



File: T&F18/0317
A922663

State Administration Centre
200 Victoria Square
Adelaide SA 5000
GPO Box 1045
Adelaide SA 5001
DX56205
Tel 08 8226 9500
Fax 08 8226 3819
<http://www.treasury.sa.gov.au>
ABN 19 040 349 865

6 September 2018

Mr Stephen Mullighan
Member for Lee
62 Semaphore Road
SEMAPHORE SA 5019

Sent via email: lee@parliament.sa.gov.au

Dear Mr Mullighan

Freedom of Information Internal Review — Projected budget performance of SA Health

I refer to your Freedom of Information application received by Department of Treasury and Finance on 1 June 2018 and your Internal Review application received on 23 August 2018.

Your applications specifically requested:

[Date Range: 19/03/2018 to 1/06/2018] All minutes, briefings, notes, emails and correspondence from the Treasury and Finance to the Treasurer and the Treasurer's Office regarding the monthly, year to date and end of year projected outcome budget performance of SA Health

Determination under review

DTF did not make a determination on your initial application within the 30-day time period required by the *Freedom of Information Act 1991* (the Act). Accordingly, DTF was deemed to have refused access in full to all documents relevant to your application.

Outcome of internal review

Under section 29(3) of the FOI Act, on an application for internal review, as principal officer I may, confirm, vary or reverse the determination under review. In doing so, I am required to give fresh consideration to the decision under the FOI Act

A total of 6 documents were identified as answering the terms of your application and I have determined as follows:

- I grant you access in full to 2 documents, copies of which are enclosed, and
- I refuse you access to 4 documents.

Please refer to the attached schedule that describes each document and sets out my determination and reasons in summary form.

Documents released in full

Documents 3 and 6

Documents refused in full

Documents 1 – 2 and 4 – 5

These documents were specifically prepared for submission to a Cabinet committee. Under the FOI Act, a reference to Cabinet includes a reference to a committee of Cabinet. I have therefore determined to refuse access to these documents in full pursuant to clause 1(1)(a) of the FOI Act.

Exemptions

Clause 1 – Cabinet documents

- (1) *A document is an exempt document –*
(a) *if it is a document that has been specifically prepared for submission to Cabinet (whether or not it has been so submitted);*

Please note, in compliance with Premier and Cabinet Circular PC045 - *Disclosure Logs for Non-Personal Information Released through Freedom of Information* (PC045), DTF is now required to publish a log of all non-personal information released under the *Freedom of Information Act 1991*.

In accordance with this Circular, any non-personal information determined for release as part of this application, may be published on the DTF website. A copy of PC045 can be found at the following address: <http://dpc.sa.gov.au/what-we-do/services-for-government/premier-and-cabinet-circulars> Please visit the website for further information.

External review

If you remain dissatisfied with this determination, you have the right to apply to the Ombudsman for external review under section 39 of the FOI Act. You have 30 days from the date on which you receive this letter to apply for an external review. If you have any questions about an application to the Ombudsman, please contact the office on (08) 8226 8699.

Yours sincerely



David Reynolds
PRINCIPAL FREEDOM OF INFORMATION OFFICER

Schedule of Documents

T&F18/03/17 - Mr Stephen Mullighan - " [Date Range: 19/03/2018 to 1/06/2018] All minutes, briefings, notes, emails and correspondence from the Treasury and Finance to the Treasurer and the Treasurer's Office regarding the monthly, year to date and end of year projected outcome budget performance of SA Health "

| Doc. No. | Date | Description of Document | # of pages | Determination | Exemption Clause |
|----------|------------|--|------------|------------------|---|
| 1 | 10/04/2018 | Minute - January 2018 - Monthly Financial Monitoring Report | 1 | Refused in full | 1(1)(a) - Prepared for Cabinet or Cabinet committee |
| 2 | 10/04/2018 | Report - January 2018 Monitoring Report | 1 | Refused in full | 1(1)(a) - Prepared for Cabinet or Cabinet committee |
| 3 | 10/04/2018 | Email - February 2018 Monitoring - Signed Correspondence from Treasurer | 1 | Released in full | |
| 4 | 11/04/2018 | Minute - February 2018 -Monthly Financial Monitoring | 1 | Refused in full | 1(1)(a) - Prepared for Cabinet or Cabinet committee |
| 5 | 11/04/2018 | Report - February 2018 Monitoring Report | 1 | Refused in full | 1(1)(a) - Prepared for Cabinet or Cabinet committee |
| 6 | 20/04/2018 | Minute to The Treasurer- Breakdown of Central Adelaide Local Health Network 2017-18 Budget Overspend | 2 | Released in full | |

Jones, Darren (DTF)

From: Kapetanos, Miranda (DTF)
Sent: Wednesday, 11 April 2018 3:13 PM
To: DTF:Treasurer
Cc: Reynolds, David (DTF); Hocking, Stuart (DTF); Beveridge, Mark (DTF); Halikias, Vasilios (DTF)
Subject: February 2018 Monitoring Report" (A835936), "Treasurer Cover Minute - February 2018" (A836074)
Attachments: Treasurer Cover Minute - February 2018.pdf; FINAL February 2018 Monitoring Report.pdf

Good afternoon

Please find attached, for the Treasurer to note and submit for consideration to the Budget Cabinet Committee, the February Monitoring Report.

Miranda Kapetanos

Business Support Officer | Executive Support

Department of Treasury & Finance
Budget, Analysis and Performance Branch
Level 7, State Administration Centre
200 Victoria Square Adelaide SA 5000 | DX:56205 t 8429 0417 e miranda.kapetanos@sa.gov.au

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MINUTES forming ENCLOSURE

File T&F17/0448

Doc No A838923

To The Treasurer

BREAKDOWN OF CENTRAL ADELAIDE LOCAL HEALTH NETWORK 2017-18 BUDGET OVERSPEND

Timing: ROUTINE — For information only

Recommendations/Issues: It is recommended that you:

- Note that Central Adelaide Local Health Network (CALHN) has reported a projected overspend of \$244.2 million in 2017-18.
- Note that the Royal Adelaide Hospital (RAH) has contributed \$161 million of the projected overspend and the Queen Elizabeth Hospital (TQEH) has contributed \$57.6 million.
- Note that the Health portfolio as a whole has projected an overspend of \$70 million for 2017-18, with CALHN's overspend offset, in part, by a range of centrally held provisions.

Noted

Hon Rob Lucas MLC
Treasurer

/ /

Key Points:

- You have requested information on:
 - the breakdown of the CALHN projected overspend in 2017-18, including how much of the overspend is attributable to the RAH; and
 - how the CALHN overspend relates to the Department of Health and Wellbeing's end of year projection of a \$70 million overspend.
- CALHN has reported a projected \$244.2 million overspend, which is broken down as follows:
 - RAH - \$161m
 - TQEH - \$57.6m

- Hampstead Rehabilitation Centre - \$15.1m
 - Mental Health - \$9m
 - Prison Health - \$1.9m
 - SA Dental – Balanced
 - St Margaret's Hospital – Balanced
 - Intermediate Care – (\$0.4m) favourable
- This compares to a projected year-end overspend for the Health portfolio as a whole of \$70 million, as outlined in the February financial monitoring report.
 - The difference arises largely due to how the Department for Health and Welfare (the Department) manages the total health portfolio budget. It is the Department that provides the portfolio financial monitoring to DTF each month. This is informed by the projections provided by the Local Hospital Networks (LHNs), but also incorporates centrally held provisions that the LHN's are not necessarily aware of, and also removes any intra portfolio variances that impact at the LHN level, but do not at a whole of portfolio level.
 - The CALHN deficit is overstated for a number of reasons when you look at the portfolio position as a whole. Firstly it does not factor in its share of the \$132 million in additional resourcing that was provided to SA Health in the 2018-19 MYBR. SA Health has taken the decision to hold that funding centrally at this time. Also the projection includes \$18 million in 'intra portfolio' pressures, which CALHN has flagged as pressures to its budget, but for which offsets reside within the Department that mitigate the impact at a whole of portfolio level.
 - Also, the whole of portfolio projection includes other reserves that are held at the departmental level, and benefits that LHNs do not see, for example the additional Commonwealth revenue in 2017-18 resulting from the reconciliation of 2015-16 activity.
 - The Department has flagged to DTF risks around its ability to limit the projected portfolio overspend to \$70 million in 2017-18, but it remains its best estimate projection at this time and is informed by CALHN's projection.



David Reynolds
CHIEF EXECUTIVE
UNDER TREASURER

2014/18

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|------------------|---------------------------|
| Contact Officer: | Tammie Pribanic |
| Telephone: | 842 90703 |
| Email address: | Tammie.pribanic@sa.gov.au |