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**Government
of South Australia**

Department for Child Protection
2022-23 Annual Report

Department for Child Protection

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2022-23 ANNUAL REPORT for the Department for Child Protection

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*.

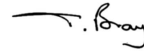
This report is verified to be accurate for the purposes of annual reporting to the Parliament of South Australia.

Submitted on behalf of the Department for Child Protection by:

Jackie Bray
Chief Executive

Date 29 September 2023

Signature



**From the
Chief Executive**

As the Chief Executive, I am pleased to present the annual report for the South Australian Department for Child Protection (DCP) for the year 2022-23.

The department is continuing its efforts to better protect children and young people in South Australia and keep them safe. In particular, this has been a year of learning and reflection as DCP received recommendations from a number of inquiries and reviews.

Since joining DCP in June 2023, I have been talking to young people, carers, staff and our government and non-government partners to best understand what the department is doing well and what we can do to improve the services we provide to the community. Child protection and family support work is incredibly complex and challenging and I am excited to be a part of the next chapter in shaping the South Australian child protection and family support system. It is clear we must radically shift how we look at creating safety and wellbeing for children and young people. We must put children at the centre of everything we do. When we support families, we must do it with them, not to or for them. We must be accountable and ensure our efforts are making things better. I look forward to working with our partners from across government agencies, Aboriginal Community Controlled Organisations, non-government organisations, carers, children, young people and those with a direct experience as we shape this vision for South Australia.

As we pursue reform, we are putting in place a new and comprehensive governance approach that will support us also engaging with key stakeholder groups and in defining new strategies for strengthening our child protection and family support services. We want to ensure we can both sustain and improve efforts to keep children and young people safe and support those who are in care. As part of this, we need to be transforming how the system responds to Aboriginal children, young people and families who continue to be disproportionately represented in every child protection and family support system in the country. This year, the development of South Australia's first peak body for Aboriginal children and young people commenced. I am excited to see this community-led model helping shape the transformative change necessary to close the gap going forward.

I would like to recognise the truly important role of foster carers and kinship carers, who make an incredible contribution providing safe and nurturing home environments for children and young people in care. This year, the Minister for Child Protection announced the establishment of an inaugural Carer Council, to ensure these carers have a dedicated platform to also contribute to the ongoing reform of the child protection and family support system.

Like these carers, it is clear that people who work across the child protection and family support sector take great care in the work they do to keep children safe. In talking with staff, I have seen proficiency, professionalism and a clear sense of purpose to the work of this sector. To tap into this, the Minister has also established a Child Protection Expert Group, which held its inaugural meeting in May 2023. The group comprises child protection and family support experts to provide guidance on systems change and reform.

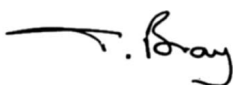
Like so many carers and staff across the child protection and family support sector, I have high aspirations for children in care to be able to thrive in their relationships, their learning and their development. It really does take a whole of government and whole of community approach to realise this and to keep children and young people safe and to support their time in care. Child protection and family support is everyone's responsibility and, for this reason, DCP has been actively strengthening its partnerships with government agencies, non-government organisations, Aboriginal Community Controlled Organisations, peak bodies and the South Australian community. I look forward to continuing this.

Some of the key highlights for the department, over this past financial year, include:

- taking immediate action to learn from, and respond to, the recommendations of the inquiries undertaken by Ms Kate Alexander, Dr Fiona Arney and Mr Malcolm Hyde AO
- expanding Family Group Conferencing services, including prioritising Aboriginal families and services to support families where a concern has been raised regarding an unborn child
- launching a new survey tool, co-designed with children and young people in care, to provide them with an opportunity to voice their feelings and opinions and contribute to their case planning
- commencing development of a child protection and family support sector workforce strategy, including hosting an industry workforce summit
- increasing resourcing to post care services to provide more targeted support for young people transitioning from care to help break the cycle, including a focus on Aboriginal young people and young people in regional locations
- increasing payments to family-based carers
- undertaking extensive consultation to inform the review of the child protection and family support legislation.

I would like to formally acknowledge the work of Cathy Taylor who left the department in April 2023 after 6 years as Chief Executive. Cathy was appointed as Chief Executive when DCP was first established as a standalone department in 2016. During her time with the department, Cathy ensured that the best interests of children and young people were always at the heart of her leadership and I would like to take this opportunity to thank her for her commitment.

As this new chapter begins for DCP and the child protection and family support system, I know that we have the right people across the sector to build the child protection system for the future and to continue making a positive difference in the lives of children and young people.



Jackie Bray
Chief Executive
Department for Child Protection

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Overview: about the agency

Our strategic focus

<p>Our purpose</p>	<p>The Department for Child Protection protects, cares for and empowers children and young people at risk and in care. We do this by working together with our key partners to respond to abuse and neglect, keep children and young people safe from further harm, help them heal from trauma and reach their full potential.</p>
<p>Our vision</p>	<p>DCP's vision is for all children and young people to grow up safe, healthy, connected and feeling loved so they reach their full potential.</p>
<p>Our values</p>	<ul style="list-style-type: none"> • Respect • Trust • Collaboration • Accountability • Integrity • Transparency
<p>Our functions, objectives and deliverables</p>	<p>DCP uses a child centred, trauma-informed practice approach that focuses on cultural safety, strengthening families, supporting carers, and working in partnership to meet children and young people's need for safety.</p> <p>The department is responsible for:</p> <ul style="list-style-type: none"> • responding to concerns about children and young people who have experienced harm or are at risk of harm and intervening to help keep them safe and well • placing children and young people in care when they are unable to live safely with their families • providing case management and support for children and young people under the custody or guardianship of the Chief Executive • supporting the reunification of children and young people with their families where it is safe to do so • managing the adoption process • supporting children and young people from a refugee background through the Commonwealth Guardianship team. <p>The department's Strategic Plan sets out its key areas of priority:</p>

	<ul style="list-style-type: none">• Leaders in practice excellence – Staff in all parts of child protection and family support develop and use best practice in their work to deliver improved outcomes for children, young people, carers and families and family support.• Closing the gap – We commit to a transformed child protection system that makes active efforts to help ensure Aboriginal people and communities are empowered to lead decision making about the wellbeing of Aboriginal children and young people.• A child protection and family support system that meets the needs of children and young people – We commission and deliver services based on a deep understanding of the needs of children and young people and our aspirations for them to heal from trauma and reach their full potential.• A thriving workforce – We are future focused in our workforce strategy, supporting and valuing our staff, proactively recruiting, and establishing sustainable systems, processes and workplaces that enable us to be highly effective.• Active and collaborative partnership – We work together with our service partners and alongside the community to improve outcomes with and for children, young people, carers and families.• Working alongside carers – We respect and value carers as vital partners in keeping children and young people safe and well.• Quality services and safeguarding – We are accountable and transparent, and pursue continuous improvements to promote the safety and wellbeing of children and young people throughout the services we fund and provide.
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Our organisational structure



Changes to the agency

The following change to the agency’s structure and objectives occurred during 2022-23 as a result of an internal review:

- A review of the functions within each metropolitan office was undertaken to identify opportunities to better meet service delivery demand and ensure contemporary service provision. This review resulted in a realignment, so that each office now encompasses all phases of child protection work – that is, assessment, protective intervention and guardianship functions.

Our Minister



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

Our Executive team

As at 30 June 2023, the department's Executive team included:

- Jackie Bray, Chief Executive
- Fiona Ward, Deputy Chief Executive
- Joanne Male, Chief Financial Officer
- Nikunj Mandlas, Chief Information Officer
- Billie-Jo Barbara, Chief Human Resources Officer
- Karen McAuley, Executive Director Strategy, Partnerships and Reform
- Sue Barr, Executive Director Out of Home Care
- Sue Macdonald, Executive Director Service Delivery and Practice
- Tracy Rigney, Director Aboriginal Practice
- Kitty McLean, Director Quality and Practice
- Elizabeth Boxall, 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
- *Social Workers Registration Act 2021* (uncommenced)

The agency's performance

Performance at a glance

This year, DCP commenced a new 4-year Strategic Plan for 2022 to 2026. DCP's strategic plan sets out seven key departmental priorities to deliver on its a vision for all children and young people to grow up safe, healthy, connected and feeling loved so they reach their full potential:

- Leaders in practice excellence
- Closing the gap
- A child protection and family support system that meets the needs of children and young people
- A thriving workforce
- Active and collaborative partnerships
- Working alongside carers
- Quality service and safeguarding.

The complexity and challenges of the child protection and family support system require us to continuously reflect, learn and adjust how we deliver services to keep children safe and cared for. In 2022-23, a number of inquiries reported on aspects of the South Australian system and made recommendations for reform. We are continuously increasing our focus on ensuring the voices of children and young people, carers, people with direct experience and those working across the broader sector are included and amplified as we continue to pursue new and improved ways to support families and protect children.

Notwithstanding the continued growth in demand for services in 2022-23, DCP has continued to improve its performance in a range of areas, including:

- expanding the number of children supported to remain safely with their family, by offering Family Group Conferencing services
- supporting an increased number of children and young people in care with a disability or developmental delay to access a National Disability Insurance Scheme (NDIS) plan
- increasing procurement from Aboriginal Community Controlled Organisations
- increasing the proportion of children with a screened-in notification who receive a child protection and family support response
- increasing the completion rate for investigations
- supporting permanency of placements for children in care by increasing the number of children on Long Term Guardian (Specified Person) orders
- increasing the number of young people remaining with family-based carers after turning 18 years of age.

CHILDREN IN CARE	30 Jun 19	30 Jun 20	30 Jun 21	30 Jun 22	30 Jun 23
Foster Care	1,540	1,641	1,705	1,669	1,666
Kinship Care	1,852	2,090	2,247	2,327	2,406
Family Day Care	28	40	41	35	43
Independent Living	50	63	50	60	48
Residential Care	415	413	604	649	701

Agency specific objectives and performance

Agency objectives	Indicators	Performance
<p>Leaders in practice excellence - Staff in all parts of child protection develop and use best practice in their work to deliver improved outcomes for children, young people, carers and families.</p>	<p>Establish structured mechanisms to regularly hear from children and young people in care.</p>	<ul style="list-style-type: none"> Launched My Voice Our Views (MVOV), a survey tool co-designed with children and young people to provide children and young people in care an opportunity to share their feelings and opinions.
	<p>Support research that contributes to improving child protection practice.</p>	<ul style="list-style-type: none"> Funded the Australian Centre for Child Protection (ACCP) to undertake a new program of research and research translation activities to improve responses to harmful sexual behaviours. Funded the DCP Enhancing Practice PhD Scholarship Program through the ACCP, supporting research that aims to support new and innovative ways to deliver better outcomes for vulnerable children and young people.
	<p>Apply a trauma-informed, therapeutic model of care for children and young people living in residential care.</p>	<ul style="list-style-type: none"> Continued to embed the Sanctuary model in residential care.
<p>Closing the gap - We commit to a transformed child protection and family support system that makes active efforts and where Aboriginal people and communities are empowered to lead decision making about the care and wellbeing of</p>	<p>Commence the implementation of the community developed model for South Australia's first Aboriginal peak body for children and young people.</p>	<ul style="list-style-type: none"> Partnered with SNAICC to develop and implement a community-led model for South Australia's first peak body for Aboriginal children and young people, and invested in the peak body.
	<p>Increase Aboriginal-led and family-led decision making practices.</p>	<ul style="list-style-type: none"> Expanded Family Group Conferencing services, including services to support families where a concern has been raised regarding an unborn child and

Agency objectives	Indicators	Performance
Aboriginal children and young people.		<p>priority support for Aboriginal families.</p> <ul style="list-style-type: none"> • Trialled the Taikurtirna Warri-apinthe Program to assist with identifying placement options for Aboriginal infants, children and young people.
<p>Working alongside carers - We respect and value carers as vital partners in keeping children and young people safe and well.</p>	<p>Provide additional resources for carer advocacy efforts so that the views of carers are heard.</p>	<ul style="list-style-type: none"> • Contracted Connecting Foster and Kinship Carers SA (CF&KC-SA) to establish and provide ongoing support to the Carer Council. • Provided funding to Grandcarers SA to amplify the voices of carers.
	<p>Offer new resources and training to support carers in their caring role.</p>	<ul style="list-style-type: none"> • Launched a trauma-informed care training program, developed for South Australian foster and kinship carers by the Australian Childhood Foundation. • Formalised a learning and development framework for carers in the DCP Kinship Care Program. • Commenced a program of releasing DCP training resources to non-government organisations supporting foster carers to promote consistency and access to information.
	<p>Explore new models of care to meet the support needs of carers.</p>	<ul style="list-style-type: none"> • Launched a third Mockingbird Family Constellation in the Adelaide Hills, supporting carers who live in the local area to act as an extended family. • Centralised case management for children and young people cared for under Long-Term Guardianship (Specified Person) orders, to increase the consistency and responsiveness of support to guardians.

Agency objectives	Indicators	Performance
<p>A thriving workforce - We are future focused in our workforce strategy, supporting and valuing our staff, proactively recruiting, and establishing sustainable systems, processes and workplaces that enable us to be highly effective.</p>	<p>Begin work on a workforce development strategy.</p>	<ul style="list-style-type: none"> Commenced development of a child protection and family support sector workforce strategy, including hosting an industry workforce summit attended by 79 leaders within the broader child protection sector.
	<p>Enhance systems and services that contribute to staff effectiveness.</p>	<ul style="list-style-type: none"> Launched a new, integrated staff recruitment system to improve hiring outcomes and the experience of recruiters and candidates. Launched a new workplace learning and professional development planning system. Procured a new panel of Employee Assistance Program (EAP) providers, increasing ease of access and introducing specific support for Aboriginal staff where employees can access culturally appropriate services.
<p>Active and collaborative partnerships - We work together with our service partners and alongside the community to improve outcomes for children, young people, carers and families.</p>	<p>Inform the national child protection strategic agenda.</p>	<ul style="list-style-type: none"> Co-led the development of the first Action Plan and Aboriginal Action Plan under 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.
	<p>Create new mechanisms for sector experts to inform reform in the child protection and family support system.</p>	<ul style="list-style-type: none"> Established the Child Protection Expert Group, comprising child protection and family support experts to provide guidance on systems change and reform, with the group’s inaugural meeting held in May 2023.

Agency objectives	Indicators	Performance
	<p>Increase community participation to inform child protection and family support services.</p>	<ul style="list-style-type: none"> • Engaged a non-government organisation to establish and provide ongoing support hosting a Direct Experience Group.
	<p>Establish partnerships that increase opportunities for children and young people and support them to reach their full potential.</p>	<ul style="list-style-type: none"> • Refreshed the Memorandum of Administrative Arrangement with the Department for Education on responding to chronic school non-attendance of children and young people. • Committed to a partnership with the Office for Recreation, Sport and Racing to activate opportunities for children and young people in care to lead active lives, including co-hosting a workshop with key stakeholders and leaders. • Enhanced our partnership with our non-government providers through: <ul style="list-style-type: none"> ○ Hosting regular Out of Home Care Heads of Industry Forums to address key challenges and opportunities together. ○ Continuing to convene a sector taskforce in relation to carer recruitment and retention. • Continued to work closely with peak bodies including Child and Family Focus SA (CAFFSA), CF&KC-SA, the CREATE Foundation, SNAICC – National Voice for our Children and Reconciliation SA, engaging in shared activities to improve outcomes for children and young people, families and carers.

Agency objectives	Indicators	Performance
<p>A child protection and family support system that meets the needs of children and young people - We commission and deliver services based on a deep understanding of the needs of children and young people in care and our aspirations for them to heal from trauma and reach their full potential.</p>	<p>Increase the capacity of the system through the procurement of additional general residential care placements from non-government agencies.</p>	<ul style="list-style-type: none"> • Procured an additional 80 general residential care placements from non-government agencies.
	<p>Increase post care services to provide more targeted support for young people transitioning from care to help break the cycle.</p>	<ul style="list-style-type: none"> • Increased resourcing to post care services to provide more targeted support for young people transitioning from care to help break the cycle, including a focus on Aboriginal young people and young people in regional locations. • Developed a new model of post care support, following consultation with young people, carers, staff and service providers. • Recommissioned post care services, in line with the new model, to commence 1 July 2023. • Developed the Stability Post Care Individual Packages Pilot Program to provide support to 18 young people leaving a non-government organisation's non-family-based care setting.
<p>Quality services and safeguarding - We are accountable and transparent, and pursue continuous improvements to promote the safety and wellbeing of children and young people throughout the</p>	<p>Commence the full legislative review of the <i>Children and Young People (Safety) Act 2017</i>.</p>	<ul style="list-style-type: none"> • Completed the scheduled review of the <i>Children and Young People (Safety) Act 2017</i>, with the report tabled in Parliament by the Minister for Child Protection on 23 March 2023. • Commenced work on drafting of legislation.
	<p>Re-commence the Child and Young Person's Visitor Scheme for children and young people in residential care.</p>	<ul style="list-style-type: none"> • Funded the Guardian to undertake the Child and Young Person's Visitor Scheme for children and young people in residential care.

Agency objectives	Indicators	Performance
services we fund and provide.	Respond to immediate action arising from review of child deaths.	<ul style="list-style-type: none"> • Worked with South Australia Police and the Department of Human Services to complete wellbeing checks of the 526 children identified in the inquiry undertaken by Mr Malcolm Hyde AO. • Committed to establishing an Interagency Clinical Review Panel to undertake prompt clinical reviews of child deaths.
	Revise the framework for licencing non-government providers of foster and kinship care support and residential care.	<ul style="list-style-type: none"> • Consulted with non-government organisations and launched a new Licencing quality and compliance Framework to maintain the safety of children and young people and align with the National Principles for Child Safe Organisations.
	Develop sector guidance on responding to children and young people who are missing or absent from placement.	<ul style="list-style-type: none"> • In consultation with South Australia Police, updated the documented responsibilities for service providers and carers in responding to children and young people who are missing or absent from placement.

Corporate performance summary

During 2022-23, DCP continued to progress and deliver on key corporate initiatives, including having:

- developed and commenced a new Strategic Plan for the department, including seven key priorities
- developed and launched the department’s first Stretch Reconciliation Action Plan
- increased procurement from Aboriginal Community Controlled Organisations (ACCOs) to 9.25%
- opened a new DCP office in the Inner North, and relocated the Port Lincoln DCP office to improve service delivery
- updated the Child Abuse Report Line (CARL) call centre with cloud-based phone technology

- commenced development of a child protection and family support sector workforce strategy, including hosting an industry workforce summit
- transitioned to a new service delivery model, establishing multi-function DCP offices
- hosted the second annual South Australian Child Protection Awards, recognising the outstanding achievements of children and young people, carers, volunteers, staff and organisations from across the child protection sector.

Employment opportunity programs

Program name	Performance
Aboriginal Employment	<p>DCP has continued to work towards delivering on the commitments outlined in the Aboriginal Employment Strategy 2019-2022.</p> <p>As at 30 June 2023, 139 employees (5.2%) identified as Aboriginal, compared to 132 employees at 30 June 2022.</p>
Disability Employment	<p>Following the release of the department’s Disability Access and Inclusion Plan 2020-2024, DCP has 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.</p> <p>As at 30 June 2023, DCP had a total of 32 employees who declared they have a disability.</p>
Gender Equality & Respect	<p>DCP has been re-credentialed 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. The department is currently forming a new diversity and inclusion strategy, pending the launch of an across-government initiative.</p>

Agency performance management and development systems

Performance management and development system	Performance
Performance Development Plans	<p>As at 30 June 2023, 62.4% 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 we continue to develop our online Performance Management System (Pledge) to further improve the experience of employees and managers participating in performance based conversations.</p>

Work health, safety and return to work programs

Program name	Performance
Injury Management	<p>ReturnToWorkSA conducted a self-insurer audit designed to identify any gaps in injury management for the DCP workforce. The audit confirmed that the department continues to meet legislative requirements. Results were overall positive with strengths including early intervention, reduction of psychological claims, effective communication and consultation with work injured workers.</p> <p>Required changes to systems and processes, arising from the <i>Return to Work (Scheme Sustainability) Amendment Act 2022</i>, have been implemented.</p> <p>Psychological injuries remained the most common type of injury in 2022-23, with injured workers in this cohort experiencing a higher rate of lost time from the workplace.</p>
Management of WHS risks	<p>The mental health and wellbeing of staff has remained a priority for DCP throughout 2022-23. To assist with upskilling the workforce in this area, training continued to develop skills in managing and investigating work health and safety incidents, as well as the identification and management of psychosocial hazards. Training in this space included Mental Health First Aid training, Advanced Mental Health training and WHS investigation training.</p> <p>Through procurement for DCP's Employee Assistance Program, a 3 provider panel has been initiated, including access to 24/7 service provision and an Aboriginal specific provider to enhance culturally appropriate wellbeing services.</p>

Workplace injury claims	Current year 2022-23	Past year 2021-22	% Change (+ / -)
Total new workplace injury claims	127	133	-5%
Fatalities	0	0	0%
Seriously injured workers*	2	1	+100%
Significant injuries (where lost time exceeds a working week, expressed as frequency rate per 1000 FTE)	28.60	35.28	-19%

*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)

Work health and safety regulations	Current year 2022-23	Past year 2022-21	% Change (+ / -)
Number of notifiable incidents (<i>Work Health and Safety Act 2012, Part 3</i>)	3	6	-50%
Number of provisional improvement, improvement and prohibition notices (<i>Work Health and Safety Act 2012 Sections 90, 191 and 195</i>)	4	0	+400%

Return to work costs**	Current year 2022-23	Past year 2022-21	% Change (+ / -)
Total gross workers compensation expenditure (\$)	4,994,296	7,767,966	-36%
Income support payments – gross (\$)	2,453,000	2,699,000	-9 %

**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	5
SAES 1	10

Data reflects the number of employees under an executive contract as at 30 June 2023. 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 agency. The information is unaudited. Full audited financial statements for 2022-23 are attached to this report.

Statement of Comprehensive Income	2022-23 Budget \$000s	2022-23 Actual \$000s	Variation \$000s	Past year 2021-22 Actual \$000s
Total Income	721 302	793 109	71 807	703 718
Total Expenses	717 202	810 878	93 676	702 150
Net Result	4 100	(17 769)	(21 869)	1 568
Total Comprehensive Result	4 100	(416)	(4 516)	3 450

Statement of Financial Position	2022-23 Budget \$000s	2022-23 Actual \$000s	Variation \$000s	Past year 2021-22 Actual \$000s
Current assets	38 158	36 354	(1 804)	47 957
Non-current assets	53 090	66 359	13 269	45 606
Total assets	91 248	102 713	11 465	93 563
Current liabilities	60 355	75 038	14 683	71 111
Non-current liabilities	52 385	55 078	2 693	52 212
Total liabilities	112 740	130 116	17 376	123 323
Net assets	(21 492)	(27 403)	(5 911)	(29 760)
Equity	(21 492)	(27 403)	(5 911)	(29 760)

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	\$65,800
Department of Communities and Justice	External review of all coronial and other recommendations relating to child protection in South Australia	\$110,614
Monash University	Evaluation of the Sanctuary model in Residential Out of Home Care	\$132,000
Synergy IQ	Review of Human Resources services	\$54,450
Duck and Partners Pty Ltd	Learning and development strategy review	\$38,220
Workforce Planning Global Pty Ltd	Workforce planning review	\$30,000
	Total	\$431,084

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	\$89,493

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

Contractors	Purpose	\$ Actual payment
Hudson Global Resources (Aust) Pty Ltd	HR – Short term staffing	\$499,827
Hays Specialist Recruitment	HR – Short term staffing	\$372,415
Randstad Pty Ltd	HR – Staffing	\$243,197
Atlasopen Pty Ltd	Professional Services – ICT services	\$205,203
Talent International (SA) Pty Ltd	HR Short term staffing	\$179,129
Edge Recruitment (SA) Pty Ltd	HR – Short term staffing	\$150,208
Flinders University	Professional services – staff training	\$77,273
Insync Solutions Pty Ltd	Professional services – ICT services	\$72,075
Pernix Pty Ltd	Professional services – ICT services	\$65,600
Paul Nixon Associates Ltd	Professional services – Family Group Conference review	\$54,588
Deloitte Risk Advisory Pty Ltd	Professional services – Evaluation services	\$51,766
NEC IT Services Australia Pty Ltd	Professional services – ICT services	\$46,701
Chantelle Schutz	Professional services – Evaluation services	\$37,825
Ann-Marie Hayes T/A AMH Consultancy	Professional services – Legislative review	\$37,673
Datacom Systems (Au) Pty Ltd	Professional services – ICT services	\$36,868

Contractors	Purpose	\$ Actual payment
Maxima Training Group (Aust) Ltd	HR – Short term staffing	\$33,006
Gordon McIntyre Consulting	HR – Short term staffing	\$27,125
Franca Petrone	Professional services – Redress Direct Personal Response services	\$22,180
360edge Pty Ltd	Professional services – Staff training	\$19,913
Hoban Recruitment Pty Ltd	HR – Short term staffing	\$18,113
Keito Events Pty Ltd	Professional services – Event management	\$17,290
Ochre Dawn Pty Ltd	Professional services – Artwork design	\$12,850
Martine Hawkes	Professional services – Evaluation services	\$12,805
Michelle Barnes	Professional services – Evaluation services	\$12,284
SRA Information Technology Pty Ltd	Professional services – ICT services	\$12,250
The University of Adelaide	Professional services – Evaluation services	\$11,250
Narungga Nations Aboriginal Corporation	Professional services – Aboriginal community forum	\$10,500
	Total	\$2,339,914

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 (IA&R) team continued to work with all areas of the department in reviewing and updating the strategic and operational risk registers.

During 2022-23, the Strategic Risk Register was reviewed in light of the revised DCP Strategic Plan. The review considered emerging risks that may affect DCP over the short, medium and long term. Such risks potentially include the impacts of cost of living issues on families and the potential for this to result in more families or children and young people needing DCP support or intervention, and environmental, social and climate issues affecting DCP service provision.

IA&R has undertaken quarterly follow-ups of audit and Control Self-Assessment findings to determine the status of actions and provided input to cyber security awareness raising initiatives and business continuity planning initiatives co-ordinated through ICT.

The Internal Audit Framework (IA Charter) has also been reviewed and updated.

Fraud detected in the agency

Category/nature of fraud	Number of instances
Failed to advise of previous worker compensation claims in their employment declaration	2*
Recorded inaccurate e-log entries	1

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

**One matter finalised in 2022-23 and one still pending*

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

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.

Following the update of the SA Government Fraud and Corruption Policy and the AS8001 Fraud and Corruption Control Standard in August 2022, the DCP Fraud and Corruption Framework has been reviewed and updated. The main changes related to the inclusion of new sections on the DCP Gifts and Benefits and Conflict of Interests procedures and further explanation of the DCP Fraud and Corruption Control System.

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 IA&R 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 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 SA
- involvement of other authorities such as South Australia Police
- compliance with the *Public Interest Disclosure Act 2018*.

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
<p><i>Children and Young People (Safety) Act 2017</i></p>	<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 style="padding-left: 40px;">(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 style="padding-left: 40px;">(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 style="padding-left: 40px;">(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 2023:

- The rate of case plan completion for Aboriginal children and young people in care is 91.9%.
- 91.3% of Aboriginal children and young people in care have a current and approved Aboriginal Cultural Identity Support Tool.

Act or Regulation	Requirement
<p><i>Children and Young People (Safety) Act 2017</i></p>	<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</p>

Act or Regulation	Requirement
	<p>Executive, had previously indicated would not be implemented—the reasons for that decision and the manner in which 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 2023, all children and young people in care were allocated to a Primary Assigned Case Worker.
- DCP is reviewing its recording and reporting in relation to monitoring monthly face to face contact between children and young people and their allocated case worker.
- As at 30 June 2023, 93.8% of children and young people had a current and approved case plan.
- In the period 1 July 2022 to 30 June 2023, a further 8 recommendations of the Child Protection Systems Royal Commission were completed. As at 30 June 2023, of the 260 recommendations, 246 recommendations were completed and 10 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: 2023 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/systemreform/safe-and-well>.
- At the beginning of the 2022-23 financial year, 296 children and young people were placed with a temporary carer.
- Of these 296 children and young people:
 - 231 children and young people remain in care as at 30 June 2023.
 - 65 children and young people are no longer in care as at 30 June 2023.

Act or Regulation	Requirement
<i>Children and Young People (Safety) Act 2017</i>	Section 15 – Additional annual reporting obligations (1) The Minister must, not later than 30 September in each year, prepare a report: – (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.

This annual report details the role of the Minister and the extent to which the Minister has performed the Minister’s functions for the 2022-23 financial year. In addition, to help ensure outcomes for children and young people are at the centre of our efforts, the Minister has:

- Committed to improving the South Australian child protection and family support system and radically evolving the State’s capacity to meet the needs of children, young people, families, carers and communities.
- Strengthened the foundations needed to drive a new vision of improving children and young people’s lives, including establishing new governance groups to support and inform child protection and family support services and reform:
 - Chief Executive (CE) Governance Group – includes CEs from child protection, family support and central agencies and chaired by the Minister, with collective responsibility to define priority reforms and drive implementation
 - Child Protection Expert Group – includes members with expertise in child protection and family support to assist in developing and driving a long-term vision to transform the State’s system
 - Carer Council – includes foster and kinship carers appointed to provide advice on key issues facing carers
 - Direct Experience Group – for family members of children in care or engaged in the child protection and family support system, along with individuals who have had a direct experience of the system themselves
 - Peak Body for Aboriginal Children and Young People – empowering Aboriginal people to make decisions about their children
 - These sit alongside existing groups including Heads of Industry and Connecting Foster and Kinship Carers SA peak body.
- Personally met with current carers to hear their views on the child protection and family support system and discuss the findings from the Inquiry into Foster and Kinship Care.
- Dedicated funding to increase carer payments from 1 July 2023, assisting carers in meeting increasing cost-of-living pressures. This increase included a 4.8% increase to all carer payments and further increases for general foster and kinship carers through an additional \$50 per fortnight for each child being cared for under the age of 16.
- Initiated the scheduled review of the *Children and Young People (Safety) Act 2017* and tabled the resulting report in Parliament.

Act or Regulation	Requirement
<i>Children and Young People (Safety) Act 2017</i>	<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 style="margin-left: 20px;">(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 style="margin-left: 20px;">(ii) the amount of resources allocated for the provision of such services by or on behalf of the State –</p> <p style="margin-left: 40px;">(A) during the financial year ending on the preceding 30 June, and</p> <p style="margin-left: 40px;">(B) during the current financial year,</p> <p style="margin-left: 20px;">(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 2022-23	Financial Information		
		2023-24 Budget \$m	2022-23 Actual expenditure \$m	2022-23 Budget \$m
1. Child and Family Support System				
The Child and Family Support System (CFSS) comprises a range of services and programs delivered by government and non-government services with the primary aim to keep children safe and well in family, community and culture.				
Tier 1: Out-of-home care prevention and intergenerational impact				
Out-of-home care prevention and intergenerational impact programs	Intensive band of family support programs focused on providing supports to families at imminent risk. A specific service working with young women under 25 whose children have been removed and are at risk of	5.6	4.6	4.6

Program/ Service	Description and Summary of Outcomes in 2022-23	Financial Information		
		2023-24 Budget \$m	2022-23 Actual expenditure \$m	2022-23 Budget \$m
	<p>repeat removals of future children.</p> <p>There were 147 families accepted with an associated 349 children, and 13 young women accepted during 2022-23.</p>			
Tier 2: Intensive Family Services				
Intensive Family Services	<p>Intensive Family Services (IFS) delivered by Government through partnerships with non-government organisations, (including Aboriginal Community Controlled Organisations (ACCOs)). Services provide targeted support for 6-9 months to families with children aged 0-18 years with multiple and complex needs, who have been identified as high to very high risk.</p> <p>There were 1,580 families with 3,704 associated children accepted for Intensive Family Services during 2022-23.</p>	34.2	28.7	30.9
Tier 3: Family Support Services				
<p>Strong Families Strong Communities Program</p> <p><i>This is a newly commissioned program and replaces the Community Services Support Program which ceased as of 30 June 2023.</i></p>	<p>Strong Families Strong Communities is a family support program providing effective intervention by the non-government sector to assist families with medium to low level risk concerns.</p> <p>The new program commenced 1 July 2023.</p>	4.1	-	-

Program/ Service	Description and Summary of Outcomes in 2022-23	Financial Information		
		2023-24 Budget \$m	2022-23 Actual expenditure \$m	2022-23 Budget \$m
<p>Community Services Support Program (CSSP) - Family Support and Early Intervention</p> <p>These services have been discontinued as of 30 June 2023 due to the newly commissioned Strong Families Strong Communities program stream.</p>	<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. Services include the Sole Parenting Program funded through the former Community Support Program.</p> <p>929 individuals were provided with family support and effective intervention during 2022-23.</p>	-	4.3	4.1
<p>Community Development Coordinator Program</p>	<p>Community Development Coordinators (CDCs), are based within Children's Centres, using a community development approach to improve outcomes for children. Together with local families and groups, they work to identify and strengthen protective factors within a community, enabling co-designed and co-owned programs, and mobilising local resources.</p> <p>Statewide, 40 CDCs engaged with 24,221 families during 2022-23 in a range of programs, group activities and community events.</p>	4.6	4.1	5.1
<p>Parenting and Family Support Program</p>	<p>Families Growing Together and Parenting SA deliver parenting programs via face-to-face and online formats, and through Parent Easy Guides that delivers state-wide support.</p> <p>Families Growing Together supported 964 families during 2022-23.</p>	0.6	0.5	0.6

Program/ Service	Description and Summary of Outcomes in 2022-23	Financial Information		
		2023-24 Budget \$m	2022-23 Actual expenditure \$m	2022-23 Budget \$m
Family by Family Program	<p>Family by Family is funded by Government and delivered by a non-government organisation. This peer support program is a network of families supporting other families to make lasting changes, and includes support to families at risk of child abuse and neglect.</p> <p>There were 109 families with 242 associated children supported during 2022-23.</p>	1.9	1.8	1.8
CFSS Referral System				
Pathways Service and Child and Family Safety Networks (CFSNs)	<p>CFSNs are multi-agency networks that provide regional coordinated responses to referrals (pre-birth to 18 years) from the CFSS Pathways Service. Work includes planning, service allocation, and clinical collaboration. Members include government, non-government, and Aboriginal Community Controlled Organisations (ACCOs).</p> <p>Pathways Service and CFSNs processed a total of 4,254 referrals in 2022-23.</p>	3.4	2.2	2.0

Note: End of year reconciliation may result in the final figures for the 2022-23 financial year being slightly different to those reported above.

Act or Regulation	Requirement
<i>Children and Young People (Safety) Act 2017</i>	Section 15 – Additional annual reporting obligations (1) (b) The Minister must, not later than 30 September in each year, prepare a report – : (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,

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
<i>Children and Young People (Safety) Act 2017</i>	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 2022-23	Performance Comparison to 2021-22
Responding to notifications	Total calls made to the Call Centre	62,980	In 2022-23, the number of calls to the Call Centre increased by 2.7% from 2021-22 (61,328). In 2022-23, the Call Centre answered 411 more calls than in 2021-22 (49,934).
Responding to notifications	Number of calls answered	50,345	
Responding to notifications	Average wait time to the Child Abuse Report Line	12 min 23 sec	The average wait time to the Child Abuse Report Line (CARL) in 2022-23 was one minute and 19 seconds more than

	Indicators of Performance	Performance 2022-23	Performance Comparison to 2021-22
			2021-22 (11 min 04 sec).
Responding to notifications	Number of eCARL submissions	51,319	There were 8,288 (19.3%) more eCARL submissions in 2022-23 than in 2021-22 (43,031).
Responding to notifications	Total number of notifications referred for an alternative response	19,920	Of the 19,920 notifications referred: <ul style="list-style-type: none"> • 10,287 were referred to an appropriate State Authority • 894 were referred to another Agency • 8,739 were referred for another outcome, including Refer Relevant Agency, family meeting, case management response or internal service response.
Child protection and family support responses	Number of notifications	92,951 (22,759 for Aboriginal children and young people)	In 2022-23, there were 12,577 (15.7%) more notifications received than in 2021-22 (80,374).
Child protection and family support responses	Number of screened-in notifications	39,515 (11,020 for Aboriginal children and young people)	There were 4,779 (13.8%) more notifications screened-in for further assessment and response in 2022-23, than in 2021-22 (34,736*). Of the 2022-23 notifications, 42.5% were screened-in compared to 43.2%

	Indicators of Performance	Performance 2022-23	Performance Comparison to 2021-22
			<p>screened-in for 2021-22.</p> <p>Notifications for Aboriginal children comprised 24.5% of all notifications in 2022-23 compared to 23.1% (18,600) in 2021-22 and 27.9% of screened-in notifications compared to 27.5% (9,561*) in 2021-22.</p>
Children placed on child protection orders	Total children placed on orders	1,723 (624 for Aboriginal children and young people)	<p>The number of children placed on an order decreased by 172 (9.1%) compared to 2021-22 (1,895).</p> <p>Aboriginal children comprised 36.2% of children placed on an order in 2022-23 compared to 36.2% (686) in 2021-22.</p>
Children placed on child protection orders	Children placed on orders for first time	872 (308 for Aboriginal children and young people)	<p>The number of children placed on an order for the first time increased by 63 (7.8%) from 2021-22 (809).</p> <p>In 2022-23, 50.6% of children were placed on an order for the first time, compared to 42.7% in 2021-22. Aboriginal children comprised 35.3% of children placed on an order for the first time in 2022-23 compared to 38.6% (312) in 2021-22.</p>

	Indicators of Performance	Performance 2022-23	Performance Comparison to 2021-22
Children placed on child protection orders	Total children on an order under the Guardianship of the Chief Executive up to 12-months at 30 June 2023	550 (202 for Aboriginal children and young people)	At 30 June 2023, 55 (11.1%) more children were on an order under the Guardianship of the Chief Executive up to 12 months, than at 30 June 2022 (495). Aboriginal children comprised 36.7% of children on an order under the Guardianship of the Chief Executive up to 12 months at 30 June 2023 compared to 38.6% (191) in 2022.
Children placed on child protection orders	Total children on an order until 18 years of age under Guardianship of the Chief Executive	4,133 (1,589 for Aboriginal children and young people)	The number of children on a Guardianship of the Chief Executive to 18 years order at 30 June 2023 increased by 76 (1.9%) from 30 June 2022 (4,057). Aboriginal children comprised 38.5% of children on an order to 18 years at 30 June 2023 compared to 38.2% (1,550) in 2022.
Children in care	Number of children (0-17 years) in care at 30 June 2023	4,864 (1,817 Aboriginal children and young people)	The number of children aged 0-17 years in care at 30 June 2023 increased by 124 (2.6%) compared to 30 June 2022 (4,740). The proportion of children in family based care has decreased by 0.4 percentage points from 85.0% as at 30 June

	Indicators of Performance	Performance 2022-23	Performance Comparison to 2021-22
			<p>2022 to 84.6% as at 30 June 2023. Family based care includes foster, kinship, specific child only and Guardianship family day care.</p> <p>The number of Aboriginal children aged 0-17 years in care at 30 June increased by 62 (3.5%) in 2023 from 2022 (1,755).</p> <p>Aboriginal children comprise 37.4% of the 0-17 year old in care population at 30 June 2023, compared to last year's reported response of 37.0%.</p>

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

* This number has been revised since its inclusion in the 2021-22 Annual Report.

Public Complaints

Number of public complaints reported

Complaint categories	Sub-categories*	Example	Number of Complaints 2022-23
Professional behaviour	Staff attitude	Failure to demonstrate values such as empathy, respect, fairness, courtesy, extra mile, cultural competency.	29
Professional behaviour	Staff competency	Failure to action service request, poorly informed decisions, incorrect or incomplete service provided.	14
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.	62
Communication	Confidentiality	Customer's confidentiality or privacy not respected, information shared incorrectly.	12
Service delivery	Systems/technology	System offline, inaccessible to customer, incorrect result/information provided, poor system design.	2
Service delivery	Access to services	Service difficult to find, location poor, facilities/ environment poor standard, not accessible to customers with disabilities.	1
Service delivery	Process	Processing error, incorrect process used, delay in processing application, process not customer responsive.	44
Policy	Policy application	Incorrect policy interpretation, incorrect policy applied, conflicting policy advice given.	14
Policy	Policy content	Policy content difficult to understand, policy	1

Complaint categories	Sub-categories*	Example	Number of Complaints 2022-23
		unreasonable or disadvantages customer.	
Service quality	Information	Incorrect, incomplete, out-dated or inadequate information, not fit for purpose.	24
Service quality	Access to information	Information difficult to understand, hard to find or difficult to use, not plain English.	9
Service quality	Timeliness	Lack of staff punctuality, excessive waiting times (outside of service standard), timelines not met.	1
Service quality	Safety	Maintenance, personal or family safety, duty of care not shown, poor security service/ premises, poor cleanliness.	48
Service quality	Service responsiveness	Service design doesn't meet customer needs, poor service fit with customer expectations.	32
		Total	293 [^]

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

[^] On 1 July 2022, DCP updated its recording systems and the classification of communications received by the Complaints and Feedback Management Unit (CFMU) to align with DCP's Complaints and Feedback Management Procedure. In 2022-23, CFMU responded to 791 contacts, in addition to the reported complaints, relating predominantly to communication quality and process.

Additional Metrics	Total
Number of positive feedback comments	5
Number of negative feedback comments	27
Total number of feedback comments	32
% complaints resolved within policy timeframes	66%

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

Service Improvements

Complaint and Feedback Management Policy Procedures 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/NZS 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 the Complaints and Feedback Management Unit to ensure key performance targets are monitored.
- The Complaints and Feedback Management Unit provide feedback to Regional Directors and the Senior Executive Group regarding trends and issues that are identified.
- The department notes the release of Dr Fiona Arney’s Independent Inquiry into Foster and Kinship Care in SA. At the time of writing this report, Dr Arney’s findings and recommendations are being considered by government. Future service improvements to the Complaints and Feedback Management Unit will be informed by Dr Arney’s report.

Compliance Statement

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

Appendix: Audited financial statements 2022-23



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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 2023.

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 2023, its financial performance and 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 2023
- a Statement of Financial Position as at 30 June 2023
- a Statement of Changes in Equity for the year ended 30 June 2023
- a Statement of Cash Flows for the year ended 30 June 2023
- notes, comprising material accounting policy information 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 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 2023.

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

21 September 2023

OFFICIAL

Department for Child Protection

Financial Statements

For the year ended 30 June 2023

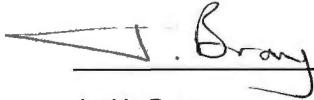
Department for Child Protection
Certification of the Financial Statements
for the year ended 30 June 2023

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.



Jackie Bray
Chief Executive

14 September 2023



Joanne Male
Chief Financial Officer

14 September 2023

Department for Child Protection **OFFICIAL**
Statement of Comprehensive Income
for the year ended 30 June 2023

	Note	2023 \$'000	2022 \$'000
Income			
Appropriation	2.1	781 301	692 630
Resources received free of charge	2.4	4 881	4 515
Commonwealth-sourced grants and funding	2.2	2 426	1 500
Fees and charges	2.3	88	1 053
Grants and contributions		516	-
Intra-government transfers		161	-
Other income	2.5	3 736	4 020
Total income		793 109	703 718
Expenses			
Child protection services	4.2	476 450	385 920
Employee benefits expenses	3.3	262 989	254 730
Supplies and services	4.1	65 088	55 704
Depreciation and amortisation	5.1, 5.2	4 704	5 086
Grants and subsidies	4.3	423	338
Borrowing costs	4.4	77	27
Net loss from disposal of property, plant and equipment	2.6	637	-
Other expenses	4.5	510	345
Total expenses		810 878	702 150
Net result		(17 769)	1 568
Other comprehensive income			
Items that will not be reclassified to net result			
Changes in property, plant and equipment asset revaluation surplus	5.1	17 353	1 882
Total other comprehensive income		17 353	1 882
Total comprehensive result		(416)	3 450

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 2023

OFFICIAL

	Note	2023 \$'000	2022 \$'000
Current assets			
Cash and cash equivalents	6.1	30 254	39 954
Receivables	6.2	6 100	6 428
Non-current assets classified as held for sale	5.3	-	1 575
Total current assets		36 354	47 957
Non-current assets			
Property, plant and equipment	5.1	66 101	44 882
Receivables	6.2	-	519
Intangible assets	5.2	258	205
Total non-current assets		66 359	45 606
Total assets		102 713	93 563
Current liabilities			
Payables	7.1	32 713	33 200
Employee benefits	3.4	33 393	29 415
Provisions	7.3	6 445	6 029
Financial liabilities	7.2	2 355	2 355
Other liabilities	7.4	132	112
Total current liabilities		75 038	71 111
Non-current liabilities			
Employee benefits	3.4	22 933	25 129
Provisions	7.3	27 782	22 850
Payables	7.1	2 321	2 433
Financial liabilities	7.2	1 712	1 397
Other liabilities	7.4	330	403
Total non-current liabilities		55 078	52 212
Total liabilities		130 116	123 323
Net liabilities		(27 403)	(29 760)
Equity			
Contributed capital		3 683	910
Retained earnings	8.1	(57 128)	(39 359)
Asset revaluation surplus	8.1	26 042	8 689
Total equity		(27 403)	(29 760)

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 2023

OFFICIAL

	Note	Contributed capital \$'000	Asset revaluation surplus \$'000	Retained earnings \$'000	Total equity \$'000
Balance at 1 July 2021		-	6 807	(40 927)	(34 120)
Net result for 2021-22		-	-	1 568	1 568
Gain on revaluation of land during 2020-21	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)
Net result for 2022-23		-	-	(17 769)	(17 769)
Gain on revaluation of land during 2022-23	5.1	-	8 242	-	8 242
Gain on revaluation of Residential accommodation during 2022-23	5.1	-	6 740	-	6 740
Gain on revaluation of leasehold improvements during 2022-23	5.1	-	2 371	-	2 371
Total comprehensive result for 2022-2023		-	17 353	(17 769)	(416)
Equity contribution received		2 773	-	-	2 773
Balance at 30 June 2023		3 683	26 042	(57 128)	(27 403)

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

Department of Child Protection
Statement of Cash Flows
for the year ended 30 June 2023

OFFICIAL

		2023 \$'000	2022 \$'000
Cash flows from operating activities	Note		
Cash inflows			
Appropriation		781 301	692 630
GST recovered from the ATO		41 034	32 128
Receipts from Commonwealth-sourced grants and funding		2 426	1 500
Fees and charges		126	1 074
Grants and contributions received		677	-
Other income		2 098	5 950
Cash generated from operations		827 662	733 282
Cash outflows			
Payments for child protection services		(509 678)	(415 657)
Employee benefits payments		(254 849)	(255 457)
Payments for supplies and services		(66 975)	(44 826)
Payments of grants and subsidies		(423)	(391)
Interest paid		(77)	(27)
Other payments		(564)	(294)
Cash used in operations		(832 566)	(716 652)
Net cash provided by / (used in) operating activities	8.2	(4 904)	16 630
Cash flows from investing activities			
Cash inflows			
Proceeds from the sale of property, plant and equipment		1 690	4
Cash generated from investing activities		1 690	4
Cash outflows			
Purchase of property, plant and equipment		(6 588)	(5 680)
Cash used in investing activities		(6 588)	(5 680)
Net cash used in investing activities		(4 898)	(5 676)
Cash flows from financing activities			
Cash inflows			
Capital contributions from government		2 773	910
Cash generated from financing activities		2 773	910
Cash outflows			
Repayment of principal portion of lease liabilities		(2 671)	(3 251)
Cash used in financing activities		(2 671)	(3 251)
Net cash used in financing activities		102	(2 341)
Net cash provided by financing activities		102	(2 341)
Net increase / (decrease) in cash and cash equivalents		(9 700)	8 613
Cash and cash equivalents at the beginning of the reporting period		39 954	31 341
Cash and cash equivalents at the end of the reporting period	6.1	30 254	39 954

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 2023

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.

No Australian Accounting Standards have been early adopted other than AASB 2021-1 which was adopted from 1 July 2021.

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.

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.

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.

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.

Department for Child Protection
Notes to and forming part of the financial statements
for the year ended 30 June 2023

1.2. Objectives and programs

Objectives

The department's primary objective is to work with government agencies, non-government organisations and communities to keep children and young people safe from abuse and neglect, to effectively intervene where necessary to support and help strengthen families, through the administration of the state's child protection and family support system and statutory framework. The department is committed to placing the safety and wellbeing of children and young people at the centre of decision-making, and to 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 intervenes to keep children and young people safe, and where possible strengthen families. It 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 agencies and non-government organisations and communities so that children and young people who have been abused or are at risk of further abuse can be connected, together with their families, to appropriate intensive family supports within the broader child protection service sector.

The department works to support foster and kinship carers and to empower people and organisations across the child protection and family support system.

Programs

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

The department is focused on the care and protection of children and young people who have been abused and/or are assessed as being at risk of harm within their families, or whose families do not have the capacity to protect them from harm, and on strengthening and supporting families.

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.

Department for Child Protection
Notes to and forming part of the financial statements
for the year ended 30 June 2023

1.3. Budget performance

The budget performance table compares the department's outcomes against budget information presented to Parliament (2022-23 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 2023 \$'000	Actual 2023 \$'000	Variance \$'000
Statement of Comprehensive Income			
Income			
Appropriation	718 676	781 301	62 625
Resources received free of charge	-	4 881	4 881
Commonwealth-sourced grants and funding	1 197	2 426	1 229
Fees and charges	36	88	52
Grants and contributions	-	516	516
Intra-government transfers	-	161	161
Other income	1 393	3 736	2 343
Total income	721 302	793 109	71 807
Expenses			
Child protection services (a)	395 495	476 450	80 955
Employee benefits expenses	250 867	262 989	12 122
Supplies and services	61 711	65 088	3 377
Depreciation and amortisation	4 450	4 704	254
Grants and subsidies	170	423	253
Borrowing costs	65	77	12
Net loss from disposal of property, plant and equipment	-	637	637
Other expenses	4 444	510	(3 934)
Total expenses	717 202	810 878	93 676
Net result	4 100	(17 769)	(21 869)
Other comprehensive income			
Items that will not be reclassified to net result			
Changes in property, plant and equipment asset revaluation surplus	-	17 353	17 353
Total other comprehensive income	-	17 353	17 353
Total comprehensive result	4 100	(416)	(4 516)

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) The variance primarily relates to an increase in the number of children and young people in care, particularly the increase of non-family based care and the costs associated with providing these services.

The opening budget does not include the mid-year budget review and 2023-24 budget measure adjustments. The mid-year budget review included an increase in indexation to support non-government organisations in meeting the costs associated with wage and inflation pressures.

Department for Child Protection
Notes to and forming part of the financial statements
for the year ended 30 June 2023

1.3. Budget performance (continued)

		Original Budget 2023 \$'000	Actual 2023 \$'000	Variance \$'000
Investing expenditure summary				
Total leases		3 057	3 210	153
Total existing projects	(1)	4 432	6 148	1 716
Total investing expenditure		7 489	9 358	1 869

(1) Higher than budgeted due to lease incentives not included in the original budget.

1.4. Significant transactions with government related entities

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 \$13.8 million (2022: \$20.8 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).

Department for Child Protection
Notes to and forming part of the financial statements
for the year ended 30 June 2023

2. Income**2.1. Appropriation**

	2023	2022
	\$'000	\$'000
Appropriation from the Consolidated Account pursuant to the <i>Appropriation Act</i>	718 676	668 156
Appropriation from the Governor's Appropriation Fund	62 625	24 474
Total appropriation	781 301	692 630

Appropriation is recognised on receipt.

2.2. Commonwealth-sourced grants and funding

	2023	2022
	\$'000	\$'000
Family allowances	923	839
Unaccompanied Humanitarian Minors	360	387
Transition to Independent Living Allowance	144	183
Family Law Information Sharing Project*	255	91
Newpin program*	744	-
Total Commonwealth-sourced grants and funding	2 426	1 500

*Received from the Commonwealth indirectly through DTF.

Commonwealth-sourced grants and funding are recognised as income on receipt. Obligations under Commonwealth-sourced grants and funding are required to be met by the State of South Australia.

2.3. Fees and charges

	2023	2022
	\$'000	\$'000
Intra Government fees and charges	1	993
Other fees and charges	87	60
Total fees and charges	88	1 053

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 2023

2.4. Resources received free of charge

	2023	2022
	\$'000	\$'000
Services received free of charge - Shared Services SA	4 062	3 758
Services received free of charge - DPC - ICT	819	757
Total resources received free of charge	4 881	4 515

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

	2023	2022
	\$'000	\$'000
Recoveries	3 611	3 859
Child payment recoups	115	128
Other	10	33
Total other income	3 736	4 020

Recoveries are recognised on receipt.

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

	2023	2022
	\$'000	\$'000
Land and buildings		
Net proceeds from disposal	1 690	-
Less carrying amount of assets disposed	(2 325)	-
Net loss on disposal of land and buildings	(635)	-
Right of use vehicles		
Proceeds from disposal	-	-
Less net book value of assets disposed	(2)	-
Net loss on disposal of plant and equipment	(2)	-
Total assets		
Proceeds from disposal	1 690	-
Less net book value of assets disposed	(2 327)	-
Total net gain (loss) from disposal of property plant and equipment	(637)	-

Department for Child Protection
Notes to and forming part of the financial statements
for the year ended 30 June 2023

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*.

	2023	2022
	\$'000	\$'000
Compensation		
Salaries and other short-term employee benefits	3 898	3 566
Post-employment benefits	445	643
Total compensation	4 343	4 209

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 2022- 2023 financial year were:

Performance and Risk Committee

Ms Kitty McLean*
 Ms Tina Armiento* (retired September 2022)
 Ms Billie-Jo Barbara* (appointed September 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 (resigned April 2023)
 Ms Joanna Saies
 Mr Nick Jenkins
 Ms Brigitte Goepfert
 Mr Lachlan McFarlane
 Ms Marjorie Ellis
 Ms Karen McAuley* (appointed November 2022)

*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:

- Contract Arrangements Review Panel – Anne-Marie Hayes, Carmela Bastian, Helen Kay
- Licensing and Compliance Panel – Anthea Pavy
- Procurement and Contract Management Governance Committee – Zofia Nowak

Department for Child Protection
Notes to and forming part of the financial statements
for the year ended 30 June 2023

3.2. Board and committee members (continued)

Board and committee remuneration	2023	2022
The number of members whose remuneration received/receivable falls within the following bands:		
	Number of members	Number of members
\$0	16	17
\$1 - \$19 999	6	3
\$20 000 - \$39 999	1	-
Total number of members	23	20

The total remuneration received or receivable by members was \$47 000 (2022: \$38 000). 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.

3.3. Employee benefits expenses

	2023	2022
	\$'000	\$'000
Salaries and wages	193 430	190 472
Employment on-costs - superannuation	22 545	20 637
Annual leave	18 785	17 672
Employment on-costs - other	11 675	11 235
Workers compensation	11 019	12 171
Long service leave	3 520	(1 320)
Skills and experience retention leave	743	602
Targeted voluntary separation packages	158	2 013
Board and committee fees	47	38
Other employee related expenses	1 067	1 210
Total employee benefits expenses	262 989	254 730

Departmental employees are employed under Part 7 of the *Public Sector Act*.

The superannuation employment on-cost charge represents the department's contributions to superannuation plans in respect of current services of current employees. 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 2023

3.3. Employee benefits expenses (continued)

Employee remuneration

	2023	2022
The number of employees whose remuneration received or receivable falls within the following bands:	No	No
\$157 001 to \$160 000*	N/A	8
\$160 001 to \$180 000	25	17
\$180 001 to \$200 000	3	3
\$200 001 to \$220 000	4	6
\$220 001 to \$240 000	4	2
\$240 001 to \$260 000	1	1
\$260 001 to \$280 000	-	1
\$280 001 to \$300 000	2	2
\$380 001 to \$400 000	1	-
\$400 001 to \$420 000	-	1
\$420 001 to \$440 000	-	1
\$600 001 to \$620 000	1	-
Total	41	42

The total remuneration received by these employees for the year was \$8.4 million (2022: \$8.3 million).

*This band has been included for the purposes of reporting comparative figures based on the executive base level remuneration rate for 2021-22.

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 fringe benefits tax paid or payable in respect of those benefits as well as any termination benefits for employees who have left the department.

Targeted voluntary separation packages (TVSP)

The number of employees who received a TVSP during the reporting period was 2 (2022: 2).

	2023	2022
	\$'000	\$'000
Amounts paid to separated employees:		
Targeted voluntary separation packages	158	169
Workforce rejuvenation scheme	-	1 844
Leave paid to separated employees	136	114
Total amount paid	294	2 127
Recovery from the Department of Treasury and Finance	294	-
Net cost to the department	-	2 127

During the 2021-22 financial 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 in 2021-22 financial year.

Department for Child Protection
Notes to and forming part of the financial statements
for the year ended 30 June 2023

3.4. Employee benefits liability

	2023	2022
	\$'000	\$'000
Current		
Annual leave	19 787	19 180
Long service leave	6 550	4 403
Accrued salaries and wages	6 198	5 036
Skills and experience retention leave	858	796
Total current employee benefits	33 393	29 415
Non-current		
Long service leave	22 933	25 129
Total non-current employee benefits	22 933	25 129
Total employee benefits	56 326	54 544

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 and skills, experience and retention leave liability changed to 2% (2022: 1.5%).

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 has increased to 4% (2022: 3.5%).

The actuarial assessment performed by the DTF has increased the salary inflation rate to 3.5% (2022: 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 \$996 000.

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 2023

4. Expenses

4.1. Supplies and services

	2023	2022
	\$'000	\$'000
Accommodation	12 778	12 148
Minor works, maintenance and equipment	12 222	7 793
Information technology and communications	10 670	10 851
Vehicle and travelling expenses	5 605	4 487
Shared Services SA charges	4 921	3 823
Employee related costs	3 509	3 333
Rental and leases accommodation	2 862	1 479
Office administration	2 254	2 138
Legal costs	1 666	980
Utilities	1 535	1 290
Contractors – Agency staff	1 503	1 973
Intra government charges	1 442	1 198
Insurance	1 095	872
Cleaning	1 070	959
Contractors	927	1 723
Consultants	431	69
Security	416	358
Advertising expenses	14	1
Other supplies and services	168	229
Total supplies and services	65 088	55 704

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	2023	No	2022
		\$'000		\$'000
Below \$10 000	-	-	-	-
\$10 000 or above	6	431	2	69
Total	6	431	2	69

Department for Child Protection
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4.2. Child protection services

	2023	2022
	\$'000	\$'000
Contracted Out-of-Home care services ¹	339 658	267 782
Carer payments and client related costs ²	121 576	107 871
Family support services	9 493	6 863
Advocacy and support services	5 723	3 404
Total child protection services	476 450	385 920

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

	2023	2022
	\$'000	\$'000
Child and Family Welfare	358	282
Flinders University	60	-
Care Leavers Australasia Network	-	15
University of Adelaide	5	-
Connecting Foster Carers SA	-	41
Total grants and subsidies	423	338

4.4. Borrowing costs

	2023	2022
	\$'000	\$'000
Interest expense on lease liabilities	77	27
Total borrowing costs	77	27

4.5. Other expenses

	Note	2023	2022
		\$'000	\$'000
Audit fees *		305	264
Impairment (gain)/loss on receivables	6.2	12	6
Interest		8	2
Other expenses		185	73
Total other expenses		510	345

* 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
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5. Non-financial assets

5.1. Property, plant and equipment

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.

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.

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.

**Department for Child Protection
Notes to and forming part of the financial statements
for the year ended 30 June 2023**

5.1 Property, plant and equipment (continued)

Property, plant and equipment

The following table shows movement in property, plant and equipment during 2022-23

Reconciliation 2022-23

	Land \$'000	Residential accommodation housing \$'000	Leasehold improvements \$'000	Computing, communications, furniture and equipment \$'000	Right-Of-Use Buildings \$'000	Right-Of-Use Vehicles \$'000	Construction work in progress \$'000	Total \$'000
Carrying amount at the beginning of the period	20 512	15 228	4 020	513	1 329	2 417	863	44 882
Additions	-	421	125	-	1 496	1 714	5 602	9 358
Disposals	-	(750)	-	-	-	(2)	-	(752)
Other changes	-	-	-	-	(374)	149	(5 369)	(225)
Transfers to/(from) work in progress	-	2 265	3 104	-	-	-	-	-
Asset revaluation increment/(decrement)	8 242	6 740	2 371	-	-	-	-	17 353
Subtotal:	28 754	23 904	9 620	513	2 451	4 278	1 096	70 616

Gains/(losses) for the period recognised in net result:

Depreciation	-	(725)	(983)	(101)	(772)	(1 934)	-	(4 515)
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Carrying amount at the end of the period

	28 754	23 179	8 637	412	1 679	2 344	1 096	66 101
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Gross carrying amount

Gross carrying amount	28 754	23 179	8 743	649	2 690	5 113	1 096	70 224
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Accumulated depreciation

Accumulated depreciation	-	-	(106)	(237)	(1 011)	(2 769)	-	(4 123)
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Carrying amount at the end of the period

	28 754	23 179	8 637	412	1 679	2 344	1 096	66 101
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Department for Child Protection
Notes to and forming part of the financial statements
for the year ended 30 June 2023

5.1 Property, plant and equipment (continued)

Reconciliation 2021-22

	Land \$'000	Residential accommodation housing \$'000	Leasehold improvements \$'000	Computing, communications, furniture and equipment \$'000	Right Of Use Buildings \$'000	Right Of Use Vehicles \$'000	Construction work in progress \$'000	Total \$'000
Carrying amount at the beginning of the period	19 730	14 042	4 122	424	1 122	2 586	1 770	43 796
Additions	-	-	-	175	1 541	1 746	2 218	5 680
Disposals	-	-	-	-	-	(4)	-	(4)
Transfers to/(from) work in progress	-	2 394	731	-	-	-	(3 125)	-
Asset revaluation increment/(decrement)	1 882	-	-	-	-	-	-	1 882
Assets reclassified to assets held for sale	(1 100)	(475)	-	-	-	-	-	(1 575)
Subtotal:	20 512	15 961	4 853	599	2 663	4 328	863	49 779
Gains/(losses) for the period recognised in net result:								
Depreciation	-	(733)	(833)	(86)	(1 334)	(1 911)	-	(4 897)
Carrying amount at the end of the period	20 512	15 228	4 020	513	1 329	2 417	863	44 882
Gross carrying amount								
Gross carrying amount	20 512	31 238	13 811	649	3 704	5 021	863	75 798
Accumulated depreciation	-	(16 010)	(9 791)	(136)	(2 375)	(2 604)	-	(30 916)
Carrying amount at the end of the period	20 512	15 228	4 020	513	1 329	2 417	863	44 882

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

Useful life

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

Class of asset	Useful life (years)
Residential accommodation housing	20-100
Leasehold improvements	1-35
Computing, communications, furniture and equipment	5-10
Computer software	3-10
Right-of-use vehicles and buildings	1-5

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.

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:

- 772 motor vehicle leases with the South Australian Government Financing Authority (SAFA). 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).
- 45 residential accommodation properties leased with private landlords that are non-cancellable. Residential accommodation lease terms range from 1 year to 5 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 4.1. 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.

Department for Child Protection
Notes to and forming part of the financial statements
for the year ended 30 June 2023

5.2. Intangible assets

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. Additional computer software for 2022-23 relates to upgrades for the Call Centre management software.

Reconciliation 2022-23

	Computer software	Total
	\$'000	\$'000
Carrying amount at the beginning of the period	205	205
Additions	242	242
Amortisation	(189)	(189)
Carrying amount at the end of the period	258	258

Reconciliation 2021-22

	Computer software	Total
	\$'000	\$'000
Carrying amount at the beginning of the period	394	394
Amortisation	(189)	(189)
Carrying amount at the end of the period	205	205

5.3. Non-current assets classified as held for sale

	2023	2022
	\$'000	\$'000
Land	-	1 100
Building	-	475
Total non-current assets classified as held for sale	-	1 575

Department for Child Protection
Notes to and forming part of the financial statements
for the year ended 30 June 2023

6. Financial assets

6.1. Cash and cash equivalents

	2023	2022
	\$'000	\$'000
Deposits with the Treasurer	29 842	39 556
Deposits with the Treasurer (AAEFA)	-	1
Imprest account/cash on hand	412	397
Total cash and cash equivalents	30 254	39 954

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.

6.2. Receivables

	2023	2022
	\$'000	\$'000
Current		
Trade receivables		
From government entities	193	389
From non-government entities	958	1 159
Less impairment loss on receivables	(57)	(54)
Total trade receivables	1 094	1 494
GST input tax recoverable	3 539	2 738
Prepayments	1 461	2 123
Accrued revenues	6	28
Workers compensation recoveries	-	45
Total current receivables	6 100	6 428
Non-current		
Workers compensation recoveries	-	519
Total non-current receivables	-	519
Total receivables	6 100	6 947

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.

Department for Child Protection
Notes to and forming part of the financial statements
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6.2 Receivables (continued)

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.

The department has adopted the simplified impairment approach under AASB 9 and measured lifetime expected credit losses on all trade receivables using an allowance matrix as a practical expedient to measure the impairment allowance.

Allowance for Impairment loss on receivables

	2023	2022
	\$'000	\$'000
Carrying amount at the beginning of the period	(54)	(50)
(Increase)/decrease in the allowance recognised in profit and loss	(3)	(6)
Amounts written off	-	2
Carrying amount at the end of the period	(57)	(54)

Impairment losses relate to receivables arising from contracts with customers that are external to SA Government. Refer to note 10.2 for details regarding credit risk, the methodology for determining impairment.

7. Liabilities

7.1. Payables

	2023	2022
	\$'000	\$'000
Current		
Accrued expenses	25 347	24 964
Employment on-costs	6 120	5 522
Trade payables	1 179	2 666
Paid Parental Leave Scheme payable	67	48
Total current payables	32 713	33 200
Non-current		
Employment on-costs	2 321	2 433
Total non-current payables	2 321	2 433
Total payables	35 034	35 633

Trade payables and accruals are recognised for all amounts owing but unpaid. Contractual 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.

Department for Child Protection
Notes to and forming part of the financial statements
for the year ended 30 June 2023

7.1 Payables (continued)

Employment on-costs

Employment on-costs include payroll tax, ReturnToWorkSA levies and superannuation contributions which are settled when the respective employee benefits that relate to are discharged. These on-costs primarily relate to the balance of leave owing to employees. Estimates as to the proportion of long service leave estimated to be taken as leave, rather than paid on termination affects whether certain on-costs are recognised as a consequence of long service leave liabilities.

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 the DTF, the proportion of long service leave taken as leave has increased to 43% (2022: 42%). The average factor for the calculation of employer superannuation on-costs has increased to 11.1% (2022: 10.6%). These rates are used in the employment on-cost calculation. The net financial effect of the changes in the current financial year is an increase in the employment on-cost of \$102 000 and decrease in the employee benefits expense of \$996 000, respectively.

7.2. Financial liabilities

	2023	2022
	\$'000	\$'000
Current		
Lease liabilities	2 355	2 355
Total current financial liabilities	<u>2 355</u>	<u>2 355</u>
Non-current		
Lease liabilities	1 712	1 397
Total non-current financial liabilities	<u>1 712</u>	<u>1 397</u>
Total financial liabilities	<u><u>4 067</u></u>	<u><u>3 752</u></u>

Lease liabilities have been measured via discounting lease payments using either the interest rate implicit in the lease (where it is readily determined) or DTF's incremental borrowing rate. There were no defaults or breaches on any of the financial liabilities throughout the year.

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

	2023	2022
	\$'000	\$'000
Lease liabilities		
Up to 1 year	2 393	2 412
1 to 5 years	1 734	1 519
	<u>4 127</u>	<u>3 931</u>

Department for Child Protection
Notes to and forming part of the financial statements
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7.3. Provisions

	2023	2022
	\$'000	\$'000
Current		
Provision for workers compensation	6 258	6 009
Provision for legal claims	80	10
Provision for additional compensation	107	10
Total current provisions	6 445	6 029
Non-current		
Provision for workers compensation	26 210	22 167
Provision for legal claims	190	180
Provision for additional compensation	1 382	503
Total non-current provisions	27 782	22 850
Total provisions	34 227	28 879

Movement in provisions for workers compensation

	2023	2022
	\$'000	\$'000
Movement in provisions		
Carrying amount at the beginning of the period	28 176	24 121
Additional provision recognised	6 356	8 892
Reductions arising from payments/other sacrifice of future economic benefits	(3 460)	(4 837)
Revaluation of prior year	1 396	-
Carrying amount at the end of the period	32 468	28 176

Movement in provisions for legal claims

	2023	2022
	\$'000	\$'000
Carrying amount at the beginning of the period	190	180
Reductions resulting from re-measurement or settlement without cost	-	(100)
Reductions arising from payments	(10)	(10)
Additional provision recognised	90	120
Carrying amount at the end of the period	270	190

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.

Department for Child Protection
Notes to and forming part of the financial statements
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7.3 Provisions (continued)

Movement in provision for additional compensation

	2023	2022
	\$'000	\$'000
Movement in provisions		
Carrying amount at the beginning of the period	513	363
Revaluation of prior year	850	-
Additional provision recognised	151	150
Reductions arising from payments/other sacrifice of future economic benefits	(25)	-
Carrying amount at the end of the period	1 489	513

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 2023 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 2023 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 was 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.

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.

Department for Child Protection
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7.4. Other liabilities

	2023	2022
	\$'000	\$'000
Current		
Deposits held - purchased leave	49	29
Unclaimed monies	3	3
Unearned revenue	7	7
Accommodation incentive	73	73
Total current other liabilities	<u>132</u>	<u>112</u>
Non-current		
Accommodation incentive	330	403
Total non-current other liabilities	<u>330</u>	<u>403</u>
Total other liabilities	<u><u>462</u></u>	<u><u>515</u></u>

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

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

8.2. Cash flow

	2023 \$'000	2022 \$'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	30 254	39 954
Balance as per Statement of Cash Flows	<u>30 254</u>	<u>39 954</u>
Reconciliation of net cash provided by operating activities to net result		
Net cash provided by / (used in) operating activities	(4 904)	16 630
Add / (less) non-cash items		
Net loss from disposal of property, plant and equipment	(637)	-
Resources received free of charge	4 881	4 515
Depreciation and amortisation	(4 704)	(5 086)
Shared Services SA charges	(4 881)	(4 580)
Movement in assets and liabilities		
Increase/(decrease) in receivables	(847)	5
(Increase)/decrease in employee benefits	(1 782)	5 114
(Increase)/decrease in payables	599	(10 856)
(Increase) in provisions	(5 348)	(4 215)
(Increase) in financial liabilities	(199)	(32)
Decrease in other liabilities	53	73
Net result	<u>(17 769)</u>	<u>1 568</u>

Total cash outflow for leases was \$2.7 million (\$3.3 million).

Department for Child Protection
Notes to and forming part of the financial statements
for the year ended 30 June 2023

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 and inclusive of non-recoverable GST.

Contractual commitments to acquire property, plant and equipment

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

	2023	2022
	\$'000	\$'000
Within one year	1 800	2 125
Total capital commitments	1 800	2 125

The department's capital commitments relate to the upgrade and refurbishment of the Whyalla office.

Other contractual commitments

	2023	2022
	\$'000	\$'000
Within one year	251 450	306 429
Later than one year but not longer than five years	401 625	561 426
Later than five years	78 889	100 804
Total other contractual commitments	731 964	968 659

The department's other contractual commitments are for contracted service agreements for out of home care, family support services, the non-lease components of SAFA vehicle rentals and 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. Eligible claims are managed as part of DCP's participation in the State Government's insurance program. The Crown Solicitor's Office is negotiating with the claimants, on instruction from SAFA. A reliable estimate for the expenditure is required to settle these claims or whether they will be successful cannot be reasonably determined.

9.3. Events after the reporting period

No events after reporting date to report.

9.4. Impact of standards not yet effective

The department has assessed the impact of the new and amended Australian Accounting Standards and Interpretations not yet effective and does not expect these to have a material impact on the department's statements.

Department for Child Protection
Notes to and forming part of the financial statements
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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 2022 and 2023, 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 and a portion of residential buildings of \$7.346m which are valued at level 2.

Department for Child Protection
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10.1. Fair value (continued)

Land

An independent valuation of land was performed as at 30 June 2023 by Tom Cooper, B.App.Sc. (Val), A.A.P.I. Certified Practising Valuer of JLL.

The fair value for land has been determined using the market approach. The market approach considered recent market evidence for comparable properties, size and location.

Residential accommodation housing

An independent valuation of residential accommodation housing was performed as at 30 June 2023 by Tom Cooper, B.App.Sc. (Val), A.A.P.I. Certified Practising Valuer of JLL.

The fair value for residential and commercial buildings has been determined using the market approach. The market approach considered comparable market transactions, location, size and condition of property for values to be determined.

The fair value for specialised or restricted use land and buildings has been determined using the current replacement cost method, due to no active market existing. The current replacement cost considered the ongoing need for government services, restrictions to use of the asset, its specialised nature as well as the size, condition and estimated remaining useful life.

Construction materials were a key component of the current replacement cost method. Material costs were determined based on current market prices with consideration given to remoteness of asset location, materials needed, transport, labour, design and construction costs.

Leasehold Improvements

An independent valuation of leasehold improvements was performed as at 30 June 2023 by Tom Cooper, B.App.Sc. (Val), A.A.P.I. Certified Practising Valuer of JLL.

The fair value for leasehold improvements has been determined using the current replacement cost method, due to no active market existing. The current replacement cost method considered recent and comparable fit-out projects, fit-out density, size, layout, quality, conditions and estimated remaining useful life.

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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10.2. 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)	205	0%	-
1 – 30 days past due	2	0%	-
31 – 60 days past due	323	0%	-
61 – 90 days past due	5	0%	-
More than 90 days past due	192	30%	57
Loss allowance	727		57

Department for Child Protection
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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 receivables 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.

Department for Child Protection
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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.

Social Workers Registration Scheme

*\$516 000 relates to the funding and transfer of funds for the Social Workers Registration Scheme to manage a registration system for social workers and to encourage the maintenance of high professional standards of both competence and conduct by registered social workers.

	2023 \$'000	2022 \$'000
Administered Income		
Appropriation	381	441
Appropriation*	516	-
Total administered income	<u>897</u>	<u>441</u>
Administered Expenses		
Employee benefits	383	355
Transfer to the Department*	516	-
Separation Payment	-	46
Total administered expenses	<u>899</u>	<u>401</u>
Net result	<u>(2)</u>	<u>40</u>

	2023 \$'000	2022 \$'000
Administered Assets		
Accrued revenue	38	40
Total administered assets	<u>38</u>	<u>40</u>
Net assets	<u>38</u>	<u>40</u>