



PUBLIC ACCOUNTS AND ESTIMATES COMMITTEE

**2011-12 FINANCIAL AND PERFORMANCE OUTCOMES
GENERAL QUESTIONNAIRE**

DEPARTMENT OF TREASURY AND FINANCE

CENITEX

SECTION A: Output variations**Question 1**

Please provide copies of all of your department's/agency's annual plans, business plans, strategic plans, corporate plans or similar relating to 2011-12 (these are requested in accordance with Section 28(1) of the *Parliamentary Committees Act 2003*) unless they are online. If they are online, please specify the document name and web address:

Document	Web address:
Corporate Plan 2011-2014	N/A
Business Plan 2011 – 2012	N/A

SECTION C: Revenue and revenue foregone**Question 14**

Please explain and detail the impact of any variances greater than ± 10 per cent between the prior year's actual result and the actual result for 2011-12 for:

- (a) each revenue/income category detailed in your operating statement; and
- (b) the total revenue/income in your operating statement.

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

Revenue category	2010-11 actual (\$ millions)	2011-12 actual (\$ millions)	Explanations for variances greater than ± 10 per cent	Impact of variances
IT services provided to other Government entities	156.4	157.4	Variance is +0.6% and no explanation required	N/A

Interest	0.7	0.3	Higher demand on cash in 2011-12 compared to 2010-11	N/A
Fair value of assets and services received free of charge or for nominal consideration	1.1	0	No assets transferred to CenITex from any government department or agency in 2011-12	2011-12 revenue is lower than previous year

Question 15

Please explain and detail the impact of any variances greater than ± 10 per cent between the initial budget (**not** the revised estimate) and the actual result for 2011-12 for:

- (a) each revenue/income category detailed in your operating statement; and
- (b) the total revenue/income in your operating statement.

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

Revenue category	2011-12 Budget (\$ millions)	2011-12 actual (\$ millions)	Explanations for variances greater than ± 10 per cent	Impact of variances
Services provided to other government entities	221.0	157.1	1) Anticipated transfers of Victoria Police, VicRoads, Department of Education and Early Childhood Development and State Revenue Office put on hold during State Services Authority review into CenITex and ultimately did not occur. 2) Funding received in relation to Efficient Technology Services (ETS) program less than expected.	Adverse impact on 2011-12 net operating result
Interest	0.3	0.3	N/A	N/A

SECTION D: Expenditure

Question 18

Please explain and detail the impact of any variances greater than ± 10 per cent between the prior year's actual result and the actual result for 2011-12 for:

- (a) each expenditure category detailed in your operating statement; and
- (b) the total expenditure in your operating statement.

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

Expenditure category	2010-11 actual (\$ millions)	2011-12 actual (\$ millions)	Explanations for variances greater than ± 10 per cent	Impact of variances (\$ millions)
Employee benefits	78.6	88.0	(1) Salaries and salary on-costs increased due to: a. Conversion of 56 contractors to VPS/Fixed Term b. Various outsourced infrastructure management functions dealt with in-house	Adverse impact on 2011-12 net operating result
ICT expenditure	67.4	68.8	<+/- 10%	N/A
Depreciation and amortisation	22.8	21.0	<+/- 10%	N/A
Interest expense	0.01	0.003	Reduction in executive vehicles and reduced lease interest rate	Negligible impact
Other operating expenses	14.3	17.1	Full year impact of new occupancy agreements	Adverse impact on 2011-12 net operating result

Question 19

Please explain and detail the impact of any variances greater than ± 10 per cent between the initial budget (not the revised budget) and the actual result for 2011-12 for:

- (a) each expenditure category detail in your operating statement; and
- (b) the total expenditure in your operating statement.

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

Expenditure category	2011-12 Budget (\$ millions)	2011-12 actual (\$ millions)	Explanations for variances greater than ± 10 per cent	Impact of variances (\$ millions)
Employee benefits	102.7	88.0	1) Anticipated transfers of Victoria Police, VicRoads, Department of Education and Early Childhood Development and State Revenue Office put on hold during State Services Authority review into CenITex and ultimately did not occur. 2) The ETS program underspent its budget	Positive impact on 2011-12 net operating result
ICT expenditure	90.1	68.8	1) Anticipated transfers of Victoria Police, VicRoads, Department of Education and Early Childhood Development and State Revenue Office put on hold during State Services Authority review into CenITex and ultimately did not occur. 2) Unanticipated expenditure as result of vendor related licence audits	Positive impact on 2011-12 net operating result
Depreciation and amortisation	31.0	21.0	1) Anticipated transfers of Victoria Police, VicRoads, Department of Education and Early Childhood Development and State Revenue Office put on hold during State Services Authority review into CenITex and ultimately did not occur 2) The depreciable lifecycle of CenITex infrastructure assets changed from 4 to 5 years.	Positive impact on 2011-12 net operating result
Interest expense	0.010	0.003	Reduction in the number of executive vehicles plus reduced leased interest rate.	Negligible impact
Other operating	20.4	17.1	1) Anticipated transfers of Victoria Police, VicRoads, Department of Education and Early Childhood Development	Positive impact on 2011-12 net operating result

expenses			and State Revenue Office put on hold during State Services Authority review into CenITex and ultimately did not occur This contributed to an underspend on other costs during the year, such as occupancy.	
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Question 24

Please detail all measures introduced to increase efficiency in 2011-12, including the cost of introducing each measure and the estimated savings as a result of the measure in 2011-12.

Efficiency measure	Cost of introduction	Estimated savings as a result
ETS program – financial cost savings	\$42.6m (TEI)	\$9.9m annual ongoing

Question 25

Please detail any changes to your department's/agency's service delivery as a result of savings initiatives released since the change of government, e.g. changes to the timing and scope of specific programs or discontinued programs.

No change to service delivery as result of savings initiatives released since the change of government.

SECTION E: Public sector workforce**Question 26**

Please detail the total full-time equivalent number of staff in your department/agency as at 30 June 2011 and 30 June 2012 in each of the following bands of levels, and explain the changes from one year to the next:

Level	Total FTE (30 June 2011)	Total FTE (30 June 2012)	Explanation for changes
VPS Grades 1-3	111.76	118.49	Machinery of government changes. Contractors converted to VPS
VPS Grade 4	96.95	99.00	As above
VPS Grades 5-6 and STS	278.8	364.2	As above
EO	4	4	N/A
Total of all staff (including non-VPS grades)	491.51	585.69	As above

Question 27

In the tables below, please detail the salary costs for 2011-12, broken down by ongoing, fixed-term and casual and explain any variations greater than 10 per cent between the years for each category.

Employment category	Gross salary 2010-11	Gross salary 2011-12	Explanation for any variations greater than ± 10 per cent
	(\$ million)	(\$ million)	
Ongoing	29.485	38.133	Contractors converted to VPS

Fixed-term	13.710	14.960	As above
Casual	0.168	0.115	As above
Total	43.364	53.208	As above

Question 28

Please detail the impact on your department's/agency's expenditure of any EBAs agreed in 2011-12 and how any additional costs were funded.

EBA	Impact in 2011-12 (\$ million)	How the impact was funded
N/A	nil	No EBA agreement made during 2011-12

Question 29

Please provide the following details about staff number changes in 2011-12. Under 'Pre-SGI', please show staff changes that would have been made during the year via the various methods prior to the release of the Sustainable Government Initiative (SGI) in December 2011. Under 'Post-SGI', please show how the SGI altered the targets under 'Pre-SGI'. That is, the addition of the two cells will show the total target for the year.

(Please include VPS and fixed-term staff, and provide all data as FTE):

	Target for 2011-12		Actual for 2011-12	Reason for any variation between target and actual	Impact of reduction or increase in staff numbers on services delivery
	Pre-SGI	Post-SGI			
Total change in staff numbers (please indicate + for increase and – for decrease)	N/A	N/A	N/A	N/A	CenITex not included in SGI due to being a non budget funded agency.
Change in the number of head office staff* (please indicate + for increase and – for decrease)	N/A	N/A	N/A	N/A	

Change in the number of front-line staff* (please indicate + for increase and – for decrease)	N/A	N/A	N/A	N/A	
Number of staff reduced through resignation and retirement	N/A	N/A	N/A	N/A	
Number of staff reduced through non-renewal of contracts	N/A	N/A	N/A	N/A	
Number of staff reduced through VDPs	N/A	N/A	N/A	N/A	
Number of staff reduced through TSPs	N/A	N/A	N/A	N/A	
Number of staff reduced through other means	N/A	N/A	N/A	N/A	
Costs associated with staff reductions (e.g. VDP and redundancies pay-outs)	N/A	N/A	N/A	N/A	

Question 30

- (a) For what roles within your organisation were contractors or contract staff used in 2011-12 (refer to Explanatory Memorandum for definition of contractors)?

IT services

- (b) Please itemise the services delivered by contractors or contract staff in 2011-12:

Service category	Number of contractors/contract staff	Value of services (\$)
IT Services	301	\$33.728m
<p>(##) This represents the total number of contractors or temporary staff who provided services to CenITex in the 2011/12 financial year.</p> <p>(-) this amount has been calculated using the rate of the contractor, excluding superannuation and on costs, for the period any contractor provided services to CenITex during the financial year 2011-12.</p>		

- (c) For each specific contractor or contract staff paid in excess of \$100,000 per annum that has been engaged by your organisation during 2011-12, please supply the following details:

Supplier	Purpose	Value of services (\$)	Number of contractors/contract staff (FTE) employed for longer than 12 months **	Reasons why a VPS employee or equivalent could not undertake the work
Clicks IT Recruitment	IT services	\$15.988m	97	Availability of specific IT expertise only found in contractor market
Dixon Appointments	IT services	\$0.156m	3	
Hays Personnel Services	IT services	\$8.584m	57	
Hudson	IT services	\$0.416	4	
Randstad	IT services	\$0.367m	2	
Ross Human Directions	IT services	\$1.215m	7	
Total		\$26.726	170	
<p>(*) Includes all contractors or temporary staff with an annual salary of \$100K (excluding superannuation and on costs) or above who were engaged for longer than 12 months in total and worked whole or part of the 2011 – 12 financial year.</p>				

** Data not readily available.

Question 31

- (a) For what roles within your organisation were consultants used in 2011-12 (refer to Explanatory Memorandum for definition of consultants)?

1) Review of CenITex procurement processes and procedures
2) Provision of legal advice

- 3) Probity controls review
- 4) Specialist advice re staff on work visas
- 5) Advice re design and development of Professional Services Panel

(b) Please itemise the services delivered by consultants in 2011-12:

Service category	Number of consultants	Value of services (\$)
Corporate Support	5	251,750.48
Strategy Coordination	1	18,557.99

(c) For each specific consultant paid in excess of \$100,000 per annum that has been engaged by your organisation during 2011-12, please supply the following details:

Supplier	Purpose	Value of services (\$)	Number of consultants (FTE) employed for longer than 12 months	Reasons why a VPS employee or equivalent could not undertake the work
N/A	N/A	N/A	N/A	N/A

Question 32

Please complete the following tables showing number of executive staff and total value of bonuses paid in the 2011-12 performance periods:

Executive category	Number of staff (FTE)			Total value of bonuses paid (\$)
	Eligible for a performance bonus	Not awarded bonus payment	Awarded bonus payment	
Secretary or CEO, EO1 – Deputy ^(a)	1	1	N/A	N/A
EO2 ^(a)	1	1	N/A	N/A
EO3	2	2	N/A	N/A
Other Executives	N/A	N/A	N/A	N/A
Other staff	N/A	N/A	N/A	N/A

Note (a): Combine categories to preserve confidentiality where necessary

Question 33

In the following table, please show for your organisation the actual range of bonuses paid in 2011-12 (expressed as a percentage of total remuneration).

Rating	Proportion of total remuneration package actually paid (expressed as a range from x% to y%)
Exceptional	0

Superior	0
Competent	0
Improvement required	0

The above format is based on the Executive Employment Handbook. If your organisation adopted another approach for awarding bonuses, please provide details.

N/A

Question 34

Please detail the number of executives who received increases in their remuneration in 2011-12, 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.

Increase in base remuneration	Number of executives receiving increases in their base rate of remuneration of this amount	Reasons for these increases
0-3 per cent	4	Outcome of annual remuneration review
3-5 per cent	N/A	N/A
5-10 per cent	N/A	N/A
10-15 per cent	N/A	N/A
greater than 15 per cent	N/A	N/A

SECTION F: **Program outcomes**

CenITex provides a range of workplace, application hosting and professional services to enable Government Departments to deliver their programs.

Outcomes reflect the impact on the community of the goods and services provided by a department. The questions in this section all relate to the outcomes that your department/agency contributed to in 2011-12.