



PUBLIC ACCOUNTS AND ESTIMATES COMMITTEE

2018-19 BUDGET ESTIMATES QUESTIONNAIRE

1. Economic outlook for 2018-19

Question 1 *Impact of the economic outlook on the department/agency*

Budget Paper No.2: Strategy and Outlook contains a chapter on the Economic Context for Victoria over 2018-19, together with growth forecasts of the following key economic variables:

- GSP
- Employment
- Wage prices
- Consumer price index
- Wage index
- Population.

There is also a sensitivity analysis section in Appendix A of *Budget Paper No.2* that gives a further list of outcomes of economic variables that may influence the budgetary position including average weekly earnings, domestic share prices, overseas share prices, property prices, property volumes and interest rates.

- (a) How will the economic context for Victoria over 2018-19 outlined in Chapter 2 of *Budget Paper No.2: Strategy and Outlook* impact on:
 - (i) the financial position of the department or agency
 - (ii) services delivered by the department or agency
 - (iii) outcomes for the community.
- (b) What are the three economic indicators that are most relevant to the department/agency (e.g. population, employment)? What are the implications for the department/agency for any positive or negative variation to the forecast for these published in *Budget Paper No.2: Strategy and Outlook*?
- (c) What plans are in place within the department or agency to manage the changing economic conditions that are set out in the budget papers over 2018-19?

Not Applicable

2. Spending

Question 2 *Lapsing programs or initiatives*

Please identify any programs or initiatives (including asset or output initiatives) that have lapsed in 2017-18 (that is, they will not be continued in 2018-19). For each program or initiative, please indicate the expenditure on this program/initiative in 2017-18. If the program or initiative is to be extended, please identify whether the Department's own sources will be used or name any initiatives in the 2018-19 Budget that replace the lapsing initiative. Please also identify the effect on the community of the lapsing program (*including rescheduling of service provision or commencement of service provision*). If there is no effect, please detail the actions undertaken by the Department to ensure this. In describing the programs or initiatives, please use the same names as are used in the budget papers where applicable.

Not Applicable

Program or initiative	Expenditure in 2017-18 (\$ million)	If it is to be extended into 2018-19, how is the program or initiative to be funded?	Effect on the community (<i>including rescheduling of service provision or commencement of service provision</i>) of lapsing programs	Actions taken by the Department to ensure that there is no effect on service delivery resulting from lapsing programs

Question 3 Variations from prior year

Please explain any variations of more than ± 10 per cent (or greater than \$100 million) between the revised estimate for 2017-18 and the budget for 2018-19 for the following line items in the Department's operating statement in the Statement of Finances budget paper:

- 'employee benefits'
- 'grants and other transfers'
- 'other operating expenses' in aggregate
- the major components of 'other operating expenses' for your department (please supply categories as appropriate).

	2017-18 (budget estimate) (\$ million)	2017-18 (revised estimate) (\$ million)	Explanation for any variances greater than $\pm 10\%$ (or greater than \$100 million) 2017-18 budget estimate vs. revised estimate	2018-19 (Budget) (\$ million)	Explanation for any change greater than $\pm 10\%$ (or greater than \$100 million) 2018-19 budget estimate vs. revised estimate
Employee benefits	108.7	106.6	< 10% variance	110.9	< 10% variance
Grants and other transfers	-	-	Nil variance	-	Nil variance
Other operating expenses	49.4	48.0	< 10% variance	52.9	Variance primarily due to estimated carry-over of Members Electorate Office and Communication Budget from 2017-18 to 2018-19
Major components of 'other operating expenses' (please supply categories):					
<i>Member's Electorate Office and Communication Budget</i>	16.1	10.1	<i>Variance due to estimated carry-over of Members Electorate Office and Communication Budget from 2017-18 to 2018-19</i>	<i>Not Available**</i>	

Rent & Utilities	9.8	9.7	< 10% variance	Not Available **	
Communications (Phone, data, postage)	3.0	2.9	< 10% variance	Not Available **	
Electorate Office Relocation & Refurbishment	2.0	1.4	Decreased in budget based on the estimated number of relocations and refurbishments are anticipated to be completed in 2017-18	Not Available **	
Information Technology	3.2	3.1	< 10% variance	Not Available **	
Printing	1.3	1.3	Nil variance	Not Available **	
Security	1.5	1.8	2017-18 ERSC approved additional funding for the upgrade of electorate office security. Additional funding was allocated for this project after the security trials at selected offices were completed.	Not Available **	

* The above figures are for Parliament only. Information published in State Budget Papers also includes VAGO.

** The 2018-19 estimates are not available since the budget process for 2018-19 has not been completed.

- (e) If the Department is unable to provide estimates for the components of 'other operating expenses' in 2018-19, please explain how the amount of 'other operating expenses' listed for 2018-19 in the budget papers was calculated.

The employee salary and on-costs have been calculated based on the employees' expected salary levels. The remaining budgets is allocated to other operating expenses.

Question 4 Carryover funding for payments for non-financial assets

For the line item 'payments for non-financial assets' for 2018-19 in the departmental cash flow statement in the Statement of Finances budget paper, please identify the amount that is expected to be funded using funds carried over from 2017-18.

None

Question 5 Expenditure by government purpose classification

In relation to the break-down of expenses from transactions disaggregated by government purpose classification in the budget papers (if provided in the 2018-19 budget papers – see Table 1.3.5 in the 2017-18 Statement of Finances budget paper, p.29), please provide details of the Department's component of the expenses in each category for 2017-18 and 2018-19. Please explain any variations between the years that are greater than ± 10 per cent or greater than \$100 million between 2017-18 and 2018-19 estimates.

Parliament's expense estimates variance (excluding VAGO) between 2018-19 Budget and 2017-18 revised estimate is 5.9% (\$10.4m). The variation is primarily due to estimated carryover of Electorate Office and Communication budget for the Members of Parliament from 2017-18 to 2018-19 and new initiatives approved as part of the 2018-19 Budget including an increase in Members of Parliament Electorate Office and Communication budget and increase in funding to implement the Electorate Officer Enterprise Bargaining Agreement.

Government purpose classification	2016-17 actual (\$ million)	2017-18 revised estimate (\$ million)	2018-19 Budget (\$ million)	Explanation for any variances greater than $\pm 10\%$ (or greater than \$100 million) between 2017-18 and 2018-19 estimates.
General public services				
Public order and safety				
Education				
Health				
Social security and welfare				
Housing and community amenities				
Recreation and culture				
Fuel and energy				
Agriculture, forestry, fishing and hunting				
Transport and communications				

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Other economic affairs				
Other purposes				
Not allocated by purpose				

3. Expenditure reduction measures

Question 6 *Savings initiatives from past budgets*

For each of the savings initiatives detailed in the table below, please detail (on the same basis of consolidation as the budget papers):

- how the Department will meet the various savings targets in 2018-19
- the nature of the impact that these actions will have on the delivery of services during 2018-19
- the Department's savings target for 2018-19, with an explanation for any variances between the current target and what was originally published in the budget papers when the initiative was released. If the change in Government affected the implementation of these measures, please provide a more detailed explanation.

Initiative	Actions the Department will take in 2018-19	Impact of these actions on service delivery in 2018-19	Savings target for 2018-19 (\$ million)	Explanation for variances to the original target
Efficiency and expenditure reduction measures in 2015-16 Budget (2015-16 BP3 pp.105-7)			Not Applicable	
Savings and efficiencies and expenditure reduction measures in 2016-17 Budget (2016-17 BP3 p.118)			Not Applicable	
Savings measures in 2017-18 Budget (2017-18 BP3 p.114)			Not Applicable	
Any efficiency and expenditure reduction measures in 2018-19 Budget			Not Applicable	N/A

Question 7 Use for funds saved from other programs or initiatives

In relation to any programs or initiatives that have been reprioritised, curtailed or reduced for 2018-19 (including lapsing programs), please identify:

- (a) the amount expected to be spent under the program or initiative during 2018-19 at the time of the 2017-18 Budget
- (b) the amount currently to be spent under the program or initiative during 2018-19
- (c) the use to which the funds freed by this reduction will be put. Please include the name(s) of any program or initiative that will be funded or partially funded.

Not Applicable

Program/initiative that has been reprioritised, curtailed or reduced	The amount expected to be spent under the program or initiative during 2018-19:		The use to which the funds will be put
	at the time of the 2017-18 Budget	at the time of the 2018-19 Budget	

- (d) Please identify any programs or initiatives (asset or output) over \$2.0 million relevant to the Department that have been curtailed, deferred, discontinued or completed as a result of changes in strategic priorities between 2017-18 and 2018-19. In describing the programs or initiatives, please use the same names that are used in the budget papers where applicable.

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Question 8 *Department's share of reprioritisation of existing resources*

Please provide the Department's contribution to the whole-of-government amount identified as 'funding from reprioritisation of existing resources' in the 'net impact of the 2018-19 Budget new output initiatives' table.

Not Applicable

Amount reprioritised for 2018-19 (\$ million)	Amount reprioritised for 2019-20 (\$ million)	Amount reprioritised for 2020-21 (\$ million)	Amount reprioritised for 2021-22 (\$ million)

4. Output and asset initiative funding

Question 9 *Development of the Department's budget*

- (a) Please list the factors by which the Department developed its overall budget, in terms of total income from transactions, relating to total income from transactions for 2017-18. Please include explanations for all items.

	Amount		Explanation
	(per cent)	(\$ million)	
Total income from transactions 2017-18	na	179.3	
New output initiative funding ¹		2.1	
Lapsing or reducing programs		-	
External (e.g. Commonwealth) funding for new initiatives		-	
Savings and efficiency measures		-	No change in GED - \$3.1m applied to both 2017-18 to 2018-19
Inflation adjustment		2.3	
Output resource allocation reviews		-	
Base reviews		-	
Other (please specify)		2.9	
<i>Add - Increase in Electorate Office Security Upgrade project funding compared to 2017-18</i>		0.9	
<i>Add - Increase in CAC & depreciation compared to 2017-18</i>		0.8	
<i>Add - Additional staff for Presiding Officers</i>		0.2	
<i>Add – Increase in Council Committees funding from 2018-19 onwards</i>		0.7	
<i>Deduct - Decrease in carry over compared to 2017-18</i>		- 0.8	
<i>Add - Increase in special appropriations compared to 2017-18</i>		0.2	
<i>Add - Increase in s29 income compared to 2017-18</i>		0.2	

¹ This is the 2018-19 total from the Department's 'output initiatives' table plus the Department's share of any whole-of-government initiatives released in Budget Paper No.3.

<i>Add - Increase in sale of goods and grant income compared to 2017-18</i>		<i>0.7</i>	
Total income from transactions 2018-19	na	186.5	

** The above figures are for Parliament only. Information published in State Budget Papers also includes VAGO.*

- (b) If this is not the way the Department developed its overall budget, please provide a description of the process that was followed.

5. Public private partnership expenditure

Question 10 *PPP expenditure on operating statement*

For each line item in the Department's comprehensive operating statement or statement of cash flows (as indicated in the Statement of Finances budget paper) which includes expenditure on all PPP projects in 2018-19 or across the forward estimates period, please identify:

- (a) the line item
- (b) the value of expenditure (**including staff costs**) on PPP projects included within that line item
- (c) what the expenditure is for (for example, labour costs, payment of interest, payment of capital, purchases of services, payment of contracted penalties etc.).

Not Applicable

Line item	2017-18 revised (\$ million)	2018-19 (\$ million)	2019-20 (\$ million)	2020-21 (\$ million)	2021-22 (\$ million)	Explanation
PPPs under construction (including in planning)						
PPPs in operation						

Question 11 *Schools-related PPP projects (Department of Education and Training only)*

Not Applicable

Currently, there are two PPP projects relating to school construction: *New Schools PPP – Tranche 1* and *New Schools PPP – Tranche 2*. Tranche 1 was commissioned during 2016-17 and Tranche 2 is still in procurement.

- (a) Please advise:
 - (i) the most recent public sector comparator for the two tranches of the *New Schools PPP* project
 - (ii) what were the nature and extent of scope changes made to the project since the most recent public sector comparators were estimated.

- (b) Apart from these two projects, please advise what plans there are to open new schools in Victoria over the forward estimates period:
- (i) through PPP arrangements
 - (ii) through direct asset investment.
- (c) Please advise which new schools are planned:
- (i) in growth areas
 - (ii) in other areas.
- (d) Please advise the amount of total expenditure on new schools provided through PPPs and those provided through direct investment (including both capital and operating) anticipated:
- (i) in each year of the forward estimates period
 - (ii) in present value terms for the whole of the project life.

Expected investment expenditure over the forward estimates period	2018-19	2019-20	2020-21	2021-22
New schools expected to be provided through PPP procurement				
New schools expected to be provided through direct asset investment				

Present value of expected expenditure over the whole of the project life	(\$ million, 2018-19 values)
New schools expected to be provided through PPP procurement	
New schools expected to be provided through direct asset investment	

- (e) Please describe how operating schools are managed, highlighting differences (such as the maintenance of school buildings) between operating schools provided through PPP arrangements and schools procured through direct investment.
- (f) Please describe the planning process for new schools that are to be developed, including
- (i) the use of population projections and other data analysis undertaken by either the department or external contractors or consultants.
 - (ii) the involvement of education agencies such as the Victorian Schools Building Authority
 - (iii) the involvement of other Victorian Government departments and agencies e.g. the Department of Treasury and Finance
 - (iv) community engagement activities.

6. Revenue

Question 12 *Revenue raising initiatives*

In relation to 2018-19, please outline any new revenue-raising initiatives released in the 2018-19 Budget. For each initiative, please explain:

- (a) the reasons for the initiative
- (b) the assumptions underlying the reasons
- (c) the impact of any changes on service delivery (that is, please detail all programs/projects that have been revised as a result of changes to existing revenue initiatives)
- (d) any performance measures or targets altered as a result of the initiative
- (e) the anticipated total value of revenue gained/foregone as a result of the initiative.

In describing initiatives, please use the same names as are used in the budget papers where applicable.

[Not Applicable](#)

Initiative/change	Reasons for the initiative/change	Underlying assumptions	Impact of changes on service delivery	Performance measures or targets altered	Anticipated total value of revenue gained/foregone

Question 13 *Changes to existing revenue initiatives*

In relation to 2018-19, please outline any other major changes to existing revenue initiatives. For each change, please explain:

- (a) the reasons for the change
- (b) the assumptions underlying the reasons

- (c) the impact of any changes on service delivery (that is, please detail all programs/projects that have been revised as a result of the change)
- (d) any performance measures or targets altered as a result of the change
- (e) the anticipated total value of revenue gained/foregone as a result of the change.

Where possible, please use names for programs or initiatives that are used in the budget papers.

Not Applicable

Initiative	Change	Reasons for the change	Underlying assumptions	Impact of changes on service delivery	Performance measures or targets altered	Anticipated total value of revenue gained/foregone

Question 14 *New or changed tax expenditures/concession/subsidy initiative*

In relation to 2018-19, please outline any new tax expenditures or concession/subsidy initiatives and/or major changes to existing tax expenditures or concession/subsidy initiatives. For each initiative/change, please explain:

- (a) the reasons for the initiative/change
- (b) the assumptions underlying the reasons
- (c) the impact of any initiatives/changes on service delivery (that is, please detail all programs/projects that have been revised as a result of changes to existing revenue initiatives)
- (d) any performance measures or targets altered as a result of the initiative/change
- (e) the anticipated total value of revenue gained/foregone as a result of the initiative/change.

In describing initiatives, please use the same names as are used in the budget papers where applicable.

Not Applicable

Initiative/change	Reasons for the initiative/change	Underlying assumptions	Impact of changes on service delivery	Performance measures or targets altered	Anticipated total value of revenue gained/foregone

Question 15 *Growth in income categories*

For the Department's income categories (as they appear in the Department's operating statement in the Statement of Finances budget paper), please provide a description of the income category, an explanation for any items that have a variance of greater than ± 10 per cent or \$100 million between the revised estimate for 2017-18 and the budget for 2018-19.

Income category	Description of income category	Revised estimate for 2017-18 (\$ million)	Estimate for 2018-19 (\$ million)	Explanation
Output appropriations	Income from output appropriations	127.1	136.9	< 10% variance
Special appropriations	Income from special appropriations	48.6	48.8	< 10% variance
Sales of goods and services	Revenue from Ombudsman Victorian and IBAC for payroll services, received under section 29 of FMA	0.3	0.3	< 10% variance
Grants	Grant from Department of Education (in 2017-18 & 2018-19) and Transfer of funding from Melbourne City Council for their contribution to the Spring Street Security Upgrade project (in 2018-19)	0.0	0.5	Estimate for 2018-19 includes transfer of funding from Melbourne City Council to Parliament for their contribution to the Spring Street Security Upgrade project. This project was approved in 2018-19 Budget.
* The above figures are for Parliament only. Information published in State Budget Papers also includes VAGO.				

Question 16 *Commonwealth – State relations*

What impact have developments at the Commonwealth level had on the Department's component of the 2018-19 State Budget?

Not Applicable

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7. Performance measures

Question 17 *New performance measures*

For each quality, quantity or timeliness performance measure newly introduced in the 2018-19 Budget, please attach any supporting documentation the Department has produced in developing the measure, such as:

- (a) a description of the measure, including the data that support it, assumptions made, and how the data are collected and transformed
- (b) if the measure is a ratio (including a percentage), please include a description of the numerator and denominator series that provide the ratio
- (c) how the measure evaluates the performance of the Department or the task faced by the Department
- (d) the process the Department employed to set a target or anticipated result for this measure
- (e) a description of what constitutes good performance and how the performance measure indicates this
- (f) any shortcomings of the measure
- (g) how the department intends to estimate the 'expected outcome' of the measure at the time of the 2018-19 Budget
- (h) how the department intends to evaluate the effectiveness of the measure in the future.

Not Applicable – No new performance measures introduced in 2018-19 Budget. However, a number of performance measures have been amended for increased clarity.

8. Staffing matters

Question 18 *FTE by employment category*

- (a) Please fully complete the table below, providing actual FTE staff numbers at 30 June 2017 and estimates of FTE staff numbers (broken down by the categories listed below) at 30 June 2018 and 30 June 2019 for the Department. Please provide figures consolidated on the same basis (that is, including the same entities) as is reported in the Department's most recent annual report.

[See Attachment 1](#)

Grade	30 June 2017 (Actual FTE number)	30 June 2018 (Expected FTE number)	30 June 2019 (Forecast 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 (Please specify)			
Total			

(b) Please list the entities that contribute to the table above

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Question 19 *Ongoing, fixed term or casual staff*

- a) Please break down the actual staff numbers in your department as at 30 June 2017 and the estimates as at 30 June 2018 and 2019 according to the number of staff that are ongoing, fixed-term or casual.

[See Attachment 2](#)

	30 June 2017 actual		30 June 2018 expected		30 June 2019 forecast	
	(FTE number)	(head count)	(FTE number)	(head count)	(FTE number)	(head count)
Ongoing						
Fixed-term						
Casual						
Total						

- b) Please break down the actual staff numbers in your department as at 30 June 2017 and the estimates as at 30 June 2018 and 2019 according to gender and indicate if the Department has employees identifying as indigenous or having a disability.

[See Attachment 3](#)

	30 June 2017 actual		30 June 2018 expected		30 June 2019 forecast	
	(FTE number)	(head count)	(FTE number)	(head count)	(FTE number)	(head count)
Male						
Female						
Self-defined						
Total						

	30 June 2017 actual		30 June 2018 expected		30 June 2019 forecast	
	(FTE number)	(head count)	(FTE number)	(head count)	(FTE number)	(head count)

People who identify as having a disability						
People who identify as having indigenous status						

Question 20 Use of consultants, contractors and labour hire

- (a) What are the main gaps in the department's capability and capacity identified in 2017-18, 2018-19 and 2019-20?

Contractors and consultants are engaged for specialist services or experience not available within the organisation such as IT projects, auditing and assurance services, and research and legal advice.

- (b) How does the department define the terms 'contractor', 'consultant' and 'labour hire'?

In accordance with FRD 22H - A contractor is an individual or organisation that is formally engaged to provide works or services for or on behalf of an entity. This definition does not apply to casual, fixed-term or temporary employees directly employed by the entity

In accordance with FRD 22H - A consultant is a particular type of contractor that is engaged primarily to perform a discrete task for an entity that facilitates decision making through:

- provision of expert analysis and advice; and/or
- development of a written report or other intellectual output.

Labour hire are staff employed through agencies that supply persons to an organisation on a casual or fixed term basis and the organisation receives payment for employment of such persons.

- (c) What are the key drivers for the use of consultants, contractors and labour hire in the department in 2017-18, 2018-19 and 2019-20?

Key driver is to engage expert consultants and contractors to provide a range of activities that include internal audit services, research in areas where experience and knowledge in a specific field is required (e.g. committee work) and specific legal advice or technical advice etc.

- (d) Please provide a table of consultancy expenditure for contracts over \$10,000 from 1 July 2017 to 31 March 2018, as set out below:

Consultant	Purpose of consultancy	Start date	End date	Total approved project fee (\$ ex GST)	Expenditure 1 July 2017 to 31 March 2018 (\$ excluding GST)	Future expenditure (\$ excluding GST)
DEXIS PTY LTD	Review of Parliament's governance arrangements	Jul -17	Feb -18	21,225	21,225	-

- (e) Please provide a table of contractor expenditure from 1 July 2017 to 31 March 2018 as set out below:

Contractors engaged	Services provided	Expenditure (\$ excluding GST)	Start date (in 2017-18)
PRICEWATERHOUSE COOPERS	Internal audit, assurance and review services	166,871	Jul-2017
CONVERGE INTERNATIONAL PTY LTD	Staff training related services	8,000	Jul-2017
PETER WELLER	Professional IT services - Professional services for incident management systems	101,250	Aug-2017
ODGERS BERNDTSON	Recruitment Services - Position of Parliamentary Budget Officer	59,711	Nov-2018
GRIFFITH UNIVERSITY	Report drafting for framework for monitoring of the performance of IBAC	2,181	Jul-2017
LIBERATE ELEARNING PTY LTD	Staff training related services	1,644	Sep-2017
DAVIDSON EXECUTIVE AND BOARDS PTY LTD	Recruitment Services - Position of Clerk of the Legislative Assembly	30,000	Jul-2017
RIXSTEWART PTY LTD	Tender support service	28,213	Jul-2017
DEXIS PTY LTD	Services related to 2017-18 business plan for LA	15,200	Jul-2017
INSIGHT ENTERPRISES AUSTRALIA PTY LTD	Professional IT services - Sharepoint 2016 upgrade support	15,690	Jul-2017
INTEGR8IT	Professional IT services - Server support, development, monitoring	79,155	Jul-2017
PRIMEQ PTY. LTD	Professional IT services - Support and customisations for Oracle finance system	145,085	Jul-2017
SPRINGWOOD SYSTEMS PTY LTD	Professional IT services - Symantec antivirus activity services	85,031	Aug-2017
SCOTT CAMPBELL	Technical support for audio visual services	23,630	Sep-2017

JEREMY GANS	Specialist human rights advisory services to scrutinise bills and regulations introduced in Parliament	40,996	Jul-2017
SARALA FITZGERALD	Specialist human rights advisory services to scrutinise bills and regulations introduced in Parliament	23,954	Jul-2017
WILSON SECURITY PTY LTD	Contracted Security Services	790,904	Jul-2017
LEADING TEAMS BUSINESS 8 PTY LTD	Staff training related services	7,875	Nov-2017

<u>Contractors used for once-off project implementation</u>			
Contractors engaged	Services provided	Expenditure (\$ excluding GST)	Start date (in 2017-18)
SWITCH MEDIA	Technical support, documentation and training for Video on Demand service	18,800	Nov-2017
PRICEWATERHOUSE COOPERS	Workshop - Project management lessons learnt	10,000	Nov-2017
CQR CONSULTING AUSTRALIA PTY LTD	Professional IT services - Specification gathering for SIEM (Security Information and Event Management) solution	12,635	Oct-2017
DIMENSION DATA AUSTRALIA PTY LTD	Professional IT services - Setup and commissioning of Resource Central project	19,665	Feb-2018
IVANTI UK LTD	Professional IT services - Setup and commissioning for heat service management system	68,300	Jan-2018
M & T CONSULTING ENGINEERS PTY LTD	Professional IT services - Investigation report, RFQ documentation for Parliament House generator	6,000	Jul-2017
M-POWER SOLUTIONS PTY LTD	Professional IT services - Oracle Fusion Cloud reporting review and user training	7,525	Oct-2017
NOGGIN PTY LTD	Professional IT services - Setup and commissioning of incident management systems	64,776	Feb-2018
OLIKKA	Professional IT services - Setup and commissioning of end user computing systems	38,636	Nov-2017
QUBE GLOBAL SOFTWARE	Professional IT services - Develop depository for Lotus Notes system	3,075	Aug-2017
Avanti 90700793	Professional IT services - Setup and commissioning of heat service management system	8,750	Jan-2018

PARITY TECHNOLOGY CONSULTING PTY LTD	Support for audio visual upgrades, tender documentation and standards	2,200	Feb-2018
NDY MANAGEMENT PTY LTD	Electorate Office Security Upgrade - briefing, design, development & project administration	5,850	Feb-2018
M & T CONSULTING ENGINEERS PTY LTD	Engineering investigation, design etc. for data centre chiller replacement	9,860	Jan-2018

- (f) What guidance material and advice does the department utilise in making a decision to use a consultant, contractor or labour hire? How could this guidance and advice be improved to support the decision making of the department?
- Parliament has conducted a number of service reviews for its business units to decide on the optimum staffing establishment and service delivery model.
 - Each Department develops a business plan to identify ongoing and project based work. There are also financial and HR delegations of authority to ensure appropriate controls.
 - The above activities assist to identify resources required including Consultants, contractors and labour hire. Arrangements are made on an as needs basis to carry out specific projects or to backfill established vacancies.
 - Employee hires and engagement of Consultants and Contractors are approved by the senior executives of respective Departments.
 - Labour hire (temporary employment through agencies) are approved within financial and HR delegations.
- (g) What are the benefits of the use of consultants, contractors and labour hire in delivering outcomes for the department? What impact did contractors, consultants and labour hire have on the capability and capacity of the department in 2017-18?
- Use of consultants, contractors and labour hire services provides Parliament the flexibility to manage peak workloads and access specialist skills without incurring ongoing expenses when services are only required for a short period of time. This allows Parliament to achieve outcomes within budgeted resources.
- (h) What risks have been identified in relation to the use of consultants, contractors and labour hire? How are these risks managed?
- Risks are identified and managed in accordance with Parliament's Risk Management Framework.
 - Parliament's procurement policy provides the control framework surrounding procurement of these services. To mitigate risks, Department

of Parliamentary Services provides standard contract templates to Departments and expert legal opinion is sought for complex and high value engagements.

- Organisation Development provides advice on any risks associated with engaging individuals that could infer an employment relationship and milestones are included in engagements to ensure objectives are met within agreed timelines.

- (i) How is labour hire reported by the department with reference to the Department of Treasury and Finance's guidance note on FRD 22H?

FRD 22H does not apply to Parliament as Parliament is neither a department nor an agency for the purpose of FMA. Parliament's annual report discloses details of individual consultancies over \$10,000 (exclusive of GST) in the interest of good practice reporting.

- (j) Please advise, for the entities reported in the Department's most recent annual report:

- (i) the amount spent by the Department on labour hire staff during 2016-17 and amounts expected to be spent during 2017-18 and 2018-19.

Expenditure on labour hire staff	2016-17 (\$ million)	2017-18 (\$ million)	2018-19 (\$ million)
Temporary Staff	\$0.491m	\$0.320m (as at 31Mar18)	Not Available

- (ii) the amount of labour hire staff (FTE and headcount) used by the Department on the last working day of 2016-17, and the numbers expected on the last working days of 2017-18 and 2018-19

30 June 2017 actual		30 June 2018 expected		30 June 2019 forecast	
(FTE number)	(head count)	(FTE number)	(head count)	(FTE number)	(head count)
8	9	6.6	8	Not available	Not available

9. Enterprise Bargaining Agreements

Question 21 *EBAs anticipated to be completed during 2018-19*

- (a) Please list EBAs that are expected to be completed during the year that affect the Department, along with an estimate of the proportion of your Department's workforce (EFT) covered by the EBA.

Name of EBA under negotiation	Proportion of Department's EFT covered
Electorate Officers are currently covered by the <i>Electorate Officer (Victoria) Single Enterprise Agreement 2013</i> , which provided a final wage increase on 1 May 2016 and reached its nominal expiry date on 30 September 2016. This agreement is expected to be finalised in 2017-18.	320 FTE

- (b) Please describe the effect the EBAs listed above have had on estimates of 2018-19 employee benefits.

The proposed increase in salary costs as per this EBA are already included in employee benefits estimates for 2018-19.

10. Government actions to combat homelessness (Questions for the Department of Health and Human Services only) – Not Applicable

Question 22 Cost and sources of funds

Not Applicable

- (a) *Victoria's Homelessness and Rough Sleeping Action Plan* contains a series of spending initiatives and programs to prevent homelessness and rough sleeping. This is in addition to a series of output and asset initiatives announced in the 2017-18 Budget for housing support for Victorians in need and people affected by family violence, as well as the Towards Home package announced in January 2017.

Please complete the table below as it relates to people at risk of homelessness, rough sleepers and people fleeing family violence.

Date of announcement	Initiative/output program		Amount allocated	Length of program or initiative	Amount spent (at March 31 2017)	Anticipated expenditure for 2018-19	Details of the asset initiative/output program
2017-18 Budget	Whole of Government Homes for Victorians initiative - Victorians in Need	<i>Rooming house upgrades</i>	\$20 million	2017-18			
		<i>Victorian property fund</i>	\$12 million	2017-18 to 2020-2021			
	Whole of Government Homes for Victorians initiative – Increasing and renewing social housing stock	<i>Financial backing for the community housing sector</i>	\$2.0 million	2016-17			
		<i>Increasing the capacity of the community housing sector</i>	\$3.0 million	2016-17			

	Whole of Government Family Violence initiative – Housing support for family violence victims	<i>Head leasing</i>	\$2.0 million	2017-18			
		<i>Improved crisis accommodation response</i>	\$83.1 million	2017-18 to 2020-21			
		<i>Long term housing</i>	\$48 million	2017-18			
January 2017	<i>Towards Home package</i>		\$9.8 million	January 2017 to January 2019			
January 2018 <i>Victoria's Homelessness and Rough Sleeping Action Plan</i>	Package to prevent homelessness		\$109 million				
	Investment to increase the supply of social housing		\$120 million				
	Family Violence Housing Blitz		\$152 million				
	Private rental brokerage to assist people maintain long term accommodation in the private rental market		\$33.2 million				
Other (please specify)							

Question 23 Measuring the impact of Victoria's Homelessness and Rough Sleeping Action Plan

Not Applicable

- (a) In relation to *Victoria's Homelessness and Rough Sleeping Action Plan* and other spending initiatives announced by the Government related to homelessness, please advise of any
 - (i) targets associated with the programs
 - (ii) relevant data intended for regular publication (such as in the department's annual report)
 - (iii) performance measures developed to assess the programs' effectiveness.

Whole-of-government questions (Department of Treasury and Finance only)

Not Applicable

Question 24 *Alterations to previous estimates for 2018-19*

Not Applicable

In relation to the estimated financial statements for the general government sector (estimated operating statement and estimated balance sheet), please explain any variations of more than ± 10 per cent (or greater than \$100 million) between the estimates for 2018-19 published in the 2017-18 budget papers, and the budget forecasts for 2018-19 shown in the 2018-19 budget papers.

Line item	Reason for variation

Question 25 *Changing estimates of PPP and other investment*

Not Applicable

In regard to the figure in the 2018-19 budget papers for 'PPP and other investment' (if provided) (see 2017-18 State Capital Program budget paper, p.19), please provide a revised estimate for this figure for 2017-18 and an explanation for the changes between last year's estimates and those for 2018-19:

	2017-18 (\$ million)	2018-19 (\$ million)	2019-20 (\$ million)	2020-21 (\$ million)	2021-22 (\$ million)
2017-18 budget papers	4,196.5	4,925.6	5,518.3	4,557.1	na
2018-19 budget papers					
Explanation					

Question 26 *Other grants for specific purposes*

Not Applicable

In the tables relating to grants for specific purposes in the Statement of Finances budget paper, if any line item labelled 'other' has a value exceeding \$10 million in 2018-19, please provide details of the grants which have been included in the line item.

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Question 27 *Changes in general purpose grants estimates*

Not Applicable

- (a) Please give reasons for the changes in general purpose grants estimates from the 2017-18 Budget, including those over the forward estimates.

	2018-19 (\$ million)	2019-20 (\$ million)	2020-21 (\$ million)
2017-18 estimates (2017-18 BP5 p.22)	16,142	17,036	18,001
2018-19 estimates (2018-19 budget papers)			
Explanation for variances			

- (b) What has been the impact of these changes to Victoria for 2018-19 and beyond?

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- (c) Please detail any actions that the State Government has taken in response to expected changes in the value of general purpose grants in 2018-19 and the forward estimates period.

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Question 28 *Equity funding from the Commonwealth*

Not Applicable

Does the Government expect to receive equity funding as an alternative to traditional grants payments made by the Commonwealth for transport or other projects over 2018-19 and the forwards estimates? If so, which projects will receive this funding and how much?

Question 29 *Net debt by PNFC/PFC entity*

Not Applicable

In relation to the net debt projections for the non-financial public sector for 2018-19 and over the forward estimates to 2021-22 (as published in the Statement of Finances budget paper),

please provide a break-down of the spread of net debt between the general government sector (GGS) and each of the main public non-financial corporations (PNFCs) concerned.

GGs/PNFC entity	Net debt, 30 June 2018	Net debt, 30 June 2019	Net debt, 30 June 2020	Net debt, 30 June 2021	Net debt, 30 June 2022

Question 30 *Reasons for changes to borrowings / net debt estimates*

Not Applicable

What specific factors or assumptions (for example, new or changed major asset or output initiatives) have led to changes to the estimates of borrowings and net debt as at 30 June 2017 and the forward estimates between the 2017-18 Budget and the 2018-19 Budget?

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Question 31 *Investments in financial assets for policy purposes*

Not Applicable

Please disaggregate the item 'net cash flows from investments in financial assets for policy purposes' (on GGS cash flow statement) showing:

- (a) Net cash flows (other than capital repayments²) between entities
- (b) Capital repayments received from entities outside the general government sector

Department/entity	Reason for cash flow (including any related projects or entities)	Expected net cash flow 2018-19 (\$ million)
Cash flows other than capital repayments		

² Defined in Department of Treasury and Finance, *Corporate Planning and Performance Reporting Requirements: Government Business Enterprises* (2009), s.7.2.1, p.14

Capital repayments		
Total (to equal net cash flows from investments in financial assets for policy purposes in GGS cash flow statement)		

- (c) Please provide a list of major projects that contribute to net cash flows from investments in financial assets for policy purposes for the State of Victoria, including anticipated inflows and outflows for 2018-19.

Project	Expected cash inflow	Expected cash outflow	Expected net cash flow
Total			

11. Corporate planning and performance reporting

Question 32 *Performance measurement and reporting requirements review*

Not Applicable

The Committee was informed in the *Government Responses to the Recommendations of the PAEC's Report in the 2016-17 Budget Estimates* that 'the Department of Treasury and Finance is undertaking a holistic review of performance measurement and reporting requirements. This review will result in extensive modifications to the Performance Management Framework and performance measurement in the State Budget, rolling out from Budget 2018-19'.

- (a) What are the recommendations of this review?
- (b) As a result of the review, what modifications have been made to
 - (i) the performance management framework?
 - (ii) reporting of performance measurement by departments and agencies in the State Budget?
- (c) What is the timeframe for the full rollout of the review?