

**PARLIAMENT OF VICTORIA**

Public Accounts and Estimates Committee



# 2023–24 Financial and Performance Outcomes Questionnaire

**Development Victoria**

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## Introduction – Financial and Performance Outcomes Questionnaire

The Committee's inquiry into the 2023–24 Financial and Performance Outcomes examines:

- the Government's actual versus budgeted expenditure and revenue
- the actual versus target performance outcomes at a departmental/agency level
- other expenditure unforeseen at the time of preparing the 2023–24 Budget and outcomes achieved.

The inquiry aims to benefit the Parliament and the community by:

- promoting the accountability, transparency and integrity of the executive and the public sector
- encouraging the effective and efficient delivery of public services and assets.

This questionnaire seeks information on the departmental/agency financials for the 2023–24 financial year, what was achieved during the year and how that compares to expectations.

### Timeline and format

Responses to this questionnaire are due by **5.00pm on Friday 8 November 2024**.

Please email the completed questionnaire (in word and pdf) to [paec@parliament.vic.gov.au](mailto:paec@parliament.vic.gov.au)

### Consistency with the budget papers

Whenever referring to an initiative/program/project that is in the budget papers, please use the same name as is used in the budget papers. This ensures that the Committee can correlate the information provided by the department with the information in the budget papers.

### Basis of consolidation

For departments, please use the same basis of consolidation as was used in the budget papers and in the budget portfolio outcomes statement in the department's annual report.

### Guidance

Please contact the secretariat should you require guidance in relation to any questions:

Charlotte Lever, Lead Analyst – [charlotte.lever@parliament.vic.gov.au](mailto:charlotte.lever@parliament.vic.gov.au)

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## Section A: Output variances and program outcomes

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

This question does not apply to this entity.

### **Question 2 (all departments) Program outcomes**

This question does not apply to this entity.

### **Question 3 (all departments) Treasurer's Advances and other budget supplementation**

This question does not apply to this entity.

### **Question 4 (all departments) Central contingencies**

This question does not apply to this entity.

### **Question 5 (Department of Health only) 2023–24 Budget funding allocation and performance**

This question does not apply to this entity.

### **Question 6 (Department of Health only) Mental health and wellbeing levy**

This question does not apply to this entity.

### **Question 7 (Department of Families, Fairness and Housing only) Victorian Contribution to National Disability Insurance Scheme**

This question does not apply to this entity.

## Section B: Asset investment

### **Question 8 (all departments) Capital expenditure variances, completion date and scope changes – existing projects**

This question does not apply to this entity.

### **Question 9 (all departments) Details of actual capital expenditure – completed projects (or expected to be completed)**

This question does not apply to this entity.

### **Question 10 (all departments) High-value high-risk projects, gateway reviews and business cases**

This question does not apply to this entity.

### **Question 11 (all departments) Public Private Partnership (PPP) expenditure – existing and completed**

This question does not apply to this entity.

### **Question 12 (DTP only) Alliance contracting expenditure – existing and completed**

This question does not apply to this entity.

## Section C: Revenue and appropriations

### Question 13 (all departments and entities) Revenue – variances from previous year

Please explain any changes equal to or greater than  $\pm 10\%$  or \$100 million between the actual result for 2022–23 and the actual result for 2023–24 for each revenue category detailed in your operating statement. Please also indicate what any additional revenue was used for or how any revenue reductions affected service delivery and then link it to the relevant output and portfolio.

Please also detail the outcomes in the community<sup>1</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 revenue/income categories for the department/agency for which the 2023–24 expenditure changed from the prior year's expenditure by more than  $\pm 10\%$  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	2022–23 actual (\$ million)	2023–24 actual (\$ million)	Explanations for changes $\pm 10\%$ or \$100 million	How the additional revenue was used/the impact of reduced revenue. If no impact, how was this achieved	Relevant output(s) and portfolio(s)
Land sales	277.5	238.0	Project revenue contributions vary depending on project delivery lifecycles.	Normal operations.	Normal operations.
Interest income	6.3	6.3	n/a	Normal operations.	Normal operations.
Other income	20.0	12.5	Rental and fee for service income vary depending on portfolio of projects.	Normal operations.	Normal operations.

<sup>1</sup>That is, the impact of service delivery on the community rather than a description of the services delivered.

### Question 14 (all departments and entities) Revenue – variances from budget to actual

Please explain any variances equal to or greater than  $\pm 10\%$  or \$100 million between the initial budget estimate (not the revised estimate) and the actual result for 2023–24 for each revenue category detailed in your operating statement. Please also indicate what any additional revenue was used for or how any revenue reductions affected service delivery and then link it to the relevant output and portfolio.

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

Revenue category	2023–24 Budget estimate (\$ million)	2023–24 actual (\$ million)	Explanations for changes $\pm 10\%$ or \$100 million	How the additional revenue was used/the impact of reduced revenue. If no impact, explain why	Relevant output(s) and portfolio(s)
Land sales	294.3	238.0	Timing of delivery program and settlements for a number of commercial and property development projects.	Normal operations.	Normal operations.
Interest income	4.6	6.3	Interest rate movements during the year.	Normal operations.	Normal operations.
Other income	11.5	12.5	Fee for services income from new projects.	Normal operations.	Normal operations.

## Section D: Expenses

### Question 15 (all departments and entities) Expenses changed from previous year

Please explain any changes equal to or greater than  $\pm 10\%$  or \$100 million with regards to the actual result for 2022–23 and the actual result for 2023–24 for each category of expenses detailed in your operating statement. Please explain any changes equal to or greater than  $\pm 10\%$  or \$100 million with regards to the actual result for 2023–24 and the 2023–24 budget estimate. 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.

Expenses category	2022–23 actual \$ million	2023–24 actual \$ million	Explanations for variances $\pm 10\%$ or \$100 million	Outcomes achieved by additional expenses/impact of reduced expenses. If no impact, how was this achieved
Cost of sales	(238.0)	(184.0)	Cost of sales variances commensurate with changes in project revenue.	Normal operations.
Employee benefits	(23.9)	(34.2)	Increase in operating activity and portfolio of projects.	Normal operations.
Depreciation and amortisation	(4.3)	(3.9)	Increase in capital expenditure such as sales offices.	Normal operations.
Borrowing costs	(0.8)	(0.9)	Interest rate movements.	Normal operations.
Other operating expenses	(9.5)	(31.4)	Other operating expense includes marketing, insurance, litigation, borrowing and operating costs expensed in the period in which they are incurred.	Normal operations.

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



Expenses category	2023–24 budget \$ million	2023–24 actual \$ million	Explanations for variances ±10% or \$100 million	Outcomes achieved by additional expenses/impact of reduced expenses. If no impact, how was this achieved
Cost of sales	(361.7)	(184.0)	Cost of sales variances commensurate with changes in project revenue.	Normal operations.
Employee benefits	(37.1)	(34.2)	Timing of appointments	Normal operations.
Depreciation and amortisation	(3.9)	(3.9)	<b>n/a</b>	Normal operations.
Borrowing costs	(1.8)	(0.9)	Lower than budget due to Cancellation of CommGames.	Normal operations.
Other operating expenses	(18.9)	(31.4)	Other operating expense includes marketing, insurance, litigation, borrowing and operating costs expensed in the period in which they are incurred.	Normal operations.

**Question 16 (all departments, PFC, PNFC and entities) Changes to service delivery from savings initiatives**

For each of the savings initiatives detailed in the 2023–24 Budget please provide the following details of the impact on service delivery:

- a) Savings target in the 2023–24 Budget and the amount of the savings target allocated to the department/entity.
- b) Actual savings achieved in 2023–24 and the actions taken to achieve the savings target allocated and their impact, including the link to the relevant output and portfolio impacted.

Savings initiative in the Budget	Savings target allocated to the department/entity in 2023–24 \$ million	Actual savings achieved in 2023–24 \$ million	Actions taken to achieve the allocated savings target	What was the impact as a result of the measures taken to achieve the savings target? <i>(e.g. frontline and/or other areas of business that saw the impact)</i> <b>If no impact, how was this achieved</b>	Which output(s) and portfolio(s) were impacted (if relevant)
Labor’s Financial Statement savings	N/A	N/A	N/A	N/A	N/A
Whole of Government savings and efficiencies	N/A	N/A	N/A	N/A	N/A
COVID Debt Repayment Plan – savings and efficiencies	0.352	0.352	Review of existing overhead costs.	No impact due to efficiency gained through innovative work practices.	Normal operations.

**Question 17 (all departments) Achievement of reprioritisation of existing resources**

This question does not apply to this entity.

**Question 18 (all departments) Contractors, Consultants and Labour Hire Arrangements**

This question does not apply to this entity.

**Question 19 (PNFC and PFC entities only) Dividends and other amounts paid to the general government sector**

Please detail the type and value of dividends, amounts equivalent to dividends, non-dividend grants, and capital repatriations paid by your agency to the general government sector in 2023–24, explaining the reasons for any significant changes over that period and the impact of any changes on the entity.

Please provide the economic funding ratio or accounting funding ratio as applicable at 30 June 2024. Please provide details of the methodology used for the ratio calculation.

Type of dividend paid	2023–24 Budget (\$ million)	2023–24 Actual (\$ million)	Explanations for variances ±10% or \$100 million	Impact on the agency (including on financial position, investment, impacts on service delivery or infrastructure projects). If no impact, how was this achieved.	Funding ratio at 30 June 2024
General dividend	27.1	27.1	N/A	No impact – budgeted	FY23 dividend payment.

Economic funding ratio / accounting funding ratio as at 30 June 2024	Details of the methodology
General Fund dividend for FY23 of \$1.7m Docklands Fund dividend of \$25m. Efficiency Savings dividend of \$0.4m	General Fund - Dividend policy of 50% of net profit after tax from the fund. Docklands Fund – Special Dividend as approved by the Treasurer. Efficiency Savings dividend – as approved by the Treasurer.

**Section E: Overall financial performance**

**Question 20 (all departments) Impact of unforeseen events on financial performance – 2023–24**

This question does not apply to this entity.

**Section F: Public sector workforce**

**Question 21 (all departments and entities) Full Time Equivalent (FTE) staff by level and category**

a) Please provide total FTE as of 30 June 2022, 30 June 2023, 30 June 2024 and provide explanation for more than ±-10% change in FTE between years.

30 June 2022 Actual FTE	30 June 2023 Actual FTE	30 June 2024 Actual FTE	Explanations of variance ±-10% between 30 June 2022 and 30 June 2023	Explanations of variance ±-10% between 30 June 2023 and 30 June 2024
236.68	315.79	351.69	FTE growth in line with project requirements.	FTE growth in line with project requirements.

b) For 2023–24, please provide information regarding any staffing challenges faced by the department, including but not limited to: staff shortages by category or position name, positions that were hard to staff, positions that were vacant for 6+ months, positions that have not equalled or surpassed attrition.

N/A
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### Question 22 (all departments and entities) Salary by employment category

In the table below, please detail the salary costs for 2021–22, 2022–23 and 2023–24, broken down by ongoing, fixed-term and casual, and explain any variances equal to or greater than  $\pm 10\%$  or \$100 million between the years for each category.

Employment category	Gross salary 2021–22 (\$ million)	Gross salary 2022–23 (\$ million)	Gross salary 2023–24 (\$ million)	Explanation for any year-on-year variances $\pm 10\%$ or \$100 million
Ongoing	16.2	18.8	27.4	Growth in project portfolio and operations.
Fixed-term	0	0	0	N/A
Casual	0	0	0	N/A
<b>Total</b>	16.2	18.8	27.4	

### Question 23 (all departments and entities) Executive salary increases

Please detail the number of executives who received increases in their base remuneration in 2023–24, 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 in 2023–24, apart from increases outlined in employment agreements			Reasons for these increases
	Female	Male	Self-described	
0-3%	26	22	0	Increase through annual remuneration review.
3-5%	0	0	0	NA
5-10%	0	0	0	NA
10-15%	0	0	0	NA
greater than 15%	0	0	0	NA

**Question 24 (all departments and entities) Enterprise Bargaining Agreement (EBAs)**

Please list the Enterprise Bargaining Agreements (EBAs) concluded in 2023–24 that had an impact for the department/agency. For each EBA, please show the number of employees affected and the change in employee expenses attributable to the EBA.

Enterprise Bargaining Agreement	Number of employees affected	Number of employees as a % of department/entity	Change in employee expenses attributable to the EBA (\$ million)	Change in employee expenses attributable to the EBA (\$ million) as a % of total employee expenses
DVEA 2023	279	81.58%	\$1.4 M	2.1% of overall employee expenses

**Section G: Government decisions impacting on finances**

**Question 25 (all departments and entities) Commonwealth Government and National Cabinet decisions**

Please identify any Commonwealth Government and National Cabinet decisions during 2023–24 which had not been anticipated/not been concluded before the finalisation of the State budget in 2023–24 and their impact(s) on the department’s/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(s) in 2023–24	
	on income (\$ million)	on expenses (\$ million)
N/A	N/A	N/A
National Cabinet decision	Impact(s) in 2023–24	
	on income (\$ million)	on expenses (\$ million)
N/A	N/A	N/A

## Section H: General

### Question 26 (all departments and entities) Reviews/studies/evaluations undertaken

- a) Please list all internal<sup>3</sup> and external reviews/studies/evaluations, established, commenced or completed by or on behalf of the department/agency in 2023–24 and provide the following information:
- i. Name of the review/evaluation and which portfolio and output/agency is responsible
  - ii. Reasons for the review/evaluation
  - iii. Terms of reference/scope of the review/evaluation
  - iv. Timeline for the review/evaluation
  - v. Anticipated outcomes of the review/evaluation
  - vi. Estimated cost of the review/evaluation and final cost (if completed)
  - vii. Where completed, whether the review/evaluation is publicly available and where. If no, why it is not publicly available.

Name of the review (portfolio(s) and output(s)/agency responsible)	Reasons for the review/evaluation	Terms of reference/scope	Timeline	Anticipated outcomes	Estimated cost (\$)	Final cost if completed (\$)	Publicly available (Y/N) and URL If no, why.
N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A

- a) Please outline the Department's/Agencies in house skills/capabilities/expertise to conduct reviews/studies/evaluations of the programs and services for which the Department /Agency is responsible.

N/A

<sup>3</sup> Internal reviews do not include internal costings. Internal reviews/evaluations include any reviews or evaluations undertaken by your department and not given to external consultants. Internal reviews/evaluations do not include inquiries carried out by Parliamentary Committees or reviews undertaken by integrity agencies.

**Question 27 (all departments) Climate change**

This question does not apply to this entity.

**Question 28 (DTP, DE, DH, DEECA) Adaptation Action Plans** This question does not apply to this entity.

**Question 29 (all departments) Annual reports – performance measure targets and objective indicators**

This question does not apply to this entity.

**Question 30 (all departments and entities) Challenges experienced by department/agency**

Please list a minimum of three main challenges/risks faced by the department/agency in 2023–24.

A significant challenge may be any matter or strategy that impacted the department/agency, whether it arose externally or internally or as a result of new policy or legislation.

	<b>Challenge experienced</b>	<b>Internal/ External</b>	<b>Causes of the challenge</b>	<b>Action taken to manage the challenge/risk</b>
1.	Manage market uncertainty and changing economic conditions	External	Market and economic conditions impacting housing affordability and supply such as subdued consumer sentiment, cost of living challenges and high interest rates.	Responsive to Government initiatives to support housing supply through partnerships across government and industry.
2.	Construction cost escalations.	External	Continued high construction cost escalation impacting project financial feasibility.	Ongoing market monitoring and oversight of procurement and contract management practices.
3.	Support regional development.	External	Regional market and economic conditions.	Responsive to Government initiatives to support regional housing supply and infrastructure delivery.

**Question 31 (all departments) Lapsed or abolished bodies**

This question does not apply to this entity.

**Question 32 (all departments) Newly created bodies**

This question does not apply to this entity.



## Section I: Implementation of previous recommendations

### Question 33 (relevant departments only)

This question does not apply to this entity.

## **Section J: Department of Treasury and Finance only**

### **Question 34 (DTF only) Net cash flows from investments in financial assets for policy purposes – General Government Sector (GGS)**

This question does not apply to this entity.

### **Question 35 (DTF only) Purchases of non-financial assets – General Government Sector (GGS)**

This question does not apply to this entity.

### **Question 36 (DTF only) Revenue initiatives**

This question does not apply to this entity.

### **Question 37 (DTF only) Expenses by departments – General Government Sector (GGS)**

This question does not apply to this entity.

### **Question 38 (DTF only) Economic variables**

This question does not apply to this entity.

## Section K: Treasury Corporation of Victoria only

### Question 39 Public Private Partnership (PPP)/alliance contracting projects

This question does not apply to this entity.