



## PUBLIC ACCOUNTS AND ESTIMATES COMMITTEE

### 2018-19 BUDGET ESTIMATES QUESTIONNAIRE

#### LEGEND:

Blue Text – information provided by DJR

Black text – pre-filled information from PAEC

Red	Information for the Department of Justice and Regulation
Blue	Information for Victoria Police
Green	Information for Metropolitan Fire and Emergency Services Board and Country Fire Authority

## 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.

#### Department of Justice & Regulation

The Government centrally manages the State's resources through the budget allocation process. Given budgets are prepared on a forward looking basis, expected revenue and expenditure decisions take into account the prevailing macroeconomic conditions in the State of Victoria. As such, it is not expected that the economic context outlined in Budget Paper No.2 will significantly impact the financial position or services delivered by the department or the 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*?

#### Department of Justice & Regulation

All the key economic indicators are relevant to the department, although population growth most directly impacts the demand for services delivered by the Government. However, given the base funding departments receive to deliver on their outputs, a significant shift in the economic environment would be required for any changes to appear in the departmental outcomes as measured by the performance reporting framework.

- (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?

Department of Justice & Regulation

Through the annual budget process, the Government explicitly plans for and responds to the economic conditions facing the State, including adapting to challenges and identifying future opportunities.

## 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.

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
Department of Justice & Regulation				
Community Crime Prevention Program (\$19.4m over two years) allocated in the State Budget	7.962	This initiative will be funded through a combination of funding in the 2018-19 State Budget and re-phase of funding from the 2016-17 year.	Nil - all existing programs are continuing in 2018-19.	Nil. Continued funding for 2018-19 has been confirmed
Strengthened Workforce Response in Youth Justice precincts	6.6	Continuation funding for 2018-19 has been provided in the 2018-19 State Budget under the Strengthening the youth justice system initiative.	Nil - continued funding for 2018-19 has been confirmed	Nil. Continued funding for 2018-19 has been confirmed
Strengthening Youth Justice precinct- Youth Justice Correctional Staff	5.3	Continuation funding for 2018-19 has been provided in the 2018-19 State Budget under the Strengthening the youth justice system initiative.	Nil - continued funding for 2018-19 has been confirmed	Nil. Continued funding for 2018-19 has been confirmed

<b>Program or initiative</b>	<b>Expenditure in 2017-18 (\$ million)</b>	<b>If it is to be extended into 2018-19, how is the program or initiative to be funded?</b>	<b>Effect on the community (including rescheduling of service provision or commencement of service provision) of lapsing programs</b>	<b>Actions taken by the Department to ensure that there is no effect on service delivery resulting from lapsing programs</b>
Youth Justice – Family Violence - Support for vulnerable children - Youth Diversion Program	3.4	Children’s Court Youth Diversion funded in the 2018-19 State Budget under the Strengthening the youth justice system initiative. Bail Supervisors funded ongoing in the 2016-17 State Budget Update under the Strengthened Youth Justice Response initiative.	Nil - ongoing funding has been confirmed	Nil. Ongoing funding has been confirmed
Youth Justice Review & Strategy – SERT staff	1.665	Continuation funding for 2018-19 has been provided in the 2018-19 State Budget under the Strengthening the youth justice system initiative.	Nil - continued funding for 2018-19 has been confirmed	Nil. Continued funding for 2018-19 has been confirmed
Supporting Aboriginal Children and Families (Koori Justice)	1.138	Ongoing funding has been provided in the 2018-19 State Budget under the Strengthening the youth justice system initiative.	Nil - ongoing funding has been confirmed	Nil. Ongoing funding has been confirmed
Victims experience of the justice system	1.0	The 2016-17 State Budget provided funding for family violence initiatives (innovative approaches and programs for women) over two years.	No impact	Strategy’s impacts will be subject to an evaluation in 2018-19, and if required a budget submission for ongoing funding will be pursued for 2019-20.
ESTA Baseline Funding	15.6	Continuation funding has been provided in the 2018-19 Budget under the ESTA’s Baseline Funding initiative.	Nil	Nil. Continued funding for 2018-19 has been confirmed

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 (including rescheduling of service provision or commencement of service provision) of lapsing programs	Actions taken by the Department to ensure that there is no effect on service delivery resulting from lapsing programs
Government ICE Campaign: Mandatory drug screening for ice offenders on CCOs	0.283	Program met within existing resources.	No impact	Offenders on CCOs will continue to be directed to drug screening in accordance both with the conditions of their orders and with practice guidelines.
<b>Victoria Police</b>				
ESTA Baseline Funding	12.7	Continuation funding has been provided in the 2018-19 Budget under the ESTA's Baseline Funding initiative.	Nil	Nil. Continued funding for 2018-19 has been confirmed

**Question 3 Variations from prior year**

Please explain any variations of more than  $\pm 10$  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:

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

	<b>2017-18 (budget estimate) (\$ million)</b>	<b>2017-18 (revised estimate) (\$ million)</b>	<b>Explanation for any variances greater than <math>\pm 10\%</math> (or greater than \$100 million)  2017-18 budget estimate vs. revised estimate</b>	<b>2018-19 (Budget) (\$ million)</b>	<b>Explanation for any change greater than <math>\pm 10\%</math> (or greater than \$100 million)  2018-19 budget estimate vs. revised estimate</b>
<b>Department of Justice &amp; Regulation</b>					
Employee benefits	1,075.0	1,109.6	The variance is less than $\pm 10$ per cent or \$100 million.	1,168.3	The variance is less than $\pm 10$ per cent or \$100 million.
Grants and other transfers	1,290.9	1,320.9	The variance is less than $\pm 10$ per cent or \$100 million.	1,463.1	The increase of \$142.2 million primarily relates to new output initiatives announced in the 2018-19 Budget including ESTA baseline funding and increased security measures in CBD.
Other operating expenses	1,115.2	1,108.4	The variance is less than 10 per cent or \$100 million.	1,246.4	Of the \$129.9 million increase in other operating expenses, the majority of the movement is in outsourced contracts (\$89.6 million). Please see below:
Major components of 'other operating expenses' (please supply categories):					

	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
Outsourced contracts	615.0	623.9	The variance is less than $\pm 10$ per cent or \$100 million.	713.5	The increase of \$89.6 million is primarily due to the full year impact of the Ravenhall Correctional Centre which came online on 13 November 2017 and the annual increase in DJR's fixed price contracts.
Professional Services	89.9	97.5	The variance is less than $\pm 10$ per cent or \$100 million.	91.5	The variance is less than $\pm 10$ per cent or \$100 million.
Accommodation/Occupancy	70.2	73.3	The variance is less than $\pm 10$ per cent or \$100 million.	83.1	The increase of \$9.8 million mainly relates to additional accommodation funding for the occupancy of 50 Franklin Street, Melbourne.
<b>Victoria Police</b>					
Employee benefits	2,227.9	2,266.1	The variance is less than $\pm 10$ per cent or \$100 million.	2,346.3	The variance predominately relates to: <ul style="list-style-type: none"> <li>• Additional employee costs associated with the recruitment of new police officers and other specialist staff as part of the Community Safety Statement package - \$102.3 million, mainly for the following projects: <ul style="list-style-type: none"> <li>○ Staff Allocation Model (SAM) – \$48.2 million;</li> <li>○ Victoria Police response to Family Violence - \$34.7 million; and</li> </ul> </li> </ul>



	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
					<ul style="list-style-type: none"> <li>○ Leadership Capability &amp; Gender Equality (Parental leave backfill) - \$12.6 million.</li> <li>• The variance reflects Incremental costs associated with the 2015 Sworn Enterprise Bargaining Agreement - \$6.3 million.</li> <li>• 2018-19 new ERSC initiatives - \$1.6 million.</li> </ul> <p>The above variance is offset by a once-off funding provided in 2017-18.</p>
Grants and other transfers	14.5	14.5	The variance is less than $\pm 10$ per cent or \$100 million.	3.7	The decrease relates to funding provided in 2017-18 only to the Emergency Services Telecommunications Authority (ESTA) to respond to growth in emergency call-taking and dispatch services, for improved connectivity with Emergency Service Organisations and to relocate one of ESTA's communication centres to a new facility.
Other operating expenses	578.0	576.1	The variance is less than $\pm 10$ per cent or \$100 million.	717.3	The increase predominantly relates to: <ul style="list-style-type: none"> <li>• Additional operating expenses associated with the Public Safety - Police Response (PSPR) and Community Safety Statement (CSS) packages, particularly the recruitment of new sworn police officers and specialist</li> </ul>

	2017-18 (budget estimate) (\$ million)	2017-18 (revised estimate) (\$ million)	Explanation for any variances greater than ±10% (or greater than \$100 million)  2017-18 budget estimate vs. revised estimate	2018-19 (Budget) (\$ million)	Explanation for any change greater than ±10% (or greater than \$100 million)  2018-19 budget estimate vs. revised estimate
					<p>staff, along with indexation on frontline services.</p> <ul style="list-style-type: none"> <li>The re-phasing and reclassification of expenditure from capital to output for a number of projects within the PSPR and CSS packages, as well as provisional carryover from 2017-18 into 2018-19.</li> <li>2018-19 new ERSC initiatives, offset by a residual 2017-18 Budget savings allocation.</li> </ul>
Major components of 'other operating expenses' (please supply categories):					
Purchase of Services – Intragovernment	88.0	93.0	The variance is less than ±10 per cent or \$100 million.	88.0	The variance is less than ±10 per cent or \$100 million.
Other Operating Supplies and Consumables	340.3	304.0	<p>The decrease mainly reflects the:</p> <ul style="list-style-type: none"> <li>Provisional carryover from 2017-18 into 2018-19 for: <ul style="list-style-type: none"> <li>a number of projects in the CSS program - \$8.4 million;</li> <li>Police Digital Radio Upgrade Program - \$6.7 million; and</li> <li>Other minor projects - \$2.1 million.</li> </ul> </li> </ul>	415.9	<p>The increase is mainly due to:</p> <ul style="list-style-type: none"> <li>Indexation on frontline policing services - \$31.8 million;</li> <li>Incremental increase in CSS package – \$27.4 million;</li> <li>Incremental increase in existing ERSC initiatives - \$1.5 million;</li> <li>Net impact of carryover of funding from previous years - \$2.1 million;</li> <li>Re-phasing and reclassification of a number of projects within the PSPR and</li> </ul>

	2017-18 (budget estimate) (\$ million)	2017-18 (revised estimate) (\$ million)	Explanation for any variances greater than ±10% (or greater than \$100 million)  2017-18 budget estimate vs. revised estimate	2018-19 (Budget) (\$ million)	Explanation for any change greater than ±10% (or greater than \$100 million)  2018-19 budget estimate vs. revised estimate
			<ul style="list-style-type: none"> <li>• Re-phasing of expenditures to better align procurement activity with testing and implementation for:                             <ul style="list-style-type: none"> <li>○ Integrated Operational Equipment Vests (IOEV) Replacement Project (PSPR) - \$9.8 million;</li> <li>○ Body Worn Cameras (PSPR) - \$4.7 million; and Victoria Police response to Family Violence project - \$3.8 million (CSS).</li> </ul> </li> <li>• Whole of Government efficiencies (Victoria Police component) - \$15.9 million</li> </ul> <p>The above decreases are offset by:</p> <ul style="list-style-type: none"> <li>• Final carryover from 2016-17 into 2017-18 of \$5.2 million;</li> <li>• Release of funding from DTF contingency for the Air Wing Capability (CSS) initiative - \$4.2 million; and</li> </ul>		<p>CSS programs, \$31.5 million and \$5.8 million respectively; and</p> <ul style="list-style-type: none"> <li>• 2018-19 new ERSC initiatives - \$19.2 million.</li> <li>• The above increases are offset by a residual 2017-18 Budget savings allocation – (\$7.6 million).</li> </ul>

	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
			Funding transfer from DJR to Victoria Police in 2017-18 only, in relation to the Digital Radio Upgrade Program - \$7.6 million.		
Specialised Operational Supplies and Consumables	12.3	12.3	The variance is less than $\pm 10$ per cent or \$100 million.	16.9	The increase is mainly due to additional costs associated with implementing the CSS package.
Information Communication Technology Supplies and Consumables	20.4	17.6	The decrease mainly reflects the re-phasing of expenditure for Mobile Technology project.	34.6	The increase predominantly relates to: <ul style="list-style-type: none"> <li>• additional ICT costs associated with implementing the CSS package - \$6.7 million; and</li> <li>• the re-phasing of expenditure for the Mobile Technology project from 2017-18 into 2018-19 - \$10.0 million.</li> </ul>
Consultancy Services	0.5	25.8	The increase reflects the reclassification of expenditures from capital to output to support the implementation of: <ul style="list-style-type: none"> <li>• Police Assistance Line / Online Reporting (CSS) project - \$12.7 million; and</li> <li>• Intelligence Capability (PSPR) project - \$12.6 million.</li> </ul> These costs are already accounted for in the project	27.8	The variance is less than $\pm 10$ per cent or \$100 million.

	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
			budgets and reflect reclassification of funding within the project budgets.		
Service Contracts	0.0	5.4	The increase reflects the release of funding from DTF Contingency to Victoria Police for the Air Wing Capability (CSS) project.	8.6	The increase reflects additional contractual costs associated with the Air Wing Capability (CSS) project.
Maintenance	39.0	39.0	The variance is less than $\pm 10$ per cent or \$100 million.	40.3	The variance is less than $\pm 10$ per cent or \$100 million.
Operating Leases	51.8	51.8	The variance is less than $\pm 10$ per cent or \$100 million.	51.8	The variance is less than $\pm 10$ per cent or \$100 million.
Note: Data is reflective of balances at time of drafting response and is subject to change					

- (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.

<b>Department of Justice &amp; Regulation</b>
n/a
<b>Victoria Police</b>
n/a

**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.

**Department of Justice & Regulation**

The department is projected to request a capital carryover of \$59.0 million from 2017-18 into 2018-19. The major contributors to the carryover request are:

- Increase prison capacity
- Management of Serious Offenders
- Women's prison capacity expansion
- Corrections Remand Upgrade.

**Victoria Police**

The provisional asset carryover from 2017-18 into 2018-19 is \$9.1m. The major contributors to the carryover are:

- Community Safety Statement - \$5.3m
- Public Safety - Regional and Rural Police Stations - \$2.7m
- Public Safety Police Response - Forensic Hub - \$0.5m
- Mernda Police Station - \$0.5m.

### 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  $\pm 10$  per cent or greater than \$100 million between 2017-18 and 2018-19 estimates.

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.
Department of Justice & Regulation				
General public services				
Public order and safety	1,867.3	2,292.3	2,550.6	<p>The increase in Public Order and Safety of \$258.3 million from 2017-18 Revised Estimate to 2018-19 Budget is mainly due to:</p> <ul style="list-style-type: none"> <li>• \$172.2 million new funding announced in the 2018/19 budget for initiatives including Strengthening the youth justice system, Emergency Services Volunteer Sustainability Grants Program, ESTA Baseline Funding, and Emergency Management High Priority Infrastructure.</li> <li>• \$83.6 million increased funding for Ravenhall Correctional Centre since its commencement in 2017-18.</li> <li>• Increased funding for existing initiatives including Management of Serious Offenders and Corrections Multi Year Prison Bed Expansion.</li> </ul>
Education	-	-	-	-
Health	-	-	-	-
Social security and welfare	-	-	-	-

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.
Housing and community amenities	-	-	-	-
Recreation and culture	-	-	-	-
Fuel and energy	-	-	-	-
Agriculture, forestry, fishing and hunting	-	-	-	-
Transport and communications	-	-	-	-
Other economic affairs	213.1	227.3	257.2	The increase in Other economic affairs is mainly due to: <ul style="list-style-type: none"> <li>• \$14.0 million provisional carryover from 2017-18 into 2018-19 for Victorian Racing Industry Fund grants.</li> <li>• \$6.3 million new funding announced in the 2018-19 budget including Regulating gambling and liquor and Engineers registration scheme.</li> </ul>
Other purposes	-	-	-	-
Not allocated by purpose	-	-	-	-
<b>Victoria Police</b>				
General public services	-	-	-	-
Public order and safety	2,779.9	3,056.5	3,283.2	The increase is predominantly driven by: <ul style="list-style-type: none"> <li>• Additional expenditure associated with the following:</li> </ul>



Government purpose classification	2016-17 actual (\$ million)	2017-18 revised estimate (\$ million)	2018-19 Budget (\$ million)	Explanation for any variances greater than ±10% (or greater than \$100 million) between 2017-18 and 2018-19 estimates.
				<ul style="list-style-type: none"> <li>○ CSS program of works - \$153.2 million;</li> <li>○ Incremental impact relating to the re-phasing and reclassification of expenditures - \$49.4 million;</li> <li>○ Public Safety program of works - \$20.6 million;</li> <li>○ 2015 EBA – \$6.3 million; and</li> <li>○ Net impact of carryover of expenditure - \$2.3 million.</li> <li>● 2018-19 new ERSC initiatives - \$23.1 million; and</li> <li>● Indexation on frontline policing services - \$56.1 million.</li> </ul>
Education	-	-	-	-
Health	-	-	-	-
Social security and welfare	-	-	-	-
Housing and community amenities	-	-	-	-
Recreation and culture	-	-	-	-
Fuel and energy	-	-	-	-
Agriculture, forestry, fishing and hunting	-	-	-	-
Transport and communications	-	-	-	-

<b>Government purpose classification</b>	<b>2016-17 actual (\$ million)</b>	<b>2017-18 revised estimate (\$ million)</b>	<b>2018-19 Budget (\$ million)</b>	<b>Explanation for any variances greater than <math>\pm 10\%</math> (or greater than \$100 million) between 2017-18 and 2018-19 estimates.</b>
Other economic affairs	-	-	-	-
Other purposes	-	-	-	-
Not allocated by purpose	-	-	-	-

## Notes:

- Data is reflective of balances at time of drafting response and is subject to change
- For future questionnaires, the classification of the functions of government' (COFOG) has been revised by the Australian Bureau of Statistics.

### 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
Department of Justice & Regulation				
Efficiency and expenditure reduction measures in 2015-16 Budget (2015-16 BP3 pp.105-7)	<p>Savings in the 2015-16 Budget are a flow-on from the Labor Financial Statement (LFS) and are specific measures which include:</p> <ul style="list-style-type: none"> <li>• Reducing travel expenses</li> <li>• Reducing the use of labour hire firms</li> <li>• Ceasing production of hard copy reports for tabling in parliament</li> <li>• Implementing electronic purchasing</li> </ul>	There has been a reduced spend on these expense categories in previous years which will be maintained in 2018-19. The incremental increase of this savings when compared to 2017-18 is immaterial (\$0.07m).	11.4	n/a

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
	<ul style="list-style-type: none"> <li>• More efficient government car fleet arrangements</li> <li>• Abolishing taxpayer-funded political advertising.</li> </ul> <p>To date the department has managed its expenditure without affecting service delivery to citizens. Savings and efficiencies have been rolled out and realised through a management focus on improved business productivity and service innovation, including digital channels.</p>			
Savings and efficiencies and expenditure reduction measures in 2016-17 Budget (2016-17 BP3 p.118)	<p>The 2016-17 Budget included the following savings for the department:</p> <ul style="list-style-type: none"> <li>- Communications</li> <li>- Further administrative efficiencies and procurement savings.</li> </ul> <p>The department has allocated the savings across the department and is expected to achieve them through streamlining administrative functions, encourage productivity and service innovation and by</p>	There has been a reduced spend on these expense categories. The incremental increase of this savings when compared to 2017-18 is immaterial.	7.4	n/a

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
	implementing efficient procurement practices			
Savings measures in 2017-18 Budget (2017-18 BP3 p.114)	The 2017-18 Budget announced a Whole of Government efficiencies initiative to invest in priority areas including Family Violence. The savings did not impact service delivery as they were applied in the areas of administration, procurement, communications, consultancies, contractors and non-frontline staffing.		26.3	Of the \$26.3 million targeted savings for 2018-19, \$7.9 million is the residual 2017-18 Savings allocated to the department as part of the 2018-19 Budget
Any efficiency and expenditure reduction measures in 2018-19 Budget	n/a	n/a	n/a	n/a
<b>Victoria Police</b>				
Efficiency and expenditure reduction measures in 2015-16 Budget (2015-16 BP3 pp.105-7)	Savings in the 2015-16 Budget are a flow-on from the Labour Financial Statement (LFS) and are specific measures which include:  - Reduce government travel expenses.	No material impact on operational police service delivery.	2.6	Nil variance

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
	<ul style="list-style-type: none"> <li>- Reduce the use of the labour hire firms.</li> <li>- Reduce hard copy reports tabled in Parliament.</li> <li>- Implementing electronic purchasing.</li> <li>- More efficient government car fleet arrangements.</li> </ul> <p>Victoria Police has reduced expenditure in relation to the use of labour hire firms in 2015-16.</p>			
Savings and efficiencies and expenditure reduction measures in 2016-17 Budget (2016-17 BP3 p.118)	<p>The 2016-17 Budget included savings to general communication and operating expenditures.</p> <p>Victoria Police has reduced the budget available to business units for non-front line and non-wage costs.</p>	No material impact on operational police service delivery.	5.1	Nil variance
Savings measures in 2017-18 Budget (2017-18 BP3 p.114)	The 2017-18 Budget included savings in the areas of administration, procurement, communications, consultancies, contractors and non-frontline staffing, to enable the Government to	No material impact on operational police service delivery.	24.7	Of the \$24.7 million targeted savings for 2018-19, \$7.2 million is the residual 2017-18 Savings allocated to VicPol as part of the 2018-19 Budget.

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
	invest in priority areas including Family Violence.			
Any efficiency and expenditure reduction measures in 2018-19 Budget	This is the residual 2017-18 Budget savings that was held in DTF central contingency to be allocated as part of the 2018-19 Budget.	No material impact on operational police service delivery.	7.2	Nil variance
<b>Metropolitan Fire and Emergency Services Board and Country Fire Authority</b>				
There are no efficiencies for Metropolitan Fire and Emergency Services Board and for the Country Fire Authority against the categories outlined in the table.				

**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.

Department of Justice & Regulation			
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	
Prison capacity expansion (announced in the 2017-18 Budget Update)	\$0.000 million	\$10.373 million	Funding will be used towards the Lara Prison Precinct expansion announced in the 2018-19 Budget.
Victoria Police			
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	
n/a			



- (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.

<b>Department of Justice &amp; Regulation</b>
n/a
<b>Victoria Police</b>
n/a

**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.

<b>Department of Justice &amp; Regulation</b>			
<b>Amount reprioritised for 2018-19 (\$ million)</b>	<b>Amount reprioritised for 2019-20 (\$ million)</b>	<b>Amount reprioritised for 2020-21 (\$ million)</b>	<b>Amount reprioritised for 2021-22 (\$ million)</b>
nil	nil	nil	nil
<b>Victoria Police</b>			
0.601	0.644	Nil	Nil

## 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)	
<b>Department of Justice &amp; Regulation</b>			
Total income from transactions 2017-18	n/a	3,833.9	Base funding as at 2017-18 Published Budget
New output initiative funding <sup>1</sup>	4.2	178.5	New funding announced in the 2018-19 Budget including Strengthening the youth justice system, Emergency Services Telecommunications Authority baseline funding, Emergency Services Volunteer grants program, Emergency services high priority Infrastructure program, Prison system capacity expansion and security upgrades, and Melbourne CBD security measures.
Lapsing or reducing programs	-	-	n/a
External (e.g. Commonwealth) funding for new initiatives	-	-	n/a
Savings and efficiency measures	-1.3	-55.0	Incremental savings including General Efficiency Dividend (GED), Better Services Implementation Taskforce (BSIT), Labor Financial Statement (LFS) and other general budget savings.
Inflation adjustment	1.9	80.2	Departmental funding model and fixed price indexation.
Output resource allocation reviews	n/a	n/a	There is no funding movement

<sup>1</sup> 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.

	Amount		Explanation
	(per cent)	(\$ million)	
Base reviews	n/a	n/a	There is no funding movement
Other (please specify)			
Movements in previously announced initiatives	4.1	175.2	Funding announced in the 2017-18 Budget Update including Prison capacity expansion and Youth Justice Review and Strategy, and the net increase in previous years' budget initiatives mainly for the Management of Serious Offenders and Community Corrections - Contributing to a safer community.
Ravenhall Correctional Centre	2.0	86.0	The increase reflects the full year impact of funding for the Ravenhall Correctional Centre which commenced in November 2017.
Movements in Section 29 revenue	-0.2	-6.5	Overall decrease mainly due to changes to a number of revenue retention agreements prior to the 2017-18 Budget, partly offset by an increase in Commonwealth funding for Legal assistance services and Family advocacy and support services.
Re-phase of funding	-0.3	-11.2	Re-phase of funding in 2017-18 mainly for Information Technology related projects across the department.
Movements in appropriation transfers	0.3	15.0	Movement reflects appropriation transfers in 2017-18 mainly for transferring output appropriation for depreciation to capital appropriation to support the 2017-18 capital program.
Transfers to Victoria Police, Department of Health and Human Services and Court Services Victoria	0.0	0.4	Not material

	Amount		Explanation
	(per cent)	(\$ million)	
Movement in provisional carryover	-0.2	-7.8	This reflects a minor reduction in the provisional carryover in 2018-19 Budget compared to the 2017-18 Published Budget.
Movements in trust fund	0.2	7.5	Overall increase in investment revenue including in the Victorian Property Fund due to the change in investment strategy.
<b>Total income from transactions 2018-19</b>	n/a	4,296.2	
<b>Victoria Police</b>			
Total income from transactions 2017-18	n/a	<b>3,044.7</b>	
Existing output initiatives	6.6%	200.1	Incremental increase predominantly relates to the Community Safety Statement and Public Safety program of works, including the re-phasing and reclassification of expenditure from capital to output.
New output initiative funding <sup>2</sup>	0.8%	25.4	Including: <ul style="list-style-type: none"> <li>Incremental funding provided for the Community Safety Statement 2018-19, building upon the foundation work of last year's statement - \$11.8 million; and</li> <li>Grant funding from TAC to conduct 50,000 additional drug tests on our roads per year - \$13.7 million.</li> </ul>
Lapsing or reducing programs	-0.4	-12.7	ESTA baseline funding provided for 2017-18 only.
External (e.g. Commonwealth) funding for new initiatives	n/a	n/a	n/a

<sup>2</sup> 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.

	Amount		Explanation
	(per cent)	(\$ million)	
Savings and efficiency measures	-1.0%	-31.9	Additional savings requirements in 2018-19. This includes: <ul style="list-style-type: none"> <li>Incremental increases associated with previously announced savings initiatives;</li> <li>Residual 2017-18 Budget savings allocation; and</li> </ul> Application of an efficiency dividend to non-frontline departmental expenditure in 2018-19
Inflation adjustment	1.9%	56.1	Gross indexation of 2.5%.
Output resource allocation reviews	n/a	n/a	n/a
Base reviews	n/a	n/a	n/a
Other (please specify)	0.4%	10.7	Including: <ul style="list-style-type: none"> <li>Incremental increase associated with the 2015 Sworn Enterprise Bargaining Agreement - \$6.3 million; and</li> <li>Appropriation transfer to EMV for MDN/MMR services - \$15.7 million.</li> </ul> Offset by: One-off Section 30 transfer of capital funding to output funding to supplement the depreciation expenditure increase in 2017-18 – (\$8.7 million); a revision to grant funding from TAC for the New Booze and Drug Buses initiative – (\$2.7 million)
<b>Total income from transactions 2018-19</b>	n/a	<b>3,292.4</b>	
Notes:			
<ul style="list-style-type: none"> <li>Data is reflective of balances at time of drafting response and is subject to change</li> </ul>			

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

<b>Department of Justice &amp; Regulation</b>
Not applicable. The department has developed its overall budget in compliance with Section 4.1: Departmental Funding Model and output pricing, in the Performance Management Framework June 2017, issued under the Standing Directions of the Minister for Finance.
<b>Victoria Police</b>
n/a

## 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:

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

Department of Justice & Regulation						
Line item	2017-18 revised (\$ million)	2018-19 (\$ million)	2019-20 (\$ million)	2020-21 (\$ million)	2021-22 (\$ million)	Explanation
<b>PPPs under construction (including in planning)</b>						
n/a	n/a	n/a	n/a	n/a	n/a	n/a
<b>PPPs in operation</b>						
Interest expense / interest and other cost of finance paid	50.1	64.7	64.2	63.5	62.7	Payment of interest.
Other operating expenses / Payments to suppliers and employees	304.3	358.4	372.2	386.9	397.7	Maintenance and operating contracts for various PPPs mainly relating to Prisons.
Repayment of finance leases	320.6	12.5	13.5	14.8	16.1	Payment of capital including the State contribution for the Ravenhall Correctional Centre in 2017-18.

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

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.

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
<b>Department of Justice &amp; Regulation</b>					
There have been no revenue raising initiatives released in the 2018-19 Budget.					

### **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.

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
<b>Department of Justice &amp; Regulation</b>						
There has been no change to existing revenue raising initiatives in the 2018-19 Budget.						

**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.

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
<b>Department of Justice &amp; Regulation</b>					
There are no new tax expenditures or concession/subsidy initiatives and/or major changes to existing tax expenditure in the 2018-19 Budget.					

**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  $\pm 10$  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
<b>Department of Justice &amp; Regulation</b>				
Output Appropriations	Income provided by government as payment for the production of agreed services and outputs as disclosed in the 2018-19 Budget Paper 3.	3,723.9	4,130.5	<p>The increase of \$406.6 million (11%) in output appropriations is mainly due to:</p> <ul style="list-style-type: none"> <li>- New funding of approximately \$178 million announced in the 2018-19 Budget for initiatives including Strengthening the Youth Justice system, Emergency Services Volunteer Sustainability Grants Program, ESTA Baseline Funding, and Emergency Management High Priority Infrastructure.</li> <li>- Funding growth associated with initiatives announced in previous Budgets and the 2017-18 Budget Update mainly focusing on increasing capacity across the prison system including \$83.0 million for the new Ravenhall Correctional Centre – full year impact and increased funding of \$28.0 million for Management of Serious Offenders.</li> <li>- Incremental indexation mainly for prison and corrective services.</li> </ul> <p>The above increases are partly offset by the efficiency savings measures announced in the previous Budgets including the 2017-18 Budget savings.</p>

Income category	Description of income category	Revised estimate for 2017-18 (\$ million)	Estimate for 2018-19 (\$ million)	Explanation
Special appropriations	Income relating to expenditure for a particular purpose from authority within an act of Parliament. This includes volunteer workers compensation and payment of Commonwealth grants.	1.4	1.4	Less than ±10 per cent or \$100 million
Interest	Interest income received on bank term deposits and other investments.	55.1	53.9	Less than ±10 per cent or \$100 million
Sale of Goods and Services	Revenue received from sale of goods and services.	18.1	17.8	Less than ±10 per cent or \$100 million
Grants	Non-appropriated income provided to fund specific programs.	63.5	60.3	Less than ±10 per cent or \$100 million

Income category	Description of income category	Revised estimate for 2017-18 (\$ million)	Estimate for 2018-19 (\$ million)	Explanation
Other Income	Income from other sources including dividends from the department's investments in financial assets and other non-operating revenue.	26.3	29.3	The increase of \$3.0 million in Other Income primarily relates to higher expected dividends in 2018-19.
Victoria Police				
Output appropriations	Income provided to fund output.	3,030.0	3,266.8	The increase is predominantly driven by: <ul style="list-style-type: none"> <li>incremental increases in previously funded initiatives (mainly the CSS and PS-PR)</li> <li>Re-phasing and reclassification of expenditure from capital to output;</li> <li>indexation on frontline policing services;</li> </ul> offset by the residual 2017-18 Budget savings allocation.
Special appropriations	Commonwealth Grants.	0.0	0.0	n/a
Grants	Non-appropriated income provided to fund specific programs.	13.1	24.1	The increase relates to a new grant funding from TAC to conduct 50,000 additional drug tests on our roads per year; partly offset by the phasings of existing grant funding for the New Booze and Drug Buses initiative.

<b>Income category</b>	<b>Description of income category</b>	<b>Revised estimate for 2017-18 (\$ million)</b>	<b>Estimate for 2018-19 (\$ million)</b>	<b>Explanation</b>
Sale of goods and services	Revenue received from sale of goods and services.	0.0	0.0	n/a
Fair value of assets and services received free of charge or for nominal consideration	Assets and services received free of charge.	0.0	0.0	n/a
Interest	Income earned from bank deposits.	0.1	0.1	n/a
Other income	Miscellaneous receipts.	1.5	1.5	n/a
Note data is reflective of balances at time of drafting response and is subject to change				



**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?

Department of Justice & Regulation

Not applicable

## 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.

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#### Prisoner risk assessments delivered within set timeframes

- (a) This measure provides an indicator of the timely assessment of prisoner needs and risk of general re-offending, specifically the proportion of risk assessments completed for eligible prisoners within six weeks of completion of an initial risk screening. Data will be extracted from the Corrections Victoria Risk Assessment Tool (RAT) database and reported on a quarterly basis. Prisoners are eligible for the risk assessment if they have been assessed as at medium or high risk of re-offending using the screening version of the tool, and have six months or more remaining on their sentence.
- (b) *Numerator:* Number of eligible prisoners recorded as having a completed risk assessment within required timeframes in the specified time period. *Denominator:* Total number of risk assessments for eligible prisoners due to be completed in the specified time period
- (c) The risk assessment tool underpins effective case management of prisoners and offenders. The timeliness component associated with this measure ensures that prisoner needs and risk of re-offending are identified and assessed in a timely manner to ensure effective targeting of programs and services.
- (d) This is a new measure, although it has been used as an internal operational indicator with established counting rules used to monitor and report on compliance with the timeframe. Consultation was undertaken during the development of the measure, with results over the 2017 calendar year consistently between 90 and 95 per cent. The target rate of 90 per cent was set in consideration of ensuring the measure is achievable in the first year of formal measurement.
- (e) It is considered that good performance would involve a higher rate of compliance of risk assessments completed within the required timeframes than the target i.e. a rate between 90

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per cent and 100 per cent. This would indicate a result beyond what is considered reasonable to aim for.

- (f) In a small number of cases, non-compliance with the assessment can relate to prisoners who have recently moved prison locations. As there is no way for the source system to exclude these prisoners from the compliance measure this has been factored into the development of targets for the measure.
- (g) Recent performance will be examined to assess likely performance over the full financial year. Historical trends demonstrate stability over time in the volume of results and level of compliance.
- (h) Any significant change in the risk assessment tools, or operational practice or system changes that impact on the reported data would trigger a review of the measurement framework.

### Percentage of positive random drug tests

- (a) The measure provides an indicator of the proportion of random drug tests collected in prison that return a positive or positive-equivalent result. The testing regime is based on a random sample of prisoners at each location each week generated in the Prisoner Information Management System (PIMS), as a proportion of the total prison muster, with prisoners who test positive for drugs or meet a number of other criteria, including refusing a test, having an adulterated sample, interfering with the test, and being unable to be tested.
- (b) *Numerator*: Total number of positive drug tests and positive equivalent results or prisoners in the specified time period. *Denominator*: Total number of eligible samples to be collected from prisoners in the specified time period.
- (c) Prisons utilise both random drug testing and targeted testing regimes to monitor and control illegal drug use in prisons. While targeted testing efforts may vary between prisons and over time depending on need, random general drug tests are part of an established regime to monitor illegal drug use in prisons. The measure is included in the *Department of Justice and Regulation Annual Report*, in the Correctional system performance section.
- (d) This measure is an established internal performance measure and in addition to internal reporting, the prison-by-prison and state-wide performance results for both positive and targeted tests are published monthly on the Corrections Victoria website in the Drugs in Victorian Prisons Report. As part of this report, a random drug testing objective of 5.0 per cent is an indicator of the overall achievement level expected by the prison system.
- (e) It is considered that good performance would involve a lower rate of positive random drug tests than the target i.e. a rate of five per cent or below. This would indicate a result beyond what is considered reasonable to aim for.
- (f) There may be a time lag in finalisation of urinalysis results, and as such results for previous quarters may be subject to minor changes in year to date reporting.
- (g) Recent performance will be examined to assess likely performance over the full financial year.
- (h) Corrections Victoria has been monitoring this measure for a number of years and is confident in its effectiveness.

### Percentage of education modules successfully completed

- (a) The measure provides an indicator of the proportion of education modules successfully completed across prisons. The data is entered by education providers into a central CV reporting system for education delivery, it is intended that quarterly reporting be able to be introduced in 2018-19.
- (b) *Numerator*: Total number of successfully completed education modules in the specified period. *Denominator*: Total number of education modules completions during the specified time period. The counting rules for calculating this measure include all module completions, with successful completions being defined as those modules passed, and unsuccessful being those

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withdrawn from or failed. A small number of modules for which recognition of prior learning has been granted are included as successful.

- (c) The measure monitors the performance of contracted education providers across the prison system in maintaining prisoner engagement across education programs, with existing individual prison-based targets specified within local contracts. It complements the existing BP3 measure 'rate of prisoner participation of education' which measures point-in-time participation by prisoners who are eligible for this activity.
- (d) This measure aligns with existing internal performance measures monitoring outcomes for contracted education providers across the prison system. Consultation was undertaken during the development of the measure, with results of the aligned internal measure over the 2017-18 year-to-date above the intended benchmark. The target rate of 80 per cent for the system was set based upon performance against the existing internal metric and to achieve a balance between realistic objectives and providing an incentive to improve performance
- (e) It is considered that good performance would involve a higher successful completion rate of education modules than the target i.e. a rate of between 80 per cent and 100 per cent. This would indicate a result beyond what is considered reasonable to aim for.
- (f) No known shortcomings.
- (g) Recent performance against the closely aligned internal metric will be examined to assess likely performance over the full financial year.
- (h) While Corrections Victoria has been monitoring the aligned internal metric for a number of years, changes to the counting rules, operational practice or IT system delivery that impact on the reported data would trigger a review of the measurement framework.

### Percentage of community work hours ordered that are completed

- (a) The measure provides an indicator of the proportion of community work hours ordered that are completed at the time an order is discharged. Community correction orders with a community work condition and other reparation order types (e.g. fine orders) are in scope for this measure.
- (b) *Numerator*: Total number of community work hours ordered that have been successfully completed at the point of discharge for in-scope orders (finalised orders that have been successfully completed or cancelled as a result of breach). *Denominator*: Total number of community work hours mandated by the courts for in-scope orders.
- (c) This measure complements the existing BP3 measure 'community work hours performed' by providing an indicator of the effectiveness of enforcing the orders of the court, i.e. monitoring the completion of community work hours with reference to the total hours required to be undertaken.
- (d) The new measure is being trialled internally in 2017-18, with consultation undertaken during the development of the measure to ensure that the measure had a greater outcomes-focus. Based on current performance, a target of 75 per cent is proposed.
- (e) It is considered that good performance would involve a higher proportion of community work hours completed at the point of order discharge than the target i.e. a rate of between 75 per cent and 100 per cent. This would indicate a result beyond what is considered reasonable to aim for.
- (f) No known shortcomings.
- (g) Recent performance against the existing internal metric will be examined to assess likely performance over the full financial year.
- (h) While Corrections Victoria has been monitoring the aligned internal metric, changes to the counting rules, operational practice or IT system delivery that impact on the reported data would trigger a review of the measurement framework.

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### Client satisfaction with services provided by Victorian Legal Aid

- (a) The measure assesses the satisfaction of clients with the quality of services provided by VLA. This is a new measure for 2018–19 to reflect VLA's client focussed approach to service delivery.  
*Type of Data Collected:* Satisfaction rating collected using a sample of the calls serviced to get a reflection on customer satisfaction.  
*Data Reporting:* New telephony software to provide detailed reporting around customer satisfaction, customer satisfaction at team level (Weekly, Monthly and Annual consolidated report).  
*Data Storage:* Stored in VLA Database.  
*Data Security:*
- Physical security – Data Centre/Server Room restricted access.
  - Floor access restrictions.
  - Authentication process for accessing data.
- (b) The measure is a percentage satisfaction rating, collected via an automated survey process.  
*Categories:* highly satisfied > satisfied > neither satisfied nor dissatisfied > dissatisfied > highly dissatisfied.  
*Numerator:* Number of responses for highly satisfied and satisfied.  
*Denominator:* Total number of clients surveyed.
- (c) The measure contributes to the Departmental objective of 'A fair and accessible criminal justice system that supports a just society based on the rule of law', by providing information on matters relating to legal assistance services delivered.
- (d) This is a new measure; i.e. one not previously employed by VLA. However, the measurement approach is consistent with this style of performance measure, and was developed in consultation with internal subject matter experts. The threshold target rate of 80% was set to achieve a balance between realistic objectives and incentives to improve performance.
- (e) Good performance is when the target is met or exceeded.
- (f) Factors that may adversely influence this performance measure include:
- Specific incidents may give rise to short-term demand and longer wait times: potentially adverse impact on levels of satisfaction.
  - Longer call times to discuss more difficult issues: potentially adverse impact on levels of satisfaction.
  - Capacity of caller to accept/understand legal information provided: potentially adverse impact on levels of satisfaction.
  - Interruptions in service delivery technology: potentially adverse impact on levels of satisfaction.
  - Legal matters outside Legal Help's delivery model: potentially adverse impact on levels of satisfaction.
- (g) The 2018-19 expected outcome will be developed by tracking the performance data throughout the course of 2018-19, and forward projections will be used to provide an expected outcome for the 2019-20 budget.
- (h) As a matter of course, VLA's measures are assessed annually against the Department of Treasury and Finance's Performance Management Framework criteria, in order to review the measure's completeness, relevance and appropriateness.

### Average call wait time to the Legal Help phone line (VLA)

- (a) The measure assesses the timeliness of services provided by VLA through its Legal Help telephone service. This is a new measure for 2018–19 to reflect VLA's client focussed approach

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to Legal Help services.

*Type of Data Collected:* Call wait times logged at the start/end of each call, across all Legal Help queues.

*Data Reporting:* The data on average wait time is recorded across all Legal Help phone queues and reported daily, weekly, and monthly, and consolidated for the year.

*Data Storage:* Stored in VLA Database.

*Data Security:*

- Physical security – Data Centre/Server Room restricted access.
- Floor access restrictions.
- Authentication process for accessing data.

(b) The measure records the average number of minutes it takes for a call to be answered by the Legal Help call centre

*Numerator:* Sum of all call wait times for the period.

*Denominator:* Total number calls for the period.

(c) The measure contributes to the Departmental objective of '*A fair and accessible criminal justice system that supports a just society based on the rule of law*', by providing information on matters relating to legal assistance services delivered.

(d) This is a new measure; i.e. one not previously employed by VLA. However, the measurement approach is consistent with this style of performance measure, and was developed in consultation with internal subject matter experts.

The target rate of '*less than 10 minutes*' was set to achieve a balance between realistic objectives and incentives to improve performance.

(e) Good performance is when the target is met or achieves an average wait time lower than 10 minutes.

(f) Factors that may influence this performance measure include:

- Specific incidents may give rise to short-term demand and longer wait times.
- Interruptions in service delivery technology may give rise to longer wait times.
- Longer call times to discuss more difficult issues may give rise to longer wait times.

(g) The 2018-19 expected outcome will be developed by tracking the performance data throughout the course of 2018-19, and forward projections will be used to provide an expected outcome for the 2019-20 budget.

(h) As a matter of course, VLA's measures are assessed annually against the Department of Treasury and Finance's Performance Management Framework criteria, in order to review the measure's completeness, relevance and appropriateness.

### Customer satisfaction rating: BDM service centre

(a) This is a new performance measure for 2018–19 to reflect customer satisfaction with the delivery of services at the Registry of Births, Deaths and Marriages (BDM) service centre at 595 Collins Street, Melbourne. The measure will be calculated by distributing survey forms to customers at the BDM service centre that ask them to rate the question, 'I am satisfied with my overall experience at the registry today' on a scale of one (strongly disagree) to five (strongly agree). Survey forms will be distributed to customers on a quarterly basis for a period of two weeks by the security officer who is stationed at the entrance of the service centre. Customers will be handed a survey form after they take a ticket, and survey forms will also be available at all counters where customers are being served. Completed survey forms can be given to the BDM officer, the security officer, or placed in the service centre 'drop box.'

(b) This measure is a ratio of: the sum of the numerical responses to the question, 'I am satisfied with my overall experience at the registry today,' and the sum of responses received multiplied

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by five. The numerical response to the question can be one (strongly disagree), two (disagree), three (neither agree nor disagree), four (agree), or five (strongly agree).

- (c) BDM is involved in some of the most significant moments in the lives of Victorians. BDM is responsible for: recording all births, adoptions, marriages and deaths in Victoria; registering all domestic and caring relationships in Victoria; registering name changes for those born or living in Victoria; issuing certificates for all the above; and offering a civil marriage service through the Victorian Marriage Registry. A target in relation to customer satisfaction at the BDM service centre is appropriate to evaluate the performance of a key area of service delivery.
- (d) The target is the same as targets for performance measures relating to customer satisfaction levels at the Victorian Equal Opportunity and Human Rights Commission, the Dispute Settlement Centre of Victoria, and the Victorian Government Solicitor's Office.
- (e) Good performance in relation to customer satisfaction would be to achieve more than the identified target, or the target.
- (f) The measure is not considered to have significant shortcomings.
- (g) The expected outcome of the measure at the time of the 2018–19 Budget will be estimated based on previous performance and statistical projection of the estimated outcome.
- (h) The effectiveness of the measure will be assessed annually by reference to the Department's and BDM's performance objectives.

### Mainstream Gambler's Help agency client service hours provided by therapeutic and financial counselling activities

- (a) This measure captures the therapeutic and financial counselling service hours provided by local Gambler's Help agencies to registered clients.
- Service hours means direct time spent with clients, time spent by counsellors on client work (e.g. preparing reports) travel time and service promotion time.
  - Local Gambler's Help agencies means local Gambler's Help agencies providing services across Victoria but does not include services provided through the Aboriginal and In-language programs.
  - Therapeutic and financial counselling is generally one to one counselling but can also include some group counselling sessions.
  - Registered clients are clients recorded by agencies in the GH Connect system managed by the Foundation. Registered clients may be anonymous and are people experiencing harm from gambling who request support.
- (b) N/A
- (c) The measure is used to evaluate the performance of the Department's Gambler's Help program in delivering treatment and support services.
- (d) The target of 75,400 hours was set by aggregating the individual agency performance targets for therapeutic and financial counselling client service hours set out in agency funding agreements.
- (e) Good performance is when the target is met or exceeded. This indicates a high level of service provision in therapeutic and financial counselling for problem gambling.
- (f) The measure excludes elements of the broader service system, such as telephone and web-based counselling, peer support services and services provided through the Aboriginal and in-language programs. The accuracy of the data is dependent on accuracy of recording of hours by agency staff.
- (g) The expected outcome of the measure at the time of the 2018–19 Budget will be estimated based on previous performance.

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(h) The effectiveness of this measure will be considered in the context of a broader review (during 2018/19) of the Victorian Responsible Gambling Foundation's overall performance framework.

### Increased access to digital information by the community and stakeholders who have an interest in gambling harm

- (a) Increased access to digital information is measured by capturing visits to Foundation's websites and online tools. The number of visits is tracked via Google Analytics.
- (b) N/A
- (c) This measure will evaluate the Department's performance in increasing awareness and understanding of gambling harm and to encourage those experiencing moderate to severe gambling harm to access information and support services.
- (d) This target was set on the basis of a review of the website visitation trend data from the last three years and a forecast increase in visits based on the expected rollout of new websites and website functionality.
- (e) Good performance is when the target is met or exceeded. An increase in access to digital information provides a reliable indicator of community engagement with information on gambling harm.
- (f) Shortcomings of this measure are that data on website visits does not provide an indication of how effectively information is conveyed to website users and communication through other channels (such as social media) is not captured in this measure.
- (g) The expected outcome will be based on 2017-18 data, with appropriate adjustments for increases expected 2018-19.
- (h) The effectiveness of this measure is being considered in the context of a broader review (during 2018/19) of the Victorian Responsible Gambling Foundation's overall performance framework.

### Liquor and gambling inspections conducted at high risk times

- (a) This measure reports the amount of inspections that have been conducted between 10pm and 7am the following day as a proportion of total inspections. The time of an inspection for this measure is the time the inspection commenced.
- (b) This measure is a ratio of:
- Numerator: number of inspections conducted at high risk times
  - Denominator: total number of inspections conducted
- (c) This measure will evaluate performance in achieving a risk-based approach to targeting compliance inspections. The period of 10pm to 7am has been identified in previous analysis as a high risk time for liquor and gambling-related harm.
- (d) This measure has been based on a previous internal target. The target has been set based on an increase in inspections during the high risk time period.
- (e) Good performance will be indicated by an increase in the number of inspections at high risk times.
- (f) The measure assumes that time is the main indicator of risk. However, a significant portion of high risk events occur during the day. For example, the Grand Final, Spring Racing Carnival and festivals.
- (g) The expected outcome will be based on 2017-18 data, with appropriate adjustments for increases expected 2018-19.
- (h) This measure will be evaluated after 12 months of operation. The focus of the evaluation will be whether there is an increase in detection of non-compliance as a result of increased targeting of high risk times.



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### Number of court and administrative actions

- (a) This performance measure has been introduced to reflect Government priority on reporting outcomes to the Victorian community. The new performance measure provides increased transparency to the Victorian community with regard to the quality of Consumer Affairs Victoria's (CAV) compliance and enforcement activities. The measure will count the number of court and administrative actions undertaken by CAV.
- (b) N/A
- (c) The measure is a reflection of Government priority on reporting outcomes to the Victorian community. This performance measure was an element of the larger 2017-18 measure 'Compliance activities, from compliance assistance through to court actions'. This measure, in addition to the existing outcome measure relating to compliance rates, and the new measure 'Proportion of high priority breaches resulting in regulatory response', represent an appropriate mix of output and outcome focus and ensure that the most resource intensive elements of CAV's compliance activity are represented.
- (d) The target for this measure is based on the volume of expected court and administrative actions undertaken by CAV. As this measure was an element of the larger 2017-18 measure 'Compliance activities, from compliance assistance through to court actions', historical and current activity have assisted with the target development.
- (e) Good performance for this measure is the achievement of the target, which is based on anticipated volumes.
- (f) N/A
- (g) The Expected Outcome will be estimated based on the actual number of court and administrative actions delivered at that point in time plus a forecast for the remainder of the financial year.
- (h) This measure will be evaluated and reviewed annually as part of the department's BP3 Review process in the lead up to the budget cycle.

### Proportion of high priority breaches resulting in regulatory response

- (a) This performance measure has been introduced to reflect Government priority on reporting outcomes to the Victorian community. The new performance measure provides increased transparency to the Victorian community with regard to the quality of CAV's compliance and enforcement activities. The quality measure will reflect the percentage of high priority breaches resulting in regulatory response by CAV.
- (b) The measure counts the number of high priority legislative breaches that are detected by CAV through its State Inspection Program that result in administrative action or a regulatory response (from infringement notices through to court action such as civil and criminal proceedings). This is then divided by the total number of breaches that are detected by CAV.
- (c) The measure is a reflection of Government priority on reporting outcomes to the Victorian community. This measure, in addition to the existing outcome measure relating to compliance rates, and the new measure 'Number of court and administrative actions', represent an appropriate mix of output and outcome focus and ensure that the most resource intensive elements of CAV's compliance activity are represented.
- (d) The target was set with the expectation that CAV will respond to all high priority breaches identified, demonstrating its effectiveness as a regulator.
- (e) Achievement of this target demonstrates CAV's effectiveness in responding to high priority breaches.
- (f) N/A

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- (g) The Expected Outcome will be estimated based on the proportion of high priority breaches resulting in regulatory response delivered at that point in time plus a forecast for the remainder of the financial year.
- (h) This measure will be evaluated and reviewed annually as part of the department's BP3 Review process in the lead up to the budget cycle.

### Victoria Police

#### Number of youth referrals

- (a) New performance measure for 2018-19 to reflect the number of youths referred on to support services. This reflects the broader focus on reducing youth recidivism.
- (b) N/A
- (c) Preventing youth recidivism is a key priority for Victoria Police.
- (d) This target was developed in consultation with internal subject matter experts (SMEs) who reviewed previous data trends and used forward projections to estimate future numbers of referrals
- (e) Good performance is when the target is exceeded
- (f) No known shortcomings
- (g) The expected outcome will be calculated by tracking the data throughout the course of 2018-19 and using forward projections to provide an expected outcome in time for the 2019-20 budget.
- (h) As this is a new measure an evaluation process is still being developed.

#### Proportion of Family Incident Report affected family members receiving referrals

- (a) New performance measure for 2018-19 to reflect the number of family violence affected persons receiving referral support services. This reflects the Government's commitment to the Ending Family Violence Strategy.
- (b) N/A
- (c) Preventing family violence is a key priority for Victoria Police in line with the Government's commitment to the Ending Family Violence Strategy.
- (d) This target was developed in consultation with internal subject matter experts (SMEs) who reviewed previous data trends and used forward projections to estimate future numbers of referrals
- (e) Good performance is when the target is exceeded
- (f) No known shortcomings.
- (g) The expected outcome will be calculated by tracking the data throughout the course of 2018-19 and using forward projections to provide an expected outcome in time for the 2019-20 budget.
- (h) As this is a new measure an evaluation process is still being developed.

## 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.

Department of Justice & Regulation			
Grade	30 June 2017 (Actual FTE number)	30 June 2018 (Expected FTE number)	30 June 2019 (Forecast FTE number)
Secretary	1.0	1.0	n/a
EO-1	1.0	2.0	n/a
EO-2	34.0	35.0	n/a
EO-3	23.8	28.7	n/a
VPS Grade 7 (STS)	26.5	33.3	n/a
VPS Grade 6	646.4	705.4	n/a
VPS Grade 5	921.0	992.4	n/a
VPS Grade 4	1,155.3	1,263.4	n/a
VPS Grade 3	1,377.5	1,507.7	n/a
VPS Grade 2	1,180.1	1,169.0	n/a
VPS Grade 1	0.0	1.0	n/a
Government Teaching Service	-	-	-
-	-	-	-
Police	-	-	-
Allied health professionals	134.3	136.7	n/a
Child protection	-	-	-
Disability development and support	-	-	-
Custodial officers	3,017.6	3,040.5	n/a
Other (Please specify)	-	-	-
<b>Total</b>	<b>8,518.5</b>	<b>8,916.1</b>	<b>n/a</b>

Note: DJR is unable to provide forecasts on FTE for 30 June 2019			
Victoria Police			
Grade	30 June 2017 (Actual FTE number)	30 June 2018 (Expected FTE number)	30 June 2019 (Forecast FTE number)
Secretary	n/a		
EO-1	2.0	2.0	n/a
EO-2	6.0	8.8	n/a
EO-3	12.8	12.0	n/a
VPS Grade 7 (STS)	15.0	18.0	n/a
VPS Grade 6	189.3	199.6	n/a
VPS Grade 5	252.8	274.7	n/a
VPS Grade 4	556.9	594.7	n/a
VPS Grade 3	671.5	711.1	n/a
VPS Grade 2	1,094.8	1,077.1	n/a
VPS Grade 1	0.0	0.0	n/a
Government Teaching Service	-	-	-
Health services	5.8	5.9	n/a
Police	13,683.4	14,643.4	n/a
Allied health professionals	-	-	-
Child protection	-	-	-
Disability development and support	-	-	-
Custodial officers	-	-	-
Other (Please specify)	-	-	-
Protective Services Officers	1,389.6	1,442.3	n/a
Police Custody Officers	326.0	410.5	n/a
Forensic Officers	234.2	262.2	n/a
<b>Total</b>	<b>18,110.1</b>	<b>19,662.3</b>	<b>n/a</b>

**Notes:**

- Health Services includes Senior Medical Advisors.
- Police includes all Police ranks, Recruits and Reservists.
- Protective Services Officers includes PSO (security & transit) and PSOs in training.
- Police Custody Officers include PCO1, PCO2 and PCO3.
- EO-1 to EO-3 excludes Sworn Executive Officers (Assistant, Deputy and Chief Commissioner) and Executive Officers from Statutory and nationally funded bodies (Australia and New Zealand Policing Advisory Agency, Office of the Chief Examiner and Police Registration and Services Board).

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

### Department of Justice & Regulation

The Justice & Regulation numbers include FTE for the following statutory entities:

- Office of Public Advocate (OPA)
- Victorian Institute of Forensic Medicine (VIFM) (VPS staff only)
- Solicitor General's Office
- Victorian Law Reform Commission (VLRC)
- Sentencing Advisory Council (SAC)
- Crown Counsel
- Racing Integrity Commissioner
- Victims of Crime Commissioner
- Victorian Legal Admissions Board
- Director of Consumer Affairs Victoria
- Adult Parole Board (VPS staff only)
- Emergency Management Victoria
- Youth Parole Board (VPS staff only).

Entities with Public Service Body Heads who employ Public Servants independent of the departmental Secretary and are not reported in the department's numbers:

- Office of Public Prosecutions (OPP)
- Victorian Responsible Gambling Foundation (VRGF)
- VIFM (Executives and medical staff appointed by the Director, VIFM on behalf of the Board)
- Victoria Government Solicitor's Office (VGSO)
- Road Safety Camera Commissioner
- Victorian Equal Opportunity and Human Rights Commission (VEOHRC).

The following **statutory entities** are not included in the figures in the table above.

- Legal Services Commissioner (LSC)
- Victorian State Emergency Service (VICSES)
- Victorian Commission for Gambling and Liquor Regulation (VCGLR).
- Country Fire Authority (CFA)
- Metropolitan Fire and Emergency Services Board (MFESB)

**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.

	30 June 2017 actual		30 June 2018 expected		30 June 2019 forecast	
	(FTE number)	(head count)	(FTE number)	(head count)	(FTE number)	(head count)
<b>Department of Justice &amp; Regulation</b>						
Ongoing	7,347	7,556	7,727	7,940	7,727	7,940
Fixed-term	872	901	905	938	905	938
Casual	300	478	284	470	284	470
<b>Total</b>	<b>8,519</b>	<b>8,935</b>	<b>8,916</b>	<b>9,348</b>	<b>8,916</b>	<b>9,348</b>
<b>Victoria Police</b>						
Ongoing	18,179	18,673	19,352	19,878	n/a	n/a
Fixed-term	259	271	309	322	n/a	n/a
Casual	2.2	12	2.2	12	n/a	n/a
<b>Total</b>	<b>18,440.1</b>	<b>18,956</b>	<b>19,662</b>	<b>20,212</b>	n/a	n/a
<b>Metropolitan Fire and Emergency Services Board</b>						
Ongoing	2,247	2,267	2,303	2,316	2,303	2,316
Fixed-term	26.9	30	27.8	29	6.2	7
Casual	0	0	0	0	0	0
<b>Total</b>	<b>2,274</b>	<b>2,297</b>	<b>2,331</b>	<b>2,345</b>	<b>2,310</b>	<b>2,323</b>
<b>Country Fire Authority</b>						
Ongoing	2,051	2,099	2,140	2,195	2,170	2,225
Fixed-term	157	173	165	175	175	185
Casual	31	235	32	265	32	265
<b>Total</b>	<b>2,239</b>	<b>2,507</b>	<b>2,337</b>	<b>2,635</b>	<b>2,377</b>	<b>2,675</b>

- 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.

	30 June 2017 actual		30 June 2018 expected		30 June 2019 forecast	
	(FTE number)	(head count)	(FTE number)	(head count)	(FTE number)	(head count)
<b>Department of Justice &amp; Regulation</b>						
Male	4,176	4,285	4,308	4,430	4,308	4,430
Female	4,342	4,650	4,608	4,917	4,608	4,917
Self-defined	0.0	0	0.6	1	0.6	1
<b>Total</b>	<b>8,519</b>	<b>8,935</b>	<b>8,916</b>	<b>9,348</b>	<b>8,916</b>	<b>9,348</b>
<b>Victoria Police</b>						
Male	12,607	12,692	13,174	13,543	n/a	n/a
Female	5,833	6,264	6,489	6,669	n/a	n/a
Self-defined	0.0	0	0.0	0	n/a	n/a
<b>Total</b>	<b>18,440</b>	<b>18,956</b>	<b>19,662</b>	<b>20,212</b>	<b>n/a</b>	<b>n/a</b>
<b>Metropolitan Fire and Emergency Services Board</b>						
Male	2,059	2,063	2,103	2,104	2,092	2,093
Female	214.8	234	228.33	241	218	230
Self-defined	0	0	0	0	0	0
<b>Total</b>	<b>2,274</b>	<b>2,297</b>	<b>2,331</b>	<b>2,345</b>	<b>2,310</b>	<b>2,323</b>
<b>Country Fire Authority</b>						
Male	1,680	1,809	1,753	1,897	1,759	1,899
Female	559	698	584	738	618	776
Self-defined	n/a	n/a	n/a	n/a	n/a	n/a
<b>Total</b>	<b>2,239</b>	<b>2,507</b>	<b>2,337</b>	<b>2,635</b>	<b>2,377</b>	<b>2,675</b>



	30 June 2017 actual		30 June 2018 expected		30 June 2019 forecast	
	(FTE number)	(head count)	(FTE number)	(head count)	(FTE number)	(head count)
<b>Department of Justice &amp; Regulation</b>						
People who identify as having a disability	Not available. At this time, the department does not record details of employees who have a disability.					
People who identify as having indigenous status	157	164	163	166	181	184
<b>Victoria Police</b>						
People who identify as having a disability	78	81	78	81	n/a	n/a
People who identify as having indigenous status	74	74	83	83	n/a	n/a
<b>Metropolitan Fire and Emergency Services Board</b>						
People who identify as having a disability	Not available. At this time, the MFESB does not record details of employees who have a disability.					
People who identify as having indigenous status	3	3	3	3	3	3
<b>Country Fire Authority</b>						
People who identify as having a disability	Not available. At this time, the CFA does not collect this information about staff.					
People who identify as having indigenous status	Not available. At this time, the CFA does not collect this information about staff.					

**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?

**Department of Justice & Regulation**

Over the 2017-18 FYTD, contractors, consultants and labour hire were used to provide capabilities and capacity otherwise unavailable within the department.

Consultants are used for their intellectual property and independent advice or service outcome. Contractors and labour hire are used for a discrete task to meet temporary work need for the period of the engagement, similar to an ordinary employee.

The main gaps in DJRs capability and capacity relate to short term (less than 1 to 2 years) projects and the department's ability to:

- meet the immediate or short-term needs of the business or community
- deliver projects linked to corporate outcomes and expectations
- meet the short term needs of the business for specialised knowledge and advice.

The main areas of spend were for specialist Information Communication and Technology (ICT) skills such as software developers, network engineers and ICT managers. Other major areas of spend include the provision of labour hire to support department or divisional projects including administration, policy development, financial services and project management.

DJR anticipates demand for these capability and capacity gaps will remain the same into 2018-19 and 2019-20 financial year.

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

**Department of Justice & Regulation**

DJR has regard to DTF's Guidance Note on Financial Reporting Direction 22H (FRD 22H) in its definition of the terms 'contractor', 'consultant' and 'labour hire'. DJR defines the terms 'Contractor', 'Consultant' and 'Labour Hire' as follows:

- DJR defines contractor as, an individual engaged by the department, for the provision of labour hire, through an approved Staffing Services State Purchasing Contract (SPC) vendor (or a department recognised labour hire contract) for a fixed term to meet temporary work needs, or as someone who has specialised skill not found or readily available within the department's workforce. A contractor is not an employee of the department however is considered a 'quasi FTE' (a person who for the period of the engagement, is just like an employee. For example, they have a building pass, have use of DJR computers and may have a departmental email address).
- Labour hire is defined as a contractor supplied by a labour hire agency.
- Consultant is defined as an individual who is formally engaged to provide operational works or services on behalf of the department. A consultant is a professional who works in an advisory capacity to perform a discrete task and to facilitate decision-making through provision of expert analysis and/or development of a written report or other intellectual output. An example of consultant use is where DJR engages an advisory firm to review a business function and provide advice on where the organisation can improve and enhance its policies, process and systems.

These definitions are used for internal policies and advice and are applied within DJR when engaging contractors. For the purposes of reporting, DJR applies the broader definition of contractors, consultants and labour hire as set out in DTF's Guidance Note FRD 22H.

- (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?

#### Department of Justice & Regulation

Over the 2017-18 FYTD, the key drivers of consultant, contractor and labour hire use has been:

- Unprecedented investment and growth in the criminal justice system occurring as a result of several public enquires, reviews, reforms and schemes, to improve services, strengthen infrastructure and deliver a new correctional facilities.
- Access to intellectual property and high level specialist skills otherwise unavailable within DJR to undertake internal reviews, market analysis or implement new systems and processes including financial and procurement systems and replacing Births, Deaths and Marriages (BDM) core business system.

In the 2018-19 FY, DJR anticipates the above factors will continue to drive DJR's use of consultants, contractors and labour hire.

(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)
<b>Department of Justice &amp; Regulation</b>						
<b>Victoria Police</b>						
<b>Metropolitan Fire and Emergency Services Board</b>						
<b>Country Fire Authority</b>						
<p>As has been the reporting practice in previous years, an approved version of requested information will be available to Parliament under the <i>Other information on request</i> section of the Department's annual report. This information about consultancies and contractors will include:</p> <ul style="list-style-type: none"> <li>• consultants/contractors engaged</li> <li>• services provided</li> <li>• expenditure committed to for each engagement</li> </ul>						

(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
Department of Justice & Regulation			
Victoria Police			
Metropolitan Fire and Emergency Services Board			
Country Fire Authority			
<p>As has been the reporting practice in previous years, an approved version of requested information will be available to Parliament under the <i>Other information on request</i> section of the Department's annual report. This information about consultancies and contractors will include:</p> <ul style="list-style-type: none"> <li>• consultants/contractors engaged</li> <li>• services provided</li> <li>• expenditure committed to for each engagement</li> </ul>			

- (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?

#### Department of Justice & Regulation

Consultant, contractor or labour hire engagements are governed by DJR's Workforce Planning Framework, Procurement and Contract Management Framework and supporting policies, standards and guidelines.

This guidance material supports DJR determine the workforce capabilities most critical to execute the business strategy and deliver key operational and service requirements, and identified any capability gaps.

DJR's policy for engaging contractors covers the provision of contractors and provides hiring managers with detailed information to ensure engagements address business needs while also ensuring compliance with procurement and employment policies.

Applicable policies, standards and guidelines are referenced within the above policy and refer hiring managers to the rules governing classification and legislative reporting requirements issued the Department of Treasury and the Victorian Government Purchasing Board, including alignment to FRD22H.

- (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?

#### Department of Justice & Regulation

The benefits of engaging consultants, contractors and labour-hire include:

- provision of workforce flexibility to meet the short term needs of DJR
- coverage of short term absences of employees
- provision of specialist knowledge, intellectual property and expertise on an as needs basis
- provision of high quality services from service providers.

This supports the department in delivering its outcomes to the community. Contractors and consultants can work alongside departmental staff which helps in the transfer of knowledge expertise.

- (h) What risks have been identified in relation to the use of consultants, contractors and labour hire? How are these risks managed?

#### Department of Justice & Regulation

DJR has identified the following risks in relation to the use of consultants, contractors and labour hire:

- Working conditions – contractors are engaged under different working conditions to employees. A contractor of DJR is a 'deemed worker' under the *Workplace Injury Rehabilitation and Compensation Act 2013*. Therefore, prolonged tenures pose a risk to DJR where contractors may believe they are entitled to the entitlements and working conditions as employees.
- Sustainable workforce – extensive contracting out may be detrimental to developing a sustainable and capable workforce, and can lead to dependency and lack of knowledge within VPS.

- Contract Management – failure to monitor use of contractors and consultants impacts the hiring manager’s ability to ensure the best option is available to respond to the needs of the business
- Financial – increased cost and spend in the area of contractors and consultants occurs where hiring managers have insufficient information to benchmark pay rates.

DJR manages these risks by:

- Providing staff with the right training and investment to improve the internal capability of VPS staff and, in turn, putting DJR in a position where it can achieve sustainable cost reductions and improved workforce capability.
- Engaging contractors and consultants with respect to departmental policies and guidelines and by implementing a contractor policy that outlines the conditions for engaging contractors and introducing greater rigour to longer term contractor engagements. These policies and guidelines provide hiring managers with guidelines to ensure workforce planning addresses business needs and all available resource options and employment conditions are considered.
- Ensuring all terms of the engagement are comprehensively documented and registered in DJR contract management and on-boarding system.
- Engaging contractors and consultants from prequalified registers and State Purchase Contracts to minimise the cost of engagement and ensure the supply of suitably qualified contractors in a timely manner.

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

#### Department of Justice & Regulation

DJR’s public reporting of contractors is based on the Department of Treasury and Finance’s guidance note on Financial Reporting Direction 22H (FRD 22H). This reporting includes arrangements where an individual or organisation is engaged for labour hire through a labour hire firm or direct engagement.

DJR discloses operational reporting on contractors and consultants based on the terms used in FRD 22H. DJR discloses this information in its financial statements prepared for Budget Papers, the DJR Annual Report and internally through a monthly report on operations to the Secretary and the Justice Senior Executive Group. In addition the Department provides information to the Department of Treasury and Finance for inclusion in the Victorian Government Purchasing Board (VGPB) Annual Report.

- (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.

#### Department of Justice & Regulation

<b>Expenditure on labour hire staff</b>	<b>2016-17 (\$ million)</b>	<b>2017-18 (\$ million)</b>	<b>2018-19 (\$ million)</b>
	46.7	43.9	40.2

- (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

Department of Justice & Regulation					
30 June 2017 actual		30 June 2018 expected		30 June 2019 forecast	
(FTE number)	(head count)	(FTE number)	(head count)	(FTE number)	(head count)
n/a	340	n/a	264	n/a	302

Note: FTE associated with contractor engagements is not readily 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
Department of Justice & Regulation	
None. All Department of Justice and Regulation (DJR) employees are covered by the <i>Victorian Public Service Enterprise Agreement 2016 (VPS Agreement 2016)</i> .	As per response in question 18 above.
Victoria Police	
Not applicable.	
Metropolitan Fire and Emergency Services Board	
<i>Mechanical Engineering Workshops Agreement</i>	45 FTE
Country Fire Authority	
Not applicable	

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

Department of Justice & Regulation
Not applicable
Victoria Police
Not applicable.
Metropolitan Fire and Emergency Services Board
It is not anticipated that a new agreement will have an impact on the estimates of 2018-2019 employee benefits, as the current agreement reaches its nominal expiry date at the end of the 2018-19 financial year. We would anticipate that wage increases and other benefits flowing from the new agreement would commence in the 2019-2020 financial year.
Country Fire Authority
It is not anticipated that a new agreement will have an impact on the 2018-19 employee benefits.

## 10. Government actions to combat homelessness (Questions for the Department of Health and Human Services only)

### Question 22 Cost and sources of funds

- (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	Rooming house upgrades	\$20 million	2017-18			
		Victorian property fund	\$12 million	2017-18 to 2020-2021			
	Whole of Government Homes for Victorians initiative – Increasing and renewing social housing stock	Financial backing for the community housing sector	\$2.0 million	2016-17			
		Increasing the capacity of the community housing sector	\$3.0 million	2016-17			
		Head leasing	\$2.0 million	2017-18			

	Whole of Government Family Violence initiative – Housing support for family violence victims						
		Improved crisis accommodation response	\$83.1 million	2017-18 to 2020-21			
		Long term housing	\$48 million	2017-18			
January 2017	Towards Home package		\$9.8 million	January 2017 to January 2019			
January 2018 Victoria’s Homelessness and Rough Sleeping Action Plan	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**

- (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)

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

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  $\pm 10$  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

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

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**

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

	<b>2018-19</b> <b>(\$ million)</b>	<b>2019-20</b> <b>(\$ million)</b>	<b>2020-21</b> <b>(\$ million)</b>
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?

- (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.

**Question 28 Equity funding from the Commonwealth**

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**

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.

<b>GGS/PNFC</b> <b>entity</b>	<b>Net debt,</b> <b>30 June 2018</b>	<b>Net debt,</b> <b>30 June 2019</b>	<b>Net debt,</b> <b>30 June 2020</b>	<b>Net debt,</b> <b>30 June 2021</b>	<b>Net debt,</b> <b>30 June 2022</b>

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

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**

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 repayments<sup>3</sup>) 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)
<b>Cash flows other than capital repayments</b>		
<b>Capital repayments</b>		
<b>Total (to equal net cash flows from investments in financial assets for policy purposes in GGS cash flow statement)</b>		

<sup>3</sup> Defined in Department of Treasury and Finance, *Corporate Planning and Performance Reporting Requirements: Government Business Enterprises* (2009), s.7.2.1, p.14

(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
<b>Total</b>			



## 11. Corporate planning and performance reporting

### **Question 32 Performance measurement and reporting requirements review**

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?