



PUBLIC ACCOUNTS AND ESTIMATES COMMITTEE

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

MONASH HEALTH

SECTION A: Output variances and program outcomes***Question 1 (departments only)***

This question does not apply to your agency.

Question 2 (departments only)

This question does not apply to your agency.

Question 3 (Department of Treasury and Finance only)

This question does not apply to your agency.

SECTION B: Asset investment (departments only)***Question 4***

This question does not apply to your agency.

Question 5

This question does not apply to your agency.

Question 6

This question does not apply to your agency.

Question 7

This question does not apply to your agency.

Question 8

This question does not apply to your agency.

Question 9 (Department of Treasury and Finance only)

This question does not apply to your agency.

SECTION B: Asset investment (non-departments only)**Question 10**

Please provide the following details for any asset investment project where actual expenditure in 2013-14 or 2014-15 varied by \$±10 million or more from the initial budget estimate at the start of the relevant year (**not** the revised estimate).

If there were no asset investment projects for your agency where the actual expenditure varied by \$±10 million or more from the budget estimate, you do not need to answer this question. If this is the case, please indicate 'no relevant projects' in the table(s) below.

(a) in 2013-14

Project	Estimated expenditure in 2013-14 (2013-14 budget papers) (\$ million)	Actual expenditure in 2013-14 (\$ million)	Explanation for variance	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
No relevant projects						

(b) in 2014-15

Project	Estimated expenditure in 2014-15 (2014-15 budget papers) (\$ million)	Actual expenditure in 2014-15 (\$ million)	Explanation for variance	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
No relevant projects						

Question 11

Please detail the initial budget estimates (**not** the revised estimate) for 'purchases of non-financial assets' for 2013-14 and 2014-15 (or equivalent line items in the cash flow statements) for your entity, the actual amounts of those line item in your annual reports and an explanation for any variances greater than ± 10 per cent or \$100 million.

Initial budget estimate for 2013-14 (\$ million)	Actual for 2013-14 (\$ million)	Explanation for any variance greater than ± 10 per cent or \$100 million
No relevant projects		

Initial budget estimate for 2014-15 (\$ million)	Actual for 2014-15 (\$ million)	Explanation for any variance greater than ± 10 per cent or \$100 million
No relevant projects		

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 2013-14 and 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.

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

If there were no revenue/income categories for your department/agency for which the 2013-14 and 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.

Revenue category	2012-13 actual (\$ million)	2013-14 actual (\$ million)	Explanations for variances greater than ± 10 per cent or \$100 million	How the additional revenue was used/the impact of reduced revenue
No relevant items				

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
No relevant items				

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 2013-14 and 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.

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

If there were no revenue/income categories for your department/agency for which the 2013-14 and 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	2013-14 budget estimate (\$ million)	2013-14 actual (\$ million)	Explanations for variances greater than ± 10 per cent or \$100 million	Actions taken in response
Interest Revenue	1.9	2.5	Average interest rate on investments was greater than was initially expected.	Interest rate on investments is driven largely by the actions of the Reserve Bank Australia. Monash Health will continue to monitor the interest rate closely.

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
Interest Revenue	3.0	2.4	Average interest rate on investments was lower than was initially expected.	Interest rate on investments is driven largely by the actions of the Reserve Bank Australia. Monash Health will continue to monitor the interest rate and invest in organisations within the acceptable credit rating.

Question 14 (departments only)

This question does not apply to your agency.

Question 15 (departments only)

This question does not apply to your agency.

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 the Department, 2013-14 (\$ million)	Recipient of the payment	Purpose of the payment
Not applicable			

Trust account	Total payments from the account to bodies other than the Department, 2014-15 (\$ million)	Recipient of the payment	Purpose of the payment
Not applicable			

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 2013-14 and 2014-15 for each category of expenses detailed in your operating statement. Please also detail the outcomes in the community¹ achieved by any additional expenses or the impact on the community of reduced expenses (if there was no impact, please explain how that was achieved).

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

If there were no categories of expenses for your department/agency for which the 2013-14 and 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	2012-13 actual (\$ million)	2013-14 actual (\$ million)	Explanations for variances greater than ± 10 per cent or \$100 million	Outcomes achieved by additional expenses/impact of reduced expenses
Non Salary Labour Costs	13.7	21.0	Increase in elective surgery activity targets resulted in the greater than expected usage of agency nurses.	Additional agency nurse usage enabled the health service to achieve its elective surgery targets.

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/impact of reduced expenses
Non Salary Labour Costs	21.0	16.8	Drop in agency usage due to hiring of more permanent staff in the nursing sector to cope with the patient demand.	The additional savings from reduced agency expenses was partially offset by the increase in permanent nurse Full-Time Equivalent (FTE).

¹ That is, the impact of service delivery on the community rather than a description of the services delivered

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 2013-14 and 2014-15 for each category of expenses detailed in your operating statement. Please also detail the outcomes in the community² achieved by any additional expenses or the impact on the community of reduced expenses (if there was no impact, please explain how that was achieved).

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

If there were no categories of expenses for your department/agency for which the 2013-14 and 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.

Expenses category	2013-14 budget estimate (\$ million)	2013-14 actual (\$ million)	Explanations for variances greater than ± 10 per cent or \$100 million	Outcomes achieved by additional expenses/impact of reduced expenses
Non Salary Labour Costs	12.7	21.9	The government increased elective surgery activity targets during the year. This resulted in the greater than expected usage of agency nurses.	Additional agency nurse usage enabled the health service to achieve its elective surgery targets.

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
Non Salary Labour Costs	11.9	16.1	Ambitious target for nurse agency usage was set. The target was unable to be reached.	Weighted Inlier Equivalent Separations (WIES) activity significantly exceeded target.

² That is, the impact of service delivery on the community rather than a description of the services delivered

Question 19 (departments only)

This question does not apply to your agency.

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

No significant changes in service delivery.

(b) in 2014-15

No significant changes in service delivery.

Question 21 (departments only)

This question does not apply to your agency.

Question 22 (Department of Treasury and Finance only)

This question does not apply to your agency.

Question 23 (PNFC and PFC entities only)

This question does not apply to your agency.

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				
VPS Grade 4				
VPS Grades 5-6 and STS				
EO				
Other	9,470	10,059	10,401	Increase in line with growth in patient activity – Weighted Inlier Equivalent Separations (WIES) has grown 14 per cent; sub-acute beds have increased by 30; and, 50 Mental Health beds re-opened.
Total of all staff (including non-VPS grades)	9,470	10,059	10,401	

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	648,676	678,214	742,891	
Fixed-term	163,190	179,130	185,873	
Casual	39,475	43,693	52,945	
Total	851,341	901,037	981,709	

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	43	Annual Performance Review
3-5 per cent	4	Performance/Work Value
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	46	Annual Performance Review
3-5 per cent	2	Performance/Work Value
5-10 per cent		
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 your agency.

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)	Not Applicable
Relocation	Not Applicable
Telephony	Not Applicable
IT and records management	Not Applicable
Rebranding	Not Applicable
Furniture and fit-out	Not Applicable
Other	Not Applicable

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

Not Applicable

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

Not Applicable

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)
Not Applicable				

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)
Not Applicable				

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

Question 31

This question does not apply to your agency.

Question 32

This question does not apply to your agency.

SECTION I: Economic environment***Question 33 (Department of Treasury and Finance only)***

This question does not apply to your agency.

Question 34 (Department of Treasury and Finance only)

This question does not apply to your agency.

Question 35 (Department of Treasury and Finance only)

This question does not apply to your agency.

Question 36 (Department of Treasury and Finance only)

This question does not apply to your agency.

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
Not Applicable			

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
Not Applicable			

SECTION J: Previous recommendations**Question 38 (departments only)**

This question does not apply to your agency.