



PUBLIC ACCOUNTS AND ESTIMATES COMMITTEE

**2013-14 AND 2014-15 FINANCIAL AND PERFORMANCE
OUTCOMES
GENERAL QUESTIONNAIRE**

COURT SERVICES VICTORIA

SECTION A: Output variances and program outcomes

Question 1

For the following initiatives that were due to be completed in 2013-14 or 2014-15, please provide details of the outcomes expected to be achieved in the community¹ and the outcomes actually achieved to date. Please quantify outcomes where possible.

Initiative	Source	Actual date of completion (month and year)	Expected outcomes	Actual outcomes
Managing court demand	2010-11 BP3 p.323	June 2014	Giving Victorians greater access to justice, with reductions in delays in trial and case backlogs across court jurisdictions and planning for a whole of state legal services masterplan.	<p>This funding supported giving Victorians greater access to justice by enabling the courts to address backlogs and to meet growth in demand that had occurred prior to and during the period of initial funding.</p> <p>Backlog, as a measure of delay in resolution of court matters, is reported in the annual <i>Report on Government Services</i>. The Report identifies the percentage of cases greater than 6 and 12 months old in the Magistrates' and Children's Court, and greater than 12 and 24 months old in the higher jurisdictions. These percentages have reduced in most civil and criminal jurisdictions across the Victorian Courts since the provision of this funding in 2010-2011.</p> <p>There are however a number of factors that continue to affect backlog. Many jurisdictional areas continue to experience demand growth and increasing complexity of the matters brought before the courts. It is clear that additional resources will be required in order to maintain service levels and meet increasing demand in future years.</p> <p>Prior to the establishment of CSV, the Department of Justice developed an updated state legal services masterplan. CSV has utilised key components of the masterplan and is continuing to develop a range of plans, including service plans and a multi-year financial strategy.</p>

¹ 'Outcomes' are the impact of service delivery on the community rather than a description of the services delivered.

Question 2

Please identify all outputs for which CSV received additional funding after the initial budget (as described in *BFMG-42: Budget Supplementation*) in 2014-15. For each output, please quantify the additional funding, indicate the source of the additional funding (e.g. 'Treasurer's Advance', 'appropriations that would otherwise be unapplied', 'accumulated surplus') and explain why additional funding was required:

Output	Additional funding (\$ million)	Source of funding	Reasons why additional funding was required
Courts	2.0	Treasurers Advance	To deliver Ending Violence against Women and Children Initiative and fund the Heidelberg court flood remediation.

Question 3 (Department of Treasury and Finance only)

This question does not apply to CSV.

SECTION B: Asset investment

Question 4

Please provide the following details about each of the selected asset investment projects:

Project	Estimated expenditure in 2013-14 (2013-14 budget papers) (\$ million)	Actual expenditure in 2013-14 (\$ million)	Explanation for any variances greater than ±10 per cent or \$100 million between estimated and actual expenditure	Estimated financial completion date in 2013-14 budget papers	Estimated financial completion date in 2014-15 budget papers	Explanation for any changes to the estimated financial completion date
New Children's Court at Broadmeadows (Broadmeadows)	3.9	1.5	Due to unforeseen site complications, which delayed the build of the new Court, estimated expenditure in 2013-14 was deferred to 2014-15.	mid 2016	qtr 4 2014-15	Initial estimated completion date was refined as the project proceeded. Note that delays in receiving the Certificate of Occupancy have meant completion is now scheduled to occur in 2015-16 (see table below).

Project	Estimated expenditure in 2014-15 (2014-15 budget papers) (\$ million)	Actual expenditure in 2014-15 (\$ million)	Explanation for any variances greater than ±10 per cent or \$100 million between estimated and actual expenditure	Estimated financial completion date in 2014-15 budget papers	Estimated financial completion date in 2015-16 budget papers	Explanation for any changes to the estimated financial completion date
New Children's Court at Broadmeadows (Broadmeadows)	9.8	5.0	Minor project completion delays. On track for 2015-16 completion.	qtr 4 2014-15	qtr 1 2015-16	Due to delayed Certificate of Occupancy.
Shepparton Law Courts (Shepparton)	2.5	1.3	Delayed start due to scoping and planning works.	qtr 4 2017-18	qtr 4 2017-18	

Question 5

This question does not apply to CSV.

Question 6

Please indicate the amount included in the following line items in your financial statements for 2013-14 and 2014-15 (using the budget portfolio outcomes) which related to payments for commissioned public private partnerships (PPPs).

Line item	Amount within this line item reflecting payments for PPPs (\$ million)	
	2013-14	2014-15
<i>Operating statement</i>		
Interest expense	CSV was established on 1 July 2014; 2014-15 was its first financial year of operation. ²	8.9
'Other operating expenses'		16.8
Other line items within expenses from transactions		6.2
<i>Cash flow statement</i>		
Payments to suppliers and employees	CSV was established on 1 July 2014; 2014-15 was its first financial year of operation.	17.1
Interest and other costs of finance paid		8.9
Repayment of finance leases		8.6
Other line items in the cash flow statement		-
<i>Administered items statement</i>		
Expenses on behalf of the State	CSV was established on 1 July 2014; 2014-15 was its first financial year of operation.	-
Interest and depreciation expense		-
Other line items within 'administered expenses'		-

² The responses of the Department of Justice and Regulation in relation to 2013-14 will reflect the scope of the Department at that time, which encompassed court administration.

Question 7

Regarding the 'net cash flows from investments in financial assets for policy purposes' in the general government sector cash flow statement for 2013-14 and 2014-15, please provide the following details about any sources of cash inflows and cash outflows included in that line item which are connected with CSV:

- (a) the project related to the cash flow (using the same project names as are used in Budget Paper No.4 where possible)
- (b) the initial budget estimate (not the revised estimate) for cash flow in 2013-14 and 2014-15; and
- (c) the actual cash flow in 2013-14 and 2014-15.

Cash inflows

Project	Estimated cash inflow in 2013-14 (\$ million)	Actual cash inflow in 2013-14 (\$ million)	Estimated cash inflow in 2014-15 (\$ million)	Actual cash inflow in 2014-15 (\$ million)
N/A – CSV was established on 1 July 2014; 2014-15 was its first financial year of operation. No CSV projects are applicable to this question for 2014-15.				

Cash outflows

Project	Estimated cash outflow in 2013-14 (\$ million)	Actual cash outflow in 2013-14 (\$ million)	Estimated cash outflow in 2014-15 (\$ million)	Actual cash outflow in 2014-15 (\$ million)
New Children's Court at Broadmeadows (Broadmeadows)	3.9	1.5	9.8	5.0
Shepparton Law Courts (Shepparton)	N/A	N/A	2.5	1.3

Question 8

Regarding the 'net cash flows from investments in financial assets for policy purposes' in the State of Victoria cash flow statement for 2013-14 and 2014-15, please provide the following details about any sources of cash inflows and cash outflows included in that line item which are connected with CSV:

- (a) the project related to the cash flow (using the same project names as are used in Budget Paper No.4 where possible)
- (b) the initial budget estimate (not the revised estimate) cash flow in 2013-14 and 2014-15; and
- (c) the actual cash flow in 2013-14 and 2014-15.

Cash inflows

Project	Estimated cash inflow in 2013-14 (\$ million)	Actual cash inflow in 2013-14 (\$ million)	Estimated cash inflow in 2014-15 (\$ million)	Actual cash inflow in 2014-15 (\$ million)
N/A – CSV was established on 1 July 2014; 2014-15 was its first financial year of operation. No CSV projects are applicable to this question for 2014-15.				

Cash outflows

Project	Estimated cash outflow in 2013-14 (\$ million)	Actual cash outflow in 2013-14 (\$ million)	Estimated cash outflow in 2014-15 (\$ million)	Actual cash outflow in 2014-15 (\$ million)
New Children's Court at Broadmeadows (Broadmeadows)	3.9	1.5	9.8	5.0
Shepparton Law Courts (Shepparton)	N/A	N/A	2.5	1.3

Question 9 (Department of Treasury and Finance only)

This question does not apply to CSV.

SECTION B: Asset investment (non-departments only)

Question 10

This question does not apply to CSV.

Question 11

This question does not apply to CSV.

SECTION C: Revenue and appropriations

Question 12

Please explain any variances greater than ± 10 per cent or \$100 million between the prior year's actual result and the actual result for 2014-15 for each revenue/income category detailed in your operating statement. Please also indicate what any additional revenue was used for or how any reduced amounts of revenue impacted on service delivery.

Please provide data consolidated on the same basis as the budget portfolios outcomes statement in your annual report.

If there were no revenue/income categories for which the 2014-15 expenditure varied from the prior year's expenditure by more than ± 10 per cent or \$100 million, you do not need to answer this question. If this is the case, please indicate 'no relevant line items' in the table below.

Revenue category	2013-14 actual (\$ million)	2014-15 actual (\$ million)	Explanations for variances greater than ± 10 per cent or \$100 million	How the additional revenue was used/the impact of reduced revenue
N/A – CSV was established on 1 July 2014; 2014-15 was its first financial year of operation. CSV did not experience variations of greater than +/- 10 per cent or \$100 million in 2014-15.				

Question 13

Please explain any variances greater than ± 10 per cent or \$100 million between the initial budget estimate (not the revised estimate) and the actual result for 2014-15 for each revenue/income category detailed in your operating statement. Please also identify any actions taken in response to the variations, either to mitigate or take advantage of the impact.

Please provide data consolidated on the same basis as the budget portfolios outcomes statement in your annual report.

If there were no revenue/income categories for which the 2014-15 expenditure varied from the initial budget estimate by more than ± 10 per cent or \$100 million, you do not need to answer this question. If this is the case, please indicate 'no relevant line items' in the table(s) below.

Revenue category	2014-15 budget estimate (\$ million)	2014-15 actual (\$ million)	Explanations for variances greater than ± 10 per cent or \$100 million	Actions taken in response
Special Appropriations	131.4	115.2	Variation is primarily a result of accounting requirements relating to Judicial Special Appropriations.	No action required. Positive variance.
Trust	0.0	35.3	Variation relates to VCAT operations trust and Machinery of Government transactions.	No action required. Positive variance.

Question 14

Please provide a break-down of CSV's income from transactions (as calculated for the comprehensive operating statement in the departmental financial statements in Budget Paper No.5 and in the budget portfolio outcomes in the annual report) into the following sources. If the variance between any budget and actual exceeds ± 10 per cent or \$100.0 million, please provide reasons for the variance. Part of the table has been pre-filled from the 2014-15 budget papers – please fill all blank spaces.

	2014-15 initial budget estimate (\$ million)	2014-15 actual (\$ million)	Explanation for variances greater than ± 10 per cent
Output appropriations	306.6	297.2	
Special appropriations	131.4	115.2	Variation is primarily a result of accounting requirements relating to Judicial Special Appropriations.
Trust funds	0.0	35.3	Variation relates to VCAT operations trust and Machinery of Government transactions.
Funds received and held outside the Public Account		-	
Other (please specify)	0.0	1.6	Due to minor asset transfers.
Total income from transactions	454.6	449.3	

Question 15

Regarding the 'funds received and held outside the Public Account' figures provided in the previous question, please break these down into the most significant funds, quantify the income coming from each fund to CSV in each year and explain the sources and activities providing revenue into these funds.

Fund	2013-14 actual payments from fund to CSV (\$ million)	2014-15 actual payments from fund to CSV (\$ million)	Sources and activities providing revenue to the fund
N/A – CSV was established on 1 July 2014; 2014-15 was its first financial year of operation. No CSV funds were received and held outside the Public Account in 2014-15.			

Question 16

Regarding the trust accounts listed in the 'trust account balances' note to the financial statements in your entity's annual report, please identify any accounts from which payments were passed directly to other bodies without being counted in your entity's comprehensive operating statement. For each relevant account, please identify:

- (a) the value of payments;
- (b) the recipients of the payments; and
- (c) the purpose of the payments.

Trust account	Total payments from the account to bodies other than CSV, 2013-14 (\$ million)	Recipient of the payment	Purpose of the payment
N/A – CSV was established on 1 July 2014; 2014-15 was its first financial year of operation.			

Trust account	Total payments from the account to bodies other than CSV, 2014-15 (\$ million)	Recipient of the payment	Purpose of the payment
Court Link	41.2	Consolidated fund	Payment of Court Revenues arising from court orders

SECTION D: Expenses

Question 17

Please explain any variances greater than ± 10 per cent or \$100 million between the prior year's actual result and the actual result for 2014-15 for each category of expenses detailed in your operating statement. Please also detail the outcomes in the community³ achieved by any additional expenses or the impact on the community of reduced expenses (if there was no impact, please explain how that was achieved).

Please provide data consolidated on the same basis as the budget portfolios outcomes statement in your annual reports.

If there were no categories of expenses for which the 2014-15 expenditure varied from the prior year's expenditure by more than ± 10 per cent or \$100 million, you do not need to answer this question. If this is the case, please indicate 'no relevant line items' in the table(s) below.

Expenses category	2013-14 actual (\$ million)	2014-15 actual (\$ million)	Explanations for variances greater than ± 10 per cent or \$100 million	Outcomes achieved by additional expenses/reduced expenses
N/A – CSV was established on 1 July 2014; 2014-15 was its first financial year of operation. CSV did not experience variations of greater than +/- 10 per cent or \$100 million in 2014-15.				

Question 18

Please explain any variances greater than ± 10 per cent or \$100 million between the initial budget estimate (not the revised budget) and the actual result for 2014-15 for each category of expenses detailed in your operating statement. Please also detail the outcomes in the community⁴ achieved by any additional expenses or the impact on the community of reduced expenses (if there was no impact, please explain how that was achieved).

Please provide data consolidated on the same basis as the budget portfolios outcomes statement in your annual reports.

If there were no categories of expenses for which the 2014-15 expenditure varied from the initial budget estimate by more than ± 10 per cent or \$100 million, you do not need to answer this question. If this is the case, please indicate 'no relevant line items' in the table(s) below.

³ That is, the impact of service delivery on the community rather than a description of the services delivered.

⁴ That is, the impact of service delivery on the community rather than a description of the services delivered.

Expenses category	2014-15 budget estimate (\$ million)	2014-15 actual (\$ million)	Explanations for variances greater than ±10 per cent or \$100 million	Outcomes achieved by additional expenses/impact of reduced expenses
Supplies and Services		106.7	Incorrect allocation of budget account. Directly relates to budget in "Other operating expenses" below.	
Other Operating Expenses	110.8		Incorrect allocation of budget account. Directly relates to expenditure in "Supplies and Services" above.	

Question 19

Please provide the following details about the realisation of expenditure reduction targets in 2013-14 and 2014-15. In providing targets, please provide the cumulative target rather than the change in savings from one year to the next (i.e. provide the target on the same basis as the budget papers). Please provide figures on the same basis of consolidation as is used in the budget papers.

Initiative	Total value of efficiencies/savings expected to be realised from that initiative (\$ million)		Explanation for any variances greater than ±10 per cent between estimated and actual expenditure reductions	How the efficiencies/savings have been achieved (i.e. what measures or changes have been introduced)
	in 2013-14	in 2014-15		
Government election commitment savings (2011-12 Budget)	N/A – CSV was established on 1 July 2014; 2014-15 was its first financial year of operation.	1.5		CSV achieved its savings target by targeting contractors and consultants costs, and seeking more efficient delivery of policy development and corporate services. CSV has reduced the budget available to business units in line with the savings targets detailed in the 2012-13 Budget.
Measures to offset the GST reduction (2011-12 Budget)		0		
Maintain a sustainable public service (2011-12 Budget Update)		5.4		
Capping departmental expenditure growth (2011-12 Budget Update)		1.5		CSV is working to ensure there is no material impact on service delivery, though this is challenging in an environment where demand for many court services is increasing. This demand puts the administration of justice under further pressure, particularly given the courts have a number of fixed ongoing costs that are not suitable to be targeted under efficiency initiatives.
'Total savings' line item in 2012-13 Budget		4.2		
Efficiency measures (2012-13 Budget Update)		0.2		
Efficiency and expenditure reduction measures (2013-14 Budget)		1.4		
Efficiency measures (2013-14 Budget Update)		3.9		

Application of an efficiency dividend to non-frontline departmental expenditure (2014-15 Budget)		2.2		
Other				

Question 20

Please detail any changes to your department's/agency's service delivery as a result of expenditure reduction initiatives, e.g. changes to the timing and scope of specific programs or discontinued programs:

(a) in 2013-14

N/A – CSV was established on 1 July 2014; 2014-15 was its first financial year of operation.

(b) in 2014-15

N/A – There were no changes to CSV's service delivery as a result of expenditure reduction initiatives.

Question 21

The 2013-14 and 2014-15 budget papers both include targets for the ‘reprioritisation of resources previously allocated to departments’ to fund new initiatives (2013-14 Budget Paper No.2, p.54; 2014-15 Budget Paper No.2, p.61). This is in addition to any savings or efficiencies resulting from expenditure reduction measures. For CSVs please indicate:

- (a) what areas of expenditure (including projects and programs if appropriate) the funding was reprioritised from (i.e. what the funding was initially provided for);
- (b) for each area of expenditure (or project or program), how much funding was reprioritised in each year; and
- (c) the impact of the reprioritisation on those areas.

Area of expenditure originally funded	Value of funding reprioritised (\$ million)		Impact of reprioritisation of funding
	2013-14	2014-15	
N/A – CSV was established on 1 July 2014; 2014-15 was its first financial year of operation. No relevant reprioritisations occurred in 2014-15.			

Question 22 (Department of Treasury and Finance only)

This question does not apply to CSV.

Question 23 (PNFC and PFC entities only)

This question does not apply to CSV.

5 Please provide this information on the same basis of consolidation as is used in the budget papers.

SECTION E: Public sector workforce

Question 24

Please detail the total full-time equivalent number of staff in your department/agency as at 30 June 2013, 30 June 2014 and 30 June 2015 in each of the following bands of levels, and explain the changes:

Level	Total FTE (30 June 2013)	Total FTE (30 June 2014)	Total FTE (30 June 2015)	Explanation for changes
VPS Grades 1-3	N/A – CSV was established on 1 July 2014; 2014-15 was its first financial year of operation.	1080.7	752.2	CSV was established on 1 July 2014. The FTE reported for 30 June 2015 form the baseline for future reporting of comparative workforce data variances within CSV.
VPS Grade 4		229.4	177.1	See explanation above.
VPS Grades 5-6 and STS		287.7	241	See explanation above.
EO		9	9	See explanation above.
Other		1.5 ⁶	486.4 ⁷	See explanation above. "Other" staff as at 30 June 2014 includes staff employed in the Allied Health classification group. "Other" staff as at 30 June 2015 includes staff employed in Solicitor, Registrar and Allied Health classification groups.
Total of all staff (including non-VPS grades)		1608.3	1665.7	See explanation above. Note: CSV workforce figures exclude Judicial Officers, as they are not employed by CSV.

⁶ Figures provided as at 30 June 2014 are presented as per CSV's response to the 2015-16 Budget Estimates Questionnaire, which categorised most staff by their VPS grade.

⁷ Figures provided as at 30 June 2015 reflect the FTE categorisation set out in CSV's 2014-15 Annual Report, which was prepared subsequent to CSV's response to the 2015-16 Budget Estimates Questionnaire and identifies registry and other key roles separate to other VPS staff due to their direct support role at court locations across Victoria.

Question 25

In the table below, please detail the salary costs for 2012-13, 2013-14 and 2014-15, broken down by ongoing, fixed-term and casual, and explain any variances greater than ±10 per cent or \$100 million between the years for each category.

Employment category	Gross salary 2012-13 (\$ million)	Gross salary 2013-14 (\$ million)	Gross salary 2014-15 (\$ million)	Explanation for any year-on-year variances greater than ±10 per cent or \$100 million
Ongoing	N/A – CSV was established on 1 July 2014; 2014-15 was its first financial year of operation.	N/A – CSV was established on 1 July 2014; 2014-15 was its first financial year of operation.	104.7	CSV was established on 1 July 2014. The FTE reported for 30 June 2015 form the baseline for future reporting of comparative workforce data variances within CSV.
Fixed-term			11.6	See explanation above.
Casual			0.5	See explanation above.
Total			116.8	See explanation above. Note: CSV salary figures exclude Judicial Officers, as they are not employed by CSV.

Question 26

Please detail the number of executives who received increases in their base remuneration in 2013-14 and 2014-15, breaking that information down according to what proportion of their salary the increase was, and explaining the reasons for executives' salaries increasing in each bracket.

Increase in base remuneration	Number of executives receiving increases in their base rate of remuneration of this amount in 2013-14	Reasons for these increases
0-3 per cent	N/A – CSV was established on 1 July 2014; 2014-15 was its first financial year of operation.	
3-5 per cent		
5-10 per cent		

10-15 per cent	
greater than 15 per cent	

Increase in base remuneration	Number of executives receiving increases in their base rate of remuneration of this amount in 2014-15	Reasons for these increases
0-3 per cent	7	Increase in line with the guideline increase recommended by the Premier for the Executive Officer annual review process.
3-5 per cent		
5-10 per cent	1	Package re-negotiation following review of role requirements.
10-15 per cent		
greater than 15 per cent		

SECTION F: Inter-sector flows

Question 27 (Department of Treasury and Finance only)

This question does not apply to CSV.

SECTION G: Government decisions impacting on the finances

Question 28

(a) Please detail any costs incurred during 2014-15 in the following categories as a result of machinery-of-government changes:

	(\$ million)
Consultants and contractors (including legal advice)	
Relocation	
Telephony	
IT and records management	
Rebranding	
Furniture and fit-out	
Other	0.7

(b) If these costs were met out of existing budgets, please indicate what projects, programs or areas the money was originally budgeted for.

Machinery-of-government costs were funded through one-off transitional arrangements between the Department of Justice and Regulation and CSV.

(c) Please identify any benefits achieved during 2014-15 as a result of machinery-of-government changes, quantifying the benefits where possible.

Machinery-of-government changes established CSV as an independent entity from 1 July 2014. This is expected to substantially improve service delivery across the Victorian courts.

Question 29

Please identify any Commonwealth Government decisions during 2013-14 or 2014-15 which had not been anticipated in the State budget but which impacted on your entity's finances or activities during those years (including new funding agreements, discontinued agreements and changes to funding levels). Please quantify the impact on income and expenses where possible.

Commonwealth Government decision	Impact in 2013-14		Impact in 2014-15	
	on income (\$ million)	on expenses (\$ million)	on income (\$ million)	on expenses (\$ million)
N/A – CSV was established on 1 July 2014; 2014-15 was its first financial year of operation. No Commonwealth Government decisions affected CSV in 2014-15.				

Question 30

Please identify any COAG decisions during 2013-14 or 2014-15 which had not been anticipated in the State budget but which impacted on your entity's finances or activities during those years (including new funding agreements, discontinued agreements and changes to agreements). Please quantify the impact on income and expenses where possible.

COAG decision	Impact in 2013-14		Impact in 2014-15	
	on income (\$ million)	on expenses (\$ million)	on income (\$ million)	on expenses (\$ million)
N/A – CSV was established on 1 July 2014; 2014-15 was its first financial year of operation. No COAG decisions affected CSV in 2014-15.				

SECTION H: Fiscal and financial management strategies (Department of Treasury and Finance only)

Question 31

This question does not apply to your department.

Question 32

This question does not apply to your department.

SECTION I: Economic environment

Question 33 (Department of Treasury and Finance only)

This question does not apply to CSV.

Question 34 (Department of Treasury and Finance only)

This question does not apply to CSV.

Question 35 (Department of Treasury and Finance only)

This question does not apply to CSV.

Question 36 (Department of Treasury and Finance only)

This question does not apply to CSV.

Question 37

Please identify any key economic variables for which there were variances in 2013-14 and 2014-15 between what was estimated in the initial budget for each year (**not** the revised estimate) and what actually occurred which had a significant impact on your department's/agency's finances, service delivery or asset investment. For each variance, please indicate:

- (a) what had been expected at budget time
- (b) what actually occurred
- (c) how the variance impacted on the budget outcomes (quantifying the impact where possible)
- (d) what decisions were made in response (including changes to service delivery, asset investment, borrowings etc.).

Expected economic result in 2013-14	Actual result in 2013-14	Impact of the variance on budget outcomes	Decisions made in response
N/A – CSV was established on 1 July 2014; 2014-15 was its first financial year of operation.			

Expected economic result in 2014-15	Actual result in 2014-15	Impact of the variance on budget outcomes	Impact of the variance on service delivery
N/A – No variances in key economic variables identified for CSV.			

SECTION J: Previous recommendations

Question 38

This question does not apply to CSV.