



**PUBLIC ACCOUNTS AND ESTIMATES COMMITTEE**

**2015-16 FINANCIAL AND PERFORMANCE OUTCOMES  
GENERAL QUESTIONNAIRE**

**DEPARTMENT OF PARLIAMENTARY SERVICES**

## SECTION A: Output variances and program outcomes

### **Question 1 (all departments) Completed initiatives from past budgets**

For the following initiatives that were due to be completed in 2015-16, please provide details of the outcomes expected to be achieved in the community<sup>1</sup> and the outcomes actually achieved to date. Please quantify outcomes where possible.

Initiative	Source	Actual date of completion (month and year)	Expected outcomes	Actual outcomes

Parliament is not a government department and does not deliver on government objectives.

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<sup>1</sup> 'Outcomes' are the impact of service delivery on the community rather than a description of the services delivered.

### **Question 2 (departments only) Treasurer's advances and other budget supplementation**

Please identify all outputs (and relate them to departmental programs) for which the department received additional funding after the initial budget (as described in *BFMG-42: Budget Supplementation*) in 2015-16. For each output, please quantify the additional funding, indicate the source of the additional funding (e.g. 'Treasurer's Advance', 'appropriations that would otherwise be unapplied', 'accumulated surplus') and explain why additional funding was required:

Output	Program	Additional funding (\$ million)	Source of funding	Reasons why additional funding was required
DPS		\$0.45m	Treasurer's advance	Parliamentary advisor funding was provided as a TA in 2015-16. Parliament's appropriation was increased from 2016-17 onwards.
LA, LC, DPS and JIC		\$2.3m	Treasurer's advance	Reversal of GED in 2015-16 approved by the Treasurer
JIC		\$0.5m	Treasurer's advance	Investigation of the Auditor General
DPS		\$2.0m	Parliament's prior year surplus	The Treasurer approved \$2m use of Parliament's prior year surplus to be brought from 2017-18 to pay for early works in relation to "Remediation – Office Accommodation in the Parliamentary Precinct" project. The approval was received after the publication of 2016-17 Budget and therefore SRIMS estimates were not updated.

**Question 3 (Department of Treasury and Finance only) Revenue certification**

Not Applicable

BFMG-51 explains that ‘Revenue claimed by Departments is rejected when outputs do not meet their performance measures and service delivery has not occurred. This means that revenue certified will be less than the invoice received from departments.’ Please detail all outputs which DTF assessed as not having met their measures for 2015-16, indicating for each:

- (a) the amount of the initial invoice;
- (b) any adjusted invoice amount;
- (c) the amount of revenue certified; and
- (d) if the full amount of the invoice was paid, why.

Department	Outputs which were considered not to meet their measures	The amount of the department's initial invoice (\$ million)	The amount of the department's final invoice (\$ million)	The amount of revenue certified (\$ million)	If the full amount of the initial invoice was paid, why

**SECTION B: Asset investment (departments only)**

**Question 4 Details of actual investment and variance against budget – current projects**

Please provide the following details about each of the selected asset investment projects:

Project	Estimated expenditure in 2015-16 (2015-16 budget papers) (\$ million)	Actual expenditure in 2015-16 (\$ million)	Explanation for any variances greater than $\pm 10$ per cent or \$100 million between estimated and actual expenditure	Estimated practical completion date in 2015-16 budget papers	Estimated practical completion date in 2016-17 budget papers	Explanation for any changes to the estimated practical completion date	Estimated TEI in 2015-16 budget papers (\$ million)	Estimated TEI in 2016-17 budget papers (\$ million)	Explanation for any changes to the estimated practical completion date
Parliament House security upgrade	\$3.5m from Parliament's prior year surplus	\$3.5m from Parliament's prior year surplus	N/A	30June16	N/A	N/A	\$8.5m from Parliament's prior year surplus	\$10.4m (Final Approved TEI – 2016-17 budget papers did not show the TEI)	Additional \$1.9m was approved in 2014-15 as a TA after the publication of 2015-16 budget papers, due to additional security works carried out in 2014-15.

**Question 5 Details of actual investment and variance against budget – projects completed (or expected to be completed)**

Please provide the following details for all of the asset projects listed below, which were reported as 'completed or expected to be completed' prior to 30 June 2016 in the 2016-17 budget papers:

Project	TEI in the 2015-16 budget papers	Total actual investment	Actual expenditure in 2015-16	Explanation for any variances greater than $\pm 10$ per cent or \$100 million	Impact of any variances	Estimated practical completion date	Actual practical completion date	Explanation for any variance in completion date
	(\$ million)	(\$ million)	(\$ million)					
Parliament House security upgrade	\$8.5m from Parliament's	\$10.4m from Parliament's	\$3.5m from Parliament's prior year surplus	Additional \$1.9m was approved in 2014-15 as a TA after the publication of	Additional security works were carried out	30June16	30June16	N/A

	prior year surplus	prior year surplus		2015-16 budget papers, due to additional security works carried out in 2014-15.	at Parliament House in line with the security requirements			
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**Question 6 Major Projects Victoria and high-value high-risk projects**

- (a) Please list all projects included in the 2015-16 budget papers that were allocated to your department, and had an involvement from Major Projects Victoria. Please give a brief description of the involvement that Major Projects Victoria had in the project.

Not Applicable

Project	Involvement of Major Projects Victoria

- (b) Please list all projects included in the 2015-16 budget papers that were allocated to your department, and were classified as high-value and high-risk. Please also specify which gateway reviews, if any, were undertaken or completed.

Not Applicable

Project	Gateway review(s) undertaken	Gateway review(s) completed

**Question 7 PPP expenditure and line items**

Please indicate the amount included in the following line items in your financial statements for 2015-16 (using the budget portfolio outcomes for departments) which related to payments for commissioned public private partnerships (PPPs).

Not Applicable

Line item	Amount within this line item reflecting payments for PPPs (\$ million)
	2015-16
<i>Operating statement</i>	
Interest expense	
'Other operating expenses'	
Other line items within expenses from transactions	
<i>Cash flow statement</i>	
Payments to suppliers and employees	
Interest and other costs of finance paid	
Repayment of finance leases	
Other line items in the cash flow statement	
<i>Administered items statement</i>	
Expenses on behalf of the State	
Interest and depreciation expense	
Other line items within 'administered expenses'	

**Question 8 Net cash flows from investments in financial assets for policy purposes – GGS****Not Applicable**

Regarding the 'net cash flows from investments in financial assets for policy purposes' in the general government sector cash flow statement for 2015-16, please provide the following details about any sources of cash inflows and cash outflows included in that line item which are connected with your department or its controlled entities:

- (a) the project related to the cash flow (using the same project names as are used in Budget Paper No.4 where possible)
- (b) the initial budget estimate (**not** the revised estimate) for cash flow in 2015-16
- (c) the actual cash flow in 2015-16
- (d) explanation for variances between estimates and actuals cash flows; and
- (e) for cash flows associated with projects in BP4, provide the capital contribution made through the Department and the actual expenditure made by the PNFC entity.

**Cash inflows**

<b>Project</b>	<b>Estimated cash inflow in 2015-16</b>	<b>Actual cash inflow in 2015-16</b>	<b>Explanation for any variances greater than <math>\pm 10</math> per cent or \$100 million between estimated and actual cash inflows</b>	<b>Capital contribution made through the Department</b>	<b>Capital expenditure made by the PNFC entity</b>
	<b>(\$ million)</b>	<b>(\$ million)</b>		<b>(\$ million)</b>	<b>(\$ million)</b>



**Cash outflows**

<b>Project</b>	<b>Estimated cash outflow in 2015-16</b>	<b>Actual cash outflow in 2015-16</b>	<b>Explanation for any variances greater than ±10 per cent or \$100 million between estimated and actual cash outflows</b>	<b>Capital contribution made through the Department</b>	<b>Capital expenditure made by the PNFC entity</b>
	(\$ million)	(\$ million)		(\$ million)	(\$ million)

**Question 9 Net cash flows from investments in financial assets for policy purposes – SoV**

Not Applicable

Regarding the 'net cash flows from investments in financial assets for policy purposes' in the State of Victoria cash flow statement for 2015-16, please provide the following details about any sources of cash inflows and cash outflows included in that line item which are connected with your department or its controlled entities:

- (a) the project related to the cash flow (using the same project names as are used in Budget Paper No.4 where possible)
- (b) the initial budget estimate (**not** the revised estimate) cash flow in 2015-16
- (c) the actual cash flow in 2015-16
- (d) explanation for variances between estimates and actuals cash flows; and
- (e) for cash flows associated with projects in BP4, provide the capital contribution made through the Department and the actual expenditure made by the PNFC entity.

#### Cash inflows

Project	Estimated cash inflow in 2015-16 (\$ million)	Actual cash inflow in 2015-16 (\$ million)	Explanation for any variances greater than $\pm 10$ per cent or \$100 million between estimated and actual cash inflows	Capital contribution made through the Department (\$ million)	Capital expenditure made by the PNFC entity (\$ million)

#### Cash outflows

Project	Estimated cash outflow in 2015-16 (\$ million)	Actual cash outflow in 2015-16 (\$ million)	Explanation for any variances greater than $\pm 10$ per cent or \$100 million between estimated and actual cash outflows	Capital contribution made through the Department (\$ million)	Capital expenditure made by the PNFC entity (\$ million)


**Question 10 (DTF only) Purchases of non-financial assets – government purpose classification**

Not Applicable

Regarding the ‘purchases of non-financial assets’ by the general government sector in 2015-16, please compare the initial budget estimate for each of the government purpose classifications (note 19a in Budget Paper No.5) to the actual value of ‘purchases of non-financial assets’ in each classification, explaining any variances greater than  $\pm 10$  per cent or \$100 million (please fill all blank spaces).

Government purpose classification	Initial budget estimate for 2015-16 (BP5 p.39) (\$ million)	Actual for 2015-16 (AFR p.48) (\$ million)	Variance from budget estimate (per cent)	Explanation for any variance greater than $\pm 10$ per cent or \$100 million
General public services	127.5	52	-59	
Public order and safety	799.0	677	-15	
Education	493.4	355	-28	
Health	692.4	919	33	
Social security and welfare	114.0	75	-34	
Housing and community amenities	42.3	44	4	n/a
Recreation and culture	120.9	78	-35	

Fuel and energy	3.0	15	400	
Agriculture, forestry, fishing, and hunting	17.5	6	-66	
Transport and communications	2,365.6	2046	-14	
Other economic affairs	131.2	129	-2	n/a
Other purposes	1.0	0	-100	

## SECTION B: Asset investment (non-departments only)

### ***Question 11 Details of actual investment and variance against budget for projects***

Please provide the following details for any asset investment project where actual expenditure in 2015-16 varied by \$±10 million or more from the initial budget estimate at the start of the relevant year (**not** the revised estimate).

If there were no asset investment projects for your agency where the actual expenditure varied by \$±10 million or more from the budget estimate, you do not need to answer this question. If this is the case, please indicate 'no relevant projects' in the table(s) below.

Project	Estimated expenditure in 2015-16 (2015-16 budget papers) (\$ million)	Actual expenditure in 2015-16 (\$ million)	Explanation for variance	Estimated financial completion date in 2015-16 budget papers	Estimated financial completion date in 2016-17 budget papers	Explanation for any changes to the estimated financial completion date
No relevant projects						

### **Question 12 Details of actual investment and variance against budget for entities**

Please detail the initial budget estimates (**not** the revised estimate) for 'purchases of non-financial assets' for 2015-16 (or equivalent line items in the cash flow statements) for your entity, the actual amounts of those line item in your annual reports and an explanation for any variances greater than  $\pm 10$  per cent or \$100 million. Initial budget estimates for departments are listed in Department of Treasury and Finance, *Budget Paper No.5: 2015-16 Statement of Finances* (2015), p.40

<b>Initial budget estimate for 2015-16</b>	<b>Actual for 2015-16</b>	<b>Explanation for any variance greater than <math>\pm 10</math> per cent or \$100 million</b>
<b>(\$ million)</b>	<b>(\$ million)</b>	
\$4.4m*	\$17.4m	Additional capital works were carried out in 2015-16 using Parliament's current year depreciation equivalent.

*\*The above figures are for Parliament only. Department's statement of cash flow in the Statement of Finances budget paper also includes VAGO.*

## SECTION C: Revenue and appropriations

### Question 13 (all departments and entities) Changes from previous year by revenue/income category

Please explain any changes greater than  $\pm 10$  per cent or \$100 million between the actual result for 2014-15 and the actual result for 2015-16 for each revenue/income category detailed in your operating statement. Please also indicate what any additional revenue was used for or how any reduced amounts of revenue affected service delivery.

For departments, please provide data consolidated on the same basis as the budget portfolios outcomes statement in your annual reports.

If there were no revenue/income categories for your department/agency for which the 2015-16 expenditure changed from the prior year's expenditure by more than  $\pm 10$  per cent or \$100 million, you do not need to answer this question. If this is the case, please indicate 'no relevant line items' in the table(s) below.

Revenue category	2014-15 actual (\$ million)	2015-16 actual (\$ million)	Explanations for changes greater than $\pm 10$ per cent or \$100 million	How the additional revenue was used/the impact of reduced revenue
Output appropriation	101.4	104.1	Variance <10%	
Special appropriation	28.2	28.6	Variance <10%	
Grants	0.0	0.1	Additional \$90K grant from DHS to Department of Legislative Council for End of Life Choices Inquiry	Additional funding was used towards the cost of conducting the inquiry
Fair value of assets and services received free of charge	0.0	0.0	Immaterial Variance	
Parliament refreshment rooms and gift shop	1.4	1.6	Variance <10%	

### **Question 14 (all departments and entities) Variances from budget/target by revenue/income category**

Please explain any variances greater than  $\pm 10$  per cent or \$100 million between the initial budget estimate (**not** the revised estimate) and the actual result for 2015-16 for each revenue/income category detailed in your operating statement. Please also identify any actions taken in response to the variations, either to mitigate or take advantage of the impact.

For departments, please provide data consolidated on the same basis as the budget portfolios outcomes statement in your annual reports.

If there were no revenue/income categories for your department/agency for which the 2015-16 expenditure varied from the initial budget estimate by more than  $\pm 10$  per cent or \$100 million, you do not need to answer this question. If this is the case, please indicate 'no relevant line items' in the table(s) below.

<b>Revenue category</b>	<b>2015-16 budget estimate *</b> <b>(\$ million)</b>	<b>2015-16 actual</b> <b>(\$ million)</b>	<b>Explanations for variances greater than <math>\pm 10</math> per cent or \$100 million</b>	<b>Actions taken in response</b>
Output appropriation	107.1	104.1	Variance <10%	
Special appropriation	38.7	28.6	Variance mainly due to contributions for MP superannuation defined benefit scheme, being stopped from April 2014, pending actuarial assessment	The MP superannuation defined benefit scheme budget will be adjusted as per the outcome of the assessment
Grants	0.0	0.1	Additional \$90K grant from DHS to Department of Legislative Council for End of Life Choices Inquiry	Additional funding was used towards the cost of conducting the inquiry
Fair value of assets and services received free of charge	0.0	0.0	Nil Variance	
Parliament refreshment rooms and gift shop	no relevant line item	1.6	No budget allocated for Parliament refreshment rooms	

*\*The above figures are for Parliament only. Department's comprehensive operating statement in the Statement of Finances budget paper also includes VAGO.*

**Question 15 (departments only)**

Please provide a break-down of the Department's total parliamentary authority (as calculated for the Department's comprehensive operating statement in the departmental financial statements in Budget Paper No.5 and in the budget portfolio outcomes in the annual report) into the following sources. If the variance between any budget and actual exceeds  $\pm 10$  per cent or \$100.0 million, please provide reasons for the variance. Part of the budget column table has been pre-filled from the 2015-16 budget papers – please fill all blank spaces, including zero where appropriate.

	<b>2015-16 initial budget estimate (Parliament including VAGO)</b>  (\$ million)	<b>2015-16 initial budget estimate (Parliament excluding VAGO)</b>  (\$ million)	<b>2015-16 Actual</b>  (\$ million)	<b>Explanation for variance (please relate these changes to the 'summary of compliance with annual parliamentary appropriations' note in your department's annual report).</b>
Annual appropriations	117.4	101.6	101.0	
• Provision of outputs	117.4	101.6	101.0	
• Additions to the net asset base	0.0	0		
• Payments made on behalf of the State	0.0	0		
Receipts credited to appropriations	23.9	0.1	0.2	
• Provision of outputs	23.9	0.1	0.2	Additional s29 revenue was received from IBAC for the payroll services provided by DPS
• Additions to the net asset base	0.0	0	0	
• Payments made on behalf of the State	0.0	0	0	
Unapplied previous year's appropriation	5.4	5.4	2.9	The variance relates to the difference between estimated and actual carry-over of MP budget from 2014-15 to 2015-16



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• Provision of outputs	5.4	5.4	2.9	
• Additions to the net asset base	0.0	0	0	
• Payments made on behalf of the State	0.0	0	0	
Total (new) appropriation (sum of above three)	146.7	107.1	104.1	
• Provision of outputs	146.7	107.1	104.1	
• Additions to the net asset base	0.0	0		
• Payments made on behalf of the State	0.0	0		
Accumulated surplus – previously applied appropriation	3.5	3.5	4.4	Additional funding of \$2m was approved for 'Remediation - Office Accommodation in the Parliamentary Precinct' project. However only \$917K was utilised.
Gross annual appropriation	150.2	110.6	108.5	
Special appropriations	39.3	38.7	28.6	Variance mainly due to contributions for MP superannuation defined benefit scheme, being stopped from April 2014, pending actuarial assessment
• Provision of outputs				
• Additions to the net asset base				
• Payments made on behalf of the State				
Funds received through Trust funds	-28.3**	0.0	0.1	Additional \$90K grant from DHS to Department of Legislative Council for End of Life Choices Inquiry
• Provision of outputs				

• Additions to the net asset base				
• Payments made on behalf of the State				
Total parliamentary authority	161.3	149.4	137.2	
• Provision of outputs				
• Additions to the net asset base				
• Payments made on behalf of the State				

For the last three rows, please advise where this appears in the department’s annual report

*\*\* The figure in Table 2.25 on page 335 of Budget Paper No.3 is incorrect. The correct amount is \$28.3K. DTF confirmed that it was inadvertently printed as -\$28.3m*

**Question 16 Revenue from trust accounts passed to other bodies**

Regarding funds received through trust accounts, please identify any payments that were passed directly to other bodies without being counted in your entity’s comprehensive operating statement. For each payment, please identify:

- (a) the value of payments;
- (b) the recipients of the payments; and
- (c) the purpose of the payments.

Trust account	Total payments from the account to bodies other than the Department, 2015-16 (\$ million)	Recipient of the payment	Purpose of the payment
None			

**Question 17 (Department of Treasury and Finance only) Revenue initiatives**

Not Applicable

Regarding the Absentee Landowner Surcharge and the Land Transfer Duty Surcharge on Foreign Buyers of Residential Property:

- (d) Please advise how much revenue was raised via each of these initiatives in 2015-16
- (e) Please provide a breakdown of the surcharge payees' country of origin.

**SECTION D: Expenses****Question 18 Expenses changed from previous year**

Please explain any changes greater than  $\pm 10$  per cent or \$100 million between the prior year's actual result and the actual result for 2015-16 for each category of expenses detailed in your operating statement. Please also detail the outcomes in the community<sup>2</sup> achieved by any additional expenses or the impact on the community of reduced expenses (if there was no impact, please explain how that was achieved).

For departments, please provide data consolidated on the same basis as the budget portfolios outcomes statement in your annual reports.

If there were no categories of expenses for your department/agency for which the 2014-15 expenditure differed from the prior year's expenditure by more than  $\pm 10$  per cent or \$100 million, you do not need to answer this question. If this is the case, please indicate 'no relevant line items' in the table(s) below.

Expenses category	2014-15 actual (\$ million)	2015-16 actual (\$ million)	Explanations for variances greater than $\pm 10$ per cent or \$100 million	Outcomes achieved by additional expenses/impact of reduced expenses
Employee expenses	74.3	77.8	Variance <10%	
Depreciation	13.8	14.1	Variance <10%	

<sup>2</sup> That is, the impact of service delivery on the community rather than a description of the services delivered.

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Computer software, support & equipment rental	3.6	3.8	Variance <10%	
Capital asset charge	2.2	2.9	Additional capital asset charge for 'Security Upgrade at Parliament House' project	As per DTF requirements
Interest expense	0.1	0.1	Interest expense based on actual charge from TCV Vic Fleet for the lease of motor vehicle	
Parliament refreshment rooms & gift shop	1.9	2.0	Variance <10%	
Communications, postage and printing	8.3	7.5	Members printing & postage expenditure was lower in 2015-16 following the election in 2014-15	Nil - up to 50% of unspent Members budgets were carried over to 2016-17
Contractors & temporary staff	4.1	2.7	The variance is due to expense relating to a number of one-off projects undertaken in 2014-15	Higher expenditure in 2014-15 for one-off projects like state election, IT intranet development and library digitisation project
Property rental costs	8.1	8.2	Variance <10%	
Supplies & services	11.1	14.1	The variance is due to higher legal costs for investigation of AG in 2015-16, increase in expense in 2015-16 in relation to relocation of Members offices following the election in November 2014, and increase in security expense in 2015-16 as a result of increase in Wilson security staff. Expenses such as Members travel and departmental professional service were lower in 2014-15 due reduced activity in an election year.	Security at Parliament House was increased in response to changed security environment and heightened national security alert. Members electorate offices were relocated following the redistribution of Victorian electoral boundaries and state election in November 2014.

### Question 19 Expenses varying from budget

Please explain any variances greater than  $\pm 10$  per cent or \$100 million between the initial budget estimate (**not** the revised budget) and the actual result for 2015-16 for each category of expenses detailed in your operating statement. Please also detail the outcomes in the community<sup>3</sup> achieved by any additional expenses or the impact on the community of reduced expenses (if there was no impact, please explain how that was achieved).

For departments, please provide data consolidated on the same basis as the budget portfolios outcomes statement in your annual reports.

If there were no categories of expenses for your department/agency for which the 2015-16 expenditure varied from the initial budget estimate by more than  $\pm 10$  per cent or \$100 million, you do not need to answer this question. If this is the case, please indicate 'no relevant line items' in the table(s) below.

Expenses category	2015-16 budget estimate* (\$ million)	2015-16 actual (\$ million)	Explanations for variances greater than $\pm 10$ per cent or \$100 million	Outcomes achieved by additional expenses/impact of reduced expenses
Employee benefits	85.4	77.8	Variance <10%	
Depreciation	14.0	14.1	Variance <10%	
Interest expense	0.1	0.1	Interest expense based on actual charge from TCV Vic Fleet for the lease of motor vehicle	
Capital asset charge	2.9	2.9	Nil Variance	
Other operating expenses	43.5	38.3	The variance mainly relates to carry over of MP budgets from 2015-16 to 2016-17.	Nil - up to 50% of unspent Members budgets were carried over to 2016-17

\*The above figures are for Parliament only. Department's comprehensive operating statement in the Statement of Finances budget paper also includes VAGO.

<sup>3</sup> That is, the impact of service delivery on the community rather than a description of the services delivered.

### Question 20 (departments only) Expenditure reduction targets

Please provide the following details about the realisation of expenditure reduction targets in 2015-16. In providing targets, please provide the cumulative target rather than the change in savings from one year to the next (i.e. provide the target on the same basis as the budget papers). Please provide figures for the Department including its controlled entities.<sup>4</sup>

Initiative	Total value of efficiencies/savings expected to be realised from that initiative in 2015-16 (\$ million)	Explanation for any variances greater than $\pm 10$ per cent between estimated and actual expenditure reductions	How the efficiencies/savings have been achieved (i.e. what measures or changes have been introduced)
'Total savings' line item in 2012-13 Budget	\$4.0m		Parliament made changes to MP support services and implemented cost containment strategies including delayed staff replacement and non-replacement of staff to accommodate budget cut of \$4.0m in 2012-13  MP electorate office and communication budgets were reduced proportionally to accommodate the budget cuts.
Efficiency measures (2012-13 Budget Update)	Parliament was exempted by the Treasurer from the GED in 2015-16		
Efficiency and expenditure reduction measures (2013-14 Budget)			
Efficiency measures (2013-14 Budget Update)			
Application of an efficiency dividend to non-frontline departmental expenditure (2014-15 Budget)(BP3 p.79)			
Efficiency and expenditure reduction measures (2015-16 Budget)(BP3 p.105)			

<sup>4</sup> That is, please provide this information for the Department on the same basis of consolidation as is used in the budget papers.

Other			
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**Question 21 Changes to service delivery from expenditure reduction initiatives**

- (a) Please detail any changes to your department's/agency's service delivery as a result of expenditure reduction initiatives, e.g. changes to the timing and scope of specific programs or discontinued programs in 2015-16:

Parliament made changes to MP support services and implemented cost containment strategies including delayed staff replacement and non-replacement of staff to accommodate budget cut of \$4.0m in 2012-13

MP electorate office and communication budgets were reduced proportionally to accommodate the budget cuts.

- (b) As a result of the expenditure reduction initiative 'Reduce the use of labour hire firms' for 2015-16 (BP3 p.105), please detail any changes to your department's/agency's service delivery

Not Applicable

**Question 22 (departments only) Achievement of reprioritisation of existing resources**

Not Applicable

The 2015-16 budget papers include targets for ‘funding from reprioritisation of existing resources’ to fund new initiatives (2015-16 Budget Paper No.2, p.58). This is in addition to any savings or efficiencies resulting from expenditure reduction measures. For your department (including all controlled entities),<sup>5</sup> please indicate:

- (c) what areas of expenditure (including projects and programs if appropriate) the funding was reprioritised from (i.e. what the funding was initially provided for);
- (d) for each area of expenditure (or project or program), how much funding was reprioritised in each year; and
- (e) the impact of the reprioritisation on those areas.

Area of expenditure originally funded	Value of funding reprioritised in 2015-16	Impact of reprioritisation of funding
	(\$ million)	

**Question 23 (Department of Treasury and Finance only) Expenses by government purpose classifications**

Not Applicable

<sup>5</sup> That is, please provide this information for the Department on the same basis of consolidation as is used in the budget papers.



Regarding expenses of the general government sector in 2015-16, please compare the initial budget estimates (**not** the revised estimate) for each of the government purpose classifications (note 12a in Budget Paper No.5) to the actual expenses in that classification, explaining any variances greater than  $\pm 10$  per cent or \$100 million (please fill all blank spaces).

<b>Government purpose classification</b>	<b>Initial budget estimate for 2015-16 (BP5 p.34)</b> <b>(\$ million)</b>	<b>Actual for 2015-16 (AFR p.48)</b> <b>(\$ million)</b>	<b>Variance from budget estimate</b> <b>(per cent)</b>	<b>Explanation for any variance greater than <math>\pm 10</math> per cent or \$100 million</b>
General public services	1,150.0	2,662	131	
Public order and safety	6,128.3	6,269	2	
Education	14,041.7	13,424	-4	
Health	15,264.5	15,331	0	n/a
Social security and welfare	4,352.2	4,539	4	n/a
Housing and community amenities	3,169.7	2,611	-18	
Recreation and culture	647.4	800	24	
Fuel and energy	184.5	128	-31	
Agriculture, forestry, fishing, and hunting	375.9	414	10	n/a
Transport and communications	6,312.8	6,245	-1	n/a
Other economic affairs	819.6	857	5	n/a
Other purposes	1,870.3	1,350	-28	

**Question 24 (PNFC and PFC entities only) Dividends paid to the general government sector**[Not Applicable](#)

Please detail the value of dividends paid by your agency to the general government sector over the last three years, explaining the reasons for any significant changes over that period and the impact of any changes on the agency.

Total dividends paid in 2013-14 (\$ million)	Total dividends paid in 2014-15 (\$ million)	Total dividends paid in 2015-16 (\$ million)	Explanation for any variance greater than $\pm 10$ per cent or \$100 million	Impact of changes to dividends on the agency

**SECTION E: Public sector workforce****Question 25 Full-time equivalent staff by level**[See attachment 1](#)

Please fully complete the table below, providing actual FTE staff numbers at 30 June 2016, at 30 June 2015 and 30 June 2014 (broken down by the categories listed below) for the Department. Please provide figures consolidated on the same basis as the expenditure for the Department in the budget papers.

Grade	30 June 2014 (Actual FTE number)	30 June 2015 (Actual FTE number)	30 June 2016 (Actual FTE number)
Secretary			
EO-1			
EO-2			
EO-3			

VPS Grade 7 (STS)			
VPS Grade 6			
VPS Grade 5			
VPS Grade 4			
VPS Grade 3			
VPS Grade 2			
VPS Grade 1			
Government Teaching Service			
Health services			
Police			
Allied health professionals			
Child protection			
Disability development and support			
Custodial officers			
Other			
Total			

### **Question 26 FTE staff numbers by employment type**

[See attachment 2](#)

In the table below, please detail the salary costs for 2012-13, 2013-14 and 2014-15, broken down by ongoing, fixed-term and casual, and explain any variances greater than  $\pm 10$  per cent or \$100 million between the years for each category.

<b>Employment category</b>	<b>Gross salary 2013-14 (\$ million)</b>	<b>Gross salary 2014-15 (\$ million)</b>	<b>Gross salary 2015-16 (\$ million)</b>	<b>Explanation for any year-on-year variances greater than <math>\pm 10</math> per cent or \$100 million</b>
Ongoing				
Fixed-term				
Casual				
<b>Total</b>				

### **Question 27 Executive salary increases**

[See attachment 3](#)

Please detail the number of executives who received increases in their base remuneration in 2015-16, breaking that information down according to what proportion of their salary the increase was, and explaining the reasons for executives' salaries increasing in each bracket.

<b>Increase in base remuneration</b>	<b>Number of executives receiving increases in their base rate of remuneration of this amount in 2015-16</b>	<b>Reasons for these increases</b>
0-3 per cent		
3-5 per cent		
5-10 per cent		
10-15 per cent		
greater than 15 per cent		

**Question 28 Enterprise bargain agreements (EBA)(Department of Treasury and Finance only)**

Not Applicable

Please list the EBAs concluded in 2015-16 that had an impact for each department/agency. For each EBA, please show the number of employees affected and the growth in employee expenses attributable to the EBA

Enterprise bargain agreement	Number of employees affected	Growth in employee expenses attributable to the EBA (\$ million)

**SECTION F: Inter-sector flows**

**Question 29 (Department of Treasury and Finance only) Inter-sector flows**

Not Applicable

For each of the following line items in the general government sector comprehensive operating statement (or its notes), please quantify the amount of the line item that is received from or provided to the PNFC sector or PFC sector. Please also identify any other line items in the revenue from transactions or expenses from transactions or their notes in which more than \$100 million flows from the general government sector to the PNFC or PFC sector or vice versa.

- (a) revenue from transactions

Line item	Amount coming from PNFC sector (\$ million)	Amount coming from the PFC sector (\$ million)
	2015-16	2015-16
Taxation revenue		
Interest revenue		
Dividends		
Income tax equivalent and local government rate equivalent revenue		
Grants		
Sales of goods and services – inter-sector capital assets charge		
Sales of goods and services – provision of services		
Total revenue from transactions		
Other line items with >\$100 million coming from the PNFC or PFC sector (please specify)		

## (b) expenses from transactions

Line item	Amount going to PNFC sector (\$ million)	Amount going to the PFC sector (\$ million)
	2015-16	2015-16

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Interest expense		
Grants and other transfers		
Other operating expenses – purchase of supplies and consumables		
Other operating expenses – purchase of services		
Total expenses from transactions		
Other line items with >\$100 million going to the PNFC or PFC sector (please specify)		

## SECTION G: Government decisions impacting on the finances

### Question 30 Machinery-of-government changes

Not Applicable

- (a) Please detail the final costs incurred in the following categories as a result of machinery-of-government changes. Also provide a description of any relevant machinery-of-government changes during 2015-16.

	Final costs as a result of machinery-of-government changes (\$ million)
Consultants and contractors (including legal advice)	
Relocation	
Telephony	
IT and records management	
Rebranding	
Furniture and fit-out	
Other	

- (b) If these costs were met out of existing budgets, please indicate what projects, programs or areas the money was originally budgeted for.

- (c) Please identify any benefits achieved during 2015-16 as a result of machinery-of-government changes, quantifying the benefits where possible.

- (d) Please provide a description of any relevant machinery-of-government changes during 2015-16



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**Question 31 Commonwealth Government decisions**

Not Applicable

Please identify any Commonwealth Government decisions during 2015-16 which had not been anticipated in the State budget but which impacted on your entity’s finances or activities during those years (including new funding agreements, discontinued agreements and changes to funding levels). Please quantify the impact on income and expenses where possible.

Commonwealth Government decision	Impact in 2015-16	
	on income (\$ million)	on expenses (\$ million)

**Question 32 COAG decisions**

Not Applicable

Please identify any COAG decisions during 2015-16 which had not been anticipated in the State budget but which impacted on your entity’s finances or activities during those years (including new funding agreements, discontinued agreements and changes to agreements). Please quantify the impact on income and expenses where possible.

COAG decision	Impact in 2015-16	
	on income (\$ million)	on expenses (\$ million)

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## SECTION H: Fiscal and financial management strategies (Department of Treasury and Finance only)

### Question 33 Financial measures

Not Applicable

Please comment on what evidence for 2015-16 indicates the achievement of the three financial measures and targets for the 2015-16 Budget:

Goal	Evidence	2015-16 result	How the results indicate achievement
General government net debt as a percentage of GSP to be maintained at a sustainable level over the medium-term.			
Fully fund the unfunded superannuation liability by 2035			
A net operating surplus consistent with maintaining general government net debt at a sustainable level over the medium term.			

### Question 34 Long-term financial management objectives

Not Applicable

Please provide any quantified results from 2015-16 which indicate progress towards the four goals of the Government's long-term financial objectives, and discuss what these and other results indicate about progress towards the long-term objectives:

Objectives	2013-14 result	2014-15 result	What the results indicate
<p><b>Sound financial management</b></p> <p>Victoria's finances will be managed in a responsible manner to provide capacity to fund services and infrastructure at levels consistent with maintaining a triple-A credit rating</p>			
<p><b>Improving services</b></p> <p>Public services will improve over time</p>			
<p><b>Building infrastructure</b></p> <p>Public infrastructure will grow steadily over time to meet the needs of a growing population.</p>			
<p><b>Efficient use of public resources</b></p> <p>Public sector resources will be invested in services and infrastructure to maximise the economic, social and environmental benefits</p>			

**SECTION I: Economic environment****Question 35 (Department of Treasury and Finance only) Economic variables**

Not Applicable

Where not pre-filled in the tables below, please indicate the estimated and actual result for the following economic variables. For the estimate, please use the initial estimate used in preparing the 2015-16 budget papers (**not** revised estimates). For any variance equal to or greater than  $\pm 0.5$  percentage points, please provide an explanation for the variance. Please fill all blank spaces.

Economic variable	Initial 2015-16 budget estimate	Actual 2015-16 result	Variance	Explanation for variances equal to or greater than $\pm 0.5$ percentage points
Real gross state product growth	2.50			
Employment growth	1.50			
Unemployment rate	6.25			
Consumer price index growth	2.75			
Wage price index growth	3.25			
Population growth	1.8			
Interest rates <sup>(a)</sup>				
Household consumption growth				
Property prices growth <sup>(a)</sup>				
Property transaction volume growth <sup>(a)</sup>				

Enterprise bargaining agreement increases <sup>(a)</sup>				
Exchange rate				

(a) As defined for the sensitivity analysis in Budget Paper No.2.

**Question 36 (Department of Treasury and Finance only) Actual impact on GGS of variances in economic variables**

Not Applicable

Please quantify the impact on the revenue and expenses for 2015-16 and net debt at 30 June 2016 for the general government sector of any variances equal to greater than  $\pm 0.5$  percentage points identified in response to Question 36:

<b>Economic variable</b>	<b>Variance between budget estimate and actual (from Question 33)</b>	<b>Impact on revenue (\$ million)</b>	<b>Impact on expenses (\$ million)</b>	<b>Impact on net debt (\$ million)</b>
Real gross state product growth				
Employment growth				
Unemployment rate				
Consumer price index growth				
Wage price index growth				
Population growth				
Interest rates				
Household consumption growth				
Property prices growth				
Property transaction volume growth				
Enterprise bargaining agreement increases				
Exchange rate				

**Question 37 (Department of Treasury and Finance only) Impact on PFC net result of variances in economic variables**

Not Applicable

Please quantify the impact on the net result of the public financial corporations sector of any variances equal to greater than  $\pm 0.5$  percentage points identified in response to the Question 36 in relation to the following factors. Please also describe major decisions that had not been anticipated at the time of the initial budget that were made in response to the impact (either to mitigate the impact of the variance or take advantage of it).

Economic variable	Variance between budget estimate and actual (from Question 36)	Impact on net result (\$ million)	Major decisions taken in response
Interest rates			
Exchange rate			

**Question 38 (Department of Treasury and Finance only) Impact on PNFC net result of variances in economic variables**

Not Applicable

Please quantify the impact on the net result from transactions of the public non-financial corporations sector of any variances equal to greater than  $\pm 0.5$  percentage points identified in response to the Question 36 in relation to the following factors. Please also describe major decisions that had not been anticipated at the time of the initial budget that were made in response to the impact (either to mitigate the impact of the variance or take advantage of it).

Economic variable	Variance between budget estimate and actual (from Question 36)	Impact on net result from transactions (\$ million)	Impact on asset investment (\$ million)	Major decisions taken in response
Real gross state product growth				

Consumer price index growth				
Population growth				
Household consumption growth				

**Question 39 (all entities) Effects of variances in economic variables**

Not Applicable

Please identify any key economic variables for which there were variances in 2015-16 between what was estimated in the initial budget for each year (**not** the revised estimate) and what actually occurred which had a significant impact on your department's/agency's finances, service delivery or asset investment. For each variance, please indicate:

- (a) what had been expected at budget time
- (b) what actually occurred
- (c) how the variance impacted on the budget outcomes (quantifying the impact where possible)
- (d) what decisions were made in response (including changes to service delivery, asset investment, borrowings etc.).

Expected economic result in 2015-16	Actual result in 2015-16	Impact of the variance on budget outcomes	Impact of the variance on service delivery



**Attachment 1 - Question 25 Full-time equivalent staff by level**

Please fully complete the table below, providing actual FTE staff numbers at 30 June 2016, at 30 June 2015 and 30 June 2014 (broken down by the categories listed below) for the Department.

Please provide figures consolidated on the same basis as the expenditure for the Department in the budget papers.

Classification	30/06/2014	30/06/2015	30/06/2016
<b>Legislative Assembly</b>			
Grade 1	0	0.00	0.00
Grade 2	15.21	15.09	16.22
Grade 3	7	7.00	8.00
Grade 4	2	3.00	2.00
Grade 5	3	3.00	4.00
Grade 6	2	3.00	3.00
Executive Officer Grade 3	1	1.00	1.00
Executive Officer Grade 2	1	1.00	1.00
<b>Total Legislative Assembly</b>	<b>31.21</b>	<b>33.09</b>	<b>35.22</b>
<b>Legislative Council</b>			
Grade 1	0	0.00	0.00
Grade 2	8	8.00	6.00
Grade 3	7	7.00	7.00
Grade 4	2.4	3.00	3.86
Grade 5	2	4.00	7.40
Grade 6	5	5.00	6.00
Executive Officer Grade 3	1	2.00	1.00
Executive Officer Grade 2	1	2.00	1.00
<b>Total Legislative Council</b>	<b>26.4</b>	<b>31.00</b>	<b>32.26</b>
<b>Parliamentary Services</b>			
Grade 1	1.13	1.23	1.38
Grade 2	10.75	8.53	12.21
Grade 3	38.67	41.00	42.70
Grade 4	17.87	21.25	26.32
Grade 5	40.22	38.40	37.99
Grade 6	19.73	19.48	19.59
Executive Officer Grade 3	3	3.00	3.00
Executive Officer Grade 2	1	1.00	1.00
<b>Total Parliamentary Services</b>	<b>132.37</b>	<b>133.89</b>	<b>144.19</b>
<b>Joint Investigatory Committees</b>			
Grade 1	0	0.00	0.00
Grade 2	1.8	0.00	0.00
Grade 3	14.5	17.60	15.60
Grade 4	1	2.00	1.00
Grade 5	14.82	19.00	13.05
Grade 6	13	11.00	10.51
Executive Officer Grade 3	0	0.00	0.00
Executive Officer Grade 2	0	0.00	0.00
<b>Total Committees</b>	<b>45.12</b>	<b>49.60</b>	<b>40.16</b>
<b>Members of Parliament</b>			
Legislative Assembly	72	70.00	71.00
Legislative Council	33	35.00	34.00
<b>Total Members of Parliament</b>	<b>105</b>	<b>105.00</b>	<b>105.00</b>
<b>Electorate Officers</b>			
Legislative Assembly	172.4	177.00	177.00
Legislative Council	75.5	85.00	85.00
ALP Pool	10.1	5.60	0.00
Party Support	0.4	0.00	2.00
<b>Total Electorate Officers</b>	<b>258.4</b>	<b>267.60</b>	<b>264.00</b>

## **Attachment 2 - Question 26 FTE staff numbers by employment type**

In the table below, please detail the salary costs for 2012-13, 2013-14 and 2014-15, broken down by ongoing, fixed-term and casual, and explain any variances and explain any variances greater than  $\pm 10$  per cent or \$100 million between the years for each category.

<b>Employment category</b>	<b>Gross salary 2013-14 (\$ million)</b>	<b>Gross salary 2014-15 (\$ million)</b>	<b>Gross salary 2015-16 (\$ million)</b>	<b>Explanation for any year-on-year variances greater than <math>\pm 10</math> per cent or \$100 million</b>
Ongoing	55.152	58.263	58.565	
Fixed-term	2.231	2.3	3.063	Increase Fixed Term primarily due to creation of 6 FTE Fixed Term Parliamentary Adviser roles for Minor Parties & Independents
Casual	4.544	4.695	4.036	
<b>Total</b>	<b>61.927</b>	<b>65.258</b>	<b>65.664</b>	

### **Attachment 3 - Question 27 Executive salary increases**

Please detail the number of executives who received increases in their base remuneration in 2015-16, breaking that information down according to what proportion of their salary the increase was, and explaining the reasons for executives' salaries increasing in each bracket.

<b>Increase in base remuneration</b>	<b>Number of executives receiving increases in their base rate of remuneration of this amount in 2015-16</b>	<b>Reasons for these increases</b>
0-3 per cent	5	Annual Review
3-5 per cent		
5-10 per cent		
10-15 per cent		
greater than 15 per cent	3	Governor in Council order