



Victorian Budget 2020/21

Public Accounts and Estimates Committee – 2020/21 Budget estimates hearing

The Hon Danny Pearson MP
Assistant Treasurer

1 December 2020



Assistant Treasurer responsibilities

The Assistant Treasurer's primary portfolio responsibilities include:

- the State's financial reporting and accountability framework;
- whole of Victorian government financial management and risk management frameworks;
- whole of Victorian government purchasing and procurement arrangements;
- the Victorian government's motor vehicle fleet;
- whole of Victorian government landholding policy and coordination of government land sales;
- overseeing superannuation policy for State schemes;
- whole of Victorian government accommodation planning and policies through the Shared Service Provider;
- the Victorian Managed Insurance Authority;
- the Essential Services Commission; and
- the Registrar of Housing Agencies.

Victorian Government procurement overview

Assistant Treasurer is responsible for, and has oversight of, whole of government procurement

This is driven through DTF's Strategic Sourcing Group, which supports:

- the Victorian Government Purchasing Board
- delivery and management of 17 non-ICT goods and services categories of State Purchase Contracts
- delivery of whole of government fleet management services

Procurement reform program

A significant procurement reform program commenced in 2018. Key achievements include:

- developing and implementing the Social Procurement Framework
- developing an e-procurement strategy and launching the *Buying for Victoria* website
- expanding the VGPB policy framework to cover an approximately 150 more public sector entities

The *2020-21 Budget* provides funding of \$17.7 million to build on these achievements and continue reforms:

- funding includes \$4 million to leverage the Government's procurement spend to support coronavirus pandemic recovery

WoVG fleet management services

- The Assistant Treasurer is responsible for the Standard Motor Vehicle Policy
- The Standard Motor Vehicle Policy provides the overarching policies for the operation and management of the Government's passenger and light commercial fleet
- The Standard Motor Vehicle Policy promotes the purchase of safe and low emission vehicles
- 100 per cent of passenger vehicles have a 5-Star ANCAP rating

The Shared Service Provider (SSP)

SSP delivers shared services to 28 client departments and agencies in:

- Accommodation management
- Library
- Car pool services

SSP provides accommodation management services in partnership with private provider Jones Lang Lasalle (JLL)

SSP contributes to government efficiencies through:

- Scalable, efficient and effective service delivery
- Aggregated buying power
- Effective vendor procurement and contract management
- Centralised strategy development and implementation for common shared services

Departmental Performance Statements update

- Departmental Performance Statements (DPS) contained in Chapter 2 of Budget Paper No. 3 provide information relating to outputs and performance measures.
- It is expected that government services will be significantly impacted by the coronavirus (COVID-19) pandemic in 2020-21.
- The performance targets set for 2020-21 are reflective of performance of government services in a 'standard year' given the difficulties estimating accurate performance targets.

Framework reform update

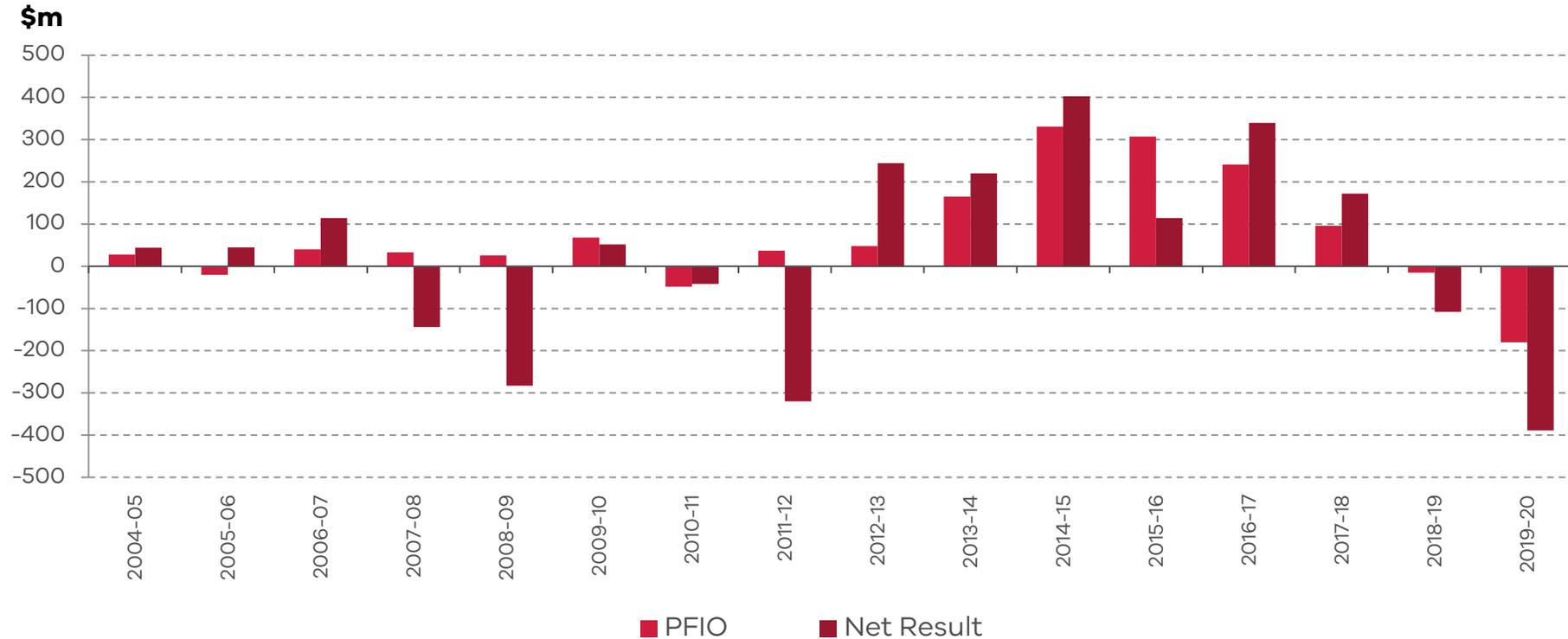
- Strong financial management systems and practices underpin quality services and infrastructure for Victorians
- Revisions to the Standing Directions and supporting frameworks to strengthen efficiency, accountability and decision making across government
- Financial reform opportunities that further support transparency and accountability will be considered in the 2021-22 Budget

Essential Services Commission

- ➔ The Essential Services Commission is Victoria's independent economic regulator with responsibilities in relation to the energy, water, local government and transport sector. It has an important role in supporting economic recovery by promoting the efficiency and effectiveness of regulated sectors:
- ➔ The Assistant Treasurer
 - has oversight of the funding and performance of the commission, and
 - may request advice and commission inquiries from the commission.
- ➔ The government's current priorities are:
 - Improving the administration and enforcement of regulation
 - Improving economic outcomes for Victorians and supporting the economic
 - Timeliness of regulatory processes
 - Delivery of risk based strategies for low income and vulnerable consumers
 - Stakeholder consultation and engagement

VMIA financial performance

FINANCIAL PERFORMANCE



Source: VMIA Annual Report 2019-20