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D14/102496

Mr David Morris MP
Chair
Public Accounts and Estimates Committee
Parliament House
Spring Street
EAST MELBOURNE VIC 3002

Dear Mr Morris

2014-15 BUDGET ESTIMATES QUESTIONNAIRE – CLARIFICATION QUESTIONS

I am writing in response to your letter of 23 June 2014, seeking clarification of responses to two questions provided by the Department of Premier and Cabinet (DPC) in the response to Public Accounts and Estimates Committee, 2014-15 Budget Estimates Questionnaire.

Please find attached, DPC's response to your request for further clarification to questions 12 and 35.

Yours sincerely


Andrew Tongue
Secretary

DEPARTMENT OF PREMIER AND CABINET (DPC)

2014-15 BUDGET ESTIMATES QUESTIONNAIRE - CLARIFICATION QUESTIONS

1. Regarding the Department's response to Question 12 from the Committee's 2014-15 Budget Estimates Questionnaire, the Department has indicated that '*The Portfolio will undertake a range of measures to constrain expenses by consolidating activities and minimising duplication and waste in administration, corporate and management functions.*' Please indicate:
- examples of measures to constrain expenses implemented by the Department; and
 - what evidence the Department considers when determining if savings targets have been achieved.

DPC Response:

a. Examples of measures to constrain expenses implemented by the Department	b. Evidence the Department considers when determining if savings targets have been achieved.
Reduced use of consultants through shared IT projects and consolidation of grants management systems	The department's report of operations contains total expenditure for consultancies
Reduced office floor space	Lease agreements amended to reflect less square meters occupied and reduced costs
Shared service arrangements	Service Level Agreements reflect reduced costs as negotiated with providers

2. With reference to Question 35 in the Committee's 2014-15 Budget Estimates Questionnaire, specifically relating to Recommendation 41 of the Committee's *Report on the 2013-14 Budget Estimates – Part Two*, please inform the Committee on progress in the implementation of this Recommendation. If the recommendation is not going to be implemented, please outline the reasons.

DPC Response:

As PAEC did not include Recommendation 41 as part of Question 35 in the 2014-15 Budget Estimates Questionnaire, the PAEC Secretariat has subsequently advised DPC that it is not required to respond to this request. For this reason no response is provided to this question.