

PART I

ALL AGENCIES ARE REQUESTED TO COMPLETE PART I.

If you cannot answer a question, please indicate whether the question is NOT APPLICABLE or if INFORMATION IS NOT AVAILABLE.

Section 1: Contact details

1.1 Agency

1.2 Reporting and financial arrangements are governed by:
(Please indicate with a 'X' whether one or more of the following Acts apply)

Financial Management and Accountability Act 1997

YES	NO
	X

Commonwealth Authorities and Companies Act 1997

YES	NO
X	

Other

1.3 Contact Officer

Position

Phone

Fax

Email

Address

PART II

If your agency operated any cost recovery arrangements in 1999-2000, please complete this part. Please fill out a separate form for each sub-unit, cost recovery program or activity, or output or outcome for which you are reporting. Similar cost recovery arrangements may be reported in groups.

PART II(a)

Name of sub-unit, agency, program or activity, output or outcome

Section 4: Cost recovery arrangements in 1999-2000

Descriptive material	
4.1	<p>Nature of cost recovery arrangement (eg. licence fee, service charge, hypothecated excise tax or levy etc)</p> <p>The AIHW recovers costs for statistical services provided to the Commonwealth Departments of Health and Aged Care and Family and Community Services, as well as Commonwealth/State bodies such as AHMAC and CSMAC</p>
4.2	<p>Basic description of arrangements: (Please attach any relevant documents.)</p> <p>Services are provided to DHAC under an MOU and individual project contracts. An MOU is currently being negotiated with FACS. Other services are provided under various Commonwealth/State information and data frameworks and collaborative arrangements.</p>
4.3	<p>Who pays the cost recovery charges?</p> <p>The client agency or body.</p>
4.4	<p>Who benefits from the program or activity, output or outcome?</p> <p>Commonwealth, State and Territory governments and their health and welfare administrators and policy makers</p>
4.5	<p>Do you attempt to measure these benefits? If YES, how?</p> <p>No - client agencies would measure the benefit.</p>
4.6	<p>Are there alternate providers or substitutes for this program or activity, output or outcome? (Please describe)</p> <p>The AIHW has a specific role for the collation and analysis of commonwealth/State health and welfare data. Much of the work of the AIHW is collaborative and longitudinal in nature, involving the development, storage and analysis of datasets over relatively long timeframe. The AIHW functions are set out in the AIHW Act 1987 (see Annual Report enclosed).</p>

4.7 When was this cost recovery arrangement introduced?

The arrangements have evolved since the creation of the then Australian Institute of Health as a statutory authority in 1987

PART II(b)

Name of sub-unit, agency, program or activity, output or outcome Australian Institute of Health and Welfare

Program or activity, output or outcome cost recovery arrangements in 1999-2000 (continued)
(Please use \$'000)

Program or activity, output or outcome revenues			
4.8	Cost recovery revenue paid to CRF earmarked for appropriation to same agency	\$	<input type="text"/>
4.9	Cost recovery revenue paid to CRF earmarked for appropriation to a third party	\$	<input type="text"/>
4.10	Cost recovery revenue paid to CRF and not earmarked for particular appropriation	\$	<input type="text"/>
4.11	Cost recovery revenue paid to CRF (subtotal)	\$	<input type="text" value="0"/>
4.12	Cost recovery not paid into CRF	\$	<input type="text" value="9208"/>
4.13	Total cost recovery revenue	\$	<input type="text" value="9208"/>
4.14	Appropriations not related to cost recovery	\$	<input type="text" value="8270"/>
4.15	Other sources (please specify)	\$	<input type="text" value="274"/>
4.16	Total program or activity, output or outcome revenues	\$	<input type="text" value="17752"/>
Program or activity, output or outcome expenses			
4.17	Direct expenses	\$	<input type="text" value="11843"/>
4.18	Indirect expenses (including corporate overheads)	\$	<input type="text" value="5876"/>
4.19	Third party expenses (a)	\$	<input type="text"/>
4.20	Total program or activity, output or outcome expenses	\$	<input type="text" value="17719"/>
Administration costs			
4.21	What costs are associated with administering the cost recovery arrangements?	\$	<input type="text" value="81"/>

CRF Consolidated Revenue Fund. Direct costs are those directly related to a particular program. Indirect costs include indirect agency overheads and general running costs. (a) Include third party costs where third parties are involved in a program or activity a their costs are being recovered as part of the cost recovery arrangements.

PART II(c)

Name of sub-unit, agency, program or activity, output or outcome Australian Institute of Health and Welfare

Section 5: Institutional arrangements

5.1 What was the rationale for introducing these cost recovery arrangements? (Please attach sources, eg. legislative objects clauses, press releases, second reading speeches.) When the AIHW separated from the Department of Health in 1987, the Dept of Health funded additional projects not covered by the AIHW's parliamentary appropriation. This arrangement has grown as the Department's need for additional statistical services in support of its policy and program delivery functions has grown.

5.2 What was the legal basis for establishing these cost recovery arrangements: (Please name and attach relevant documents.)

Legislation (eg. s.31 of the Financial Management and Accountability Act, tax or levy acts)	
Subordinate legislation (eg. regulations, standards)	
Co-regulation or quasi-regulation	
Commonwealth/State/Territory agreement	
Voluntary arrangements (eg. codes of practice)	Arrangements have been developed through collaboration and negotiation with funding agencies.
Other	

5.3 Who was consulted about introducing these cost recovery arrangements? (Please name relevant bodies and describe the consultation arrangements.)

Commonwealth government (DOFA etc)	The arrangements have evolved through collaboration with CW/State
Other governments (state, territory, local)	
Industry	
Consumers	
Other	

<p>5.4 What guidelines were consulted when establishing these cost recovery arrangements? (Please attach source of information, guidelines etc.)</p>	<p>Arrangements have been developed through negotiation with funding agencies and the AIHW Board. CW/State departments are represented on the Board.</p>					
<p>5.5 Which agency is responsible for the following activities? (Please name relevant agency)</p> <p>Policy setting</p> <p>Price setting</p> <p>Administration</p> <p>Revenue collection</p>	<table border="1"> <tr> <td data-bbox="907 608 1361 639">AIHW in collaboration with DHAC/FaCS</td> </tr> <tr> <td data-bbox="907 639 1361 671">AIHW in collaboration with DHAC/FaCS</td> </tr> <tr> <td data-bbox="907 671 1361 703">AIHW</td> </tr> <tr> <td data-bbox="907 703 1361 735">AIHW</td> </tr> </table>	AIHW in collaboration with DHAC/FaCS	AIHW in collaboration with DHAC/FaCS	AIHW	AIHW	
AIHW in collaboration with DHAC/FaCS						
AIHW in collaboration with DHAC/FaCS						
AIHW						
AIHW						
<p>5.6 Is there any ongoing consultation about these cost recovery arrangements? With whom? (Please name relevant bodies.)</p> <p>Commonwealth government (DOFA etc)</p> <p>Other governments (state, territory, local)</p> <p>Industry</p> <p>Consumers</p> <p>Other</p>	<table border="1"> <tr> <td data-bbox="907 804 1794 836">DHAC and FaCS</td> </tr> <tr> <td data-bbox="907 836 1794 868"> </td> </tr> <tr> <td data-bbox="907 868 1794 900"> </td> </tr> <tr> <td data-bbox="907 900 1794 932"> </td> </tr> <tr> <td data-bbox="907 932 1794 959"> </td> </tr> </table>	DHAC and FaCS				
DHAC and FaCS						
<p>5.7 Please describe these consultation arrangements.</p>	<p>MOU negotiations</p>					
<p>5.8 Have the cost recovery arrangements been formally reviewed? What was the outcome? (Please attach copy of review)</p>	<p>Yes. The AIHW's internal auditors did a Review of Costing Methodology in 1999, and a Review of Service Charges in 2000. The costing methodology was found to be sound.</p>					

PART II(d)

Name of sub-unit, agency, program or activity, output or outcome

Australian Institute of Health and Welfare

Section 6: Price setting arrangements

6.1 How are these cost recovery charges determined? (Please attach any relevant documents)

(i) How are charges set? (eg. by formula in legislation or based on 'market prices')	Cost recovery charges are based on the agreed cost of staff and related project costs required to complete a project plus overheads.
(ii) Are charges directly related to the costs of particular activities, outcomes or outputs, or charged on some other basis? (eg. levies on users' turnover, profits or assets)	Charges are directly related to estimated ASL required plus overheads

6.2 If charges are directly related to the costs of particular activities, outputs or outcomes:

(i) What costs do charges aim to recover? (eg. only direct costs or indirect costs such as overheads)	Charges aim to recover direct and indirect costs
(ii) What proportion of these costs do charges aim to recover? (%)	100%
(iii) Does the charging regime require assets to be valued? (eg. to allow the calculation of user cost of capital or return on assets)	No
(iv) If 'YES' to (iii), on what basis are assets valued? (eg. historic, replacement, deprival or replacement cost)	
(v) Do charges include a user cost of capital?	No
(vi) If 'YES' to (iv), how is it calculated?	
(vii) Do charges include return on assets? (eg. profit)	No
(viii) If 'YES' to (vii), on what basis?	
(ix) Do charges discriminate between types of users?	No
(x) If 'YES' to (ix), on what basis?	

(xi)	Do charges allow for access and equity considerations (eg. waivers, discounts)?	N/A
(xii)	If 'YES' to (xi), on what basis?	
(xiii)	Other (Please describe other significant features)	N/A
6.3	How are indirect costs allocated for cost recovery arrangements? (eg. activity based costing, according to share of direct costs or other rule.)	Corporate salary costs are calculated as a percentage of non-salary costs; and other overheads are calculated as set figure multiplied by ASL
6.4	Are there any price controls on these charges?	Controlled by MOU with Departments and the AIHW Board.
6.5	How often is the level of charges changed?	Each project is negotiated individually within the costing framework established by the MOU
6.6	What happens if revenue recovered is greater than costs incurred?	Any funds remaining at the conclusion of a project are either returned to the funding agency if specified in the contract or retained by the AIHW for other projects.

End of Part II. Thank you for your cooperation. Please return the questionnaire and attachments to the Commission (see front sheet for instructions)

This section asks about your agency's total revenues, charges and expenses. All agencies should complete this section, whether or not you consider you undertake cost recovery.

Section 2: Agency revenues, charges and expenses

(Please indicate with a 'X' which response applies)

2.1 Has your agency charged any cost recovery fees, levies or other charges in the last five financial years?

YES	NO
X	

Relevant charges include any fees, levies, taxes (including some customs and excise duties earmarked for specific purposes) or other charges which arise from the services, programs or business activities of your agency, and which are collected by your agency or by another agency on your behalf. For example, application fees, processing charges, consultancy fees, publication sales, special industry duties, excises or levies other than general taxation.

2.2 Were any of the appropriations allocated to your agency in the last five financial years linked (hypothecated) to revenue collected from fees, levies or charges (for example, levies paid to the Consolidated Revenue Fund but earmarked for allocation to your portfolio)? (Whether the revenue was collected by your agency or by another agency on your behalf).

YES	NO
	X

2.3 Has your agency considered introducing any cost recovery arrangements in the past that were not implemented?
(Please attach any relevant reviews, analysis or other information.)

YES	NO
	X

2.4 Is your agency considering introducing any cost recovery arrangements in the future?
(Please attach any relevant reviews, analysis or other information.)

YES	NO
	X

If you answered NO to questions 2.1 and 2.2, you need not answer any further questions. Thank you for your cooperation. Please return the questionnaire to the Commission (see front sheet for instructions).

If you answered YES to EITHER question 2.1 OR question 2.2 OR both, please complete section 3 below, and Part II on the following worksheet.

Section 3: Agency revenues and expenses

3.1 Does your agency classify revenues and expenses as agency and administered?

Agency revenues and expenses are those controlled by the department/agency (for example, employee and administrative expenses). Administered revenues and expenses are those which are controlled by Government and managed or oversighted by the department/agency on behalf of the Government (for example, social security payments).

YES	NO
	X

If your agency classifies revenues and expenses as 'agency' and 'administered' then please fill in both tables below. If your agency does not classify revenues and expenses as 'agency' and 'administered' then please put all revenues and expenses in the 'agency' table below.

AGENCY revenues and expenses (Please use \$'000)					
	1995-96	1996-97	1997-98	1998-99	1999-2000
Agency revenue from cost recovery (a)					
3.2 Cost recovery revenue retained by your agency	5406	5242	6678	8650	9208
3.3 Cost recovery revenue paid to CRF and appropriated to your agency (or another agency for a specific purpose (ie. annotated, hypothecated or earmarked revenues)	0	0	0	0	0
3.4 Cost recovery revenue paid to CRF and not specifically appropriated to your agency (or another agency)	0	0	0	0	0
3.5 Total agency revenue from cost recovery	5406	5242	6678	8650	9208
Agency revenue from other sources					
3.6 Other appropriations	8161	7790	7908	7865	8270
3.7 Other sources (eg. asset sales, dividends, interest, funding from other government agencies)	340	409	278	258	274
3.8 Total agency revenue from other sources	8501	8199	8186	8123	8544
3.9 Total agency revenue	13907	13441	14864	16773	17752
3.10 Total agency expenses	14026	14168	16168	16470	17719
CRF Consolidated Revenue Fund					
(a) Include all revenue from fees, levies, excises and other charges which arise from the services or activities of your agency and which is paid to your agency to another agency or to the Consolidated Revenue Fund.					

ADMINISTERED revenues and expenses (Please use \$'000)

	1995-96	1996-97	1997-98	1998-99	1999-2000
Administered revenue from cost recovery (a)					
3.11 Cost recovery revenue retained by your agency					
3.12 Cost recovery revenue paid to CRF and appropriated to your agency (or another agency for a specific purpose (ie. annotated,					
3.13 Cost recovery revenue paid to CRF and not specifically appropriated to your agency (or another agency)					
3.14 Total administered revenue from cost recovery	0	0	0	0	0
Administered revenue from other sources					
3.15 Other appropriations					
3.16 Other sources (eg. asset sales, dividends, interest, funding from other government agencies)					
3.17 Total administered revenue from other sources	0	0	0	0	0
3.18 Total administered revenue	0	0	0	0	0
3.19 Total administered expenses					

CRF Consolidated Revenue Fund

(a) Include all revenue from fees, levies, excises and other charges which arise from the services or activities of your agency and which is paid to your agency to another agency or to the Consolidated Revenue Fund.

End of Part I. Please complete Part II, which is on a separate worksheet.