

AGENCY RESOURCES AND PLANNED PERFORMANCE

Department of Veterans' Affairs	11
Australian War Memorial	91

Department of Veterans' Affairs

Agency resources and planned performance

DEPARTMENT OF VETERANS' AFFAIRS

Section 1: Agency overview and resources	15
1.1 Strategic Direction Statement.....	15
1.2 Agency Resource Statement	17
1.3 Budget Measures.....	21
Section 2: Outcomes and planned performance	28
2.1 Outcomes and Performance Information.....	28
Section 3: Explanatory tables and budgeted financial statements	71
3.1 Explanatory Tables	71
3.2 Budgeted Financial Statements.....	74

DEPARTMENT OF VETERANS' AFFAIRS

Section 1: Agency overview and resources

1.1 STRATEGIC DIRECTION STATEMENT

The Department of Veterans' Affairs (DVA) provides a range of services to veterans, war widow/ers, serving members and former defence force members and their families, and eligible members of the Australian Federal Police who have served overseas. DVA will continue to deliver services to the ex-service community while implementing the government's commitments and initiatives. DVA will continue to be responsible for delivering current and former members income support, compensation and health services. The key focus in delivering the government's programs over the next Budget year will be to ensure that the Department is efficient and responsive to the needs of a changing ex-service community with a focus on aged care, veterans and war widow/ers and the continually evolving needs of younger veterans and serving members.

The Department continues to meet the need for changes to its operations to ensure that it is able to sustain the delivery of high-quality services. Challenges include:

- The continuing change in the demographics of the key stakeholders in the repatriation system: including current and former members, providers and third party groups.
- The financial resources available to the Department to fund its departmental operations will be constrained due to the anticipated decline of Second World War veterans and war widows. This will require the Department to work within its resource constraints while continuing to meet the expectations of its client groups and the broader community.
- The requirement to continue to deliver high-quality services using a single, cohesive and national approach. To achieve this, the Department continues to streamline functions to make them people-centric and to build the capability of its people and systems.

Within these and other constraints, the Department will continue to better target its services and business processes to maintain and enhance financial wellbeing and health care to the veteran and defence communities and other eligible persons.

In 2010-11, the Department will implement a range of measures. These relate to a compensation and health care package for former F-111 Deseal/Reseal maintenance

DVA Budget Statements

workers, a package to address recommendations from the Clarke review and a package to keep veterans healthy and in the community. The Department, in consultation with the Department of Health and Ageing, will contribute to the implementation of initiatives under the National Health and Hospitals Network.

To ensure the continued delivery of high-quality services into the future while managing the Department's fixed costs, during 2010-11 the Department will be undertaking a major rationalisation of the organisations Information and Communications Technology (ICT) applications as well as entering into a shared services arrangement for the provision of ICT infrastructure services.

The government initiated an inquiry into the concerns of the F-111 Deseal/Reseal maintenance workers. This fulfilled an election commitment to assess the adequacy of assistance provided to air force personnel who have been adversely affected by their service in repairing and maintaining the fuel tanks of F-111 aircraft, in a procedure known as Deseal/Reseal. The Department is responsible for delivering a number of the recommendations that resulted from the inquiry.

The Department is responsible for delivering on recommendations resulting from the revisitation of the unimplemented Clarke review recommendations. These are:

- reclassifying submarine special operations that were conducted in the period 1978-92 as qualifying and operational service
- lowering the age of domicile of choice from 21 to 18 years of age for British Commonwealth and Allied (BCAL) veterans
- recognising ex-defence force British Nuclear Test participants as a eligible service under the *Veterans' Entitlement Act 1986* (VEA)
- removing the anomaly in relation to the war widow/ers pension that allows for different treatment between married women and those who enter a de facto relationship after the death of the veteran.

In addition, the Department will implement the decision to reclassify service in Ubon for the period 31 May 1962 to 27 July 1962 as qualifying service.

The Department will establish a new program of improved community-based care for eligible veterans, war widow/ers focussed on those with multiple chronic conditions and complex care needs. Through the program, improvements in community-based care and a focus on assisting veterans to self-manage their chronic conditions will result in reduced usage by veterans of hospital services, particularly preventable admissions and readmissions.

Other budget measures that will be implemented during the 2010-11 financial year include activities relating to the Centenary of Anzac and renegotiated ambulance arrangements applying a capitation rate.

1.2 AGENCY RESOURCE STATEMENT

Table 1.1 shows the total resources from all sources. The table summarises how resources will be applied by outcome and by administered and departmental classification.

**Table 1.1: Department of Veterans' Affairs Resource Statement
Budget Estimates for 2010–11 as at Budget May 2010**

	Estimate of prior ⁺ year amounts available in 2010-11 \$'000	Proposed at Budget ⁼ 2010-11 \$'000	Total estimate 2010-11 \$'000	Actual available appropriation 2009-10 \$'000
Ordinary annual services ¹				
Departmental appropriation				
Prior year departmental appropriation ²	36,802	-	36,802	-
Departmental appropriation ³	-	304,378	304,378	314,405
s31 Relevant agency receipts ⁴	-	34,512	34,512	31,643
Total	36,802	338,890	375,692	346,048
Administered expenses				
Outcome 1	-	43,192	43,192	41,274
Outcome 2	-	12,389	12,389	7,757
Outcome 3	-	33,976	33,976	23,469
Payments to CAC Act bodies	-	30,858	30,858	31,407
Total	-	120,415	120,415	103,907
Total ordinary annual services A	36,802	459,305	496,107	449,955
Other services ⁵				
Administered expenses				
Administered non-operating				
Payments to CAC Act bodies - non-operating	-	7,209	7,209	8,909
Total	-	7,209	7,209	8,909
Departmental non-operating				
Equity injections	-	26,920	26,920	4,338
Previous years' outputs	-	-	-	16,347
Total	-	26,920	26,920	20,685
Total other services B	-	34,129	34,129	29,594
Total available annual appropriations	36,802	493,434	530,236	479,549

Continued on next page

**Table 1.1: Department of Veterans' Affairs Resource Statement
Budget Estimates for 2010–11 as at Budget May 2010 (continued)**

	Estimate of prior ⁺ year amounts available in 2010-11 \$'000	Proposed at Budget ⁼ 2010-11 \$'000	Total estimate 2010-11 \$'000	Actual available appropriation 2009-10 \$'000
Special appropriations				
Special appropriations limited by criteria/entitlement				
Outcome 1				
<i>Papua New Guinea (Members of the Forces Benefits) Act 1957 Veterans' Entitlements Act 1986 (VEA)</i>	-	76	76	76
<i>Defence Service Homes Act 1918</i>	-	6,354,758	6,354,758	6,303,393
<i>Safety, Rehabilitation and Compensation Act 1988</i>	-	3,000	3,000	3,400
<i>Military Rehabilitation and Compensation Act 2004</i>	-	107,983	107,983	114,061
	-	78,805	78,805	61,139
Police International Rehabilitation and Compensation Scheme				
<i>Safety, Rehabilitation and Compensation Act 1988</i>	-	1,138	1,138	1,132
Total Outcome 1	-	6,545,760	6,545,760	6,483,201
Outcome 2				
<i>Veterans' Entitlements Act 1986 (VEA)</i>	-	5,013,389	5,013,389	4,902,766
<i>Safety, Rehabilitation and Compensation Act 1988</i>	-	36,457	36,457	38,155
<i>Military Rehabilitation and Compensation Act 2004</i>	-	12,268	12,268	9,532
<i>Australian Participants in British Nuclear Tests (Treatment) Act 2006</i>	-	20	20	598
Police International Rehabilitation and Compensation Scheme				
<i>Safety, Rehabilitation and Compensation Act 1988</i>	-	348	348	348
Total Outcome 2	-	5,062,482	5,062,482	4,951,399
Total special appropriations	C	11,608,242	11,608,242	11,434,600
Total appropriations excluding Special Accounts	36,802	12,101,676	12,138,478	11,914,149

Continued on next page

**Table 1.1: Department of Veterans' Affairs Resource Statement
Budget Estimates for 2010–11 as at Budget May 2010 (continued)**

	Estimate of prior ⁺ year amounts available in 2010-11 \$'000	Proposed at Budget ⁼ 2010-11 \$'000	Total estimate 2010-11 \$'000	Actual available appropriation 2009-10 \$'000
Special Accounts				
Opening balance ⁶	-	64,777	64,777	71,058
Non-appropriation receipts to Special Accounts	-	36,692	36,692	34,879
Total Special Accounts	D	101,469	101,469	105,937
Total resourcing	36,802	12,203,145	12,239,947	12,020,086
A+B+C+D				
Less appropriations drawn from annual or special appropriations above and credited to Special Accounts and/or CAC Act bodies through annual appropriations	-	38,067	38,067	40,316
Total net resourcing for DVA	36,802	12,165,078	12,201,880	11,979,770

1. Appropriation Bill (No. 1) 2010–11.
2. Estimated adjusted balance carried from previous year for annual appropriations.
3. Includes an amount of \$15.747m in 2010–11 for the departmental capital budget (refer to table 3.2.5 for further details). For accounting purposes this amount has been designated as 'contributed by owners'.
4. S.31 Relevant agency receipts – estimate.
5. Appropriation Bill (No. 2) 2010–11.
6. Estimated opening balance for special accounts. For further information on special accounts, see Table 3.1.2.

Continued on next page

DVA Budget Statements

**Table 1.1: Department of Veterans' Affairs Resource Statement
Budget Estimates for 2010–11 as at Budget May 2010 (continued)**

Third Party Payments from and on behalf of other agencies

	2010-11	2009-10
	\$'000	\$'000
Receipts received from the Department of Defence for the provision of services (disclosed above within Departmental s31)	4,223	4,066
Payments made to CAC Act bodies within the Portfolio		
Australian War Memorial - Bill 1	30,858	31,407
Australian War Memorial - Bill 2	7,209	8,909
Payments made on behalf of Department of Families, Housing, Community Services and Indigenous Affairs for pension payments	68,755	67,078
Payments made by Medicare Australia on behalf of DVA under the <i>Veterans' Entitlements Act 1986</i> , and the <i>Military Rehabilitation and Compensation Act 2004</i>	3,527,783	3,460,687
	3,020	2,082
Payments made to Medicare Australia for processing payment of health care provider treatment accounts	15,613	15,649

1.3 BUDGET MEASURES

Budget measures relating to Department of Veterans' Affairs are detailed in Budget Paper No. 2 and are summarised below.

Table 1.2: DVA 2010–11 Budget Measures

Program	2009-10 \$'000	2010-11 \$'000	2011-12 \$'000	2012-13 \$'000	2013-14 \$'000
Outcome 1					
Clarke Review - reclassify submarine special operations that were conducted in the period 1978 to 1992 as warlike service	1.1, 1.2 & 1.3				
Administered expenses	-	1,259	2,831	3,912	5,738
Departmental expenses	-	330	57	57	81
Total	-	1,589	2,888	3,969	5,819
Clarke Review - provide Australian Defence Force British nuclear test participants with compensation equivalent to non-warlike or hazardous service	1.1, 1.2, 1.3 & 1.6				
Administered expenses	-	4,467	4,832	5,396	5,929
Departmental expenses	65	774	35	36	37
Total	65	5,241	4,867	5,432	5,966
Clarke Review - lower the age to establish domicile to under 21 years for British Commonwealth and Allied veterans	1.1, 1.2, & 1.3				
Administered expenses	-	78	80	91	96
Departmental expenses	-	-	-	-	-
Total	-	78	80	91	96
Extend qualifying service to service in Ubon for the period 31 May 1962 to 27 July 1962	1.1				
Administered expenses	-	1,165	1,105	1,118	1,124
Departmental expenses	-	43	-	-	-
Total	-	1,208	1,105	1,118	1,124
Stronger, fairer, simpler tax reform - 50 per cent discount for interest income ²	1.1				
Administered expenses	-	-	-	154	164
Departmental expenses	-	-	-	-	-
Total	-	-	-	154	164

Prepared on a Government Financial Statistics (fiscal) basis

Continued on next page

DVA Budget Statements

Table 1.2: DVA 2010–11 Budget Measures (continued)

Program	2009-10 \$'000	2010-11 \$'000	2011-12 \$'000	2012-13 \$'000	2013-14 \$'000
Outcome 1					
Stronger, fairer, simpler tax reform - standard deduction for work-related expenses and the cost of managing tax affairs ²					
1.1					
Administered expenses	-	-	-	-	20
Departmental expenses	-	-	-	-	-
Total	-	-	-	-	20
War widow/ers pension - removal of entitlement for new claimants who enter a de-facto relationship					
1.3					
Administered expenses	-	(96)	(346)	(577)	(825)
Departmental expenses	-	-	-	-	-
Total	-	(96)	(346)	(577)	(825)
F-111 Deseal/Reseal maintenance workers - further support					
1.4					
Administered expenses	241	-	-	-	-
Departmental expenses	1,405	2,738	1,370	796	389
Total	1,646	2,738	1,370	796	389
Total Outcome 1					
Administered	241	6,873	8,502	10,094	12,246
Departmental	1,470	3,885	1,462	889	507
Total	1,711	10,758	9,964	10,983	12,753

Prepared on a Government Financial Statistics (fiscal) basis

Continued on next page

Table 1.2: DVA 2010–11 Budget Measures (continued)

Program	2009-10 \$'000	2010-11 \$'000	2011-12 \$'000	2012-13 \$'000	2013-14 \$'000
Outcome 2					
Medicare Benefits Schedule - restructure of items to provide better primary care services ¹					
2.1 & 2.3					
Administered expenses	(138)	(1,708)	(1,667)	(1,684)	(1,636)
Departmental expenses	-	-	-	-	-
Total	(138)	(1,708)	(1,667)	(1,684)	(1,636)
Medicare Benefits Schedule - Revision of Access for Specialist Consultation Items ¹					
2.1					
Administered expenses	-	90	162	170	187
Departmental expenses	-	-	-	-	-
Total	-	90	162	170	187
Medicare Benefits Schedule - new and revised listings ¹					
2.1					
Administered expenses	(8)	(99)	(100)	(95)	(93)
Departmental expenses	-	-	-	-	-
Total	(8)	(99)	(100)	(95)	(93)
National Health and Hospitals Network - General practice and primary care - coordinated diabetes care ¹					
2.1					
Administered expenses	-	-	-	590	700
Departmental expenses	-	68	128	137	59
Total	-	68	128	727	759
National Health and Hospitals Network - Workforce support for practice nurses ¹					
2.1					
Administered expenses	-	-	2,972	6,102	6,254
Departmental expenses	-	-	469	118	119
Total	-	-	3,441	6,220	6,373
National Health and Hospitals Network - Workforce - more general practice training rotations for junior doctors ¹					
2.1 & 2.3					
Administered expenses	-	92	104	126	117
Departmental expenses	-	-	-	-	-
Total	-	92	104	126	117
National Health and Hospitals Network - Workforce - more places on the General Practice Training Program ¹					
2.1 & 2.3					
Administered expenses	-	-	186	716	1,375
Departmental expenses	-	-	-	-	-
Total	-	-	186	716	1,375

Prepared on a Government Financial Statistics (fiscal) basis

Continued on next page

DVA Budget Statements

Table 1.2: DVA 2010–11 Budget Measures (continued)

Program	2009-10 \$'000	2010-11 \$'000	2011-12 \$'000	2012-13 \$'000	2013-14 \$'000
Outcome 2					
Preventable Admissions and Improved Community Care Program					
2.1,2.2 & 2.4					
Administered expenses	-	2,138	(14,157)	(42,081)	(57,586)
Departmental expenses	19	6,485	3,981	3,647	3,342
Total	19	8,623	(10,176)	(38,434)	(54,244)
F-111 Deseal/Reseal maintenance workers - further support					
2.1 & 2.5					
Administered expenses	332	15,290	11,513	10,670	10,370
Departmental expenses	190	419	390	383	376
Total	522	15,709	11,903	11,053	10,746
Veterans' Ambulance Travel - changed fee arrangements					
2.2					
Administered expenses	-	-	-	-	-
Departmental expenses	-	-	-	-	-
Total	-	-	-	-	-
Clarke Review - reclassify submarine special operations that were conducted in the period 1978 to 1992 as warlike service					
2.2					
Administered expenses	-	182	183	204	224
Departmental expenses	-	-	-	-	-
Total	-	182	183	204	224
Clarke Review - lower the age to establish domicile to under 21 years for British Commonwealth and Allied veterans					
2.2					
Administered expenses	-	123	121	130	140
Departmental expenses	-	-	-	-	-
Total	-	123	121	130	140
Clarke Review - provide Australian Defence Force British nuclear test participants with compensation equivalent to non-warlike or hazardous service					
2.2 & 2.5					
Administered expenses	-	3,403	3,730	4,386	5,053
Departmental expenses	-	-	-	-	-
Total	-	3,403	3,730	4,386	5,053

Prepared on a Government Financial Statistics (fiscal) basis

Continued on next page

Table 1.2: DVA 2010–11 Budget Measures (continued)

Program	2009-10 \$'000	2010-11 \$'000	2011-12 \$'000	2012-13 \$'000	2013-14 \$'000
Outcome 2					
Extend qualifying service to service in Ubon for the period 31 May 1962 to 27 July 1962					
2.2					
Administered expenses	-	569	620	698	757
Departmental expenses	-	-	-	-	-
Total	-	569	620	698	757
Pharmaceutical Benefits Scheme - biological disease-modifying antirheumatic drugs - more cost effective arrangements ¹					
2.3					
Administered expenses	-	nfp	nfp	nfp	nfp
Departmental expenses	-	nfp	nfp	nfp	nfp
Total	-	nfp	nfp	nfp	nfp
Fifth Community Pharmacy Agreement ¹					
2.2 & 2.3					
Administered expenses	-	(7,270)	(8,421)	(7,658)	(7,313)
Departmental expenses	-	-	-	-	-
Total	-	(7,270)	(8,421)	(7,658)	(7,313)
Revised arrangements for efficient funding of chemotherapy drugs ¹					
2.3					
Administered expenses	-	3,239	1,993	1,612	1,603
Departmental expenses	-	-	-	-	-
Total	-	3,239	1,993	1,612	1,603
Pharmaceutical Benefits Scheme - minor new listings ¹					
2.3					
Administered expenses	267	890	1,352	1,766	2,069
Departmental expenses	-	-	-	-	-
Total	267	890	1,352	1,766	2,069
Pharmaceutical Benefits Scheme - further pricing reform ¹					
2.3					
Administered expenses	-	(2,012)	(10,924)	(28,979)	(29,218)
Departmental expenses	-	-	-	-	-
Total	-	(2,012)	(10,924)	(28,979)	(29,218)

Prepared on a Government Financial Statistics (fiscal) basis

Continued on next page

Table 1.2: DVA 2010–11 Budget Measures (continued)

	Program	2009-10 \$'000	2010-11 \$'000	2011-12 \$'000	2012-13 \$'000	2013-14 \$'000
Outcome 2						
Medicare Benefits Schedule - rebates for cataract-related items - revision ¹						
	2.3					
	Administered expenses	760	1,092	997	946	925
	Departmental expenses	-	-	-	-	-
	Total	760	1,092	997	946	925
Aged care - meeting demand for high-level - aged care ¹						
	2.4					
	Administered expenses	-	(7,930)	(12,657)	(12,059)	(11,044)
	Departmental expenses	-	-	-	-	-
	Total	-	(7,930)	(12,657)	(12,059)	(11,044)
Total Outcome 2						
	Administered	1,213	8,089	(23,993)	(64,440)	(77,116)
	Departmental	209	6,972	4,968	4,285	3,896
	Total	1,422	15,061	(19,025)	(60,155)	(73,220)
Outcome 3						
Centenary of Anzac - seed funding ³						
	3.2					
	Administered expenses	-	-	-	-	-
	Departmental expenses	-	-	-	-	-
	Total	-	-	-	-	-
Total Outcome 3						
	Administered	-	-	-	-	-
	Departmental	-	-	-	-	-
	Total	-	-	-	-	-
Total expense measures						
	Administered	1,454	14,962	(15,491)	(54,346)	(64,870)
	Departmental	1,679	10,857	6,430	5,174	4,403
	Total	3,133	25,819	(9,061)	(49,172)	(60,467)

Prepared on a Government Financial Statistics (fiscal) basis

1. The lead agency for this measure is Department of Health and Ageing; the full measure description and package appears in Budget Paper No. 2 under the Department of Health and Ageing.
2. The lead agency for this measure is the Australian Taxation Office; the full measure description and package appears in Budget Paper No.2 under the Department of the Treasury.
3. Funding for these measures are to be provided from DVA's existing resources.

Continued on next page

Table 1.2: DVA 2010–11 Budget Measures (continued)

Program	2009-10 \$'000	2010-11 \$'000	2011-12 \$'000	2012-13 \$'000	2013-14 \$'000
Capital measures					
Information and Communication Technology Business-as-Usual Reinvestment Fund	All	-	-	-	-
Total	-	-	-	-	-
Preventable Admissions and Improved Community Care Program	2.1	-	493	944	-
Departmental capital	-	493	944	-	-
Total	-	493	944	-	-
Total capital measures					
Departmental	-	493	944	-	-
Total	-	493	944	-	-

Prepared on a Government Financial Statistics (fiscal) basis

Section 2: Outcomes and planned performance

2.1 OUTCOMES AND PERFORMANCE INFORMATION

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

Each outcome is described below together with its related programs, specifying the performance indicators and targets used to assess and monitor the performance of Department of Veterans' Affairs in achieving government outcomes.

OUTCOME 1

Outcome 1: Maintain and enhance the financial wellbeing and self-sufficiency of eligible persons and their dependants through access to income support, compensation, and other support services, including advice and information about entitlements.

Outcome 1 strategy

- Increase awareness and understanding of compensation, rehabilitation and income support schemes among veterans, serving members and former members, their families and their advocates.
- Assist eligible persons and their dependants to receive their correct entitlements through effective advice and efficient claims determinations and review.
- Integrate rehabilitation as a key consideration in compensation policy and decision making.
- Engage younger veterans and Australian Defence Force members in policy development and review.
- Ensure that the changing needs of members, especially those with severe disabilities, are addressed.
- Secure continuing access to home loan and insurance services for eligible members of the veteran and defence force communities.

- Implement a range of government commitments and budget measures including a package to address recommendations from the Clarke review and a compensation package for former F-111 maintenance workers.
- In addition, the Department will implement a number of cross-portfolio measures (refer Table 1.2).

Outcome 1 budgeted expenses and resources

Table 2.1 provides an overview of the total expenses for Outcome 1, by program.

Table 2.1: Budgeted Expenses and Resources for Outcome 1

Outcome 1: Maintain and enhance the financial wellbeing and self sufficiency of eligible persons and their dependants through access to income support, compensation, and other support services, including advice and information about entitlements.	2009-10 Estimated actual expenses \$'000	2010-11 Estimated expenses \$'000
Program 1.1: Veterans' Income Support and Allowances		
Administered expenses		
Ordinary annual services (Appropriation Bill No. 1)	-	-
Other services (Appropriation Bill No. 2)	-	-
Special appropriations	2,985,309	2,967,502
Special Accounts	-	-
Departmental expenses		
Ordinary annual services (Appropriation Bill No. 1)	58,575	52,389
Revenues from independent sources (s31)	1,555	1,512
Expenses not requiring appropriation in the Budget year	155	164
Total for Program 1.1	3,045,594	3,021,567
Program 1.2: Veterans' Disability Support		
Administered expenses		
Ordinary annual services (Appropriation Bill No. 1)	11,533	11,377
Other services (Appropriation Bill No. 2)	-	-
Special appropriations	1,485,087	1,491,571
Special Accounts	-	-
Departmental expenses		
Ordinary annual services (Appropriation Bill No. 1)	45,625	40,931
Revenues from independent sources (s31)	1,212	1,182
Expenses not requiring appropriation in the Budget year	121	128
Total for Program 1.2	1,543,578	1,545,189

Continued on next page

Table 2.1: Budgeted Expenses and Resources for Outcome 1 (continued)

Outcome 1	2009-10 Estimated actual expenses \$'000	2010-11 Estimated expenses \$'000
Program 1.3: Assistance to Defence Widowers and Dependants		
Administered expenses		
Ordinary annual services (Appropriation Bill No. 1)	-	-
Other services (Appropriation Bill No. 2)	-	-
Special appropriations	1,813,843	1,876,990
Special Accounts	-	-
Departmental expenses		
Ordinary annual services (Appropriation Bill No. 1)	10,048	9,007
Revenues from independent sources (s31)	266	260
Expenses not requiring appropriation in the Budget year	27	28
Total for Program 1.3	1,824,184	1,886,285
Program 1.4: Assistance and Other Compensation for Veterans and Dependants		
Administered expenses		
Ordinary annual services (Appropriation Bill No. 1)	7,772	9,345
Other services (Appropriation Bill No. 2)	-	-
Special appropriations	23,762	22,909
Special Accounts	-	-
Departmental expenses		
Ordinary annual services (Appropriation Bill No. 1)	18,452	16,235
Revenues from independent sources (s31)	490	469
Expenses not requiring appropriation in the Budget year	49	51
Total for Program 1.4	50,525	49,009
Program 1.5: Veterans' Children Education Scheme		
Administered expenses		
Ordinary annual services (Appropriation Bill No. 1)	16,982	18,301
Other services (Appropriation Bill No. 2)	-	-
Special appropriations	-	-
Special Accounts	-	-
Departmental expenses		
Ordinary annual services (Appropriation Bill No. 1)	2,717	2,409
Revenues from independent sources (s31)	72	70
Expenses not requiring appropriation in the Budget year	7	8
Total for Program 1.5	19,778	20,788

Continued on next page

Table 2.1: Budgeted Expenses and Resources for Outcome 1 (continued)

Outcome 1	2009-10 Estimated actual expenses \$'000	2010-11 Estimated expenses \$'000
Program 1.6: Military Rehabilitation Compensation Acts - Income Support and Compensation		
Administered expenses		
Ordinary annual services (Appropriation Bill No. 1)	4,987	4,169
Other services (Appropriation Bill No. 2)	-	-
Special appropriations	175,200	186,788
Special Accounts	-	-
Departmental expenses		
Ordinary annual services (Appropriation Bill No. 1)	32,955	29,486
Revenues from independent sources (s31)	875	851
Expenses not requiring appropriation in the Budget year	87	92
Total for Program 1.6	214,104	221,386
Program 1.7: Adjustment to Military Rehab Compensation Acts Liability Provision - Income Support and Compensation		
Administered expenses		
Ordinary annual services (Appropriation Bill No. 1)	-	-
Other services (Appropriation Bill No. 2)	-	-
Special appropriations	-	-
Special Accounts	-	-
Expenses not requiring appropriation in the Budget year	101,174	106,789
Departmental expenses		
Ordinary annual services (Appropriation Bill No. 1)	-	-
Revenues from independent sources (s31)	-	-
Expenses not requiring appropriation in the Budget year	-	-
Total for Program 1.7	101,174	106,789
Outcome 1 Totals by appropriation type		
Administered expenses		
Ordinary annual services (Appropriation Bill No. 1)	41,274	43,192
Other services (Appropriation Bill No. 2)	-	-
Special appropriations	6,483,201	6,545,760
Special Accounts	-	-
Expenses not requiring appropriation in the Budget year	101,174	106,789
Departmental expenses		
Ordinary annual services (Appropriation Bill No. 1)	168,372	150,457
Revenues from independent sources (s31)	4,470	4,344
Expenses not requiring appropriation in the Budget year	446	471
Total expenses for Outcome 1	6,798,937	6,851,013
	2009-10	2010-11
Average Staffing Level (number)	1,020	992

1. Departmental appropriation splits and totals are indicative estimates and may change in the course of the budget year as government priorities change.
2. The total departmental expenses for Outcome 1 includes DVA programs only, excluding Defence Services Housing Insurance Scheme (DSHIS) expenditure. DSHIS expenses can be referenced at Section 3, Table 3.2.1c.
3. Ordinary annual services (Appropriation Bill No. 1) for 2010–11 does not include funding for depreciation and amortisation expense, as per the government's Operation Sunlight net cash appropriation arrangements.

Program 1.1: Veterans' Income Support and Allowances

Program 1.1 objective

To deliver means tested income support pensions and other allowances to veterans and dependants under the *Veterans' Entitlements Act 1986* (VEA) and related legislation. There are five forms of income support paid under this program:

- Service Pension (Age) and Invalidity Service Pension, similar to Age and Disability Support pensions paid by Centrelink
- Partner Service Pension paid to partners of veterans
- Income Support Supplement, paid to eligible war widow/ers
- Social Security Age Pension paid to eligible disability pensioners and their partners, paid by DVA as an agent of Department of Families, Housing, Community Services and Indigenous Affairs
- Defence Force Income Support Allowance.

Income support payments provide a regular source of income for eligible veterans, partners, widow/ers with limited means.

Linked to:

This program is linked to the Department of Families, Housing, Community Services and Indigenous Affairs (FaHCSIA)'s Program 2.2 – Housing Assistance and Homelessness, Program 4.1 – Income Support for Seniors and Program 4.2 – Allowances, Concessions and Services for Seniors.

Program 1.1 expenses

As the veteran population continues to age, program expenses are expected to fall in real terms over the forward years.

	2009-10 Revised budget	2010-11 Budget	2011-12 Forward year 1	2012-13 Forward year 2	2013-14 Forward year 3
Special Appropriations: <i>Veterans' Entitlements Act 1986 (VEA)</i>					
Income Support Pensions	2,944,930	2,929,215	2,856,846	2,767,982	2,686,718
Telephone and other allowances	40,379	38,287	37,500	36,863	35,873
Program support	60,130	53,901	52,949	53,400	54,183
Expenses not requiring appropriation in the Budget year	155	164	167	167	167
Total program expenses	3,045,594	3,021,567	2,947,462	2,858,412	2,776,941

Program 1.1: Veterans' Income Support and Allowances (continued)
Program 1.1 deliverables

Process claims and reviews in order to deliver means tested income support pensions and allowances to veterans and their dependants:

- Quantity: Number of income support beneficiaries.

Deliverables	2009-10 Revised budget	2010-11 Budget	2011-12 Forward year 1	2012-13 Forward year 2	2013-14 Forward year 3
New claims processed	10,500	8,300	6,500	5,300	4,400
Pensioner initiated reviews processed	109,100	114,100	104,900	108,500	101,800
<i>Quantity</i> : Number of income support beneficiaries	283,400	265,900	248,500	231,500	215,000

Program 1.1 key performance indicators

- Timeliness: Mean time to process new claims
- Timeliness: Mean time to process pensioner initiated reviews
- Price: Cost per income support beneficiary
- Quality: Critical error rate for income support processing.

Key Performance Indicators	2009-10 Revised budget	2010-11 Budget target	2011-12 Forward year 1	2012-13 Forward year 2	2013-14 Forward year 3
<i>Timeliness</i> : Mean time to process new claims (days)	32	32	32	32	32
<i>Timeliness</i> : Mean time to process pensioner initiated reviews (days)	14	14	14	14	14
<i>Price</i> : Cost per income support beneficiary	212	203	216	234	255
<i>Quality</i> : Critical error rate for income	< 5%	< 5%	< 5%	< 5%	< 5%

Program 1.2: Veterans' Disability Support

Program 1.2 objective

To deliver disability pensions, allowances and special purpose assistance to eligible veterans under the VEA and related legislation.

The program provides compensation to eligible veterans (including Australian merchant mariners) for the tangible effects of war or defence service. Eligible persons receive disability pensions and ancillary benefits.

Program 1.2 expenses

While numbers will drop around 5% per year over the out years, expenses are expected to initially rise over the next two years, before beginning to drop in accordance with the reducing size of the veteran population.

	2009-10 Revised budget	2010-11 Budget	2011-12 Forward year 1	2012-13 Forward year 2	2013-14 Forward year 3
Annual administered expenses:					
Appropriation Bill 1					
Medical Examinations, fares and expenses	10,814	10,572	10,337	10,119	9,917
Repayments of Maintenance Deductions	67	67	67	67	67
Vehicle Assistance Scheme	652	738	742	748	748
Special Appropriations:					
<i>Veterans' Entitlements Act 1986 (VEA)</i>					
Disability Pensions	1,481,549	1,488,364	1,465,758	1,450,058	1,436,133
Loss of Earnings	129	131	131	133	135
Recreation Transport Allowance	3,409	3,076	2,786	2,529	2,276
Program support	46,837	42,113	41,305	41,704	42,276
Expenses not requiring appropriation in the Budget year	121	128	131	131	131
Total program expenses	1,543,578	1,545,189	1,521,257	1,505,489	1,491,683

Program 1.2 deliverables

Deliver disability pensions to veterans under the *Veterans' Entitlements Act 1986* and related legislation:

- Process new disability pension claims
- Process applications for assessments of disability pension rates
- Process Loss of Earnings and Recreation Allowance
- Process and pay repayments of medical fares and maintenance deductions
- Deliver Vehicle Assistance Scheme.

Deliverables	2009-10 Revised budget	2010-11 Budget	2011-12 Forward year 1	2012-13 Forward year 2	2013-14 Forward year 3
<i>Quantity:</i> Number of disability pensioners	125,173	119,250	113,500	108,000	102,800

Program 1.2 key performance indicators					
<ul style="list-style-type: none"> • Timeliness: Mean number of days to process a primary claim • Timeliness: Mean number of days to prepare s.31 review • Price: Average cost per disability pensioner • Quality: Critical error rates. 					
Key Performance Indicators	2009-10 Revised budget	2010-11 Budget target	2011-12 Forward year 1	2012-13 Forward year 2	2013-14 Forward year 3
<i>Timeliness</i> : Mean number of days to process a primary claim	75	75	75	75	75
<i>Timeliness</i> : Mean number of days to prepare s.31 review	40	40	40	40	40
<i>Price</i> : Per disability pensioner	374	353	368	390	416
<i>Quality</i> : Critical errors	< 5%	< 5%	< 5%	< 5%	< 5%

Program 1.3: Assistance to Defence Widow/ers and Dependants

Program 1.3 objective

Deliver war widow/ers and Defence pensions, allowances and special purpose assistance to the dependants of veterans under the Veterans' Entitlement Act and related legislation including the payment of war widow/ers claims for compensation.

Program 1.3 expenses

While numbers will drop between 1% and 2% over the out years, expenses are expected to initially rise by about 3% before beginning to drop in accordance with the reducing size of the War and Defence widow population.

	2009-10 Revised budget	2010-11 Budget	2011-12 Forward year 1	2012-13 Forward year 2	2013-14 Forward year 3
\$(000)					
Special Appropriations:					
<i>Veterans' Entitlements Act 1986 (VEA)</i>					
War & Defence Widows Pension	1,813,843	1,876,990	1,836,312	1,818,060	1,803,017
Program support	10,314	9,267	9,102	9,177	9,303
Expenses not requiring appropriation in the Budget year	27	28	29	29	29
Total program expenses	1,824,184	1,886,285	1,845,443	1,827,266	1,812,349

Program 1.3 deliverables

Process and pay pensions, allowances and other support to war widow/ers under the *Veterans' Entitlements Act 1986* and related legislation.

	2009-10 Revised budget	2010-11 Budget	2011-12 Forward year 1	2012-13 Forward year 2	2013-14 Forward year 3
Deliverables					
<i>Quantity:</i> Number of war widows/ers pensioners	102,930	99,100	94,850	90,200	85,250

Program 1.3 key performance indicators					
<ul style="list-style-type: none"> • Timeliness: Mean number of days to process a primary claim • Timeliness: Mean number of days to prepare s.31 review • Price: Average cost per disability pensioner • Quality: Critical error rates. 					
Key Performance Indicators	2009-10 Revised budget	2010-11 Budget target	2011-12 Forward year 1	2012-13 Forward year 2	2013-14 Forward year 3
<i>Timeliness</i> : Mean number of days to process a primary claim	75	75	75	75	75
<i>Timeliness</i> : Mean number of days to prepare s.31 review	40	40	40	40	40
<i>Price: Cost per income War Widow(ers) pensioner \$/beneficiary</i>	100	94	97	103	111
<i>Quality</i> : Critical errors	< 5%	< 5%	< 5%	< 5%	< 5%

Program 1.4: Assistance and Other Compensation for Veterans and Dependants

Program 1.4 objective

To deliver other allowances and assistance to eligible veterans and dependants under the VEA and related legislation including home support loans, funeral benefits, prisoner of war ex gratia payments and payments on behalf of Commonwealth and allied countries.

The Department also provides assistance to the Ex-Service Organisations (ESO) community through Building Excellence in Support and Training (BEST) grants and funding the Training and Information Program (TIP) network.

Program 1.4 expenses

This program is projected to move broadly in line with the forecast of the total veteran population.

Benchmark interest rates for Defence home loans are unpredictable so estimates will vary depending on movement in interest rates.

Forward year Defence home loans projections are based on:

- 5.84% as the anticipated benchmark interest rate
- portfolio balances reduce by an average 1.31% per month
- home support loans continuing to be granted at the rate of 12 per month
- balances of home support loans increase by \$10,000 per month.

Program 1.4 expenses	2009-10	2010-11	2011-12	2012-13	2013-14
(\$'000)	Revised budget	Budget	Forward year 1	Forward year 2	Forward year 3
Annual administered expenses:					
Appropriation Bill 1					
Expenses	1,537	1,562	1,560	1,560	1,606
Defective Administration	74	74	73	73	76
Payments to ESOs (BEST)	4,976	6,736	4,670	4,669	4,805
Veterans' Access to Community Information	835	862	889	887	914
Ex Gratia Payments	241	-	-	-	-
Act of Grace	109	111	110	111	114
Special Appropriations:					
<i>Veterans' Entitlements Act 1986 (VEA)</i>					
Funeral Benefits	16,800	16,550	16,350	16,150	16,000
POW (J)	25	25	25	25	25
POW (E)	150	50	50	50	50
Compensation Payments for BCAL Veterans	2,179	2,070	1,967	1,868	1,775
<i>Papua New Guinea (Members of the Forces Benefits) Act 1957</i>					
PNG Pensions	76	76	76	76	76
<i>Safety, Rehabilitation and Compensation Act 1988</i>					
Compensation for certain AFP personnel with overseas service	1,132	1,138	1,146	1,154	1,183
<i>Defence Service Homes Act 1918</i>					
Interest Subsidy	3,400	3,000	2,600	2,200	2,200
Program support	18,942	16,704	16,377	16,541	16,768
Expenses not requiring appropriation in the Budget year	49	51	52	52	52
Total program expenses	50,525	49,009	45,945	45,416	45,644

Note: Refer to Movement of Funds table 3.1.1

Program 1.4 deliverables	2009-10	2010-11	2011-12	2012-13	2013-14
Deliverables	Revised budget	Budget	Forward year 1	Forward year 2	Forward year 3
<ul style="list-style-type: none"> • Process funeral benefit claims • Process claims for and maintain housing loans • Provide grants funding to eligible ESOs for provision of services to support the veteran community • Provide ESO representatives with essential skills for pension and compensation claims and welfare work. 					
Funeral benefit processed \$'000	16,800	16,550	16,350	16,150	16,000

DVA Budget Statements

Program 1.4 key performance indicators					
<ul style="list-style-type: none"> Quantity: Number of Certificates of Entitlement issued for Defence Home loans Quality: Critical error rates. 					
Key Performance Indicators	2009-10 Revised budget	2010-11 Budget target	2011-12 Forward year 1	2012-13 Forward year 2	2013-14 Forward year 3
Funeral Benefits					
<i>Timeliness</i> : Mean time to process funeral benefits claims (days)	10	10	10	10	10
<i>Quality</i> : Critical errors	< 5%	< 5%	< 5%	< 5%	< 5%
Defence Home Loans					
Number of Certificates issued	770	655	556	472	400
<i>Timeliness</i> : Mean time to process applications	21	21	21	21	21
<i>Quality</i> : Critical errors	< 5%	< 5%	< 5%	< 5%	< 5%

Program 1.5: Veterans' Children Education Scheme

Program 1.5 objective

Provide financial assistance to eligible students under the VEA Veterans' Children Education Scheme (VCES) and the *Military Rehabilitation and Compensation Act 2004* Education and Training Scheme (MRCAETS) to assist with their education needs.

Program 1.5 expenses

In total numbers, eligible students are reducing at a rate of approximately 4% per year.

Numbers of students eligible under MRCAETS are very low (approximately 20 compared to VCES, approximately 3,595).

	2009-10 Revised budget	2010-11 Budget	2011-12 Forward year 1	2012-13 Forward year 2	2013-14 Forward year 3
Annual administered expenses:					
Appropriation Bill 1					
Veterans' Children Education Scheme	16,982	18,301	18,156	18,036	18,560
Program support	2,789	2,479	2,435	2,455	2,489
Expenses not requiring appropriation in the Budget year	7	8	8	8	8
Total program expenses	19,778	20,788	20,599	20,499	21,057

Program 1.5 deliverables

- Process new claims under VCES and MRCAETS
- Deliver financial assistance and allowances to eligible students
- Quantity: Number of primary students receiving assistance
- Quantity: Number of secondary students receiving assistance
- Quantity: Number of tertiary students receiving assistance.

	2009-10 Revised budget	2010-11 Budget	2011-12 Forward year 1	2012-13 Forward year 2	2013-14 Forward year 3
Deliverables					
Quantity: Number of primary students	985	950	915	875	825
Quantity: Number of secondary students	1,425	1,340	1,260	1,185	1,100
Quantity: Number of tertiary students	1,015	975	945	910	870

Program 1.5 key performance indicators

Quality: Critical error rates.

	2009-10 Revised budget	2010-11 Budget target	2011-12 Forward year 1	2012-13 Forward year 2	2013-14 Forward year 3
Key Performance Indicators					
Quality: Critical errors	< 5%	< 5%	< 5%	< 5%	< 5%

Program 1.6: Military Rehabilitation and Compensation Acts Payments – Income Support and Compensation

Program 1.6 objective

To provide incapacity payments, non-economic loss lump sums for injuries resulting in permanent impairment and payments to dependants of deceased employees under the *Safety, Rehabilitation and Compensation Act 1988* and the *Military Rehabilitation and Compensation Act 2004* and related legislation.

Program 1.6 expenses

Future budget results are anticipated to reflect a shift from SRCA-related payments to MRCA-related payments. SRCA payments are in line with the pre July 2004 liabilities as they stabilise.

	2009-10 Revised budget	2010-11 Budget	2011-12 Forward year 1	2012-13 Forward year 2	2013-14 Forward year 3
\$(‘000)					
Annual administered expenses:					
Appropriation Bill 1					
Other Income Support and Compensation Related Payments - SRCA	3,903	2,866	2,803	2,754	2,828
Other Income Support and Compensation Related Payments - MRCA	1,084	1,303	1,666	1,786	1,836
Special Appropriations:					
<i>Safety, Rehabilitation and Compensation Act 1988</i>					
Permanent Impairment	35,240	30,510	24,252	22,838	23,387
Benefits for Eligible Dependants	7,983	7,983	7,974	7,997	8,325
Incapacity Payments	64,004	62,946	61,354	60,022	62,483
Medical Examinations	3,493	3,373	3,276	3,195	3,259
Death Payments	1,729	1,730	1,728	1,733	1,803
Other Income Support and Compensation Related Payments	1,612	1,441	1,445	1,450	1,484
<i>Military Rehabilitation and Compensation Act 2004</i>					
Permanent Impairment	30,819	40,880	53,224	60,601	62,055
Benefits for Eligible Dependants	1,142	1,140	1,139	1,143	1,190
Income Maintenance payments	26,658	33,625	41,012	49,092	51,105
Medical Examinations	2,500	3,134	3,709	3,706	3,779
Other Income Support and Compensation Related Payments	20	26	26	27	28
Program support	33,830	30,337	29,769	30,043	30,455
Expenses not requiring appropriation in the Budget year	87	92	94	94	94
Total program expenses	214,104	221,386	233,471	246,481	254,111

Program 1.6 deliverables					
<ul style="list-style-type: none"> Administer individual merit reviews for MRCA and SRCA decisions. Provide incapacity payments, non-economic loss lump sums/pensions for injuries resulting in permanent disability and payments to dependants of deceased employees under the MRCA and SRCA. 					
Deliverables	2009-10 Revised budget	2010-11 Budget	2011-12 Forward year 1	2012-13 Forward year 2	2013-14 Forward year 3
Quantity: Number of incapacity payees under SRCA	2,628	2,654	2,681	2,708	2,735
Quantity: Number of lump sum payments made under SRCA	1,281	1,422	1,578	1,752	1,945
Quantity: Number of incapacity payees under MRCA	1,064	1,223	1,407	1,618	1,861
Quantity: Number of lump sum payments made under MRCA	609	728	791	902	1,029

Program 1.6 key performance indicators					
<ul style="list-style-type: none"> Quality: Critical errors SRCA & MRCA incapacity payments Quality: Critical errors SRCA & MRCA lump sum payments Timeliness: Mean number of days to process a claim for lump sum under SRCA & MRCA. 					
Key Performance Indicators	2009-10 Revised budget	2010-11 Budget target	2011-12 Forward year 1	2012-13 Forward year 2	2013-14 Forward year 3
<i>Quality:</i> Critical errors SRCA incapacity payments	< 5%	< 5%	< 5%	< 5%	< 5%
<i>Timeliness:</i> Mean number of days to process a claim for lump sum under SRCA	120	120	120	120	120
<i>Quality:</i> Critical errors SRCA lump sums	< 5%	< 5%	< 5%	< 5%	< 5%
<i>Quality:</i> Critical errors MRCA incapacity payments	< 5%	< 5%	< 5%	< 5%	< 5%
<i>Timeliness:</i> Mean number of days to process a claim for lump sum under MRCA	120	120	120	120	120
<i>Quality:</i> Critical errors MRCA lump sums	< 5%	< 5%	< 5%	< 5%	< 5%

Program 1.7: Adjustment to the Military Rehabilitation and Compensation Acts Liability Provision – Income Support and Compensation

Program 1.7 objective

To provide an updated actuarial assessment of the movement in the liability for income support and compensation under the rehabilitation and compensation Acts.

Program 1.7 expenses

The movement in the liability provision for SRCA and MRCA is adjusted based on annual actuarial assessment from the Australian Government Actuary.

The figures below represent the estimated net movement based on the actuarial report.

	2009-10 Revised budget	2010-11 Budget	2011-12 Forward year 1	2012-13 Forward year 2	2013-14 Forward year 3
Administered Expenses:					
Expenses not requiring appropriation in the Budget year	101,174	106,789	113,398	120,295	120,295
Total program expenses	101,174	106,789	113,398	120,295	120,295

OUTCOME 2

Outcome 2: Maintain and enhance the physical wellbeing and quality of life of eligible persons and their dependants through health and other care services that promote early intervention, prevention and treatment, including advice and information about health service entitlements.

Outcome 2 strategy

- Ensure continued access to high-quality health care and rehabilitation services, in partnership with public and private providers.
- Develop an integrated approach to support the physical and mental health and wellbeing of the veteran and defence force communities.
- Promote rehabilitation as a priority for veterans and former members.
- Maintain and develop services targeted to the needs of an ageing veteran population to support a level of independence.
- Continue research to support the health and wellbeing of members and their families.
- Implement a range of government commitments and budget measures, including the government's new program of community-based care focussed on those with multiple chronic conditions and complex care needs and at risk of hospitalisation.

In addition, the Department will implement a number of cross-portfolio measures (refer Table 1.2).

Outcome 2 budgeted expenses and resources

Table 2.2 provides an overview of the total expenses for Outcome 2, by program.

Table 2.2: Budgeted expenses and resources for Outcome 2

Outcome 2: Maintain and enhance the physical wellbeing and quality of the life of eligible persons and their dependants through health and other care services that promote early intervention, prevention and treatment, including advice and information about health service entitlements	2009-10 Estimated actual expenses \$'000	2010-11 Estimated expenses \$'000
Program 2.1: General Medical Consultations and Services		
Administered expenses		
Ordinary annual services (Appropriation Bill No. 1)	-	-
Other services (Appropriation Bill No. 2)	-	-
Special appropriations	927,360	953,559
Special Accounts	-	-
Departmental expenses		
Ordinary annual services (Appropriation Bill No. 1)	25,593	24,303
Revenues from independent sources (s31)	680	702
Expenses not requiring appropriation in the Budget year	68	76
Total for Program 2.1	953,701	978,640
Program 2.2: Veterans' Hospital Services		
Administered expenses		
Ordinary annual services (Appropriation Bill No. 1)	-	-
Other services (Appropriation Bill No. 2)	-	-
Special appropriations	1,662,454	1,694,974
Special Accounts	-	-
Departmental expenses		
Ordinary annual services (Appropriation Bill No. 1)	14,661	13,596
Revenues from independent sources (s31)	389	393
Expenses not requiring appropriation in the Budget year	39	43
Total for Program 2.2	1,677,543	1,709,006
Program 2.3: Veterans' Pharmaceuticals Benefits		
Administered expenses		
Ordinary annual services (Appropriation Bill No. 1)	-	-
Other services (Appropriation Bill No. 2)	-	-
Special appropriations	498,768	450,405
Special Accounts	-	-
Departmental expenses		
Ordinary annual services (Appropriation Bill No. 1)	3,381	3,155
Revenues from independent sources (s31)	90	91
Expenses not requiring appropriation in the Budget year	9	10
Total for Program 2.3	502,248	453,661

Continued on next page

Table 2.2: Budgeted expenses and resources for Outcome 2 (continued)

Outcome 2	2009-10 Estimated actual expenses \$'000	2010-11 Estimated expenses \$'000
Program 2.4: Veterans' Community Care and Support		
Administered expenses		
Ordinary annual services (Appropriation Bill No. 1)	3,943	3,992
Other services (Appropriation Bill No. 2)	-	-
Special appropriations	1,296,876	1,375,067
Special Accounts	-	-
Departmental expenses		
Ordinary annual services (Appropriation Bill No. 1)	22,813	21,140
Revenues from independent sources (s31)	606	610
Expenses not requiring appropriation in the Budget year	61	66
Total for Program 2.4	1,324,299	1,400,875
Program 2.5: Veterans' Counselling and Other Health Services		
Administered expenses		
Ordinary annual services (Appropriation Bill No. 1)	3,814	8,397
Other services (Appropriation Bill No. 2)	-	-
Special appropriations	518,254	539,752
Special Accounts	-	-
Departmental expenses		
Ordinary annual services (Appropriation Bill No. 1)	45,243	41,906
Revenues from independent sources (s31)	1,202	1,210
Expenses not requiring appropriation in the Budget year	120	131
Total for Program 2.5	568,633	591,396
Program 2.6: Military Rehabilitation Compensation Acts - Health and Other Care Services		
Administered expenses		
Ordinary annual services (Appropriation Bill No. 1)	-	-
Other services (Appropriation Bill No. 2)	-	-
Special appropriations	47,687	48,725
Special Accounts	-	-
Departmental expenses		
Ordinary annual services (Appropriation Bill No. 1)	15,893	14,714
Revenues from independent sources (s31)	422	425
Expenses not requiring appropriation in the Budget year	42	46
Total for Program 2.6	64,044	63,910

Continued on next page

Table 2.2: Budgeted expenses and resources for Outcome 2 (continued)

Outcome 2	2009-10 Estimated actual expenses \$'000	2010-11 Estimated expenses \$'000
Program 2.7: Adjustment to Military Rehab Compensation Acts		
Liability Provision - Health and Other Care Services		
Administered expenses		
Ordinary annual services (Appropriation Bill No. 1)	-	-
Other services (Appropriation Bill No. 2)	-	-
Special appropriations	-	-
Special Accounts	-	-
Expenses not requiring appropriation in the Budget year	13,866	14,529
Departmental expenses		
Ordinary annual services (Appropriation Bill No. 1)	-	-
Revenues from independent sources (s31)	-	-
Expenses not requiring appropriation in the Budget year	-	-
Total for Program 2.7	13,866	14,529
Outcome 2 Totals by appropriation type		
Administered expenses		
Ordinary annual services (Appropriation Bill No. 1)	7,757	12,389
Other services (Appropriation Bill No. 2)	-	-
Special appropriations	4,951,399	5,062,482
Special Accounts	-	-
Expenses not requiring appropriation in the Budget year	13,866	14,529
Departmental expenses		
Ordinary annual services (Appropriation Bill No. 1)	127,584	118,814
Revenues from independent sources (s31)	3,389	3,431
Expenses not requiring appropriation in the Budget year	339	372
Total expenses for Outcome 2	5,104,334	5,212,017
	2009-10	2010-11
Average Staffing Level (number)	824	801

1. Departmental appropriation splits and totals are indicative estimates and may change in the course of the budget year as government priorities change.
2. Ordinary annual services (Appropriation Bill No. 1) for 2010–11 does not include funding for depreciation and amortisation expense, as per the government's Operation Sunlight net cash appropriation arrangements.

Program 2.1: General Medical Consultations and Services

Program 2.1 objective

Provide access to general and specialist medical and dental services to entitled VEA beneficiaries.

Linked to:

This program is linked to Medicare Australia's Program 1.1 – Delivery of Medical Benefits and Services and the Department of Health and Ageing Program 5.2 Primary Care Financing, Quality and Access.

Program 2.1 expenses

Expenditure for general and specialist medical and dental consultations in forward years is expected to stabilise with a reducing treatment population. It is expected that the effect of the decline in treatment population will be offset by an expected increase in service usage by the ageing veteran population.

Expenditure on medical and dental services is likely to increase slightly as the ageing veteran population accesses a greater number of services.

The majority of payments to medical providers are made through arrangements with Medicare Australia on behalf of DVA.

Expenditure and utilisation of services are demand driven depending on the health care needs of entitled beneficiaries.

	2009-10 Revised budget	2010-11 Budget	2011-12 Forward year 1	2012-13 Forward year 2	2013-14 Forward year 3
Special Appropriations: <i>Veterans' Entitlements Act 1986 (VEA)</i>					
LMO Consultations	143,274	153,771	174,600	168,304	176,958
Specialist Consultations	145,731	144,281	142,399	142,085	143,634
Medical Services	534,465	545,330	556,785	568,765	581,568
Dental	103,890	110,177	116,902	122,929	129,392
Program support	26,273	25,005	24,538	24,724	25,050
Expenses not requiring appropriation in the Budget year	68	76	77	77	77
Total program expenses	953,701	978,640	1,015,301	1,026,884	1,056,679

DVA Budget Statements

Program 2.1 deliverables

- Ensure entitled beneficiaries have access to general and specialist medical and dental services.
- Maintain and develop arrangements with medical and dental practitioners in both the public and private sectors.
- Ensure a geographically diverse range of providers participate in the arrangements for provision of general and specialist medical and dental services to entitled beneficiaries.
- Ensure a comprehensive range of general and specialist medical and dental services are available to entitled beneficiaries in order to meet their health care needs.
- Facilitate effective payment of medical practitioners under the Department of Veterans' Affairs arrangements.

	2009-10 Revised budget	2010-11 Budget	2011-12 Forward year 1	2012-13 Forward year 2	2013-14 Forward year 3
Deliverables					
Treatment Population	257,300	244,100	231,000	218,200	205,800

Program 2.1 key performance indicators

- Ensure arrangements are in place for the access to and delivery of general and specialist medical services under the VEA and related legislation.
- Maintain a schedule of general and specialist medical services to meet the health care needs of entitled beneficiaries and maintain consistency with trends in the delivery of health care services.

	2009-10 Revised budget	2010-11 Budget target	2011-12 Forward year 1	2012-13 Forward year 2	2013-14 Forward year 3
Key Performance Indicators					
Price: Unit cost per cardholder	102	102	101	108	117

Program 2.2: Veterans' Hospital Services

Program 2.2 objective

Provide access to hospital services for entitled beneficiaries through arrangements with hospitals in both the private and public sectors.

Linked to:

This program is linked to Medicare Australia's Program 1.1 – Delivery of Medical Benefits and Services.

Program 2.2 expenses

Costs in private and public hospitals are expected to increase as the ageing population access more services, and fees for hospitals increase with changes in contract rates for the provision of hospital services.

Public hospitals – agreements are in place with state and territory health authorities for the treatment of veterans in public hospitals.

Private hospitals – contracts are in place with a number of private hospitals for the provision of inpatient services for veterans.

Expenditure and utilisation of services are demand driven depending on the health care needs of entitled beneficiaries.

	2009-10 Revised budget	2010-11 Budget	2011-12 Forward year 1	2012-13 Forward year 2	2013-14 Forward year 3
\$(000)					
Special Appropriations:					
<i>Veterans' Entitlements Act 1986 (VEA)</i>					
Public Hospitals	746,350	789,252	775,376	774,358	774,622
Private Hospitals	913,168	902,895	874,643	860,712	848,081
Psych	1	1	1	1	1
Nursing Homes (POW)	2,935	2,826	2,887	2,987	3,009
Program support	15,050	13,989	13,739	13,823	13,983
Expenses not requiring appropriation in the Budget year	39	43	43	43	43
Total program expenses	1,677,543	1,709,006	1,666,689	1,651,924	1,639,739

DVA Budget Statements

Program 2.2 deliverables					
<ul style="list-style-type: none"> • Maintain arrangements to ensure access to hospital services for entitled beneficiaries through arrangements with hospitals in both the private and public sectors. • Ensure geographically diverse range of providers including private hospitals, public hospitals and day procedure centres are contracted to deliver hospital services to entitled beneficiaries. • Ensure a comprehensive range of hospital services are made available to entitled beneficiaries in order to meet their health care needs. • Facilitate effective payment of hospital providers under the Department of Veterans' Affairs arrangements. 					
	2009-10	2010-11	2011-12	2012-13	2013-14
	Revised	Budget	Forward	Forward	Forward
<u>Deliverables</u>	<u>budget</u>		<u>year 1</u>	<u>year 2</u>	<u>year 3</u>
Treatment Population	257,300	244,100	231,000	218,200	205,800

Program 2.2 key performance indicators					
<ul style="list-style-type: none"> • Ensure that arrangements are in place for the access to and delivery of private and public hospital services under the VEA and related legislation. 					
	2009-10	2010-11	2011-12	2012-13	2013-14
	Revised	Budget	Forward	Forward	Forward
<u>Key Performance</u>	<u>budget</u>	<u>target</u>	<u>year 1</u>	<u>year 2</u>	<u>year 3</u>
<i>Price</i> : Unit cost per cardholder	58	57	58	62	67

Program 2.3: Veterans' Pharmaceuticals Benefits

Program 2.3 objective

The Repatriation Pharmaceutical Benefits Scheme (RPBS) will provide entitled beneficiaries access to a comprehensive array of pharmaceuticals and wound dressings for the treatment of their health care needs.

Linked to:

This program is linked to Medicare Australia's Program 1.2 – Delivery of Pharmaceutical Benefits and Services.

Program 2.3 expenses

Expenditure in pharmaceuticals is expected to decline slightly with a reduction in the treatment population and number of items dispensed under the scheme.

Payments to pharmacy providers are made through arrangements with Medicare Australia on behalf of DVA.

Expenditure and utilisation of services are demand driven depending on the health care needs of entitled beneficiaries.

	2009-10 Revised budget	2010-11 Budget	2011-12 Forward year 1	2012-13 Forward year 2	2013-14 Forward year 3
\$(000)					
Special Appropriations:					
<i>Veterans' Entitlements Act 1986 (VEA)</i>					
Pharmaceutical Services	498,768	450,405	422,334	386,987	369,616
Program support	3,471	3,246	3,159	3,186	3,229
Expenses not requiring appropriation in the Budget year	9	10	10	10	10
Total program expenses	502,248	453,661	425,503	390,183	372,855

Program 2.3 deliverables

- Ensure that entitled beneficiaries have access to a comprehensive range of pharmaceuticals and wound dressings that meet their health care needs.
- Facilitate arrangements with pharmaceutical sponsors for the listing of the range of items appropriate to the entitled beneficiary population.
- Facilitate effective payment of approved pharmacies for supplying items under the RPBS.

	2009-10 Revised budget	2010-11 Budget	2011-12 Forward year 1	2012-13 Forward year 2	2013-14 Forward year 3
Deliverables					
Treatment Population	257,300	244,100	231,000	218,200	205,800

DVA Budget Statements

Program 2.3 key performance indicators					
<ul style="list-style-type: none"> • Ensure arrangements are in place for the access to and delivery of pharmacy services under the VEA and related legislation. • Maintain a comprehensive Repatriation Pharmaceutical Benefits Schedule that meets the health care needs of entitled beneficiaries and maintains consistency with trends in the delivery of health care services. 					
Key Performance Indicators	2009-10 Revised budget	2010-11 Budget target	2011-12 Forward year 1	2012-13 Forward year 2	2013-14 Forward year 3
<i>Price: Unit cost per cardholder</i>	13	13	13	14	15

Program 2.4: Veterans' Community Care and Support

Program 2.4 objective

The Department's primary objective is to effectively manage community support and residential care programs, including development and review of policy and operational guidelines and procedures, and assessment of program effectiveness.

Veteran community care and support programs include the Veterans' Home Care program and the Community Nursing program.

The program also includes the provision of the Australian Government subsidy for entitled veterans and non-widow/ers living in residential aged care facilities.

The objectives of these programs are to support veterans to remain independent in their homes, and improve their quality of life and health. The veteran community is ageing and increasingly requires higher levels of service. The provision of these services helps to delay entry into residential aged care and maximises independence.

Linked to:

This program is linked to Medicare Australia's Program 1.1 – Delivery of Medical Benefits, the Department of Health and Ageing's Program 4.8 – Residential Care, and services and the Department of the Treasury's Program 1.10 – National Partnership Payments to the States.

Program 2.4 expenses

Expenditure for Veterans' Home Care is expected to plateau in coming years, as a slight reduction in clients will be offset by increased need due to age and frailty. However, an increase in the need for respite care is predicted, primarily given that carers themselves are ageing and will need increased support.

Expenditure on Community Nursing is expected to progressively increase for some years, given increasing need and complexity.

The Treasury administers expenditure for the Home and Community Care Services for Veterans' Specific Purpose Payment as part of the National Partnership Payments to the States. These payments are disclosed in the Department of Treasury's Portfolio Budget Statements 2010–11 under program 1.10 – National Partnership Payments to the States.

DVA Budget Statements

Program 2.4 expenses	2009-10	2010-11	2011-12	2012-13	2013-14
	Revised	Budget	Forward	Forward	Forward
\$(‘000)	budget		year 1	year 2	year 3
Annual administered expenses:					
Appropriation Bill 1					
Grants-In-Aid	145	145	145	145	145
Community Care Grants	1,688	1,712	1,741	1,740	1,795
Joint Venture Grants	1,313	1,331	1,354	1,354	1,396
JV Day Clubs	458	465	472	472	488
JV Home Maintenance	339	339	339	355	366
Special Appropriations:					
<i>Veterans’ Entitlements Act 1986 (VEA)</i>					
Residential Care	1,073,414	1,135,785	1,206,983	1,277,068	1,360,213
Community Nursing	112,389	121,253	135,090	144,248	146,827
Veterans’ Home Care	86,464	92,869	96,688	96,324	98,339
In Home Respite	23,180	23,784	24,274	25,220	25,749
Home Help	3	3	3	3	3
Carer and Volunteer Support	1,426	1,373	1,391	1,402	1,437
Program support	23,419	21,750	21,334	21,451	21,745
Expenses not requiring appropriation in the Budget year	61	66	67	67	67
Total program expenses	1,324,299	1,400,875	1,489,881	1,569,849	1,658,570

Program 2.4 deliverables

Veterans’ Home Care (VHC)

- The VHC program supports veterans and war widow/ers in their own homes to improve their quality of life, independence and health, in particular, maintaining independent functioning within the home environment. The veteran community is ageing and increasingly requiring higher levels of services from the VHC program to remain in their own homes. The provision of these services helps to delay entry to residential aged care and maximises independence for veterans and war widow/ers.
- The Department contracts with around 190 organisations across Australia to assess veterans and war widow/ers for VHC services and to deliver those services. It is estimated that around 75,000 veterans and war widow/ers will receive VHC services in 2009–10, with the average annual cost of services (including in-home respite care) being approximately \$1,400 per client.
- To ensure services are of high quality, a contract and quality management framework, together with post-payment monitoring, is in place for both Community Nursing and VHC.

Community Nursing

- The Community Nursing program assists veterans and war widow/ers to avoid early admission to hospital and/or residential care by providing access to high quality community nursing services. The activities of this program include the provision of clinical nursing and personal care services by DVA contracted community nursing providers.
- The Department contracts with around 200 organisations across Australia to provide community nursing services to approximately 34,000 eligible veterans and war widow/ers.

Residential care

- Approximately \$1,073 million is expected to be provided by the Department as the Australian Government subsidy for entitled veterans and war/widowers being in residential aged care facilities in 2009–2010. This supports approximately 27,000 entitled veterans in long time residential care.

Program 2.4 key performance indicators					
Community Nursing and Veterans' Home Care					
<ul style="list-style-type: none"> Provision of clinical nursing and home care services to eligible veterans and war widow/ers according to their assessed need. 					
Key Performance Indicators	2009-10 Revised budget	2010-11 Budget target	2011-12 Forward year 1	2012-13 Forward year 2	2013-14 Forward year 3
<i>Price:</i> Unit cost per cardholder	91	89	90	97	104

Program 2.5: Veterans' Counselling and Other Health Services

Program 2.5 objective

To provide a wide range of allied health care services, including counselling and referral services for veterans and their families.

Linked to:

This program is linked to Medicare Australia's Program 1.1 – Delivery of Medical Benefits and services.

Program 2.5 expenses

Expenditure under allied health care and transport is expected to increase as an ageing veteran population access a greater variety of health care services. Expenditure and utilisation of services are demand driven, depending on the health care needs of entitled beneficiaries.

Payments to allied health providers for services provided to entitled beneficiaries are made through arrangements with Medicare Australia on behalf of DVA.

The increase in travel for treatment costs is attributable to increased ageing of the treatment population, resulting in increased treatment utilisation.

Variation in expenses expected over the forward years for aids and appliances is expected due to:

- new contractual arrangements for the supply of aids and appliances, and
- an ageing treatment population driving increasing quantum and complexity of aids and appliances.

The VVCS (Veterans and Veterans Families Counselling Service) does not envisage any significant trends, changes of variances in the program resourcing over the forward years.

DVA Budget Statements

Program 2.5 expenses	2009-10	2010-11	2011-12	2012-13	2013-14
(\$'000)	Revised budget	Budget	Forward year 1	Forward year 2	Forward year 3
Annual Administered Expenses:					
Appropriation Bill 1					
Counselling Support & Children's Assistance	1,001	5,371	3,624	2,845	2,309
Compensation and Legal Expenses	53	54	54	54	55
Veterans' Employment & Training	392	571	574	579	579
Health & Medical Research	2,368	2,401	2,441	2,442	2,518
Special Appropriations:					
<i>Veterans' Entitlements Act 1986 (VEA)</i>					
Travel for Treatment	152,503	163,089	174,756	184,598	188,474
Subsistence	5,992	5,960	5,933	5,974	6,123
Veterans and Veterans' Families					
Counselling Services	25,090	26,351	24,305	20,663	20,188
Non-Institutional Care - Services	117,962	124,723	128,731	140,117	141,643
Non-Institutional Care - Products	75,845	80,825	83,816	88,297	89,691
Rehabilitation Appliances	131,530	130,128	128,252	128,504	126,869
Health Treatment for BCAL Veterans	8,386	8,308	8,016	8,031	8,055
<i>Australian Participants in British Nuclear Tests (Treatment) Act 2006</i>					
Nuclear Test Health Care Payments	598	20	70	69	81
<i>Safety, Rehabilitation and Compensation Act 1988</i>					
Health care and rehabilitation for certain AFP personnel with overseas service	348	348	351	353	363
Program support	46,445	43,116	42,291	42,551	43,106
Expenses not requiring appropriation in the Budget year	120	131	133	133	133
Total program expenses	568,633	591,396	603,347	625,210	630,187

DVA Budget Statements

Program 2.5 deliverables					
<ul style="list-style-type: none"> • Ensure arrangements are in place to assist veterans to reach treatment locations through a variety of systems and transport modes. This includes reimbursing travel costs privately incurred (including meals and accommodation), arranging taxi and air travel, and purchasing ambulance services from public and private sector providers. • Ensure arrangements are in place to provide an extensive range of rehabilitation aids which assist independent living and which are provided through a comprehensive system of prescribers and contracted suppliers. • Maintain arrangements with allied health providers in both the public and private sectors for the delivery of a comprehensive range of allied health services to entitled beneficiaries in order to meet their health care needs. • Ensure effective payment arrangements are in place for allied health providers. • Provide access to counselling services through the VVCS through outplacement counsellors and through relevant providers in the public and private health sectors: <ul style="list-style-type: none"> – intake and referral services – counselling services – after-hours counselling, and – group program intervention. 					
Deliverables	2009-10 Revised budget	2010-11 Budget	2011-12 Forward year 1	2012-13 Forward year 2	2013-14 Forward year 3
Health Treatment Card Holder Population	257,300	244,100	231,000	218,200	205,800
Travel for Treatment:					
Number of processed claims for reimbursement	166,265	158,484	151,066	143,997	137,258
Number of DVA arranged person trips	818,274	838,730	859,699	881,191	903,220
Veteran Counselling:					
Number of unique clients receiving intake referral services	10,378	10,625	10,560	10,560	10,560
Number of unique clients in receipt of counselling	10,420	10,690	10,880	11,020	11,135
Number of counselling sessions delivered	57,400	56,950	56,700	56,550	56,500
Number of calls received by the After Hours Counselling service	4,350	4,200	4,000	3,950	3,900
Number of Unique clients receiving group program intervention	3,750	3,600	3,490	3,300	3,250

Program 2.5 key performance indicators					
<ul style="list-style-type: none"> • Veterans' claims for travel costs are reimbursed within 28 days. • Veterans have access to ambulance services at the Repatriation Commission's expense in all states and territories. • High level of veteran satisfaction. • Percentage of unique clients presenting for service who receive attention within two weeks of intake. 					
Key Performance Indicators	2009-10 Revised budget	2010-11 Budget target	2011-12 Forward year 1	2012-13 Forward year 2	2013-14 Forward year 3
<i>Price:</i> Unit cost per cardholder	181	177	179	192	206
Travel for Treatment:					
Target percentage of claims for reimbursement processed within the Service Charter timeframe (28 days)	100%	100%	100%	100%	100%
Degree of complaints about arranged travel relative to the quantity of bookings	V/low	V/low	V/low	V/low	V/low
Rehabilitation Appliances:					
<i>Cost:</i> Attributed across Treatment Population	511	555	555	589	616
Number of broad categories of aids and appliances available to the veteran community listed in the RAP Schedule	269	269	269	269	269
Number of veterans receiving RAP aids and appliances provided under departmental contracts	102,000	105,000	107,000	102,000	95,000
Percentage of aids and appliances listed may be prescribed by General Practitioners, Registered Nurses and Occupational Therapists	95%	95%	95%	95%	95%
Veteran Counselling:					
Percentage of unique clients presenting for service who receive attention within two weeks of intake	56%	58%	59%	61%	63%
Level of Veteran satisfaction	High	High	High	High	High

Program 2.6: Military Rehabilitation and Compensation Acts – Health and other Care Services

Program 2.6 objective

To arrange for the delivery of medical, rehabilitation and other related services under the *Safety, Rehabilitation and Compensation Act 1988* (SRCA) and the *Military Rehabilitation and Compensation Act 2004* (MRCA) and related legislation. This includes payment for medical treatment, rehabilitation services, attendant care and household services.

Linked to:

This program is linked to Medicare Australia's Program 1.1 – Delivery of Medical Benefits and services.

Program 2.6 expenses

Future budget results are anticipated to reflect a shift from SRCA-related payments to MRCA-related payments, in line with the extent of claims made against each Act.

	2009-10 Revised budget	2010-11 Budget	2011-12 Forward year 1	2012-13 Forward year 2	2013-14 Forward year 3
\$(000)					
Special Appropriations:					
<i>Safety, Rehabilitation and Compensation Act 1988</i>					
Medical Services	22,977	22,161	21,410	20,714	21,130
Rehabilitation Services	7,420	6,802	6,194	5,270	5,375
Other Services	7,758	7,494	7,502	7,516	7,539
<i>Military Rehabilitation and Compensation Act 2004</i>					
Medical Services	5,209	7,342	10,560	13,894	14,172
Rehabilitation Services	3,818	4,190	4,734	5,746	5,861
Other Services	505	736	736	738	740
Program support	16,315	15,139	14,841	14,934	15,109
Expenses not requiring appropriation in the Budget year	42	46	47	47	47
Total program expenses	64,044	63,910	66,024	68,859	69,973

Program 2.6 deliverables					
Under the SRCA & MRCA, the Department will administer a range of benefits for Defence-related claims, including payment for medical treatment, rehabilitation services, attendant care and household services.					
Deliverables	2009-10 Revised budget	2010-11 Budget	2011-12 Forward year 1	2012-13 Forward year 2	2013-14 Forward year 3
<i>Quantity:</i> Number of SRCA rehabilitation assessments	945	831	732	644	567
<i>Quantity:</i> Number of SRCA medical and treatment accounts paid	112,030	125,474	140,053	157,394	176,282
<i>Quantity:</i> Number of MRCA rehabilitation assessments	460	520	598	688	791
<i>Quantity:</i> Number of MRCA medical and treatment accounts paid	10,011	11,413	13,011	14,832	16,909

Program 2.6 key performance indicators					
<ul style="list-style-type: none"> • Price: Unit cost per SRCA & MRCA rehabilitation assessment • Price: Unit cost per SRCA & MRCA accounts • Quality: Error rates SRCA & MRCA rehabilitation assessment • Quality: Error rates SRCA & MRCA accounts • Quality: Percentage of MRCA accounts paid incorrectly 					
Key Performance Indicators	2009-10 Revised budget	2010-11 Budget target	2011-12 Forward year 1	2012-13 Forward year 2	2013-14 Forward year 3
<i>Quality:</i> Error rates SRCA rehabilitation assessments	< 5%	< 5%	< 5%	< 5%	< 5%
<i>Quality:</i> Error rates SRCA accounts	< 5%	< 5%	< 5%	< 5%	< 5%
<i>Quality:</i> Error rates MRCA accounts	< 5%	< 5%	< 5%	< 5%	< 5%
<i>Quality:</i> Percentage of MRCA accounts paid incorrectly	< 5%	< 5%	< 5%	< 5%	< 5%

Program 2.7: Adjustment to the Military Rehabilitation and Compensation Acts Liability Provision – Health and Other Care Services

Program 2.7 objective

To provide an updated actuarial assessment of the movement in the liability for health and other care services under the rehabilitation and compensation Acts.

Program 2.7 expenses

The movement in the liability provision for SRCA and MRCA is adjusted based on annual actuarial assessment from the Australian Government Actuary.

	2009-10 Revised budget	2010-11 Budget	2011-12 Forward year 1	2012-13 Forward year 2	2013-14 Forward year 3
Administered Expenses: Expenses not requiring appropriation in the Budget year	13,866	14,529	15,177	15,858	15,858
Total program expenses	13,866	14,529	15,177	15,858	15,858

OUTCOME 3

Outcome 3: Acknowledgement and commemoration of those who served Australia and its allies in wars, conflicts and peace operations through promoting recognition of service and sacrifice, preservation of Australia's wartime heritage, and official commemorations.

Outcome 3 strategy

- Promote community involvement in commemorations programs, in conjunction with other government agencies and ex-service and community organisations.
- Support community awareness and preservation of Australia's wartime and service heritage and veterans' experiences.
- Commemorate eligible war dead and deceased veterans by maintaining individual graves, war cemeteries and Gardens of Remembrance.
- Maintain existing national memorials overseas and construct new memorials as determined by government processes.
- Manage Anzac Day services at Gallipoli and Villers-Bretonneux.

Outcome 3 budgeted expenses and resources

Table 2.3 provides an overview of the total expenses for Outcome 3 by program.

Table 2.3: Budgeted expenses and resources for Outcome 3

Outcome 3: Acknowledgement and commemoration of those who served Australia and its allies in wars, conflicts and peace operations through promoting recognition of service and sacrifice, preservation of Australia's wartime heritage, and official commemorations.	2009-10 Estimated actual expenses \$'000	2010-11 Estimated expenses \$'000
Program 3.1: War Graves and Commemorations		
Administered expenses		
Ordinary annual services (Appropriation Bill No. 1)	20,426	27,089
Other services (Appropriation Bill No. 2)	-	-
Special appropriations	-	-
Special Accounts	-	-
Departmental expenses		
Ordinary annual services (Appropriation Bill No. 1)	17,575	15,381
Revenues from independent sources (s31)	467	444
Expenses not requiring appropriation in the Budget year	47	48
Total for Program 3.1	38,515	42,962
Program 3.2: Gallipoli Related Activities		
Administered expenses		
Ordinary annual services (Appropriation Bill No. 1)	3,043	6,887
Other services (Appropriation Bill No. 2)	-	-
Special appropriations	-	-
Special Accounts	-	-
Departmental expenses		
Ordinary annual services (Appropriation Bill No. 1)	2,433	2,180
Revenues from independent sources (s31)	65	63
Expenses not requiring appropriation in the Budget year	6	7
Total for Program 3.2	5,547	9,137
Outcome 3 Totals by appropriation type		
Administered expenses		
Ordinary annual services (Appropriation Bill No. 1)	23,469	33,976
Other services (Appropriation Bill No. 2)	-	-
Special appropriations	-	-
Special Accounts	-	-
Departmental expenses		
Ordinary annual services (Appropriation Bill No. 1)	20,008	17,561
Revenues from independent sources (s31)	532	507
Expenses not requiring appropriation in the Budget year	53	55
Total expenses for Outcome 3	44,062	52,099
	2009-10	2010-11
Average Staffing Level (number)	118	114

1. Departmental appropriation splits and totals are indicative estimates and may change in the course of the Budget year as government priorities change.
2. Ordinary annual services (Appropriation Bill No. 1) for 2010–11 does not include funding for the depreciation and amortisation expense as per the government's Operation Sunlight net cash appropriation arrangements.

Program 3.1: War Graves and Commemorations

Program 3.1 objective

Acknowledge and commemorate the service and sacrifice of the men and women who served Australia and its allies in wars, conflicts and peace operations.

Program 3.1 expenses

Public interest in commemorative activities and war graves matters continues to rise because of significant wartime anniversaries, the ageing veteran population and ongoing Australian Defence Force deployment overseas.

There is continuing interest in funding under the commemorations program, Saluting Their Service, and an increased demand for community awareness, education and website resources.

For the Office of Australian War Graves (OAWG), there have been a number of national memorials constructed overseas over the past ten years, as well as special projects, such as those on the Western Front, to be implemented.

OAWG has been providing official commemoration since 1922. As the average age of these commemorations grows, significant future works have been identified to maintain them at approved standards.

A number of major anniversaries will occur in the out years. These include Korean War 60th anniversary (2010–13), Tobruk 70th anniversary (2011), Fall of Singapore, Papua New Guinea (PNG) initial battles and El Alamein 70th anniversaries (2012).

The Department conducts an annual Anzac Day dawn service at Villers-Bretonneux, France, and supports Anzac Day services at a number of other overseas locations, including Malaysia, PNG and Thailand.

The Department has been tasked as the lead agency for preparing and managing the Australian Government's arrangements for the Centenary of the Gallipoli campaign in 2015.

	2009-10 Revised budget	2010-11 Budget	2011-12 Forward year 1	2012-13 Forward year 2	2013-14 Forward year 3
Annual administered expenses:					
Appropriation Bill 1					
War Graves Care & Maintenance	12,898	19,512	13,655	13,758	14,149
OAWG Refurbishment, Reconstruction & Relocation	969	977	980	987	1,015
Compensation and Legal Expenses	5	5	5	5	5
Veterans' Commemorative Activities	6,554	6,595	6,546	6,569	4,312
Program support	18,042	15,825	15,791	16,009	16,252
Expenses not requiring appropriation in the Budget year	47	48	50	50	50
Total program expenses	38,515	42,962	37,027	37,378	35,783

Note: Refer to the Movement of Funds table 3.1.1

DVA Budget Statements

Program 3.1 deliverables					
<ul style="list-style-type: none"> • Develop and implement commemorative initiatives and provide support and funding under the commemorations program, Saluting Their Service. • Promote community involvement in commemorations programs, in conjunction with other government agencies and ex-service and community organisations. • Support community awareness and preservation of Australia's wartime and service heritage and veterans' experiences. • Manage the Australian Government's arrangements for the Centenary of Anzac and the Gallipoli commemorations in 2015. • Commemorate eligible war dead and deceased veterans by maintaining war graves and war cemeteries in Australia, Papua New Guinea, Solomon Islands and Norfolk Island, South Africa, Korea, Japan, Malaysia and Singapore. • Commemorate eligible post-war dead by maintaining official commemorations in Australia. • Process claims for, and provide new, official commemorations. • Maintain existing Australian Government memorials overseas and construct new memorials as determined by government processes. 					
Deliverables	2009-10 Revised budget	2010-11 Budget	2011-12 Forward year 1	2012-13 Forward year 2	2013-14 Forward year 3
Commemorations in Australia, PNG,					
War Cemeteries	75	75	75	75	75
Gardens of Remembrance	9	9	9	9	9
Memorials to the Missing	5	5	5	5	5
War Graves in Australia and PNG	19,868	19,868	19,868	19,868	19,868
Overseas Graves (non world wars)	1,036	1,036	1,036	1,036	1,036
Post War Commemorations	291,706	296,831	301,709	306,340	310,663
Provide new Post War Commemorations	4,940	5,125	4,878	4,631	4,323
Manage national memorials overseas	36	36	36	36	37
Implement War Graves related projects	1	1	1	2	2
Community awareness and education resources	270,000	275,000	275,000	275,000	275,000
Grants applications processed	620	710	760	760	760
Domestic commemorative events	2	3	3	3	3
International commemorative events (excludes Gallipoli, includes Villers- Bretonneux)	5	3	4	4	4

Program 3.1 key performance targets					
Activity levels – major events and range of programs administered.					
Key Performance Indicators	2009-10 Revised budget	2010-11 Budget target	2011-12 Forward year 1	2012-13 Forward year 2	2013-14 Forward year 3
Maintain facilities and individual commemorations in Australia, PNG, South Africa, Korea, Japan, Malaysia & Singapore:	The Maintenance of war cemeteries, memorials and war graves is undertaken in accordance with Commonwealth War Graves Commission (CWGC) published standards. Performance is measured through CWGC inspections and veteran and community feedback				
<ul style="list-style-type: none"> War Cemeteries Gardens of Remembrance Memorials to the Missing War Graves in Australia & PNG Non World War Graves Overseas Post War commemorations ⁽¹⁾ 					
Provide new Post War Commemorations	Commemorations are provided within published timeframes to meet Australian standards of production/ construction.				
Manage national memorials overseas	Memorial presentation meets veteran and community approval and local requirements. Access and equity standards are met and, where applicable, information provided is both accurate and presented in a variety of formats.				
Implement War Graves related projects	Project implementation meets the budget and timing agreed and announced by Government.				
Community awareness & education resources	High level of community and veteran satisfaction with quality and accessibility of resources				
Grants applications approved	Grant applications are processed within timelines. High level of community and veteran satisfaction with grant outcomes.				
Domestic commemorative events	High level of community and veteran satisfaction with commemorative events.				
International commemorative events	High level of community and veteran satisfaction with commemorative events.				
<p>Note:</p> <p>1 Individual commemorations provided in cemeteries, crematoria and Gardens of Remembrance to eligible veterans whose death is determined to be related to their service in conflict or on peacekeeping ⁽²⁾</p>					

Program 3.2: Gallipoli Related Activities

Program 3.2 objective

Coordinate and manage the delivery of commemorative and related activities at Gallipoli.

Program 3.2 expenses

The Department is the lead government agency responsible for the planning and conduct of Anzac Day commemorations at Gallipoli.

Funding associated with commemorative activities at Gallipoli will be sought in the 2010–11 Budget. Expenses are increasing with the current global economic circumstances and in the lead-up the 95th anniversary of the landings at Gallipoli in 2010 and the 100th anniversary in 2015.

	2009-10 Revised budget	2010-11 Budget	2011-12 Forward year 1	2012-13 Forward year 2	2013-14 Forward year 3
Annual administered expenses:					
Appropriation Bill 1					
Gallipoli-related Activities	3,043	6,887	2,992	3,012	3,098
Program support	2,498	2,243	2,232	2,250	2,311
Expenses not requiring appropriation in the Budget year	6	7	7	7	7
Total program expenses	5,547	9,137	5,231	5,269	5,416

Note: Refer to Movement of Funds table 3.1.1

Program 3.2 deliverables

Planning for and conduct of annual Anzac Day services and management of related reviews and research.

	2009-10 Revised budget	2010-11 Budget	2011-12 Forward year 1	2012-13 Forward year 2	2013-14 Forward year 3
Deliverables					
Conduct annual Anzac Day services at Anzac Cove and Lone Pine, Gallipoli	2.963	2.954	2.960	2.954	3.038
Manage Gallipoli related works	0.1	3.9	-	-	-

Program 3.2 key performance targets

Deliver commemorative and associated activities at Gallipoli.

	2009-10 Revised budget	2010-11 Budget target	2011-12 Forward year 1	2012-13 Forward year 2	2013-14 Forward year 3
Key Performance Indicators					
Quality: Level of community engagement and satisfaction	High	High	High	High	High
Quality: Media interest	Positive	Positive	Positive	Positive	Positive