial assets

6.1. Cash and cash equivalents

	2022	2021
	\$'000	\$'000
Deposits with the Treasurer	39 556	24 073
Deposits with the Treasurer (AAEFA)	1	6 875
Imprest account/cash on hand	397	393
Total cash and cash equivalents	39 954	31 341

Deposits with the Treasurer

Special deposit accounts are established under section 8 of the *Public Finance and Audit Act 1987*. Special deposit accounts must be used in accordance with their approved purpose.

The department has two deposit accounts with the Treasurer:

- a general operating account; and
- an Accrual Appropriation Excess Funds Account (AAEFA).

Although the department controls the money in AAEFA, its use must be approved by the Treasurer. The department does not earn interest on its deposits with the Treasurer.

Cash is measured at nominal amount.

Department for Child Protection
Notes to and forming part of the financial statements
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6.2. Receivables

	2022	2021
	\$'000	\$'000
Current		
Trade receivables		
From government entities	389	1 598
From non-government entities	1 159	1 317
Less impairment loss on receivables	(54)	(50)
Total trade receivables	1 494	2 865
GST input tax recoverable	2 738	2 059
Prepayments	2 123	1 037
Accrued revenues	28	490
Workers compensation recoveries	45	32
Total current receivables	6 428	6 483
Non-current		
Workers compensation recoveries	519	459
Total non-current receivables	519	459
Total receivables	6 947	6 942

Trade receivables arise in the normal course of selling goods and services to other government agencies and to the public. Trade receivables are normally settled within 30 days after the issue of an invoice or the goods/services have been provided under a contractual arrangement. Trade receivables, prepayments and accrued revenues are non-interest bearing. Trade receivables are held with the objective of collecting the contractual cash flows and they are measured at amortised cost.

The net amount of GST payable to the ATO is included as part of receivables.

Other than as recognised in the impairment loss on receivables, it is not anticipated that counterparties will fail to discharge their obligations. The carrying amount of receivables approximates net fair value due to being receivable on demand. There is no concentration of credit risk.

Allowance for Impairment loss on receivables

	2022	2021
	\$'000	\$'000
Carrying amount at the beginning of the period	(50)	(56)
(Increase)/decrease in the allowance recognised in profit and loss	(6)	3
Amounts written off	2	3
Carrying amount at the end of the period	(54)	(50)

Impairment losses relate to contracts with customers external to SA Government.

Refer to note 10.2 for details regarding credit risk, the methodology for determining impairment and information on risk management.

Department for Child Protection
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7. Liabilities

7.1. Payables

	2022	2021
	\$'000	\$'000
Current		
Accrued expenses	24 964	19 407
Employment on-costs	5 522	5 222
Trade payables	2 666	431
Paid Parental Leave Scheme payable	48	57
Total current payables	33 200	25 117
Non-current		
Employment on-costs	2 433	2 846
Total non-current payables	2 433	2 846
Total payables	35 633	27 963

Trade payables and accruals are raised for all amounts owing but unpaid. Trade payables are normally settled within 30 days from the date the invoice is first received. All payables are non-interest bearing. The carrying amount of payables represents fair value due to their short-term nature.

The net amount of GST recoverable from the ATO is included as part of receivables. However, if a net GST payable arises then this amount would be disclosed in this Payables note.

Employment on-costs

Employment on-costs include payroll tax, ReturnToWorkSA levies and superannuation contributions which are settled when the respective employee benefits that they relate to is discharged.

The department makes contributions to several state government and externally managed superannuation schemes. These contributions are treated as an expense when they occur. There is no liability for payments to beneficiaries as they have been assumed by the respective superannuation schemes. The only liability outstanding at reporting date relates to any contributions due but not yet paid to the South Australian Superannuation Board and external schemes.

As a result of an actuarial assessment performed by DTF, the proportion of long service leave taken as leave has not changed from the 2021 rate of 42% and the average factor for the calculation of employer superannuation on-costs has changed to 10.6% (2021: 10.1%). These rates are used in the employment on-cost calculation. The net financial effect of the changes in the current financial year is a decrease in the employment on-cost of \$0.34 million and employee benefits expense of \$5.2 million, respectively.

Department for Child Protection
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7.2. Financial liabilities

	2022 \$'000	2021 \$'000
Current		
Lease liabilities	2 355	2 248
Total current financial liabilities	2 355	2 248
Non-current		
Lease liabilities	1 397	1 472
Total non-current financial liabilities	1 397	1 472
Total financial liabilities	3 752	3 720

All material cash outflows are reflected in the lease liabilities disclosed above.

A maturity analysis of lease liabilities based on undiscounted gross cash flows is reported in the table below:

	2022 \$'000	2021 \$'000
Lease liabilities		
Up to 1 year	2 412	2 371
1 to 5 years	1 519	1 508
	3 931	3 879

7.3. Provisions

	2022 \$'000	2021 \$'000
Current		
Provision for workers compensation	6 009	5 038
Provision for legal claims	10	70
Provision for additional compensation	10	5
Total current provisions	6 029	5 113
Non-current		
Provision for workers compensation	22 167	19 083
Provision for legal claims	180	110
Provision for additional compensation	503	358
Total non-current provisions	22 850	19 551
Total provisions	28 879	24 664

Movement in provisions for workers compensation

	2022 \$'000	2021 \$'000
Carrying amount at the beginning of the period	24 121	14 434
Additional provision recognised	8 892	15 726
Reductions arising from payments/other sacrifice of future economic benefits	(4 837)	(6 039)
Carrying amount at the end of the period	28 176	24 121

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7.3 Provisions (continued)

Movement in provisions for legal claims

	2022	2021
	\$'000	\$'000
Carrying amount at the beginning of the period	180	160
Reductions resulting from re-measurement or settlement without cost	(100)	(50)
Reductions arising from payments	(10)	(10)
Additional provision recognised	120	80
Carrying amount at the end of the period	190	180

A liability has been reported to reflect unsettled legal claims. The legal claims provision includes various claims relating to professional indemnity, public liability and property damage.

Movement in provision for additional compensation

	2022	2021
	\$'000	\$'000
<u>Movement in provisions</u>		
Carrying amount at the beginning of the period	363	377
Reductions resulting from re-measurement or settlement without cost		(14)
Additional provision recognised	150	-
Carrying amount at the end of the period	513	363

The department is an exempt employer under the *Return to Work Act 2014*. Under a scheme arrangement, the department is responsible for the management of workers rehabilitation and compensation and is directly responsible for meeting the cost of workers' compensation claims and the implementation and funding of preventive programs.

Accordingly, a liability has been reported to reflect unsettled workers compensation claims (statutory and additional compensation schemes).

The workers compensation provision is based on an actuarial assessment of the outstanding liability as at 30 June 2022 provided by a consulting actuary engaged through the Office of the Commissioner of Public Sector Employment.

Measurement of the provision for worker's compensation as at 30 June 2022 includes the impacts of the decision of the Full Court of the Supreme Court of South Australia in *Return to Work Corporation of South Australia vs Summerfield* (Summerfield decision). The Summerfield decision increased the liabilities of the Return to Work Scheme (the Scheme) and the provision for workers compensation across government.

Legislation to reform the Return to Work Act 2014 was proclaimed in July 2022, with the reforms expected to reduce the overall liability of the Scheme. The impacts of these reforms on the provision for workers compensation across government will be considered when measuring the provision as at 30 June 2023.

The additional compensation scheme provides continuing benefits to workers who have suffered eligible work-related injuries and whose entitlements have ceased under the statutory workers compensation scheme. Eligible injuries are non-serious injuries sustained in circumstances which involved, or appeared to involve, the commission of a criminal offence, or which arose from a dangerous situation.

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7.3 Provisions (continued)

There is a significant degree of uncertainty associated with estimating future claim and expense payments and also around the timing of future payments due to the variety of factors involved. The liability is impacted by agency claim experience relative to other agencies, average claim sizes and other economic and actuarial assumptions.

In addition to these uncertainties, the additional compensation scheme is impacted by the limited claims history and the evolving nature of the interpretation of, and evidence required to meeting, eligibility criteria. Given these uncertainties, the actual cost of additional compensation claims may differ materially from the estimate.

7.4. Other liabilities

	2022 \$'000	2021 \$'000
<u>Current</u>		
Deposits held - purchased leave	29	14
Unclaimed monies	3	2
Unearned revenue	7	23
Accommodation incentive	73	73
Total current other liabilities	112	112
<u>Non-current</u>		
Accommodation incentive	403	476
Total non-current other liabilities	403	476
Total other liabilities	515	588

Accommodation incentives relate to arrangements with DIT for the Minister's office.

8. Other disclosures

8.1. Equity

The asset revaluation surplus is used to record increments and decrements in the fair value of land and buildings to the extent that they offset one another. Relevant amounts are transferred to retained earnings when an asset is derecognised.

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8.2. Cash flow

	2022 \$'000	2021 \$'000
Reconciliation of cash and cash equivalents at the end of the reporting period		
Cash and cash equivalents disclosed in the Statement of Financial Position	39 954	31 341
Balance as per Statement of Cash Flows	<u>39 954</u>	<u>31 341</u>
 Reconciliation of net cash provided by operating activities to net result		
Net cash provided by / (used in) operating activities	16 630	(4 495)
 Add / (less) non-cash items		
Discount given on assets purchased	-	163
Net gain from disposal of property, plant and equipment	-	575
Resources received free of charge - goods	4 515	4 386
Depreciation and amortisation	(5 086)	(4 466)
Contributed assets	-	571
Shared Services SA charges	(4 580)	(4 412)
Non-current assets written off	-	(33)
 Movement in assets and liabilities		
Increase/(decrease) in receivables	5	2 819
(Increase)/decrease in employee benefits	5 114	1 059
(Increase)/decrease in payables	(10 856)	(611)
(Increase)/decrease in provisions	(4 215)	(9 693)
(Increase)/decrease in financial liabilities	(32)	(419)
(Increase)/decrease in other liabilities	73	41
Net result	<u><u>1 568</u></u>	<u><u>(14 515)</u></u>

Total cash outflow for leases was \$3.3 million (\$2.8 million)

Department for Child Protection
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9. Outlook

9.1. Unrecognised contractual commitments

Commitments include operating, capital and outsourcing arrangements arising from contractual or statutory sources and are disclosed at their nominal value.

Capital commitments

Capital expenditure contracted for at the reporting date but not recognised as liabilities in the financial statements are payable as follows:

	2022	2021
	\$'000	\$'000
Within one year	2 125	583
Total capital commitments	2 125	583

The department's capital commitments relate to the upgrade and refurbishment of two Community Housing Facilities at Lochiel Park Campbelltown.

Expenditure commitments

Commitments in relation to expenditure contracted for at the reporting date but not recognised as liabilities in the financial statements are payable as follows:

	2022	2021
	\$'000	\$'000
Within one year	295 277	260 427
Later than one year but not longer than five years	538 729	541 031
Later than five years	94 059	115 239
Total expenditure commitments	928 065	916 697

The department's expenditure commitments are for contracted service agreements for out of home care, family support services and the non-lease components of SAFA vehicle rentals.

Department for Child Protection
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9.1. Unrecognised contractual commitments (continued)

Accommodation expenditure commitments

Commitments in relation to expenditure contracted for at the reporting date but not recognised as liabilities in the financial statements are payable as follows:

	2022	2021
	\$'000	\$'000
Within one year	11 152	8 495
Later than one year but not longer than five years	22 697	25 510
Later than five years	6 745	6 907
Total accommodation expenditure commitments	40 594	40 912

The department's expenditure commitments are for MoAAs with DIT for office accommodation and facilities.

9.2. Contingent assets and liabilities

Contingent assets and contingent liabilities are not recognised in the Statement of Financial Position, but are disclosed by way of a note and, if quantifiable, are measured at nominal value.

Claims for unspecified damages have been lodged against the department during the year. The Crown Solicitor's Office is negotiating with the claimants, on instruction from SAFA. A reliable estimate for the expenditure required to settle these claims or whether they will be successful cannot be reasonably determined. The department is also currently processing a TVSP agreement with an employee which will be finalised in 2022-23.

9.3. COVID-19 pandemic outlook for the department

The COVID-19 pandemic will continue to impact the operations of the department in 2022-23.

The key expected impacts to the department will depend on the relative risk within the South Australian community. The department is expected to continue to incur costs of personal protective equipment, rapid antigen tests and supply of cleaning products into the future. Staffing costs are likely to increase if the number of cases in South Australia rises through 2022-23.

The department is monitoring the effects of the COVID-19 pandemic on children and young people in care, including the anticipated impacts on mental health and wellbeing and associated levels of service need.

The department is monitoring the potential growth in demand in terms of both reports of abuse and risk of harm and placement numbers connected to increasing economic hardship and unemployment rates in South Australia.

9.4. Events after the reporting period

No events after reporting date to report.

Department for Child Protection
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10. Measurement and risk

10.1. Fair value

AASB 13 *Fair Value Measurement* defines fair value as the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants, in the principle or most advantageous market, at the measurement date.

Initial recognition

Non-current tangible assets are initially recorded at cost or at the value of any liabilities assumed, plus any incidental cost involved with the acquisition.

Where assets are acquired at no value, or minimal value, they are recorded at fair value in the Statement of Financial Position.

Revaluation

Property, plant and equipment are subsequently measured at fair value after allowing for accumulated depreciation.

Non-current tangible assets are valued at fair value and revaluation of non-current assets or a group of assets is only performed when the fair value at the time of acquisition is greater than \$1.5 million and estimated useful life is greater than three years.

The department revalues its land annually. The department revalues its residential housing and leasehold improvements every six years via an independent certified practising valuer.

If at any time management considers that the carrying amount of an asset materially differs from its fair value, then the asset will be revalued regardless of when the last valuation took place.

Any accumulated depreciation as at the revaluation date is eliminated against the gross carrying amounts of the assets and the net amounts are restated to the revalued amounts of the asset.

Fair value hierarchy

The department classifies fair value measurement using the following fair value hierarchy that reflects the significance of the inputs used in making the measurements, based on the data and assumptions used in the most recent valuation:

Level 1: traded in active markets and is based on unadjusted quoted prices in active markets for identical assets or liabilities the entity can access at measurement date.

Level 2: not traded in an active market and are derived from inputs (input other than quoted prices included within level 1) that are observable for the asset either directly or indirectly.

Level 3: not traded in an active market and are derived from unobservable inputs.

The department's policy is to recognise transfers into and out of fair value hierarchy levels as at the end of the reporting period.

During 2021 and 2022, the department had no valuations categorised into level 1; there were no transfers of assets between level 1 and 2 fair value hierarchy levels and there were no changes in valuation technique.

The department measures all assets at level 3 with the exception of land which is a level 2.

Department for Child Protection
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10.1. Fair value (Continued)

Fair value classification – non-financial assets at 30 June 2022

	Note	Level 2 \$'000	Level 3 \$'000	Total \$'000
<u>Recurring fair value measurements</u>				
Land	5.1	20 512	-	20 512
Residential accommodation housing	5.1	-	15 228	15 228
Leasehold improvements	5.1	-	4 020	4 020
Computing, communications, furniture and equipment	5.1	-	513	513
Total recurring fair value measurements		20 512	19 761	40 273
<u>Non- recurring fair value measurements</u>				
Land held for sale		1 100	-	1 100
Buildings held for sale		-	475	475
Total non-recurring fair value measurements		1 100	475	1 575
Total fair value measurements		21 612	20 236	41 848

Fair value classification – non-financial assets at 30 June 2021

	Note	Level 2 \$'000	Level 3 \$'000	Total \$'000
<u>Recurring fair value measurements</u>				
Land	5.1	19 730	-	19 730
Residential accommodation housing	5.1	-	14 042	14 042
Leasehold improvements	5.1	-	4 122	4 122
Computing, communications, furniture and equipment	5.1	-	424	424
Total recurring fair value measurements		19 730	18 588	38 318
Total fair value measurements		19 730	18 588	38 318

Department for Child Protection
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10.1. Fair value (continued)

Land

An independent valuation of land was performed by the Valuer-General as at 30 June 2022.

Fair value of land has been determined using the market approach. The valuation was based on recent market transactions for similar land in the area and includes adjustment for factors specific to the land such as size and location. For land classified as restricted in use, the valuation was determined using an adjustment were applied to reflect the restriction.

Residential accommodation housing

An independent valuation of residential accommodation housing was performed as at 30 June 2018 by Fred Taormina, B.App.Sc. (Val), A.A.P.I. Certified Practicing Valuer of Valcorp Australia Pty Ltd.

The valuation was performed by reference to a cost approach basis and utilising comparable sales evidence, zoning and permitted use.

The fair value of buildings was determined using current replacement cost, due to there not being an active market. The current replacement cost considered the need for ongoing provision of government services, specialised nature and restricted use of the assets, their size, condition and location.

The valuation used estimates about construction materials that would be required to replace the buildings, information about current construction costs were derived from building costs guides / internal records such as recent tender documents, construction invoices etc and the estimated useful life due to age and condition of the building.

Leasehold Improvements

The independent valuation of leasehold improvements was performed by Fred Taormina, B.App.Sc. (Val), A.A.P.I. Certified Practicing Valuer of Valcorp Australia Pty Ltd as at 30 June 2020. The valuer adopted depreciated replacement cost when valuing the assets as quoted prices in an active liquid market was not available.

Computing, communications, furniture and equipment

All items of computing, communications, furniture and equipment had a fair value at the time of acquisition less than \$1.5 million. Computing, communications, furniture and equipment has not been revalued in accordance with APS 116.D.

The carrying value of these items are deemed to approximate fair value.

Department for Child Protection
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10.1. Fair value (continued)

Reconciliation of level 3 recurring fair value measurements as at 30 June 2022

The following table is a reconciliation of fair value measurements using significant unobservable inputs (level 3):

	Residential accommodation housing	Leasehold improvements	Computing, communications, furniture and equipment
	\$'000	\$'000	\$'000
Opening balance at the beginning of the period	14 042	4 122	424
Additions	-	-	175
Transfers (to) / from WIP	2 394	731	-
<u>Gains/(losses) for the period recognised in net result:</u>			
Depreciation and amortisation	(733)	(833)	(86)
Total losses recognised in net result	(733)	(833)	(86)
Carrying balance at the end of the period	15 703	4 020	513

Reconciliation of level 3 recurring fair value measurements as at 30 June 2021

	Residential accommodation housing	Leasehold improvements	Computing, communications, furniture and equipment
	\$'000	\$'000	\$'000
Opening balance at the beginning of the period	15 370	3 735	137
Additions	-	-	116
Disposals	(600)	-	-
Assets derecognised	-	-	(33)
Transfers (to) / from WIP	-	1 075	191
Contributed assets	-	-	41
<u>Gains/(losses) for the period recognised in net result:</u>			
Depreciation and amortisation	(728)	(688)	(28)
Total losses recognised in net result	(728)	(688)	(28)
Carrying balance at the end of the period	14 042	4 122	424

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10.2. Financial instruments

Financial risk management

Risk management is managed by the department's legal services directorate. Departmental risk management policies are in accordance with the *SA Government Risk Management Guide* and the principles established in the Australian *Standard Risk Management Principles and Guidelines*.

The department's exposure to financial risk (liquidity risk, credit risk and market risk) is low due to the nature of the financial instruments held.

Liquidity risk

The department is funded principally from appropriation by the SA Government. The department works with DTF to determine the cash flows associated with its Government approved program of work and to ensure funding is provided through SA Government budgetary processes to meet the expected cash flows.

Refer to note 7.2 for further information.

Credit risk

The department has policies and procedures in place to ensure that transactions occur with customers with appropriate credit history.

No collateral is held as security and no credit enhancements relate to financial assets held by the department.

Impairment of financial assets

Loss allowances for receivables are measured at an amount equal to lifetime expected credit loss using the simplified approach in AASB 9. The department uses an allowance matrix to measure the expected credit loss of receivables from non-government debtors which comprise a large number of small balances.

To measure the expected credit losses, receivables are grouped based on the days past due. When estimating expected credit loss, the department considers reasonable and supportable information that is relevant and available without undue cost or effort. This includes both quantitative and qualitative information and analysis, based on the department's historical experience and informed credit assessment, including forward-looking information.

The maximum period considered when estimating expected credit losses is the maximum contractual period over which the department is exposed to credit risk.

The expected credit loss of government debtors is considered to be nil based on the external credit ratings and nature of the counterparties.

Loss rates are calculated based on the probability of a receivable progressing through stages to write off based on the common risk characteristics of the transaction and debtor.

The following table provides information about the exposure to credit risk and expected credit loss for non-government debtors.

	Debtor gross carrying amount \$'000	Loss %	Lifetime expected \$'000
Current (not past due)	1 062	0%	-
1 – 30 days past due	138	0%	-
31 – 60 days past due	1	0%	-
61 – 90 days past due	3	0%	-
More than 90 days past due	131	41%	54
Loss allowance	1 335		54

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10.2. Financial instruments (continued)

Loss rates are based on actual history of credit loss, these rates have been adjusted to reflect differences between previous economic conditions, current conditions and the department's view of the forecast economic conditions over the expected life of the receivables.

Impairment losses are presented as net impairment losses within net result, subsequent recoveries of amounts previously written off are credited against the same line item.

Trade receivable are written off when there is no reasonable expectation of recovery. Indicators that there is no reasonable expectation of recovery include the failure of a debtor to enter into a payment plan with the department and a failure to make contractual payments for a period of greater than 90 days past due.

The allowance for impairment was recognised in other expenses for specific debtors and debtors assessed on a collective basis for which such evidence existed.

No impairment losses on the department's receivables arose from the department's contracts with customers. No impairment losses were recognised in relation to contract assets during the year.

Cash and cash equivalents

The department considers that its cash and cash equivalents have low credit risk based on the external credit ratings of the counterparties and therefore the expected credit loss is nil.

Market risk

The department does not trade in foreign currency, nor enter into transactions for speculative purposes, nor for hedging.

There is no exposure to foreign currency or other price risks.

Categorisation of financial instruments

Details of the significant accounting policies and methods adopted including the criteria for recognition, the basis of measurement, and the basis on which income and expenses are recognised with respect to each class of financial asset, financial liability and equity instrument are disclosed in the respective financial asset/financial liability note.

All financial liabilities are measured at amortised cost with the exception of lease liabilities for right of use assets. Lease liabilities for right of use assets are measured via discounting lease payments using either the interest rate implicit in the lease (where it is readily determined) or Treasurer's incremental borrowing rate.

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11. Administered items

Minister's salary and allowances

Administered items are for the Minister's salary and allowances pursuant to Parliamentary Remuneration Act 1990.

Appropriation in administered items is reported on an accrual basis.

	2022 \$'000	2021 \$'000
<u>Administered Income</u>		
Appropriation	441	369
Total administered income	441	369
<u>Administered Expenses</u>		
Employee benefits	355	369
Separation Payment	46	-
Total administered expenses	401	369
Net result	(40)	-

	2022 \$'000	2021 \$'000
<u>Administered Assets</u>		
Accrued revenue	40	-
Total administered assets	40	-
Net result	(40)	-