

PARLIAMENT OF VICTORIA

Public Accounts and Estimates Committee



2021-22 and 2022-23 Financial and Performance Outcomes General Questionnaire

Department of Treasury and Finance

DTF

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Introduction – Financial and Performance Outcomes Questionnaire

The Committee's inquiry into the 2021-22 and 2022-23 Financial and Performance Outcomes examines:

- the Government's actual expenditure and revenue compared to the budgeted expenditure and revenue
- the actual performance outcomes against the targeted performance outcomes at a departmental/agency level
- other expenditure unforeseen at the time of preparing the 2021-22 and 2022-23 Budgets and outcomes achieved.

The inquiry aims to benefit the Parliament and the community by:

- promoting the accountability, transparency and integrity of the executive and the public sector
- encouraging the effective and efficient delivery of public services and assets.

This questionnaire seeks information on the departmental/agency financials for the 2021-22 and 2022-23 financial years, what was achieved during those years and how that compares to expectations.

Timeline and format

Responses to this questionnaire are due by **5.00pm on Friday 10 November 2023**.

Please email the completed questionnaire (in word and pdf) to paec@parliament.vic.gov.au

Please also email a signed copy.

Consistency with the budget papers

Wherever referring to an initiative/program/project that is referred to in the budget papers, please use the same name as is used in the budget papers. This ensures that the Committee can correlate the information provided by the department with the information in the budget papers.

Basis of consolidation

For departments, please use the same basis of consolidation as was used in the budget papers and in the budget portfolio outcomes statement in the department's annual report.

Guidance

Please contact the secretariat should you require guidance in relation to any questions:

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Section A: Output variances and program outcomes

Question 1 (all departments) Completed output initiatives from past budgets

For all initiatives that were completed in 2021-22 and 2022-23, please provide details of the expected outcomes for the community of the initiative and the actual outcomes achieved to date. Please use initiatives names as specified in *Budget Paper No. 3: Service Delivery* and link the initiative to the responsible output(s) and portfolio(s).

2021-22 Response

Initiative	Year and funding allocated		Actual date of completion (month and year)	Expected outcomes	Actual outcomes	Output(s) and portfolio(s)
	Budget year	Funding allocated				
New legislative obligations for State Trustees	2020-21	\$4.2 million	June 2022	Funding was provided to improve the current service levels of State Trustees Limited (STL) and ensure compliance with existing standards and new requirements under the <i>Guardian and Administration Act 2019</i> .	Funding was provided over 2020-21 and 2021-22 to cover the direct cost uplift related to new legislative requirements under the <i>Guardianship and Administration Act 2019</i> (Vic). The funding allowed STL to trial and embed a number of critical services that provide direct support to its most vulnerable personal financial administration clients. Specifically, STL created 26 new roles with the funding that have allowed them to: <ul style="list-style-type: none"> Establish a Specialised Support team, which supports clients experiencing the most complex financial, medical, and personal circumstances. Visit most at-risk existing clients, some of whom had not seen a State Trustees representative for many years. Redesign and implement its existing Financial Independence Program to assist clients to regain financial decision-making skills. 	Output: Commercial and Infrastructure Advice Portfolio: Treasurer

					<ul style="list-style-type: none"> Establish a more comprehensive infringement management process; and Boost capacity in the Client Contact Centre to allow longer more meaningful conversations with clients. 	
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2022-23 Response

Initiative	Year and funding allocated		Actual date of completion (month and year)	Expected outcomes	Actual outcomes	Output(s) and portfolio(s)
	Budget year	Funding allocated				
Office of Projects Victoria (OPV)	2022-23	\$2.5 million	30 June 2023	Funding was provided to continue the enhanced role of the Office of Projects Victoria in providing independent advice and technical assurance to government and delivery agencies on social and economic infrastructure.	<p>OPV continued to provide independent advice and assurance to government and delivery agencies. This included:</p> <ul style="list-style-type: none"> eight Project Assurance Reviews, which provide assurance to government regarding project progress as well as recommendations to delivery teams; a Project Delivery and Efficiency Review, which developed opportunities for cost, time and risk savings on a major project; and Technical Review Advice, which provided technical confidence assessments on HVHR business cases as part of the 2023-24 budget process. <p>OPV also responded to numerous ad-hoc requests for advice and assurance, from Ministers as well as delivery agencies.</p>	<p>Output: Commercial and Infrastructure Advice</p> <p>Portfolio: Treasurer</p>

Question 2 (all departments) Program outcomes

Outcomes reflect the impact on the community of the goods and services provided by a department. The questions in this section all relate to the outcomes that the department contributed to in 2021-22 and 2022-23.

- a) Using the format of the table below, please outline the five programs that delivered the most important outcomes in the community¹ achieved by the department in 2021-22 and 2022-23 including:
- i. The name of the program
 - ii. The relevant output(s) and portfolio(s) responsible for delivery of the program
 - iii. The program objectives
 - iv. The actual outcome achieved
 - v. The actions taken to deliver the actual outcome (i.e. the most important elements/essential parts that led the department to deliver the outcome).

2021-22 Response

Program	Output(s) and portfolio(s)	Program objectives	Description of actual outcome achieved	Description of the actions taken to deliver the actual outcome
1. Delivery of the 2022-23 Budget (DTF Annual Report 2021-22 page 10 and 16)	Output: Budget and Financial Advice Portfolio: Treasurer	Advice contributes to the achievement of Government policies and priorities relating to optimising Victoria's fiscal resources	The State's <i>2022-23 Budget</i> was released in May 2022.	DTF provided advice to the Government throughout the year to support the achievement of Government policies and priorities relating to optimising Victoria's fiscal resources. The Department supported the 2022-23 Budget process by providing advice on budget bids, as well as highlighting accounting and financial reporting implications as relevant.
2. Providing detailed analysis and advice to the Government on the four-step fiscal strategy and	Output: Budget and Financial Advice	Advice contributes to the achievement of Government	The Government is now projected to achieve Step 3 of the plan – returning to an	DTF provided advice to the Government throughout the year to support the achievement of Government policies and priorities relating to optimising Victoria's fiscal resources.

¹ 'Outcomes' are the impact of service delivery on the community rather than a description of the services delivered. The Committee considers that an outcome could be considered important for a variety of reasons, such as the amount of funding allocated to the program, the public interest in the service or goods being delivered or where particular actions taken by the Department delivered improved outcomes.

	presenting opportunities to ensure progress towards these goals. (DTF Annual Report 2021-22 page 10 and 16)	Portfolio: Treasurer	policies and priorities relating to optimising Victoria's fiscal resources	operating surplus – by the end of the forward estimates.	
3.	Launching the Victorian Homebuyer Fund (VHF) (DTF Annual Report 2021-22 page 10)	Output: Economic and Policy advice Portfolio: Treasurer	Strengthen Victoria's economic performance	Launching the Victorian Homebuyers Fund has already helped more than 1 500 Victorians to buy homes and another 1 200 to start house hunting.	DTF worked closely with the State Revenue Office (DTF's VHF delivery agent) to prepare for the launch of the VHF and ongoing delivery. This included providing financial and legal advice, developing marketing campaigns, and putting systems and processes into place.
4.	Completing the VicRoads Modernisation Project (DTF Annual Report 2021-22 page 18 and page 114)	Output: Commercial and Infrastructure Advice Portfolio: Treasurer	Improve how Government manages its balance sheet, commercial activities and public sector infrastructure	Completing the VicRoads Modernisation Project, generating \$7.9 billion for the Victorian Future Fund.	DTF contributed to the completion of the market engagement phase of the VicRoads Modernisation Project, with the successful joint venture partner announced by the Government on 1 July 2022.
5.	Supporting procurement and delivery of major projects (DTF Annual Report 2021-22 page 10)	Output: Commercial and Infrastructure Advice Portfolio: Treasurer	Improve how Government manages its balance sheet, commercial activities and public sector infrastructure	Supporting procurement and delivery of major projects including Melbourne Airport Rail, the Suburban Rail Loop, the North East Link and the Big Housing Build	DTF continued to support the procurement and delivery of significant and innovative infrastructure projects throughout the year, such as the Frankston Hospital Redevelopment that includes a new facility with an all-electric energy solution. DTF also developed and co-ordinated the <i>Victorian Infrastructure Plan 2021</i> , which outlines the Government's five-year infrastructure priorities.

2022-23 Response

Program		Output(s) and portfolio(s)	Program objectives	Description of actual outcome achieved	Description of the actions taken to deliver the actual outcome
1.	Delivery of the 2023-24 Budget (DTF Annual Report 2022-23 page 10)	Output: Budget and Financial Advice Portfolio: Treasurer	Advice contributes to the achievement of Government policies and priorities relating to optimising Victoria's fiscal resources	The State's <i>2023-24 Budget</i> was released in May 2023.	DTF provided advice to the Government throughout the year to support the achievement of Government policies and priorities relating to optimising Victoria's fiscal resources.
2.	Supporting the Government's fiscal strategy and providing comprehensive advice on various financial frameworks, reform and policy matters (DTF Annual Report 2022-23 page 10)	Output: Budget and Financial Advice Portfolio: Treasurer	Advice contributes to the achievement of Government policies and priorities relating to optimising Victoria's fiscal resources	Advice on the Government's fiscal strategy published in the <i>2023-24 Budget</i> and delivery of the second Gender Responsive Budget with enhanced economic analysis in the Gender Equality Budget Statement.	DTF provided advice to the Government throughout the year to support the Government's fiscal strategy including advice on financial frameworks and departmental funding reform, Gender Responsive Budgeting, and the Government's wages policy.
3.	Advising on the Early Intervention Investment Framework program for the <i>2023-24 Budget</i> (DTF Annual Report 2022-23 page 10)	Output: Economic and Policy advice Portfolio: Treasurer	Strengthen Victoria's economic performance	Strong EIIF outcomes achieved through the <i>2023-24 Budget</i> with \$677 million in funding committed across 22 initiatives.	DTF engaged with EIIF departments and service providers to identify and assess early intervention opportunities. This includes programs across education, health, justice, and human services.

4.	<p>Progressing the WorkCover Scheme Modernisation reforms and establishing Return to Work Victoria</p> <p>(DTF Annual Report 2022-23 page 10)</p>	<p>Output: Economic and Policy advice</p> <p>Portfolio: Minister for WorkSafe and the TAC</p>	<p>Strengthen the financial sustainability of the WorkCover Scheme to reduce this impact this has on Victoria's economic performance</p>	<p>Progressing the implementation of the WorkCover Scheme Modernisation reforms that were announced by Government in May 2023. This includes establishing Return to Work Victoria (RTW Vic) which will pilot prevention, early intervention and return to work programs that are designed to support workers impacted by the modernisation reforms.</p>	<p>The Victorian WorkCover Authority (WorkSafe), with support from DTF, is leading the development of the Workplace Injury Rehabilitation and Compensation Amendment (WorkCover Scheme Modernisation) Bill 2023 which will implement the announced modernisation reforms.</p> <p>DTF, in consultation with WorkSafe, is leading the work involved to establish RTW Vic and has developed an operating model for Ministerial consideration. Input from employers, unions, mental health and occupational health experts, will be sought as required to develop and assess RTW Vic pilots.</p>
5.	<p>Leading the first Victorian Government Climate-related Risk Disclosure Statement</p> <p>(DTF Annual Report 2022-23 page 10)</p>	<p>Output: Economic and Policy advice</p> <p>Portfolio: Treasurer</p>	<p>Advice contributes to the achievement of Government policies and priorities relating to economic and environmental outcomes</p>	<p>The Victorian Government Climate-related Risk Disclosure Statement was released in October 2022, the first of its kind for the public sector in Australia.</p>	<p>DTF led the Disclosure Statement's development, in collaboration with DEECA, considering its alignment with available international frameworks for climate-related risk disclosures. The Disclosure Statement supports investors and the public to understand that the Government has a comprehensive plan to identify and manage climate-related risks and opportunities in Victoria.</p>

- b) Using the format of the table below, please outline the five least performing programs that did not deliver their planned outcomes in the community by the department in 2021-22 and 2022-23 including:
- i. The name of the program
 - ii. The relevant output(s) and portfolio(s) responsible for delivery of the program
 - iii. The program objectives
 - iv. The actual outcome achieved
 - v. Explanation for not achieving the planned outcome (including a description of what actions were taken to try and achieve the planned outcome).

2021-22 response

Program	Output(s) and portfolio(s)	Program objectives	Description of actual outcome achieved	Detailed explanation for not delivering the planned outcome
1. Ratio of outstanding debt to total revenue (monthly average) (DTF Annual Report 2021-22 page 23)	Output: Revenue management and administrative services to government Portfolio: Treasurer	Optimise Victoria's fiscal resources.	The ratio of outstanding debt to total revenue was 3.2 per cent as debt levels increased in 2021-22.	Debt levels increased due to necessary changes in approach during the COVID-19 pandemic. Changes to debt collection activities by the State Revenue Office included payment deferrals, extensions, and the suspension of reminder letters, legal action, and referrals to external debt collection agencies. Debt collection have activities resumed, with a phased transition to business-as-usual. Debt levels are improving and with the ongoing increase in debt collection activities, the ratio of outstanding debt to total revenue will continue to reduce over time.
2. Accuracy of estimating state taxation revenue in the state budget (DTF Annual Report 2021-22 page 25)	Output: Economic and Policy advice Portfolio: Treasurer	Strengthen Victoria's economic performance	The state taxation revenue forecast was not met in 2021-22.	The higher 2021-22 actual is due to higher than forecast land transfer duty collections associated with stronger than expected activity in the Victorian property market.
3. Accuracy of estimating the employment growth rate in the state budget	Output: Economic and Policy advice	Strengthen Victoria's	The employment growth rate forecast	Victoria's employment recovery was stronger than forecast in the <i>2021-22 Budget</i> due to a more rapid recovery from the impact of the COVID-19 pandemic

	(DTF Annual Report 2021-22 page 25)	Portfolio: Treasurer	economic performance	was not met in 2021-22.	resulting in much stronger labour demand than predicted.
4.	Performance reviews and compliance audits of regulated businesses (DTF Annual Report 2021-22 page 27)	Output: Economic Regulatory Services Portfolio: Assistant Treasurer	Strengthen Victoria's economic performance.	The number of performance reviews and compliance audits undertaken was 33 per cent less than targeted.	The lower 2021-22 actual is due to an extension to the timeframe for energy retailers to submit information on their certificate obligations and fewer field audits of accredited persons due to COVID-19 restrictions.
5.	Price approvals of regulated businesses (DTF Annual Report 2021-22 page 27)	Output: Economic Regulatory Services Portfolio: Assistant Treasurer	Strengthen Victoria's economic performance	The 2021-22 actual was 10 per cent lower than the target.	The 2021-22 actual is due to no council rate variation applications made in 2021-22.

2022-23 response

Program	Output(s) and portfolio(s)	Program objectives	Description of actual outcome achieved	Detailed explanation for not delivering the planned outcome
1. Ratio of outstanding debt to total revenue (monthly average) (DTF Annual Report 2022-23 page 22)	Output: Revenue management and administrative services to government Portfolio: Treasurer	Optimise Victoria's fiscal resources.	The ratio of outstanding debt to total revenue was 2.66 per cent. Debt levels remained higher than normal in 2022-23.	The higher 2022-23 actual is due to debt levels remaining higher than normal, due to debts accumulated over the pandemic period and ongoing increases in new debts arising in the post pandemic period – including the 2023 Land Tax which increased on the previous year. Higher debt levels were addressed by the State Revenue Office by the full return to business-as-usual debt recovery activities, including legal actions, and targeted debt reduction campaigns. This resulted in the continued reduction of debt levels and improvement in the ratio of outstanding debt to total revenue over the course of 2022-23, from 3.07 per cent at the end of Q1 to 2.66 per cent at the end of Q4 2022-23.
2. Achievement of scheduled milestones in budget funded projects of Master Data Management Toolsets, Identity and Access Management system and Microservices implementation (DTF Annual Report 2022-23 page 22)	Output: Revenue management and administrative services to government Portfolio: Treasurer	Optimise Victoria's fiscal resources.	The 2022-23 actual is 52 per cent lower than target.	The lower 2022-23 actual is due to a number of factors, including over 10 new initiatives announced in the <i>2023-24 Budget</i> requiring immediate prioritisation by the State Revenue Office and challenges in obtaining specialist skills in a timely manner. The impacts of these are being reviewed and assessed and the overall program will be realigned in 2023-24 to support the agreed outcomes of this program.
3. Accuracy of estimating State taxation revenue in the State budget	Output: Economic and Policy advice	Strengthen Victoria's economic performance	The state taxation revenue forecast was not met in 2022-23.	The higher 2022-23 actual is largely attributable to higher land transfer duty and land tax revenue arising from stronger than expected outcomes in Victoria's property market, and higher payroll tax revenue

	(DTF Annual Report 2022-23 page 24)	Portfolio: Treasurer			arising from the persistent strength in Victoria's labour market across 2022-23.
4.	Accuracy of estimating the employment growth rate in the State budget (DTF Annual Report 2022-23 page 24)	Output: Economic and Policy advice Portfolio: Treasurer	Strengthen Victoria's economic performance	The employment growth rate forecast was not met in 2022-23.	The higher 2022-23 actual is due to high employment growth reflecting strong labour demand, and strong population growth supporting growth in labour supply.
5.	Stakeholder satisfaction survey result (DTF Annual Report 2022-23 page 26)	Output: Economic Regulatory Services Portfolio: Treasurer	This output contributes to the Departmental objective to strengthen Victoria's economic performance.	The 2022-23 actual is 22 per cent lower than the level targeted.	The 2022-23 actual is lower than the 2022-23 target as although there was an increase in reputation with community and consumer groups (76 per cent), this was offset by a decline in results from regulated industries; noting stronger compliance and enforcement actions have been taken in the last 12 months.

Question 3 (all departments) Treasurer's Advances and other budget supplementation

- a) Please identify all output(s) and portfolio(s) (and relate them to departmental programs) for which the department received additional funding after the initial Budget in 2021-22 and 2022-23.

For each output, please quantify the additional funding, indicate the source of the additional funding (e.g. Treasurer's Advance, unused prior years appropriations under s32 of the *Financial Management Act 1994* (Vic), supplementation through a Temporary Advance under section 35 of the FMA, or any possible sources of funding as listed in the Resource Management Framework (2023), (section 4, pg. 69) and explain why additional funding was required after funding was allocated in the Budget.

2021-22 response

Output(s) and portfolio(s)	Program	Program objectives	Funding allocated in 2021-22 Budget	Additional funding (\$ million)	Source of additional funding as per the Resource Management Framework	Funding utilised 2021-22	Reasons why additional funding was required
Portfolio: DTF							
All	Funding for Mental Health and Wellbeing Surcharge	To fund the new Mental Health and Wellbeing Surcharge levy	Nil	0.82	Treasurer's Advance	0.82	To fund the new Mental Health and Wellbeing Surcharge levy
Commercial and Infrastructure Advice	Re-scheduling of PFAS works at the Energy Brix site	To address an Environment Protection Authority (EPA) Environmental Action Notice that requires the implementation of a clean-up plan to make the site suitable for ongoing commercial and industrial land uses.	Nil	1.28	Treasurer's Advance	1.28	Multiple unforeseen events caused delays to the remediation contractor procurement process including storms and localised flooding causing building damage, stormwater pollution and resultant EPA intervention. Building damage included asbestos being strewn across broad areas of the

							site, requiring immediate action.
Economic Regulatory Services	Expansion of regulatory activities of the Essential Services Commission	Funding will enable the commission to: <ul style="list-style-type: none"> • facilitate a one-stop-shop for energy businesses seeking to trial innovative products and services that promote customer interests, but are not permitted by the energy rules • undertake timely assessments of product and service proposals, having regard to their impact on price, quality and reliability of electricity and gas services. • publicly report on the outcomes of the trials and make recommendations to government on ways to further reduce red tape for the energy sector. 	Nil	0.59	Treasurer's Advance	0.59	Funding was provided to assist the ESC to support the implementation of the regulatory activities and legislative amendments.
All	Early Retirement Package	To fund the Early Retirement Package offered to employees.	Nil	4.97	Treasurer's Advance	4.97	Funding was provided to cover the total cost of the Early Retirement Packages in 2021-22.
Economic and Financial Policy	Rephase - Partnerships Addressing Disadvantage (PAD)	Administering the evaluations and development for PADs funded through the <i>2021-22 Budget</i> .	Nil	0.19	Treasurer's Advance	0.19	Funding was required to be rephased from future years to 2021-22 to support existing PAD evaluations and development of a new PAD.

Commercial and Infrastructure Advice	COVID-19 Event Insurance Pilot	Twelve-month events insurance pilot for creative, small community, sporting and business events.	Nil	10.00	Treasurer's Advance	10.00	Funding was required to provide a grant to the Victorian Managed Insurance Authority to support the COVID event insurance pilot.
Economic and Financial Policy	COMPASS Partnerships Addressing Disadvantage (PAD)	To support the delivery of the COMPASS Leaving Care PAD program.	Nil	1.45	Treasurer's Advance	1.45	Required for an outcome milestone and meeting contractual requirements.
Economic and Financial Policy	Windfall Gains Tax - DTF implementation	Implementation of the new tax	Nil	0.55	Treasurer's Advance	0.55	Finalisation of legislated parameters and associated implementation cost profile.
Economic and Financial Policy	Vic Homebuyer Fund	The Victorian Homebuyer Fund (VHF) is a shared equity scheme, which seeks to make it easier for Victorians to enter home ownership sooner.	Nil	12.75	Treasurer's Advance	12.75	Funding for the implementation and operation of the VHF, which launched in October 2021.
Invest Victoria <i>(this function has now transferred to DJSIR)</i>	Venture Growth Fund Financial Governance and Implementation Update	Co-invest into a venture debt facility with a private investor to inject more capital into the scaleup sector and support companies to grow that do not meet the requirements of traditional lenders.	Nil	2.5	Treasurer's Advance	2.5	Funding was held in central contingency and released to the Department as a Treasurer's Advance to commence the delivery of the Venture Growth Fund program.
Subtotal (TA)				35.10		35.10	
Economic and Financial Policy	Regulatory Reform	To support economic recovery through a set of initiatives to improve Victoria's regulatory system and enable firms to innovate and reduce the cost of doing business	Nil	4.06	Section 32 of Financial Management Act 1994 (carryover)	4.06	Due to delays in grant payments and delivery of professional services in the previous year.

Economic and Financial Policy	Partnerships Addressing Disadvantage	Administering the evaluations and development for PADs funded through the <i>2021-22 Budget</i> .	Nil	0.40	Section 32 of Financial Management Act 1994 (carryover)	0.40	Due to delays in delivery of professional services in the previous year.
Revenue Management and Administrative Services to Government	SRO – Administration of Homebuilder Applications	To provide eligible owner-occupiers with a grant to build or renovate their homes.	Nil	2.80	Section 32 of Financial Management Act 1994 (carryover)	2.80	Due to significantly higher than estimated applications received in the previous year.
Commercial and Infrastructure Advice	Digital Asset Policy and Offsite Construction Industry Analysis	Conduct surveys on the stakeholder experiences of Office of Projects Victoria (OPV) initiatives to determine the effectiveness of project system initiatives, technical advice and trainings provided to internal government clients.	Nil	0.27	Section 32 of Financial Management Act 1994 (carryover)	0.27	Due to delays caused by the COVID-19 restrictions in the previous year.
Commercial and Infrastructure Advice	Gateway Reviews	The Gateway review process examines projects and programs at key decision points throughout their lifecycle.	Nil	0.28	Section 32 of Financial Management Act 1994 (carryover)	0.28	Due to delays in delivery of professional services in the previous year.
Commercial and Infrastructure Advice	Infrastructure delivery	Undertake project reviews to support the Government's program in the delivery of public infrastructure projects.	Nil	4.78	Section 32 of Financial Management Act 1994 (carryover)	4.78	Due to delays in delivery of professional services in the previous year.
Invest Victoria (<i>this function has now transferred to DJSIR</i>)	Invest Victoria – Grant Programs	The Invest Victoria grant programs enable the provision of funding to attract innovative industries to Victoria.	Nil	0.44	Section 32 of Financial Management Act 1994 (carryover)	0.44	Due to delays in grant payments in the previous year the unspent funds were carried over to deliver the initiative.

Invest Victoria <i>(this function has now transferred to DJSIR)</i>	Invest Victoria – Venture Growth Fund (VGF)	To enable the state government to co-investing with institutional investors to provide venture loans to high growth tech companies.	Nil	0.08	Section 32 of Financial Management Act 1994 (carryover)	0.08	Due to delays in grant payments in the previous year the unspent funds were carried over to deliver the initiative.
Invest Victoria <i>(this function has now transferred to DJSIR)</i>	Invest Victoria – R&D Cash Flow Loan Incentive	The R&D Cash Flow Loans initiative provides loans to innovative Victorian small to medium enterprises (SMEs).	Nil	0.40	Section 32 of Financial Management Act 1994 (carryover)	0.40	Due to delays in grant payments in the previous year the unspent funds were carried over to deliver the initiative.
Economic Regulatory Services	ESC – IT refresh, accommodation enhancements and consumer information resources	IT Refresh & delivery of IT strategy, Accommodation Enhancements.	Nil	0.90	Section 32 of Financial Management Act 1994 (carryover)	0.90	As a result of the impacts of COVID-19, the delivery of the IT strategy and accommodation enhancements, due to expansion of enforcement functions, were delayed.
Subtotal (s32)				14.41		14.41	
Economic Regulatory Services	Port of Melbourne	Administer Port of Melbourne pricing order, tariff compliance and legal advice.	Nil	0.50	Section 33 of Financial Management Act 1994 (access to prior years' surplus)	0.37	To resolve a complaint under section 49Q of the <i>Port Management Act 1995</i> into whether the Port of Melbourne had complied with its regulatory obligations. This required the engagement of external legal advisers to assist with ensuring commission complied with its own obligations to provide procedural fairness to all parties. Completion of statutory inquiry into Port of

							Melbourne's compliance with the Pricing Order, undertaken per section 491 of the <i>Port Management Act 1995</i> . The review took six months and involved defending the commission's inquiry findings against Patrick Stevedores legal challenge, which was later dropped. The amount utilised was slightly less than the funding approved.
Invest Victoria <i>(this function has now transferred to DJSIR)</i>	Jiangsu program	Victoria-Jiangsu Program for Technology & Innovation for resourcing is a bilateral program with Jiangsu. It provides funding support to Victorian organisations working on collaborative research and development work with firms in Jiangsu Province on a range of industries.	Nil	1.99	Section 33 of Financial Management Act 1994 (access To prior years' surplus)	1.99	Due to delays in the program, funding was transferred to department's reserves and accessed in 2021-22 by Invest Victoria and provided to the Department of Jobs, Skills, Industries and Regions (DJSIR) to deliver the program.
Subtotal (s33)				2.49		2.36	
Total 2021-22				52.00		51.87	

2022-23 response

Output(s) and portfolio(s)	Program	Program objectives	Funding allocated in	Additional funding (\$ million)	Source of additional funding as per	Funding utilised 2022-23	Reasons why additional funding was required
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			2022-23 Budget		the Resource Management Framework		
Portfolio: DTF							
Economic and Financial Policy	Victorian Building Authority	Implementing recommendations of the Expert Panel advising on Building System Reform.	Nil	0.25	Treasurer's Advance	0.25	Funding was required for the Victorian Building Authority organisational transformation program. The amount represents unspent funds from 2021-22 rephased into 2022-23 for this project.
Commercial and Infrastructure Advice	Re-scheduling of PFAS works at the Energy Brix site	To address an Environment Protection Authority (EPA) Environmental Action Notice that requires the implementation of a clean-up plan to make the site suitable for ongoing commercial and industrial land uses.	Nil	0.49	Treasurer's Advance	0.49	The remediation works could not be undertaken until Ausnet Services relocated 66kV power lines that transect the area where remediation works are required. These works were delayed until October 2023.
Economic and Financial Policy	Consumer awareness – insurance	Undertake market research and analysis on insurance uptake.	Nil	0.01	Treasurer's Advance	0.01	Funding allocated as part of the Government's response to October 2022 floods, to undertake market research and analysis on insurance uptake.

Commercial and Infrastructure Advice	VicRoads Modernisation	Completion of the VicRoads Modernisation Project.	Nil	37.14	Treasurer's Advance	37.14	Funding for financial adviser fees and other transaction costs associated with finalising the VicRoads Modernisation Project.
Commercial and Infrastructure Advice	Commercial reform and advisory services	Advice contributes to the achievement of Government policies and priorities relating to potential productivity reforms and Victoria's balance sheet.	Nil	0.19	Treasurer's Advance	0.19	Funding for additional resources to advise on options for potential productivity reform.
Commercial and Infrastructure Advice	Funding to administer the Local Council Lending Scheme	To provide improved access to low interest loans to support the development of key infrastructure and other projects, to make local communities better places to live.	Nil	0.59	Treasurer's Advance	0.59	Additional funding was required to administer loans to 79 local councils.
Commercial and Infrastructure Advice	HVHR Gateway IPA funding allocation update	The Gateway review process examines projects and programs at key decision points throughout their lifecycle.	Nil	0.70	Treasurer's Advance	0.70	The process involves using an independent external reviewer team to provide timely and confidential advice about progress and likelihood of delivery success. All High Value High Risk investments are required to undergo the gateway review process.

Revenue Management Services to Government	Fire Services Property Levy	Collection of an annual levy paid by property owners via council rates.	Nil	0.24	Treasurer's Advance	0.24	Payment of fees to Councils for the performance of Fire Service Property Levy functions as determined by the Treasurer.
Budget and Financial Advice	Central agencies Commonwealth Games resourcing	To support central agencies to advise on the delivery of the Commonwealth Games.	Nil	1.02	Treasurer's Advance	1.02	To provide funding support to central agencies for the delivery of the Commonwealth Games.
Revenue Management Services to Government	State Revenue Office Compliance Program	Administration of Government legislative initiatives	Nil	0.50	Treasurer's Advance	0.50	System enhancements to support administration of Government legislative initiatives.
Revenue Management Services to Government / Economic and Financial Policy	Windfall Gains Tax administration	Implementation of the new tax.	Nil	1.13	Treasurer's Advance	1.13	Finalisation of legislated parameters and associated implementation cost profile.
Revenue Management Services to Government / Economic and Financial Policy	Victorian Homebuyer Fund	The Victorian Homebuyer Fund (VHF) is a shared equity scheme, which seeks to make it easier for Victorians to enter home ownership sooner.	Nil	5.54	Treasurer's Advance	5.54	Funding for the operation of the VHF.
Revenue Management Services to Government	State Revenue Office (SRO) collection of	Collection of motor duty vehicle.	Nil	14.30	Treasurer's Advance	14.30	Payment of a transaction fee by SRO to the Department of Transport and Planning

	motor vehicle duties						(DTP) for the purpose of Motor Vehicle Duty collection.
Subtotal (TA)				62.09		62.09	
Services to Government <i>(this function has now transferred to DGS)</i>	State Purchase Contract (SPC)	SPCs enable the State to combine its buying power to negotiate better value, terms and conditions for the government. SPCs also reduce the risk and administrative burden for the State and suppliers.	Nil	0.52	Section 32 of Financial Management Act 1994 (carryover)	0.52	Due to delays in delivery of professional services in the previous year.
Commercial and Infrastructure advice	Monitoring and Assurance of the State Capital Program Gateway Review IT	Specify and procure a new database. This project is necessary to replace a legacy system which is no longer supported.	Nil	0.19	Section 32 of Financial Management Act 1994 (carryover)	0.19	Due to delays in delivery of professional services in the previous year.
Economic and Policy Advice	Centralised Valuations	To reimburse Councils for costs associated with the centralisation of property valuation, including reasonable costs for redundancy, retraining or redeployment.	Nil	0.30	Section 32 of Financial Management Act 1994 (carryover)	0.30	Due to delays in reimbursement requests from councils in the previous year.
Economic and Policy Advice	Early Intervention Investment Framework	To lead and implement an early intervention framework across government to support reforms that invest early	Nil	0.10	Section 32 of Financial Management Act 1994 (carryover)	0.10	Due to delays in delivery of professional services in the previous year.

		for better and fairer outcomes.					
Economic and Policy Advice	Partnerships Addressing Disadvantage	Administering the evaluation for PADS and preparations for the PAD funded through the <i>2022-23 Budget</i> .	Nil	0.13	Section 32 of Financial Management Act 1994 (carryover)	0.13	Due to delays in delivery of professional services in the previous year.
Economic and Policy Advice	Victorian Homebuyer Fund (VHF)	The Victorian Homebuyer Fund (VHF) is a shared equity scheme, which seeks to make it easier for Victorians to enter home ownership sooner	Nil	3.81	Section 32 of Financial Management Act 1994 (carryover)	3.81	Due to delays in consultations, capacity constrains in the previous year, with program work continuing in 2022-23.
Commercial and Infrastructure advice	Commercial Passenger Vehicle Services Levy Review	Undertake a review of the Commercial Passenger Vehicle Services Levy (CPVSL).	Nil	0.03	Section 32 of Financial Management Act 1994 (carryover)	0.03	Due to delays in delivery of professional services in the previous year.
Commercial and Infrastructure advice	VicRoads Modernisation	Completion of the VicRoads Modernisation Project.	Nil	1.23	Section 32 of Financial Management Act 1994 (carryover)	1.23	Due to delays in delivery of professional services in the previous year.
Budget and Financial Advice	Program Budgeting	To enable budget reporting at a program level.	Nil	0.20	Section 32 of Financial Management Act 1994 (carryover)	0.20	Due to delays in delivery of professional services in the previous year.
Economic and Policy Advice	Regulatory Reform Package	To support economic recovery through a set of initiatives to improve Victoria's regulatory system and enable firms	Nil	2.47	Section 32 of Financial Management Act 1994 (carryover)	2.47	Due to delays in grant payments and delivery of professional services in the previous year.

		to innovate and reduce the cost of doing business.					
Subtotal (s32)				8.98		8.98	
Commercial and Infrastructure advice	e-Invoicing	Council of Federal Financial Relations (CFFR) agreed that all jurisdictions would explore accelerating e-Invoicing adoption and encourage the uptake by suppliers of e-Invoicing.		0.70	Section 33 of Financial Management Act 1994 (access to prior years' surplus)	0.16	e-Invoicing implementation is ongoing in a phased approach. This means that the implementation is spaced out throughout Victorian Government departments, and the timeline from the completion of one department to commencement of another department is variable and dependant to each department's competing internal projects and priorities.
Services to Government (<i>this function has now transferred to DGS</i>)	Funding for corporate delivery areas	Temporary resourcing of risk management, compliance and planning responsibilities of the Department.		1.14	Section 33 of Financial Management Act 1994 (access to prior years' surplus)	0.09	These projects are DTF internal business initiatives that are funded from retained surpluses of the Department.
Subtotal (s33)				1.84		0.25	
Total 2022-23				72.92		71.33	

b) Please provide the details of the outcomes achieved from each of these programs.

2021-22 response

Output(s) and portfolio(s)	Program	Outcomes achieved
Portfolio: DTF		
Economic and Financial Policy	Victorian Homebuyer Fund	This additional funding enabled the launch and operation of the VHF. This included building new IT systems, developing new policies and procedures, developing and running marketing campaigns, onboarding partner lenders and supporting approximately 1,600 property settlements in 2021-22.
Economic and Financial Policy	Windfall Gains Tax - DTF implementation	Preparatory development and consultation, and work undertaken to implement the Windfall Gains Tax.
Economic and Financial Policy	Rephase - Partnerships Addressing Disadvantage (PAD)	Consultancy services procured to support timely delivery of evaluations of the existing PADs and the joint development phase of the new PAD.
Economic and Financial Policy	COMPASS Partnerships Addressing Disadvantage (PAD)	Contractual obligations met in delivering the COMPASS program.
Commercial and Infrastructure Advice	Re-scheduling of PFAS works at the Energy Brix site	Building damage resulting in asbestos deposition across the site was cleaned up. Various contracts to address the EPA Environmental Action Notice were commenced including appointment of assessment consultant and environmental auditor. Updated clean-up plans were prepared to address PFAS remediation requirements
Commercial and Infrastructure Advice	COVID-19 Event Insurance Pilot	The Victorian Managed Insurance Authority administered the Pilot which provided insurance to support creative, small community, sporting and business events that might have been adversely impacted by State or Commonwealth Government imposed COVID-19 restrictions.
Economic and Financial Policy	Regulatory Reform	Delayed grant payments have been made and professional services have been delivered to support economic recovery through improved Victoria's regulatory system.
Commercial and Infrastructure Advice	Digital Asset Policy and Offsite Construction Industry Analysis	Funding helped to determine the effectiveness of project system initiatives, technical advice and trainings provided to internal government clients.
Commercial and	Gateway Reviews	The Gateway review process is delivered by the Project Assurance team of the Department of Treasury and Finance.

Infrastructure Advice		<p>The funding has facilitated:</p> <ul style="list-style-type: none"> • resourcing and arranging of Gateway reviews for HVHR projects • training and accreditation of Gateway reviewers • development, management and continuous refinement of the Gateway review process • provision of best practice guidance across government • identification and sharing of best practice and lessons learnt from reviews across government.
Commercial and Infrastructure Advice	Infrastructure delivery	Support from specialised commercial and legal advisers to ensure policies are well developed and accepted by departments, agencies and the broader industry.
Invest Victoria <i>(this function has now transferred to DJSIR)</i>	Invest Victoria - Grant Programs	Investment projects can take multiple years to come to fruition and commit funding. The \$0.44 million carryover funding allowed the payment in arrears, expenditure occurs over the proceeding years as companies achieve the deliverables
Invest Victoria <i>(this function has now transferred to DJSIR)</i>	Invest Victoria - R&D Cash Flow Loan Incentive	R&D Cashflow loans are provided to 58 Small to Medium Enterprises (SMEs).
Invest Victoria <i>(this function has now transferred to DJSIR)</i>	Invest Victoria - Venture Growth Fund (VGF)	<p>Fund managers were selected in October 2021 and the program was launched in December 2021. Since inception, the program has deployed \$2.46 million funds as at 30 June 2022.</p> <p>The VGF continues to nurture high-potential growth companies, empowering them to achieve sustainable growth and contribute to the economic prosperity for Victoria."</p>
Invest Victoria <i>(this function has now transferred to DJSIR)</i>	Jiangsu program	This is a funding transfer from Invest Victoria to DJSIR to deliver the Jiangsu program.
Economic Regulatory Services	ESC - IT refresh, accommodation enhancements and consumer information resources	Delivery of the outsourced IT arrangements and IT strategy. Completion of the enhancement suite to meet mandatory new legislative requirements under the <i>Essential Services Commission Act 2001</i> .

Economic Regulatory Services	Expansion of regulatory activities of the Essential Services Commission	The outcomes of the funding includes: <ul style="list-style-type: none"> recruitment of staff for the licensing team to support the development of guidelines and application system for regulatory sandboxing, to take effect from 1 July 2022. development of guidance material for industry when considering a regulatory sandboxing approach – this would be to support innovative solutions and business models in the energy sector. establishing a clear process to enquire and submit for trial waivers, available on ESC's website. working directly with the Australian Energy Regulator, who administers a similar system for other states, so that interested parties only need to use one Innovation Enquiry Service. providing information and assistance to persons with enquiries about products and services that related to the regulatory sandbox framework.
Economic Regulatory Services	Port of Melbourne	In January 2022, Port of Melbourne inquiry report handed to the Assistant Treasurer. Complaint investigation concluded and decisions provided to respective parties in June 2022. Government instigated Engagement Protocol and binding undertaking on Port of Melbourne to correct non-compliance.
Invest Victoria <i>(this function has now transferred to DJSIR)</i>	Venture Growth Fund Financial Governance and Implementation Update	Co-invest into a venture debt facility with a private investor to inject more capital into the scaleup sector and support companies to grow that do not meet the requirements of traditional lenders.
Revenue Managements and Administrative Services to Government	SRO - Administration of Homebuilder Applications	The HomeBuilder program has assisted eligible owner-occupiers, including first home buyers, to build a new home, substantially renovate an existing home or buy an off-the-plan home or new home.
All	Early Retirement Package	The Department successfully completed the program that will result in lower staffing costs in future years.
All	Funding for Mental Health and Wellbeing Surcharge	This funding enabled the Department to meet the Mental Health and Wellbeing Surcharge payments without the need to reprioritise funding from other initiatives.

2022-23 response

Output(s) and portfolio(s)	Program	Outcomes achieved
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Portfolio: DTF		
Economic and Financial Policy	Victorian Homebuyer Fund	This additional funding enabled the continued improvement and operation of the VHF. This included updating IT systems, introducing further policies and procedures, onboarding additional partner lenders and supporting approximately 2,650 property settlements in 2022-23.
Economic and Financial Policy	Consumer awareness – insurance	Engaged consultant to undertake research and analysis phase of project.
Economic and Financial Policy	Windfall Gains Tax - DTF implementation	Preparatory development and consultation, and work undertaken to implement the Windfall Gains Tax.
Economic and Financial Policy	Victorian Building Authority	Funding developed a detailed, sequenced transformation roadmap for the Victorian Building Authority to enable it to lift performance significantly and deliver more effective and efficient regulatory outcomes.
Commercial and Infrastructure Advice	Re-scheduling of PFAS works at the Energy Brix site	Revised Environmental Action Notices were provided by EPA as a result of delays to PFAS works. Ongoing monitoring of environmental PFAS impacts to stormwater system was undertaken including identification of previously unknown PFAS contamination source areas (Factory basements and cable tunnels). A pilot trial of sediment clean-up from basements and cable tunnels was successfully implemented and full-scale implementation incorporated into a revised clean-up plan. A stormwater management plan prepared and submitted to EPA including modifications to the water transfer system at the site at the direction of EPA.
Commercial and Infrastructure Advice	Funding to administer the Local Council Lending Scheme	The Local Council Lending Scheme was introduced in September 2021, to provide improved access to low interest loans to support the development of key infrastructure and other projects, to make local communities better places to live. Being able to borrow directly from TCV will help councils to fund general working capital needs as well as project-specific infrastructure. The low interest loan program is available to encourage Victorian councils to responsibly consider the strategic use of cost-effective debt for the benefit of local communities. On 30 June 2023, the Local Council Lending Scheme loan balances which has been provided through TCV is valued at approximately \$496.3 million to a total of 19 Councils.
Commercial and Infrastructure Advice	VicRoads Modernisation	The additional funding enabled the completion of the VicRoads Modernisation Project for the State to enter into a joint venture partnership to operate the VicRoads Registration and Licensing, and Custom Plates functions.

Commercial and Infrastructure Advice	Commercial reform and advisory services	The additional funding enabled the engagement of resources and specialist advisory services to support the assessment and advice to government on potential productive reform options.
Commercial and Infrastructure Advice	HVHR Gateway IPA funding allocation update	The Gateway review process is delivered by the Project Assurance team of the Department of Treasury and Finance. The funding has facilitated: <ul style="list-style-type: none"> • resourcing and arranging of Gateway reviews for HVHR projects • training and accreditation of Gateway reviewers • development, management and continuous refinement of the Gateway review process • provision of best practice guidance across government • identification and sharing of best practice and lessons learnt from reviews across government.
Budget and Financial Advice	Program Budgeting	Enable budget reporting at a program level.
Budget and Financial Advice	Central agencies Commonwealth Games resourcing	Support central agencies to advise on the delivery of the Commonwealth Games.
Commercial and Infrastructure Advice	Commercial Passenger Vehicle Services Levy Review	Undertook a review of the Commercial Passenger Vehicle Services Levy (CPVSL) through professional services.
Commercial and Infrastructure Advice	e-Invoicing	Implementing and accelerating the e-Invoicing adoption across Victorian Government.
Commercial and Infrastructure Advice	Monitoring and Assurance of the State Capital Program Gateway Review IT	Combined system operating in Commercial Division instead of multiple systems.
Economic and Policy Advice	Centralised Valuations	To reimburse Councils for costs associated with the centralisation of property valuation, including reasonable costs for redundancy, retraining or redeployment.

Economic and Policy Advice	Early Intervention Investment Framework	To lead and implement an early intervention framework across government to support reforms that invest early for better and fairer outcomes.
Economic and Policy Advice	Partnerships Addressing Disadvantage	Consultancy services procured to support timely delivery of evaluations of the existing PADs and the joint development phase of the new PAD.
Economic and Policy Advice	Regulatory Reform Package	Delayed grant payments have been made and professional services have been delivered to support economic recovery through improved Victoria's regulatory system.
Revenue Management Services to Government	Fire Services Property Levy	Payment of fees to Councils for the performance of Fire Service Property Levy functions as determined by the Treasurer.
Revenue Management Services to Government	State Revenue Office Compliance Program	Administration of Government legislative initiatives.
Revenue Management Services to Government	State Revenue Office (SRO) collection of motor vehicle duties	Commencement of revised funding arrangement for the collection Motor Vehicle Duty by the Department of Transport and Planning.
Revenue Management Services to Government	Windfall Gains Tax administration	Development of systems to support administration of the Windfall Gains Tax.
Services to Government <i>(this function has now transferred to DGS)</i>	Funding for corporate delivery areas	Staffing resources provided to the corporate areas to deliver risk management, compliance and planning activities.

Services to Government <i>(this function has now transferred to DGS)</i>	State Purchase Contract (SPC)	The funding enabled the delayed SPCs to be completed in 2022-23.
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Question 4 (all departments) Central contingencies

The Resource Management Framework (2022 section 4.5 pg. 88) provides guidance on how departments access funding from central contingencies.

Please provide information regarding funding received from central contingency in 2021-22 and 2022-23 including the output and portfolio or Government decision related to the funding, the amount of funding received, the amount of funding utilised, funding received through previous budgets for the same purpose and why funding from contingency was required.

2021-22 response

Output(s) and portfolio(s) or Government decision associated	Funding received	Funding utilised 2021-22	Funding received in previous budget/s for same purpose. Please specify which budget	Reasons why funding was required
Victorian Homebuyer Fund	19.3	12.8	Included in the 2020-21 Budget	The Victorian Homebuyer Fund (VHF) is a shared equity scheme, which seeks to make it easier for Victorians to enter home ownership sooner. Funding was required for the implementation and operation of the VHF, which launched in October 2021. The funding utilised was lower than received due to funding being partly rephased into 2022-23.
Venture Growth Fund	5.0	2.5	Included in the 2020-21 Budget	To co-invest into a venture debt facility with a private investor to inject more capital into the scaleup sector and support companies to grow that do not meet the requirements of traditional lenders. The funding utilised was lower than received due to delays in negotiating legal contracts with fund managers.
COMPASS Partnerships Addressing Disadvantage (PAD)	1.5	1.5	N/A, no funding received in previous budget	To support the delivery of the COMPASS Leaving Care PAD program through the release of contingency to deliver milestones and meet contractual requirements.
Total 2021-22	26.8	16.7		

2022-23 response

Output(s) and portfolio(s) or Government decision associated	Funding received	Funding utilised 2022-23	Funding received in previous budget/s for same purpose. Please specify which budget	Reasons why funding was required
Windfall Gains Tax administration	1.1	1.1	Included in the 2021-22 Budget	Implementation of the new windfall gains tax and finalisation of legislated parameters and associated implementation cost profile.
VicRoads Modernisation Project	3.0	3.0	N/A, no funding received in previous budget	Funding for financial adviser fees and other transaction costs associated with finalising the VicRoads Modernisation Project.
State Revenue Office collection of motor vehicle duties	18.7	14.3	N/A, no funding received in previous budget	Payment of a transaction fee by SRO to the Department of Transport and Planning (DTP) for the purpose of Motor Vehicle Duty collection. Funding received was based on estimated volume of Motor Vehicle Duty collection transactions which was higher than actual volume of transactions.
Victorian Homebuyer Fund	8.6	3.7	Included in the 2020-21 Budget	The Victorian Homebuyer Fund (VHF) is a shared equity scheme, which seeks to make it easier for Victorians to enter home ownership sooner. Funding was required for the implementation and operation of the VHF, which launched in October 2021. The funding utilised was lower than received due to funding being partly rephased into 2023-24.
Total 2022-23	31.4	22.2		

Question 5 (Department of Health only) 2021–22 and 2022–23 Budget funding allocation and performance

[DTF response not required]

The 2021–22 Budget allocated \$3.7 billion to the line item *Meeting demand for hospital services*. The 2022-23 Budget allocated \$2.3 billion to the line item *Enabling care and meeting demand for hospital services*.

- a) Please provide a detailed breakdown of the actual amount spent in 2021-22 and 2022-23. Please provide an explanation for any variances of $\pm 5\%$ based on budgeted vs actuals by output.

2021-22 Response – Meeting demand for hospital services

Output	2021-22 budget \$ million	2021-22 actual \$ million	Variance (%)	Explanation for variance	Outcomes delivered
Admitted Services					
Emergency Services					
Non-Admitted Services					
Small Rural Services					
~insert more lines as necessary~					
Total	\$3,685.5				

2022-23 Response – Enabling care and meeting demand for hospital services

Output	2022-23 budget \$ million	2022-23 actual \$ million	Variance (%)	Explanation for variance	Outcomes delivered
Admitted Services					
Emergency Services					

Health Protection					
Health Workforce					
Training and Development					
Non-Admitted Services					
~insert more lines as necessary~					
Total	\$2,344.9				

- b) To gain an understanding of Victoria's health care system and performance, please provide the data for the following variables, including an explanation for the increase or decrease compared to the previous year's data.

Category	As at 30 June 2020	As at 30 June 2021	As at 30 June 2022	As at 30 June 2023	Variance between 2021 and 2022 Explanation for the variance between 30 June 2021 and 2022	Variance between 2022 and 2023 Explanation for the variance between 30 June 2022 and 2023
Number of patients treated in emergency departments						
Number of hospital beds total						
Number of intensive care unit beds total						
Average time spent in waiting rooms – emergency departments						

Number of patients waiting for treatment – elective surgery						
Number of emergency department staff (FTE)						

Question 6 (Department of Families, Fairness and Housing only) Victorian Contribution to National Disability Insurance Scheme

[DTF response not required]

a) The 2021-22 Budget allocated \$1.7 billion to the Victorian Contribution to National Disability Insurance Scheme (NDIS) and the 2022-23 Budget allocated \$2.7 billion in payments on behalf of the state to National Disability Insurance Agency.² In relation to outcomes achieved in the 2021-22 and 2022-23 years, please provide the following information on disability services and support in Victoria.

Department of Families, Fairness and Housing	30 June 2021	30 June 2022	30 June 2023
Number of people with disability in Victoria			
Number of NDIS participants			
Number of NDIS participants - identified as culturally and linguistically diverse			
Number of clients transitioned to NDIS			
Participant satisfaction with services received			
Average wait time to access NDIS package			
Disability workforce - number of workers			
An update on NDIS Workforce and Skills Plan			

b) What mechanisms did the Victorian Government have in place to ensure Victorians with disability and the Victorian community received value for money and quality services in exchange for the amounts paid to the NDIS in 2021-22 and 2022-23?

² Department of Treasury and Finance, *Budget Paper No. 2: 2021–22 Strategy and Outlook*, Melbourne, 2022, p. 201; Department of Treasury and Finance, *Budget Paper No. 5: 2022–23 Statement of Finances*, Melbourne, 2023, p. 96

c) In 2021-22 and 2022-23 what disability services did the Victorian Government provide?

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d) Please outline the three most significant disability services/programs provided by the Victorian Government in 2021-22 and 2022-23, including amount expended, funding source and outcomes achieved for people with disability.

2021-22 response

Service/program	Amount expended in 2021-22	Funding source	Outcomes achieved for people with disability

2022-23 response

Service/program	Amount expended in 2022-23	Funding source	Outcomes achieved for people with disability

Section B: Asset investment

Question 7 (all departments) Capital expenditure variances, completion date and scope changes – existing projects

Please provide details of all capital asset programs where:

- there was a variance between TEI at announcement compared to the revised TEI as at 30 June 2022 and 30 June 2023 of equal to or greater than $\pm 5\%$ and an explanation for the variance
- the estimated completion date at announcement is different to the completion date as at 30 June 2022 and 30 June 2023 and an explanation for the change
- the scope of the project at announcement is different to the scope of the project as at 30 June 2022 and 30 June 2023.

30 June 2022 response

Capital expenditure

Project	Output(s) and portfolio(s) and/or agency responsible for the project	Total actual expenditure spent from announcement to 30 June 2022 (\$ million)	TEI at announcement (\$ million)	Revised TEI as at 30 June 2022 (\$ million)	Variance between TEI at announcement compared to Revised TEI as at 30 June 2022 Budget ($\pm 5\%$) explanation
State Revenue Office Advanced Revenue Management Program (Melbourne)	<u>Output:</u> Revenue Management and Administrative Services to Government <u>Portfolio:</u> Department of Treasury and Finance <u>Agency:</u> State Revenue Office	1.228	24.4	22.28	The TEI decreased by \$2.12 million due to certain expenditure being reclassified as operating instead of capital in line with accounting standards.

Completion date

Project	Output(s) and portfolio(s) and/or agency responsible for the project	Estimated completion date at announcement	Revised completion date as at 30 June 2022	Explanation
Accommodation Management Efficiency Program (Melbourne) ³	<u>Output:</u> Services to Government <u>Portfolio:</u> Department of Treasury and Finance	No estimated completion date was provided at the announcement in the 2020-21 Budget Papers.	Qtr. 4 2022-23	The estimated completion date has been revised to reflect a revised schedule of works and in line with a revised project schedule.
Acquisition of Bendigo GovHub (Bendigo) ⁴	<u>Output:</u> Commercial and Infrastructure Advice <u>Portfolio:</u> Department of Treasury and Finance	Qtr. 1 2022-23	Qtr. 2 2022-23	The estimated completion date has been revised in line with a revised project schedule.
Greener Government Buildings (Melbourne) ⁵	<u>Output:</u> Commercial and Infrastructure Advice <u>Portfolio:</u> Department of Treasury and Finance	No estimated completion date was provided at the announcement in the 2020-21 Budget Papers.	Qtr. 4 2025-26	The estimated completion date has been revised in line with a revised project schedule.

Scope

Project	Output(s) and portfolio(s) and/or agency responsible for the project	Scope at announcement	Details of scope change(s) and date(s) scope changes occurred
Nil			

³ Previously known as Centralised Accommodation Management. This function has now transferred to the Department of Government Services as part of a machinery of government (MOG) change on 1 January 2023.

⁴ This program has transferred from the Department of Treasury and Finance to the Department of Transport and Planning as part of a machinery of government (MOG) change on 1 January 2023.

⁵ This program has transferred from the Department of Treasury and Finance to the Department of Transport and Planning as part of a machinery of government (MOG) change on 1 January 2023.

30 June 2023 response

Capital expenditure

Project	Output(s) and portfolio(s) and/or agency responsible for the project	Total actual expenditure spent from announcement to 30 June 2023 (\$ million)	TEI at announcement (\$ million)	Revised TEI as at 30 June 2023 (\$ million)	Variance between TEI at announcement compared to Revised TEI as at 30 June 2023 Budget ($\pm 5\%$) explanation
Accommodation Management Efficiency Program (Melbourne) ^{6,7}	<u>Output:</u> Services to Government <u>Portfolio:</u> Department of Treasury and Finance until 31 December 2022, then Department of Government Services from 1 January 2023 to 30 June 2023.	0	2.6	2.365	The TEI decreased by \$0.277 million due to realised cost efficiencies.

⁶ Previously known as Centralised Accommodation Management

⁷ Transferred from the Department of Treasury and Finance to the Department of Government Services as part of a machinery of government (MOG) change on 1 January 2023.

Project	Output(s) and portfolio(s) and/or agency responsible for the project	Total actual expenditure spent from announcement to 30 June 2023 (\$ million)	TEI at announcement (\$ million)	Revised TEI as at 30 June 2023 (\$ million)	Variance between TEI at announcement compared to Revised TEI as at 30 June 2023 Budget (±5%) explanation
State Revenue Office Advanced Revenue Management Program (Melbourne)	<p><u>Output:</u> Revenue Management and Administrative Services to Government</p> <p><u>Portfolio:</u> Department of Treasury and Finance</p> <p><u>Agency:</u> State Revenue Office</p>	7.876	24.4	22.28	The TEI decreased by \$2.12 million due to certain expenditure being reclassified as operating instead of capital in line with accounting standards.
State Revenue Office Compliance Program (Statewide) ⁸	<p><u>Output:</u> Revenue Management and Administrative Services to Government</p> <p><u>Portfolio:</u> Department of Treasury and Finance</p> <p><u>Agency:</u> State Revenue Office</p>	4.5	9.4	11.75	As a rolling program of works, the TEI and estimated completion date vary from year to year. The TEI incorporates all capital funding for the State Revenue Office Compliance Program from 2022-23 to 2027-28.

⁸ Previously reported as part of 'Better revenue management systems (Melbourne)'

Project	Output(s) and portfolio(s) and/or agency responsible for the project	Total actual expenditure spent from announcement to 30 June 2023 (\$ million)	TEI at announcement (\$ million)	Revised TEI as at 30 June 2023 (\$ million)	Variance between TEI at announcement compared to Revised TEI as at 30 June 2023 Budget ($\pm 5\%$) explanation
Supporting better customer protections in essential services (Statewide)	<u>Output:</u> Economic Regulatory Services <u>Portfolio:</u> Department of Treasury and Finance <u>Agency:</u> Essential Services Commission	N/A	4.063	0	The TEI decreased by \$4.063 million due to all budgeted amounts being reclassified as operating instead of capital expenditure, in line with accounting standards.

Completion date

Project	Output(s) and portfolio(s) and/or agency responsible for the project	Estimated completion date at announcement	Revised completion date as at 30 June 2023	Explanation
Accommodation Management Efficiency Program (Melbourne) ^{9, 10}	<u>Output:</u> Services to Government <u>Portfolio:</u> Department of Treasury and Finance until 31 December 2022, then Department of Government Services from 1 January 2023 to 30 June 2023.	No estimated completion date was provided at the announcement in the 2020-21 Budget Papers.	Qtr 4 2023-24	The estimated completion date has been revised to reflect a revised schedule of works and in line with a revised project schedule.

⁹ Previously known as Centralised Accommodation Management

¹⁰ This program has transferred from the Department of Treasury and Finance to the Department of Government Services as part of a machinery of government (MOG) change on 1 January 2023.

Boosting efficiency in infrastructure procurement - resourcing the Construction Supplier and Residential Cladding Rectification Registers (Melbourne)	<u>Output:</u> Commercial and Infrastructure Advice <u>Portfolio:</u> Department of Treasury and Finance	Qtr 4 2022-23	Qtr 4 2023-24	The estimated completion date has been revised in line with a revised project schedule.
Centralised Accommodation Management (Melbourne) ¹¹	<u>Output:</u> Services to Government <u>Portfolio:</u> Department of Treasury and Finance until 31 December 2022, then Department of Government Services from 1 January 2023 to 30 June 2023.	Qtr 4 2022-23	Qtr 4 2023-24	The estimated completion date has been revised in line with a revised project schedule.
Expansion of Victorian Energy Upgrade Program (Melbourne)	<u>Output:</u> Economic Regulatory Services <u>Portfolio:</u> Department of Treasury and Finance <u>Agency:</u> Essential Services Commission	Qtr 4 2022-23	Qtr 1 2023-24	The estimated completion date has been revised in line with a revised project schedule.
Greener Government Buildings (Melbourne) ¹²	<u>Output:</u> Commercial and Infrastructure Advice <u>Portfolio:</u> Department of Treasury and Finance until 31 December 2022, then Department of Transport and Planning from 1 January 2023 to 30 June 2023.	No estimated completion date was provided at the announcement in the 2020-21 Budget Papers.	Qtr 4 2025-26	The estimated completion date has been revised in line with a revised project schedule.

¹¹ This program has transferred from the Department of Treasury and Finance to the Department of Government Services as part of a machinery of government (MOG) change on 1 January 2023

¹² This program has transferred from the Department of Treasury and Finance to the Department of Transport and Planning as part of a machinery of government (MOG) change on 1 January 2023

State Revenue Office Compliance Program (Statewide) ¹³	<u>Output:</u> Revenue Management and Administrative Services to Government <u>Portfolio:</u> Department of Treasury and Finance <u>Agency:</u> State Revenue Office	Qtr 4 2022-23	Ongoing	As a rolling program of works, the TEI and estimated completion date vary from year to year.
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Scope

Project	Output(s) and portfolio(s) and/or agency responsible for the project	Scope at announcement	Details of scope change(s) and date(s) scope changes occurred
Nil			

¹³ Previously reported as part of 'Better revenue management systems (Melbourne)'

Question 8 (all departments) Details of actual capital expenditure – completed projects (or expected to be completed)

Please provide the following details about asset investment projects that were completed in the 2021-22 and 2022-23 financial years:

- Project name, project objectives and Department(s), Output(s) and Portfolio(s) and/or Agency/Agencies responsible for delivery of the project
- Total Estimated Investment (TEI) at announcement
- Actual cost of project
- Estimated completion date at announcement
- Actual completion date
- Explanations for any variance in capital expenditure and/or completion date.

2021-22 response

Project	Original project objectives	Responsible Department(s), Output(s) and Portfolio(s) and/or Agency/Agencies	TEI at announcement (\$ million)	Actual cost of project (\$ million)	Estimated completion date at announcement	Actual completed date	Variance explanation (\$ value variance and/or time variance)
Better revenue management systems (Melbourne), <u>excluding</u> the portion relating to the State Revenue Office Compliance Program (statewide)	The State Revenue Office (SRO) will continue a program of upgrades to its ICT system to ensure Victoria maintains a robust and value-for-money revenue management system, and to support the government's strong financial management. This initiative will deliver incremental upgrades to the underlying systems architecture,	<u>Output:</u> Revenue Management and Administrative Services to Government <u>Portfolio:</u> Department of Treasury and Finance <u>Agency:</u> State Revenue Office	11.584	11.981	Qtr. 4 2018-19	Qtr. 4 2020-21	Program expenditure includes the reprioritisation of \$0.398 million from 2014-15. Timing variation is due to resource diversions for the development and implementation of IT systems to support legislative changes and other Government initiatives including: <ul style="list-style-type: none"> • Wagering and Betting Tax • Land Use Victoria's direction for the electronic lodgement of all property transactions • Vacant Residential Land Tax • Commercial Passenger Levy Vehicle • Foreign Purchaser Additional Duty

	improve productivity, reduce compliance costs for customers and improve data matching for compliance activities.						<ul style="list-style-type: none"> • Land Tax Absentee Owner Surcharge • Back to Work Scheme
Greener Government Buildings (Statewide) ¹⁴	The Greener Government Buildings program will improve the energy efficiency of government buildings. Government buildings will be retrofitted with more efficient lighting, heating and cooling systems, building automation and solar power. This program will save future costs in energy bills and cut greenhouse gas emissions.	<u>Output:</u> Services to Government <u>Portfolio:</u> Department of Treasury and Finance	20.0	16.069	Qtr. 4 2018-19	Qtr. 2 2021-22	\$4 million was returned to the Department of Environment, Land, Water and Planning (DELWP) in October 2022.

¹⁴This program has transferred from the Department of Treasury and Finance to the Department of Transport and Planning as part of a machinery of government (MOG) change on 1 January 2023

2022-23 response

Project	Original project objectives	Responsible Department(s), Output(s) and Portfolio(s) and/or Agency/Agencies	TEI at announcement (\$ million)	Actual cost of project (\$ million)	Estimated completion date at announcement	Actual completed date	Variance explanation (\$ value variance and/or time variance)
Acquisition of Bendigo GovHub (Bendigo) ¹⁵	Funding was provided to acquire the Bendigo GovHub, located at the site of the City of Greater Bendigo offices, to provide office accommodation for local and state government workers.	<u>Output</u> : Commercial and Infrastructure Advice <u>Portfolio</u> : Department of Treasury and Finance until 31 December 2022, then Department of Transport and Planning from 1 January 2023 to 30 June 2023.	120.8	114.6	Qtr. 1 2022-23	Qtr. 4 2022-23	The capital budget was based on an estimate prior to going to the market. The agreed sale value was determined once construction costs were confirmed to be lower than anticipated. The completion date was delayed due to the supply of materials as a result of COVID-19.

¹⁵ This program has transferred from the Department of Treasury and Finance to the Department of Transport and Planning as part of a machinery of government (MOG) change on 1 January 2023

Question 9 (all departments) High-value high-risk projects, gateway reviews and business cases

Under the High Value High Risk (HVHR) Framework, a project will be classified as HVHR if it is a budget funded project that has a Total Estimated Investment (TEI) of over \$250 million. HVHR projects are subject to compulsory Gateway reviews, where Gates 1 through 6 are compulsory for all eligible projects: Gate 2 outlines the development of a business case.

Please list all projects included in the 2021-22 and 2022-23 financial years that were allocated to the department and were classified as HVHR and the project objectives. Please also specify which gateway reviews, if any, were completed during 2021-22 and 2022-23 and business case details for each project.

2021-22 response

HVHR Project	Original project objectives	Gateway review name/ Date completed	Date business case completed	Business case – publicly available? Y/N	Business case link (URL)
Nil					

2022-23 response

HVHR Project	Original project objectives	Gateway review name/ Date completed	Date business case completed	Business case – publicly available? Y/N	Business case link (URL)
Nil					

Question 10 (all departments) Public Private Partnership (PPP) expenditure – existing and completed

Please provide the following information related to the department's PPP projects:

- The total estimated PPP investment value, the total actual expenditure from announcement to 30 June 2022 and 30 June 2023, or the actual cost spent to 30 June 2022 and 30 June 2023 (actual cost spent in the respective financial year) and the benefits of using the PPP financing model when delivering/funding a project over other financing methods.
- Where the estimated completion date at announcement is different to the completion date in the 2020-21 Budget and the 2021-22 Budget, and an explanation for any variance.
- Where the scope of the PPP at announcement is different to the scope of the project as it is presented in the 2020-21 Budget and the 2021-22 Budget.

30 June 2022 response

Investment value and benefit of using PPP model

Project name	Project objectives	Output(s) and portfolio(s) and/or agency	Total estimated PPP investment value at the start of the project (\$ million)	Total actual expenditure since the announcement to 30 June 2022 (\$ million)	Actual expenditure in year ending 30 June 2022 (\$ million)	Benefits of using PPP model versus other delivery/funding models
n/a	-	-	-	-	-	-

Completion date

Project name	Output(s) and portfolio(s) and/or agency	Estimated completion date	Revised estimated completion date	Variance explanation
n/a	-	-	-	-

Scope

Project name	Output(s) and portfolio(s) and/or agency	Original scope	Revised scope	Explanation for scope changes
n/a	-	-	-	-

30 June 2023 response

Investment value and benefit of using PPP model

Project name	Project objectives	Output(s) and portfolio(s) and/or agency	Total estimated PPP investment value at the start of the project (\$ million)	Total actual expenditure since the announcement to 30 June 2023 (\$ million)	Actual expenditure in year ending 30 June 2023 (\$ million)	Benefits of using PPP model versus other delivery/funding models
n/a	-	-	-	-	-	-

Completion date

Project name	Output(s) and portfolio(s) and/or agency	Estimated completion date	Revised estimated completion date	Variance explanation
n/a	-	-	-	-

Scope

Project name	Output(s) and portfolio(s) and/or agency	Original scope	Revised scope	Explanation for scope changes
n/a	-	-	-	-

Question 11 (DoT/DTP only) Alliance contracting expenditure – existing and completed
[DTF response not required]

Please provide the following information related to the department's alliance contracting projects:

- The total estimated investment value, the total actual expenditure from announcement to 30 June 2022 and 30 June 2023, or the actual cost spent to 30 June 2022 and 30 June 2023 (actual cost spent in the respective financial year) and the benefits of using the alliance contracting model when delivering/funding a project over other financing methods.
- Where the estimated completion date at announcement is different to the completion date in the 2020-21 Budget and the 2021-22 Budget and an explanation for any variance.
- Where the scope of the alliance contract at announcement is different to the scope of the project as it is presented in the 2020-21 Budget and the 2021-22 Budget.

2021-22 response

Investment value and benefit of using alliance contracting model

Project name	Project objectives	Output(s) and portfolio(s) and/or agency	Total estimated investment value at the start of the project (\$ million)	Total actual expenditure since the announcement to 30 June 2022 (\$ million)	Actual expenditure in year ending 30 June 2022 (\$ million)	Benefits of using alliance contracting model versus other delivery/funding models

Completion date

Project name	Output(s) and portfolio(s) and/or agency	Estimated completion date	Revised estimated completion date	Variance explanation

Scope

Project name	Output(s) and portfolio(s) and/or agency	Original scope	Revised scope	Explanation for scope changes

2022-23 response

Investment value and benefit of using alliance contracting model

Project name	Project objectives	Output(s) and portfolio(s) and/or agency	Total estimated investment value at the start of the project (\$ million)	Total actual expenditure since the announcement to 30 June 2023 (\$ million)	Actual expenditure in year ending 30 June 2023 (\$ million)	Benefits of using alliance contracting model versus other delivery/funding models

Completion date

Project name	Output(s) and portfolio(s) and/or agency	Estimated completion date	Revised estimated completion date	Variance explanation

Scope

Project name	Output(s) and portfolio(s) and/or agency	Original scope	Revised scope	Explanation for scope changes

Section C: Revenue and appropriations

Question 12 (all departments and entities) Revenue – variances from previous year

Please explain any changes equal to or greater than $\pm 10\%$ or \$100 million between the actual result for 2020-21 and 2021-22 and the actual result for 2021-22 and 2022-23 for each revenue category detailed in your operating statement. Please also indicate what any additional revenue was used for or how any reduced amounts of revenue affected service delivery and then link it to the relevant output and portfolio.

Please also detail the outcomes in the community¹⁶ 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 revenue/income categories for the department/agency for which the 2021-22 and the 2022-23 expenditure changed from the prior year's expenditure by more than $\pm 10\%$ 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.

2021-22 response

Revenue category	2020-21 actual (\$ million)	2021-22 actual (\$ million)	Explanations for changes $\pm 10\%$ or \$100 million	How the additional revenue was used/the impact of reduced revenue. If no impact, how was this achieved	Relevant output(s) and portfolio(s)
Output appropriations	506.2	516.4	n/a	n/a	n/a
Interest	0.2	-	The variance is primarily related to a machinery of government change on 1 August 2020 where Cenitex was transferred to the Department of Premier and Cabinet.	No impact - This is an administrative change only.	Output: Services to Government ¹⁷ Portfolio: DTF

¹⁶ That is, the impact of service delivery on the community rather than a description of the services delivered.

¹⁷ No longer reported under the Department of Treasury and Finance following the machinery of government change from 1 January 2023.

Sales of goods and services	39.8	67.5	Increase in 2021-22 primarily reflects regulatory fees collected by the Essential Services Commission for the first time through its trust fund. They were previously recognised through the Department's administered accounts.	The increase in revenue has been set aside for use once the Essential Service Commission moves into a trust funded model from 2022-23.	Output: Economic Regulatory Services Portfolio: DTF
Grants	29.4	8.2	Decrease in 2021-22 primarily reflects grant revenue from the Department of Education and Training for the Illumina-UoM Genomics Hub Project.	No impact – The increased funding in 2020-21 was one-off.	Output: Invest Victoria ¹⁸ Portfolio: DTF
Other income	41.0	48.2	Increase in 2021-22 primarily reflects statutory fines collected by the Essential Services Commission. This was not budgeted for at the time of the published budget.	Increased revenue has been set aside in their respective trust funds for utilisation in line with their trust guidelines.	Output: Economic Regulatory Services Portfolio: DTF
Total	616.6	640.3			

¹⁸ No longer reported under the Department of Treasury and Finance following the machinery of government change from 1 January 2023.

2022-23 response

Revenue category	2021-22 actual (\$ million)	2022-23 actual (\$ million)	Explanations for changes $\pm 10\%$ or \$100 million	How the additional revenue was used/the impact of reduced revenue. If no impact, how was this achieved	Relevant output(s) and portfolio(s)
Output appropriations	516.4	427.8	Decrease in 2022-23 primarily reflects the machinery of government change from 1 January 2023 where various functions including corporate services have been transferred out of the Department.	No impact - This is an administrative change only.	Output: All Portfolio: DTF
Sales of goods and services	67.5	41.5	Decrease in 2022-23 primarily reflects the machinery of government change from 1 January 2023 where the Shared Service Provider Trust and associated income (such as vehicle hire) have been transferred out of the Department.	No impact – This is an administrative change only.	Output: Services to Government ¹⁹ Portfolio: DTF
Grants	8.2	10.5	Increase in 2022-23 primarily reflects higher complementary fund received through the interdepartmental trust by the Office of Projects Victoria. In 2021-22	No impact - Increase in 2022-23 primarily reflects higher complementary fund received through the interdepartmental trust by the Office of Projects Victoria. In 2021-22 some of the complementary	Output: Commercial and Infrastructure Advice Portfolio: DTF

¹⁹ No longer reported under the Department of Treasury and Finance following the machinery of government change from 1 January 2023.

			some of the complementary funding was received through appropriations.	funding was received through appropriations.	
Fair value of assets and services received free of charge or for nominal consideration	-	5.1	Increase in 2022-23 primarily reflects recognition of services received free of charge from the Department of Government Services following the machinery of government change from 1 January 2023 where various functions have been transferred out of the Department.	No impact - This is an administrative change only.	Output: Budget and Financial Advice, Economic and Policy Advice and Commercial and Infrastructure Advice Portfolio: DTF
Other income	48.2	29.8	Decrease in 2022-23 primarily reflects the machinery of government change from 1 January 2023 where the Government Accommodation Trust and associated income has been transferred out of the Department.	No impact - This is an administrative change only.	Output: Services to Government ²⁰ Portfolio: DTF
Total	640.3	514.7			

²⁰ No longer reported under the Department of Treasury and Finance following the machinery of government change from 1 January 2023.

Question 13 (all departments and entities) Revenue – variances from budget to actual

Please explain any variances equal to or greater than $\pm 10\%$ or \$100 million between the initial budget estimate (not the revised estimate) and the actual result for 2021-22 and 2022-23 for each revenue category detailed in your operating statement. Please also indicate what any additional revenue was used for or how any reduced amounts of revenue affected service delivery and then link it to the relevant output and portfolio.

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

2021-22 response

Revenue category	2021-22 Budget estimate (\$ million)	2021-22 actual (\$ million)	Explanations for changes $\pm 10\%$ or \$100 million	How the additional revenue was used/the impact of reduced revenue. If no impact, explain why	Relevant output(s) and portfolio(s)
Output appropriations	587.8	516.4	Lower actual primarily reflects budgets rephased from 2021-22 to future years for a range of initiatives including Invest Victoria's grant programs.	No impact – This resulted in a change in the timing of delivery only.	Output: All Portfolio: DTF
Sales of goods and services	15.2	67.5	Higher actual primarily reflects regulatory fees collected by the Essential Services Commission for the first time through its trust fund which was not budgeted for at the time of the published budget.	The higher than budgeted revenue has been set aside for use once the Essential Service Commission moves into a trust funded model from 2022-23.	Output: Economic Regulatory Services Portfolio: DTF
Grants	18.1	8.2	Lower actual primarily reflects grant revenue from the Department of Education and Training for the Illumina-UoM Genomics Hub Project which was expected to be received in 2021-22 but was received in 2020-21 instead.	No impact - This resulted in a change in the timing of delivery only.	Output: Invest Victoria ²¹ Portfolio: DTF
Other income	37.3	48.2	Higher actual primarily reflects statutory fines collected by the Essential Services Commission. This was not budgeted for at the time of the published budget.	Higher than budgeted revenue has been set aside in their respective trust funds for utilisation in line with their trust guidelines.	Output: Economic Regulatory Services Portfolio: DTF
Total	658.4	640.3			

²¹ No longer reported under the Department of Treasury and Finance following the machinery of government change from 1 January 2023.

2022-23 response

Revenue category	2022-23 Budget estimate (\$ million)	2022-23 actual (\$ million)	Explanations for changes $\pm 10\%$ or \$100 million	How the additional revenue was used/the impact of reduced revenue. If no impact, explain why	Relevant output(s) and portfolio(s)
Output appropriations	564.5	427.8	Lower actual primarily reflects the machinery of government change from 1 January 2023 where various functions including corporate services have been transferred out of the Department. This change was not budgeted for at the time of the published budget.	No impact - This is an administrative change only.	Output: All Portfolio: DTF
Sales of goods and services	15.2	41.5	The variance is primarily due to the Essential Services Commission's regulatory fees collected in the Department's controlled accounts as part of their trust arrangements. They were previously recognised through the Department's administered accounts.	No impact - There has been a reduction in output appropriation revenue received by the Essential Services Commission as a result of transitioning into the new trust arrangement.	Output: Economic Regulatory Services Portfolio: DTF
Grants	9.6	10.5	n/a	n/a	n/a
Fair value of assets and services received free of charge or for nominal consideration	-	5.1	Higher actual primarily reflects recognition of services received free of charge from the Department of Government Services following the machinery of government change from 1 January 2023 where various functions have been transferred out of the Department. This change was not budgeted for at the time of the published budget.	No impact - This is an administrative change only.	Output: Budget and Financial Advice, Economic and Policy Advice and Commercial and Infrastructure Advice Portfolio: DTF

DTF

Other income	37.3	29.8	Lower actual primarily reflects the machinery of government change from 1 January 2023 where the Government Accommodation Trust and associated income has been transferred out of the Department. This change was not budgeted for at the time of the published budget.	No impact - This is an administrative change only.	Output: Services to Government ²² Portfolio: DTF
Total	626.6	514.7			

²² No longer reported under the Department of Treasury and Finance following the machinery of government change from 1 January 2023.

Section D: Expenses

Question 14 (all departments and entities) Expenses changed from previous year

Please explain any changes equal to or greater than $\pm 10\%$ or \$100 million with regards to the actual result for 2020-21 and 2021-22 and the actual result for 2021-22 and 2022-23 for each category of expenses detailed in your operating statement. Please explain any changes equal to or greater than $\pm 10\%$ or \$100 million with regards the actual result for 2021-22 and the 2021-22 budget estimate and the actual result for 2022-23 and the 2022-23 budget estimate. Please also detail the outcomes in the community²³ 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.

2021-22 response

Expenses category	2020-21 actual \$ million	2021-22 actual \$ million	Explanations for variances $\pm 10\%$ or \$100 million	Outcomes achieved by additional expenses/impact of reduced expenses. If no impact, how was this achieved
Employee benefits	238.7	262.7	2021-22 was higher primarily due to increased level of staffing from new initiatives included in the <i>2021-22 Budget</i> including the Advanced Revenue and Compliance Program for the State Revenue Office.	The additional expense was mainly incurred to deliver new output initiatives published in the 2021-22 Budget.
Depreciation	21.9	23.7	n/a	n/a
Grants and other transfer	63.1	94.3	2021-22 was higher primarily due to grants paid to other departments for the COVID-19 Regulatory Reform program.	The additional expense was mainly incurred to deliver new output initiatives published in the <i>2021-22 Budget</i> .
Other operating expenses	258.5	199.6	2021-22 was lower primarily due to the abolishment of capital asset charge.	No impact – Capital asset charge is a notional opportunity cost of capital that does not impact service delivery.
Total	582.2	580.3		

²³That is, the impact of service delivery on the community rather than a description of the services delivered.

Expenses category	2021-22 budget \$ million	2021-22 actual \$ million	Explanations for variances $\pm 10\%$ or \$100 million	Outcomes achieved by additional expenses/impact of reduced expenses. If no impact, how was this achieved
Employee benefits	244.9	262.7	n/a	n/a
Depreciation	31.8	23.7	Lower actual primarily reflects lower than budgeted actual depreciation costs from buildings and fitouts.	No impact – Lower actual depreciation expense reflects a non-cash expense that does not impact service delivery.
Grants and other transfer	138.9	94.3	Lower actual primarily reflects the rephase of Invest Victoria's grants into future years.	No impact – This resulted in a change in the timing of delivery only.
Other operating expenses	237.9	199.6	Lower actual primarily reflects the rephase of funding for various initiatives into future years including the Regulatory Reform Package and the Victorian Homebuyer Fund.	No impact – This resulted in a change in the timing of delivery only.
Total	653.5	580.3		

2022-23 response

Expenses category	2021-22 actual \$ million	2022-23 actual \$ million	Explanations for variances $\pm 10\%$ or \$100 million	Outcomes achieved by additional expenses/impact of reduced expenses. If no impact, how was this achieved
Employee benefits	262.7	247.1	n/a	n/a
Depreciation	23.7	14.7	Decrease in 2022-23 primarily reflects the machinery of government change from 1 January 2023. Depreciation on buildings is now recognised by the Department of Transport and Planning (DTP).	No impact – This is an administrative change only.
Grants and other transfer	94.3	45.1	Decrease in 2022-23 primarily reflects the machinery of government change from 1 January 2023 where Invest Victoria and its grants programs such as the Investment Support Program have been transferred out of the Department.	No impact – This is an administrative change only.
Other operating expenses	199.6	186.2	n/a	n/a
Total	580.3	493.1		

Expenses category	2022-23 budget \$ million	2022-23 actual \$ million	Explanations for variances $\pm 10\%$ or \$100 million	Outcomes achieved by additional expenses/impact of reduced expenses. If no impact, how was this achieved
Employee benefits	245.2	247.1	n/a	n/a
Depreciation	33.4	14.7	Lower actual primarily reflects the machinery of government change from 1 January 2023. Depreciation on buildings is now recognised by the Department of Transport and Planning (DTP). This change was not budgeted for at the time of the published budget.	No impact – This is an administrative change only.
Grants and other transfer	160.7	45.1	Lower actual primarily reflects the machinery of government change from 1 January 2023 where Invest Victoria and its grants programs such as the Investment Support Program have been transferred out of the Department. This change was not budgeted for at the time of the published budget.	No impact – This is an administrative change only.
Other operating expenses	187.1	186.2	n/a	n/a
Total	626.4	493.1		

Question 15 Expenses/interventions related to COVID-19 pandemic response

For 2021-22 and 2022-23, please outline the programs and/or initiatives that were announced as part of the Victorian Government's response to the COVID-19 pandemic in the order of the highest amount allocated.

Please indicate if the department made use of emergency advances and retroactive funding approvals.

Please note whether there are identified performance measures in the budget papers related to the announced programs and please provide details of the reported outcomes.

2021-22 Response

a) On budget

Name of the program/initiative	Program/initiative objectives	Expenditure as at 30 June 2022	Output/Portfolio	Use of emergency advances/ retroactive funding approvals – Yes or No	Performance measures for the program/Initiative	Outcomes/project status
Big Housing Build: Expanded Social Housing Growth Fund	Funding provided to DTF to deliver on the Government's housing vision to: <ul style="list-style-type: none"> - expand the supply and diversity of the full continuum of market, affordable and social housing with options for a housing package; and - to implement planning reforms 	\$179.995 million	<u>Output:</u> Economic and Policy Advice <u>Portfolio:</u> Department of Treasury and Finance	Yes – Treasurer's Advance	No performance measures were published in the 2021-22 Budget Paper No. 3 for the Big Housing Build: Expanded Social Housing Growth Fund initiative.	No measures were included in the 2021-22 Budget Papers (note new measure included in 2022-23 Budget Papers). Funding was committed from the Social Housing Growth Fund to support over 2,400 homes across 2020-21 and 2021-22 through the Rapid Grants Round. https://www.homes.vic.gov.au/social-housing-growth-fund

	to improve housing affordability and unlock construction sector activity. The expected economic activity from a housing package will support Victoria's economic recovery post coronavirus (COVID-19).					
Investment attraction package ²⁴	Increased global competition for international investment opportunities, as a result of the COVID-19 pandemic, will require more flexible incentive measures to compete with other jurisdictions in meeting investor needs. Funding provided to DTF to boost Victoria's investment	\$0.19 million	<u>Output:</u> Invest Victoria <u>Portfolio:</u> Department of Treasury and Finance	No	Jobs (2021-22 target = 1250), wages (2021-22 target = \$110 million) and innovation expenditure (2021-22 target = \$60 million) generated from international investment secured through Government facilitation services and assistance, which was reported on page 358 of 2021-22 Budget Paper No. 3.	3721 jobs, \$431 million in wages, and \$596 million in innovation expenditure was generated in 2021-22 from international investment secured through Government facilitation services and assistance, which was reported on page 28 of the Department of Treasury and Finance's 2021-22 Annual Report.

²⁴ Transferred from the Department of Treasury and Finance to the Department of Jobs, Skills, Industry and Regions as part of a machinery of government (MOG) change on 1 January 2023

	promotion and lead generation activities, establish a suite of targeted financial incentives and strengthen Victoria's ongoing support for investors and returning Australian expatriates.					
Victorian Homebuyer Fund	Funding provided to DTF for setting up and operating the fund. The fund will contribute to the purchase price in exchange for a proportionate equity interest in the property. This reduces the size of the deposit required and will help Victorians buy suitable homes sooner. The fund will aid Victoria's economic recovery post COVID-19 by supporting the	\$15 million	<u>Output:</u> Economic and Policy Advice <u>Portfolio:</u> Department of Treasury and Finance	Yes – Treasurer's Advance	No performance measures were published in the 2021-22 Budget Paper No. 3 for the Victorian Homebuyer Fund.	The Victorian Homebuyer Fund helped more than 1500 Victorians buy homes in 2021-22, which was reported on page 10 of the Department of Treasury and Finance's 2021-22 Annual Report.

	purchase of both established and newly built homes. Aboriginal Victorians will also have access to additional supports.					
Research and development cash flow loans ²⁵	COVID-19 has had an adverse impact on global financial markets, reducing the availability of capital in both debt and equity markets. This has particularly impacted capital availability for SMEs due to higher levels of vulnerability and lower economic resilience due to their reliance on regular cash flow. Funding provided to DTF to provide low interest loans to Victorian small and medium-sized enterprises that are claiming the Commonwealth	\$0.57 million	<u>Output:</u> Invest Victoria <u>Portfolio:</u> Department of Treasury and Finance	No	No performance measures were published in the 2021-22 Budget Paper No. 3 for the Research and Development Cash Flow Loans initiative.	No outcomes / project status was reported in the Department of Treasury and Finance's 2021-22 Annual Report for the Research and Development Cash Flow Loans initiative.

²⁵ Transferred from the Department of Treasury and Finance to the Department of Jobs, Skills, Industry and Regions as part of a machinery of government (MOG) change on 1 January 2023

	Government's R&DTI.					
Supporting COVID-19 recovery through procurement ²⁶	Funding provided to DTF to better leverage the Government's procurement spend to create jobs for members of the community most disadvantaged by COVID-19.	\$0.593 million	<u>Output:</u> Services to Government <u>Portfolio:</u> Department of Treasury and Finance	No	No performance measures were published in the 2021-22 Budget Paper No. 3 for the Supporting COVID-19 Recovery Through Procurement initiative.	No outcomes / project status was reported in the Department of Treasury and Finance's 2021-22 Annual Report for the Supporting COVID-19 Recovery Through Procurement initiative.
Big build apprenticeships model	Victoria was already struggling with apprentice commencement and completions prior to COVID-19. Without government support, young people in apprenticeships will bear a significant brunt of the downturn. Funding provided to DTF for a transformative new approach that will expand the opportunities for apprentices	\$0.522 million	<u>Output:</u> Economic and Policy Advice <u>Portfolio:</u> Department of Treasury and Finance	No	No performance measures were published in the 2021-22 Budget Paper No. 3 specifically for the Big Build Apprenticeship model initiative.	No outcomes / project status was reported in the Department of Treasury and Finance's 2021-22 Annual Report for the Big Build Apprenticeship model.

²⁶ Transferred from the Department of Treasury and Finance to the Department of Government Services as part of a machinery of government (MOG) change on 1 January 2023

	and trainees through a flagship 'Big Build' training pathway.					
Venture Growth Fund ²⁷	COVID-19 has had a significant impact on SMEs from both a revenue and profitability perspective due to the impact of stage 3 & 4 lockdowns. The effects of COVID-19 are also reflected in decreased venture capital activity, with deals down in both value and volume. Funding provided to DTF to implement alternative funding initiatives for Victorian SMEs and Start-Ups.	\$3.01 million	<u>Output:</u> Invest Victoria <u>Portfolio:</u> Department of Treasury and Finance	No	No performance measures were published in the 2021-22 Budget Paper No. 3 for the Venture Growth Fund initiative.	No outcomes / project status was reported in the Department of Treasury and Finance's 2021-22 Annual Report for the Venture Growth Fund initiative.

²⁷ Transferred from the Department of Treasury and Finance to the Department of Jobs, Skills, Industry and Regions as part of a machinery of government (MOG) change on 1 January 2023

b) Off budget²⁸

Name of the program/initiative	Program/initiative objectives	Expenditure as at 30 June 2022	Output/Portfolio	Use of emergency advances/ retroactive funding approvals – Yes or No	Performance measures for the program/Initiative	Outcomes/project status
Extend the regional First Home Owner Grant	The \$20 000 First Home Owner Grant for people buying or building a new home in regional Victoria has been extended to apply to contracts of sale entered up until 30 June 2021. This is double the \$10 000 grant for first home owners in metropolitan Melbourne. This extension will give more Victorians the opportunity to live locally and enter the property market for the first time, while	\$85.44 million	<u>Output:</u> Revenue Management and Administrative Services to Government <u>Portfolio:</u> Department of Treasury and Finance	No	No performance measures were published in the 2021-22 Budget Paper No. 3 for the Extend the Regional First Home Owner Grant initiative.	4,277 Regional First Home Buyer grants of \$20,000 were paid during the year. Applications for the extended Regional First Home Owner Grant relate to contracts of sale entered up until 30 June 2021. Grants will continue to be administered in outyears and are not expected to be material.

²⁸ 'Off budget' is where funds for programs/initiatives are not appropriated in the budget and therefore are not accounted for in the budget. For those programs that received appropriations through specially created programs or subprograms of the budget are known as 'on-budget arrangements'. For example, it could be that most COVID-19 initiatives are off budget items during 2020-21 unless prior budgeted programs were extended/expedited, etc due to COVID-19, then these would be classified as 'on budget'.

	also supporting jobs in regional Victoria.					
Payroll tax relief for small and medium businesses	As part of the Government's Economic Survival Package in response to the coronavirus (COVID-19) pandemic, full payroll tax refunds and waivers for the 2019-20 financial year were provided to 34 000 small and medium-sized businesses with annual Victorian payrolls of up to \$3 million. This support provided a tax benefit of up to \$114 000 per eligible business and an average tax benefit of \$29 000 across all eligible businesses. This assisted businesses to keep workers employed during the	\$11.18 million	<u>Output:</u> Revenue Management and Administrative Services to Government <u>Portfolio:</u> Department of Treasury and Finance	No	No performance measures were published in the 2021-22 Budget Paper No. 3 for the Payroll Tax Relief for Small and Medium Businesses initiative.	Relief measures will continue to be administered in outyears and are not expected to be material.

	coronavirus (COVID-19).					
New Job Tax Credit	The New jobs tax credit to encourage small and medium sized businesses to re-employ staff, restore staff hours and hire additional staff – providing businesses with annual Australian group wages less than \$10 million a credit of 10 cents for every dollar of Victorian wages paid in 2020-21 and 2021-22 above the previous year's wages.	\$352.4 million	<u>Output:</u> Revenue Management and Administrative Services to Government <u>Portfolio:</u> Department of Treasury and Finance	No	No performance measures were published in the 2021-22 Budget Paper No. 3 for the New Job Tax Credit initiative.	These payments relate primarily to the 2020-21 annual return period. Payments in relation to the 2021-22 annual return period will continue to be administered in outyears.

2022-23 Response

a) On budget

Name of the program/initiative	Program/initiative objectives	Expenditure as at 30 June 2023	Output/Portfolio	Use of emergency advances/ retroactive funding approvals – Yes or No	Performance measures for the program/Initiative	Outcomes/project status
Big Housing Build: Expanded Social Housing Growth Fund	Funding provided to DTF to deliver on the Government's housing vision to: <ul style="list-style-type: none"> - expand the supply and diversity of the full continuum of market, affordable and social housing with options for a housing package; and - to implement planning reforms to improve housing affordability and unlock construction sector activity. The expected	\$295.971 million	<u>Output:</u> Economic and Policy Advice <u>Portfolio:</u> Department of Treasury and Finance	No	Social Housing dwellings committed by the Social Housing Growth Fund Grants Program (2022-23 target = 500), which was reported on page 361 of the 2022-23 Budget Paper No. 3. New performance measure for 2022-23 to provide insight into the Big Housing Build's impact on economic recovery and achievement of housing outcomes	980 Social Housing dwellings were committed by the Social Housing Growth Fund Grants Program in 2022-23, which was reported on page 24 of the Department of Treasury and Finance's 2022-23 Annual Report. The higher 2022-23 actual is due to delivering the Big Housing Build and associated implementation timeframes which have led to a strong result for dwelling approvals in 2022-23.

	economic activity from a housing package will support Victoria's economic recovery post coronavirus (COVID-19).					
Victorian Homebuyer Fund	Funding provided to DTF for setting up and operating the fund. The fund will contribute to the purchase price in exchange for a proportionate equity interest in the property. This reduces the size of the deposit required and will help Victorians buy suitable homes sooner. The fund will aid Victoria's economic recovery post COVID-19 by supporting the purchase of both established and newly built homes. Aboriginal Victorians will also	\$10.735 million	<u>Output:</u> Economic and Policy Advice <u>Portfolio:</u> Department of Treasury and Finance	Yes – Treasurer's Advance	Home purchases settled through the Victorian Homebuyer Fund (2022-23 target = 600), which was reported on page 361 of the 2022-23 Budget Paper No. 3.	2701 home purchases were settled through the Victorian Homebuyer Fund in 2022-23, which was reported on page 24 of the Department of Treasury and Finance's 2022-23 Annual Report. The 2022-23 outcome is higher than the 2022-23 target due to consistently strong demand for the scheme.

	have access to additional supports.					
Investment attraction package ²⁹	Increased global competition for international investment opportunities, as a result of the COVID-19 pandemic, will require more flexible incentive measures to compete with other jurisdictions in meeting investor needs. Funding provided to DTF to boost Victoria's investment promotion and lead generation activities, establish a suite of targeted financial incentives and strengthen Victoria's ongoing support for investors and returning	\$0.80 million	<u>Output:</u> Invest Victoria <u>Portfolio:</u> Department of Treasury and Finance until 31 December 2022, then Department of Jobs, Skills, Industry and Regions from 1 January 2023 to 30 June 2023	No	Jobs (2022-23 target = 1250), wages (2022-23 target = \$110 million) and innovation expenditure (2022-23 target = \$135 million) generated from international investment secured through Government facilitation services and assistance, which was reported on page 364 of 2022-23 Budget Paper No. 3.	No outcomes / project status was reported in the Department of Treasury and Finance's 2022-23 Annual Report for the Investment Attraction Package initiative, due to the MOG change that occurred on 1 January 2023. The outcomes / project status was reported in the Department of Jobs, Skills, Industry and Regions' 2022-23 Annual Report for the Investment Attraction Package initiative.

²⁹ This initiative transferred from the Department of Treasury and Finance to the Department of Jobs, Skills, Industry and Regions as part of a machinery of government (MOG) change on 1 January 2023

	Australian expatriates.					
Venture Growth Fund ³⁰	COVID-19 has had a significant impact on SMEs from both a revenue and profitability perspective due to the impact of stage 3 & 4 lockdowns. The effects of COVID-19 are also reflected in decreased venture capital activity, with deals down in both value and volume. Funding provided to DTF to implement alternative funding initiatives for Victorian SMEs and Start-Ups.	\$2.94 million	<u>Output:</u> Invest Victoria <u>Portfolio:</u> Department of Treasury and Finance until 31 December 2022, then Department of Jobs, Skills, Industry and Regions from 1 January 2023 to 30 June 2023	Yes (Treasurer's Advance received in 22-23)	No performance measures were published in the 2022-23 Budget Paper No. 3 for the Venture Growth Fund initiative.	No outcomes / project status was reported in the Department of Treasury and Finance's 2022-23 Annual Report for the Venture Growth Fund initiative.
Research and development cash flow loans ³¹	COVID-19 has had an adverse impact on global financial markets, reducing the availability of capital in both debt and equity	\$0.23 million	<u>Output:</u> Invest Victoria <u>Portfolio:</u> Department of Treasury and Finance until 31 December 2022,	No	No performance measures were published in the 2022-23 Budget Paper No. 3 for the Research and Development Cash Flow Loans initiative.	No outcomes / project status was reported in the Department of Treasury and Finance's 2022-23 Annual Report for the Research and Development Cash Flow Loans initiative.

³⁰ This initiative transferred from the Department of Treasury and Finance to the Department of Jobs, Skills, Industry and Regions as part of a machinery of government (MOG) change on 1 January 2023

³¹ This initiative transferred from the Department of Treasury and Finance to the Department of Jobs, Skills, Industry and Regions as part of a machinery of government (MOG) change on 1 January 2023

	markets. This has particularly impacted capital availability for SMEs due to higher levels of vulnerability and lower economic resilience due to their reliance on regular cash flow. Funding provided to DTF to provide low interest loans to Victorian small and medium-sized enterprises that are claiming the Commonwealth Government's R&DTI.		then Department of Jobs, Skills, Industry and Regions from 1 January 2023 to 30 June 2023			
Supporting COVID-19 recovery through procurement ³²	Funding provided to DTF to better leverage the Government's procurement spend to create jobs for members of the community most disadvantaged by COVID-19.	\$0.326 million	<u>Output:</u> Services to Government <u>Portfolio:</u> Department of Treasury and Finance until 31 December 2022, then Department of Government Services from 1 January 2023 to 30 June 2023.	No	Number of State procurement high value engagements supported (2022-23 target = 70), which was reported on page 369 of the 2022-23 Budget Paper No. 3.	No outcomes / project status was reported in the Department of Treasury and Finance's 2022-23 Annual Report for the Supporting COVID-19 Recovery Through Procurement initiative, due to the MOG change that occurred on 1 January 2023.

³² This initiative transferred from the Department of Treasury and Finance to the Department of Government Services as part of a machinery of government (MOG) change on 1 January 2023

Big build apprenticeships model	Victoria was already struggling with apprentice commencement and completions prior to COVID-19. Without government support, young people in apprenticeships will bear a significant brunt of the downturn. Funding provided to DTF for a transformative new approach that will expand the opportunities for apprentices and trainees through a flagship 'Big Build' training pathway.	\$0.431 million	<u>Output:</u> Economic and Policy Advice <u>Portfolio:</u> Department of Treasury and Finance	No	No performance measures were published in the 2022-23 Budget Paper No. 3 specifically for the Big Build Apprenticeship model initiative.	No outcomes / project status was reported in the Department of Treasury and Finance's 2022-23 Annual Report for the Big Build Apprenticeship model.
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Off budget³³

Name of the program/initiative	Program/initiative objectives	Expenditure as at 30 June 2023	Output/Portfolio	Use of emergency advances/ retroactive funding approvals – Yes or No	Performance measures for the program/Initiative	Outcomes/project status
Extend the regional First Home Owner Grant	The \$20 000 First Home Owner Grant for people buying or building a new home in regional Victoria has been extended to apply to contracts of sale entered up until 30 June 2021. This is double the \$10,000 grant for first home owners in metropolitan Melbourne. This extension will give more Victorians the opportunity to live locally and enter the property	\$17.78 million	<u>Output:</u> Revenue Management and Administrative Services to Government <u>Portfolio:</u> Department of Treasury and Finance	No	No performance measures were published in the 2021-22 Budget Paper No. 3 for the Extend the Regional First Home Owner Grant initiative.	889 Regional First Home Buyer grants of \$20,000 were paid during the year. Applications for the extended Regional First Home Owner Grant relate to contracts of sale entered up until 30 June 2021. Grants will continue to be administered in outyears and are not expected to be material.

³³ 'Off budget' is where funds for programs/initiatives are not appropriated in the budget and therefore are not accounted for in the budget. For those programs that received appropriations through specially created programs or subprograms of the budget are known as 'on-budget arrangements'. For example, it could be that most COVID-19 initiatives are off budget items during 2021-22 unless prior budgeted programs were extended/expedited, etc due to COVID-19, then these would be classified as 'on budget'.

	market for the first time, while also supporting jobs in regional Victoria.					
Payroll tax relief for small and medium businesses	As part of the Government's Economic Survival Package in response to the coronavirus (COVID-19) pandemic, full payroll tax refunds and waivers for the 2019-20 financial year were provided to 34 000 small and medium-sized businesses with annual Victorian payrolls of up to \$3 million. This support provided a tax benefit of up to \$114 000 per eligible business and an average tax benefit of \$29 000 across all eligible businesses. This assisted businesses to keep	\$8.36 million	<u>Output:</u> Revenue Management and Administrative Services to Government <u>Portfolio:</u> Department of Treasury and Finance	No	No performance measures were published in the 2021-22 Budget Paper No. 3 for the Payroll Tax Relief for Small and Medium Businesses initiative.	Relief measures will continue to be administered in outyears and are not expected to be material.

	workers employed during the coronavirus (COVID-19).					
New Job Tax Credit	The New jobs tax credit to encourage small and medium sized businesses to re-employ staff, restore staff hours and hire additional staff – providing businesses with annual Australian group wages less than \$10 million a credit of 10 cents for every dollar of Victorian wages paid in 2020-21 and 2021-22 above the previous year’s wages.	\$697.15million	<u>Output:</u> Revenue Management and Administrative Services to Government <u>Portfolio:</u> Department of Treasury and Finance	No	No performance measures were published in the 2021-22 Budget Paper No. 3 for the New Job Tax Credit initiative.	These payments relate primarily to the 2021-22 annual return period. Payments in relation to the NJTC will continue to be administered in outyears and are not expected to be material.

Question 16 (all departments and entities) Changes to service delivery from savings initiatives

For each of the savings initiatives detailed in the 2021-22 Budget please provide the following details of the impact on service delivery:

- Savings target in the 2021-22 Budget and the amount of the savings target allocated to the department/entity.
- Actual savings achieved in 2021-22 and the actions taken to achieve the savings target allocated and their impact, including the link to the relevant output and portfolio impacted.

2021-22 response

Savings initiative in the Budget \$ million	Savings target allocated to the department/entity in 2021-22	Actual savings achieved in 2021-22 \$ million	Actions taken to achieve the allocated savings target	What was the impact as a result of the measures taken to achieve the savings target? <i>(e.g. frontline and/or other areas of business that saw the impact)</i> If no impact, how was this achieved	Which output(s) and portfolio(s) were impacted (if relevant)
2021-22 Base and efficiency review savings announced in BP3 – Page 122	\$5.0 million	\$5.0 million	The Department undertook measures to reduce expenditure including managing staffing levels, capping the budgets allocated for purchase of supplies and services and stronger centralised budget management to ensure the department remained within the allocated funding.	There was no impact on service delivery. The savings were achieved by reducing the costs associated with the service delivery.	Portfolio: DTF Output: All

<p>2021-22 More efficient and effective government savings announced in BP3 – Page 142</p>	<p>\$2.1 million</p>	<p>\$2.1 million</p>	<p>The Department undertook measures to reduce expenditure including managing staffing levels, capping the budgets allocated for purchase of supplies and services and stronger centralised budget management to ensure the department remain within the allocated funding.</p>	<p>There was no impact on service delivery. The savings were achieved by reducing the costs associated with the service delivery.</p>	<p>Portfolio: DTF Output: All</p>
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Question 17 (all departments) Achievement of reprioritisation of existing resources

The 2021-22 and 2022-23 Budgets include targets for 'reprioritisation and revenue offsets' to fund new initiatives (2021-22 Budget Paper No. 2, p. 68 and 2022-23 Budget Paper no. 2, p. 66). This is in addition to any savings or efficiencies resulting from expenditure reduction measures. For the department (including all controlled entities),³⁴ please indicate:

- what areas of expenditure (including projects and programs if appropriate) the funding was reprioritised from (i.e. what the funding was initially provided for)
- what areas of expenditure were the funds actually spent on
- for each area of expenditure (or project or program), how much funding was reprioritised in each year
- the impact of the reprioritisation (in terms of service delivery) on those areas.

2021-22 Response

Area of expenditure originally funded	Area of expenditure actually funded	Value of funding reprioritised in 2021-22 (\$ million)	Impact of reprioritisation of funding (if no impact, how was this achieved)	Output(s) and portfolio(s) impacted (if relevant)
Expansion of the Victorian Energy Upgrades Program. This is a 2021-22 budget decision.	Expansion of the Victorian Energy Upgrades Program.	\$0.200 million	The reprioritisation was absorbed through internal efficiencies, underspending on projects and contributions from revenue generated by the Essential Services Commission.	Economic Regulatory Services.
Embedding early intervention in Government service delivery. This is a 2021-22 budget decision.	Embedding early intervention in Government service delivery.	\$0.370 million	DTF absorbed the impact of the reprioritisation within existing resources that were aligned with existing teams' responsibilities.	Economic and Policy Advice.

³⁴ That is, please provide this information for the department on the same basis of consolidation as is used in the budget papers.

2022-23 Response

Area of expenditure originally funded	Area of expenditure actually funded	Value of funding reprioritised in 2022-23 (\$ million)	Impact of reprioritisation of funding (if no impact, how was this achieved)	Output(s) and portfolio(s) impacted (if relevant)
Expansion of the Victorian Energy Upgrades Program. This is a 2021-22 budget decision.	Expansion of the Victorian Energy Upgrades Program.	\$0.400 million	The reprioritisation was absorbed through internal efficiencies, underspending on projects and contributions from revenue generated by the Essential Services Commission (ESC).	Economic Regulatory Services.
Embedding early intervention in Government service delivery. This is a 2021-22 budget decision.	Embedding early intervention in Government service delivery.	\$0.330 million	DTF absorbed the impact of the reprioritisation within existing resources that were aligned with existing teams' responsibilities.	Economic and Policy Advice.
Expansion of the Victorian Energy Upgrades Program: <i>Victorian Energy Efficiency Target (VEET) Act 2007</i> reform implementation. This is a 2022-23 budget decision.	Expansion of the Victorian Energy Upgrades Program: <i>VEET Act 2007</i> reform implementation.	\$0.550 million in output funding. \$0.100 million in asset funding.	The reprioritisation was absorbed through internal efficiencies, underspending on projects and contributions from revenue generated by the Essential Services Commission (ESC).	Economic Regulatory Services.

<p>Embedding the Gender Responsive Budgeting in Victoria's legislation to achieve longer term progression in gender equality.</p> <p>This is a 2022-23 budget decision.</p>	<p>Embedding the Gender Responsive Budgeting in Victoria's legislation to achieve longer term progression in gender equality.</p>	<p>\$1.130 million.</p>	<p>The initiative was delivered by a mixture of the Department's existing staffing and reallocation of other operating expense budgets.</p>	<p>Budget and Financial Advice</p>
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Question 18 (all departments) Contractors, Consultants and Labour Hire Arrangements

- a) Please indicate how much the department spent on contractors, consultants and labour hire arrangements during 2020-21, 2021-22 and 2022-23. Labour hire arrangements include the cost of engaging the labour recruiting firm, plus additional costs paid to the labour recruiting firm for the provision of the services of the contractor. Please also explain variances equal to or greater than $\pm 10\%$ between years and list the business areas impacted and how.

Consultants

2020-21 Actual \$ million	2021-22 Actual \$ million	2022-23 Actual \$ million	Explanation for variances (2020-21 over 2021-22) $\pm 10\%$	Explanation for variances (2021-22 over 2022-23) $\pm 10\%$	Which business areas were impacted/benefitted and how?	Please link your response to relevant output(s) and portfolio(s)
\$24.4 million	\$32.3 million	\$26.3 million	The increase between 2020-21 and 2021-22 is mainly due to the engagement of consultants used for the VicRoads Modernisation initiative.	The variations between 2021-22 and 2022-23 is mainly due to the engagement of consultants in 2021-22 for the purposes of the creation of North East Link State Tolling Corporation, a capacity and capability review of the Government Shared Services Provider (SSP), and the Better Approvals for Regulators program.	The majority of the consultancy services were used by the Commercial Division, the Economic Division, and the SSP. DTF was able to efficiently deliver on government initiatives.	All DTF outputs.

Contractors (including labour hire)

2020-21 Actual \$ million	2021-22 Actual \$ million	2022-23 Actual \$ million	Explanation for variances (2020-21 over 2021-22) ±10%	Explanation for variances (2021-22 over 2022-23) ±10%	Which business areas were impacted/benefitted and how?	Please link your response to relevant output(s) and portfolio(s)
\$41.5 million	\$54.9 million	\$43.9 million	The increase between 2020-21 and 2021-22 is mainly due to the engagement of contractors used by the State Revenue Office (SRO) for their revenue management system upgrades and the software development for the administration of the Victorian Homebuyers initiative.	The decrease between 2021-22 and 2022-23 is mainly due to the machinery of government changes. SSP related contractors are counted in DTF up to December 2022. Further to this there is an increase in contractors used by the State Revenue Office (SRO) for their information system upgrades.	All areas of DTF used contractors. DTF was able to efficiently deliver on government initiatives.	All DTF outputs.

b) Please enter the actual amount spent on contractors and consultants that are from the Big Four accounting firms (aggregate) in 2021-22 and 2022-23 and list the reasons for engaging the firms.

2021-22 Actual \$ million	2022-23 Actual \$ million	Reason for engaging firms	Please link your response to relevant output(s) and portfolio(s)
\$24.5 million.	\$10.4 million.	These firms were engaged to provide a range of professional services, including specialist services, to deliver government initiatives such as the VicRoads Modernisation, advice relating to the capacity and capability review of SSP, and the delivery of ICT support services for DTF's State Resource Information Management System.	Commercial and Infrastructure Advice, Revenue Management and Administrative Services to Government and the Services to Government outputs within the DTF portfolio. Services to Government output was with DTF up to December 2022, after which the output was transferred to the Department of Government Services (DGS).

Question 19 (PNFC and PFC entities only) Dividends and other amounts paid to the general government sector

[DTF response not required]

Please detail the type and value of dividends, amounts equivalent to dividends, non-dividend grants, and capital repatriations paid by your agency to the general government sector in 2021-22 and 2022-23, explaining the reasons for any significant changes over that period and the impact of any changes on the entity.

Please provide the economic funding ratio or accounting funding ratio as applicable at 30 June 2022 and 30 June 2023. Please provide details of the methodology used for the ratio calculation.

2021-22 response

Type of dividend paid	2021-22 Budget (\$ million)	2021-22 Actual (\$ million)	Explanations for variances $\pm 10\%$ or \$100 million	Impact on the agency (including on financial position, investment, impacts on service delivery or infrastructure projects). If no impact, how was this achieved	Funding ratio at 30 June 2022

Economic funding ratio / accounting funding ratio as at 30 June 2022	Details of the methodology

2022-23 response

Type of dividend paid	2022-23 Budget (\$ million)	2022-23 Actual (\$ million)	Explanations for variances $\pm 10\%$ or \$100 million	Impact on the agency (including on financial position, investment, impacts on service delivery or infrastructure projects). If no impact, how was this achieved.	Funding ratio at 30 June 2023

Economic funding ratio / accounting funding ratio as at 30 June 2023	Details of the methodology

Section E: Overall financial performance

Question 20 (all departments) Impact of COVID-19 on financial performance – 2021-22 and 2022-23

Please outline and quantify, where possible, the impacts of the COVID-19 pandemic on the department/agency's financial performance.

2021-22 response

Line item in the Comprehensive operating statement for the financial year ended 30 June 2022	2021-22 Budget	2021-22 Actual	Explanation of the impact caused by COVID-19 pandemic
Total revenue and income from transactions	658.4	640.3	The COVID-19 pandemic did not cause any material impacts to DTF controlled revenue and expenditure.
Total expenses from transactions	653.5	580.3	
Net result from transactions (net operating balance)	4.9	60.0	

Additional Information:

While the COVID-19 pandemic did not cause any material impacts on the DTF controlled revenue and expenses, DTF's administered accounts, which include the collection of State taxes by the State Revenue Office, the receipt of Commonwealth grants, and the State's borrowings portfolio were impacted.

As articulated in Note 1 of the DTF Annual report 2021-22 (pg. 54), there was a recovery in economic conditions by the end of the financial year. This resulted in improvements in the collection of taxes and a tapering of taxation relief measures. There were also increases in Commonwealth grants to the State during the financial year to support business impacted by COVID-19.

2022-23 response

Line item in the Comprehensive operating statement for the financial year ended 30 June 2023	2022-23 Budget	2022-23 Actual	Explanation of the impact caused by COVID-19 pandemic
Total revenue and income from transactions	626.6	514.7	The COVID-19 pandemic has caused immaterial impacts to DTF controlled revenue and expenditure.
Total expenses from transactions	626.4	493.1	
Net result from transactions (net operating balance)	0.2	21.6	

Question 21 (all departments) Impact of unforeseen events on financial performance – 2021-22 and 2022-23

Please outline and quantify, where possible, the impacts of unforeseen events over 2021-22 and 2022-23 on the department/agency's financial performance.

2021-22 response

Line item in the Comprehensive operating statement for the financial year ended 30 June 2022	2021-22 Budget	2021-22 Actual	Impact of unforeseen events
Total revenue and income from transactions	658.4	640.3	No unforeseen events occurred during the year.
Total expenses from transactions	653.5	580.3	No unforeseen events occurred during the year.
Net result from transactions (net operating balance)	4.9	60.0	No unforeseen events occurred during the year.

2022-23 response

Line item in the Comprehensive operating statement for the financial year ended 30 June 2023	2022-23 Budget	2022-23 Actual	Impact of unforeseen events
Total revenue and income from transactions	626.6	514.7	Unforeseen event: Machinery of government change where DTF corporate service functions were transferred to the Department of Government Services, Invest Victoria was transferred to the Department of Jobs, Skills, Industry and Regions, and the Land and Property Group was transferred to the Department of Transport and Planning. On the other hand, Workplace Safety has been transferred to the Department from the Department of Justice and Community Safety. Impact: No impact – This is an administrative change only

Total expenses from transactions	626.4	493.1	<p>Unforeseen event: Machinery of government change where DTF corporate service functions were transferred to the Department of Government Services, Invest Victoria was transferred to the Department of Jobs, Skills, Industry and Regions, and Land and Property Group was transferred to the Department of Transport and Planning. On the other hand, Workplace Safety has been transferred to the Department from the Department of Justice and Community Safety.</p> <p>Impact: No impact – This is an administrative change only</p>
Net result from transactions (net operating balance)	0.2	21.6	<p>Unforeseen event: Machinery of government change where DTF corporate service functions were transferred to the Department of Government Services, Invest Victoria was transferred to the Department of Jobs, Skills, Industry and Regions, and Land and Property Group was transferred to the Department of Transport and Planning. On the other hand, Workplace Safety has been transferred to the Department from the Department of Justice and Community Safety.</p> <p>Impact: No impact – This is an administrative change only. The surplus reported by the Department is mostly driven by the timing of the revenue drawn down for the Shared Service Provider and VicFleet's Zero Emission Vehicle program where the revenue was recognised while these functions were with the Department. These functions were transferred to the Department of Government Services before the expense were fully incurred, thus, resulting in a net operating surplus for the Department. This is offset by the net operating deficit incurred by the Department of Government Services, thus, resulting in a nil impact at the Whole of Government level. Note that there are surpluses from other trust activities that had not been budget for but are not related to any unforeseen events.</p>

Section F: Public sector workforce

Question 22 (all departments and entities) Full Time Equivalent (FTE) staff by level and category

a) Please provide total FTE as of 30 June 2021, 30 June 2022, 30 June 2023 and provide explanation for more than $\pm 10\%$ change in FTE between years.

30 June 2021 Actual FTE	30 June 2022 Actual FTE	30 June 2023 Actual FTE	Entity	Explanations of variance $\pm 10\%$ between 2021 – 2022	Explanations of variance $\pm 10\%$ between 2022 – 2023
812	970	581	DTF	<p>FTE increase attributed to additional FTE required to deliver key budget initiatives including 'Improving expenditure advice, oversight and accountability' (2021-22), 'Partnerships Addressing Disadvantage' (2021-22) and 'Monitoring and assurance of the state capital program' (2021-22).</p> <p>Further FTE growth is attributed to fixed-term positions delivering IT upgrade and change management projects, ongoing yearly graduate intake and fixed-term staffing for the Suburban Hubs operated by DTF.</p>	<p>Decrease in FTE attributed to the Machinery of Government (MoG) transfer of Invest Victoria to the Department of Skills, Industry and Regions (DJSIR), the transfer of most of DTF's corporate functions to the new Department of Government Services (DGS), and the transfer of a government owned and leased land and property management function to Department of Transport and Planning (DTP).</p> <p>Of those business units unaffected by MoG, changes to FTE levels varied by less than five per cent.</p>
146	153	179	ESC	<i>Less than 10% variance</i>	<p>ESC's FTE increase is primarily attributed to recruitment under the 'Expansion of regulatory activities of the Essential Services Commission' (2021-22) and 'Support for the expansion of the Victorian Energy Upgrades program' (2021-22) budget initiatives.</p>

DTF

648	711	747	SRO	Variance is attributed to the 'Advanced Compliance Revenue Program' (2020-21) and administration of the Victorian Homebuilder Fund.	FTE increased over the 2022-23 reporting period to support administration of the casino tax, land tax exemptions for homes under construction or renovation, the Victorian HomeBuyer Fund, implementing the WindFall Gains Tax and preparing for changes to the Point of Consumption Tax. FTE increases are also attributed to improving overall SRO operations, including modernizing revenue management software and enhancing cybersecurity and data management.
33	36	38	IV	<i>Less than 10% variance</i>	<i>Less than 10% variance</i>
1 640	1 871	1 545	All		

Note: DTF = Department of Treasury and Finance, ESC = Essential Services Commission, SRO = State Revenue Office, IV = Infrastructure Victoria.

- b) For 2021-22 and 2022-23, please provide information regarding any staffing challenges faced by the department, including but not limited to: staff shortages by category or position name, positions that were hard to staff, positions that were vacant for 6+ months, positions that have not equalled or surpassed attrition.

In 2021-22, the Department of Treasury and Finance (DTF) experienced difficulty in recruiting and retaining staff in information technology (IT) due to the tight labour market. The Department's IT function has since transferred to the Department of Government Services (DGS). While labour market conditions were relatively competitive for employers over the 2022-23 period, no notable shortages for particular roles or categories were identified.

Across both years, the State Revenue Office (SRO) encountered difficulty recruiting call centre operators in Ballarat (Regional Victoria) for its Ballarat call centre site. The SRO is competing with four call centres located in the Ballarat region. The SRO also encountered difficulty recruiting for Information technology (IT) roles consistent with DTF.

The Essential Services Commission (ESC) did not experience any specific staff shortages. However, the ESC did find the labour market challenging throughout 2022-23, which is likely due to competitive labour market conditions.

Question 23 (all departments and entities) Salary by employment category

In the table below, please detail the salary costs for 2020-21, 2021-22 and 2022-23, broken down by ongoing, fixed-term and casual, and explain any variances equal to or greater than $\pm 10\%$ or \$100 million between the years for each category.

Table 1: Department of Treasury and Finance (DTF)

Employment category	Gross salary 2020-21 (\$ million)	Gross salary 2021-22 (\$ million)	Gross salary 2022-23 (\$ million)	Explanation for any year-on-year variances $\pm 10\%$ or \$100 million
Ongoing	99.3	116.2	107.3	<p>The 2021-22 increase reflects ongoing funding secured for budget initiatives referred to in Question 22, including 'Improving expenditure advice, oversight and accountability' (2021-22), 'Partnerships Addressing Disadvantage' (2021-22) and 'Monitoring and assurance of the state capital program' (2021-22). Recruitment also occurred under previous year budget initiatives including 'Regulatory Reform' (2020-21) and the 'Big Housing Build' (2020-21).</p> <p>Ongoing gross salary payments were also partly driven by the yearly graduate intake of 28 new employees and costs associated with early retirement departures.</p> <p>The 2022-23 decrease in gross salary payments in 2022-23 is attributed to Machinery of Government (MoG) changes resulting in the transfer of ongoing employees to other departments from 1 January 2023.</p>
Fixed-term	7.1	11.4	9.3	<p>The 2020-21 increase is attributed to the growth in fixed-term roles in corporate services division, including IT upgrade projects, change management and staffing of the Suburban Hubs.</p> <p>The 2022-23 decrease reflects the impact of the MoG changes, as more than half of the department's fixed-term FTE transferred to other portfolios from 1 January 2023, including the department's corporate services division and Invest Victoria.</p>
Casual	0.0	0.0	0.0	
Total	106.3	127.7	116.6	Enterprise Agreement increases also contribute to annual growth in gross salary payments.

Table 2: State Revenue Office (SRO)

Employment category	Gross salary 2020-21 (\$ million)	Gross salary 2021-22 (\$ million)	Gross salary 2022-23 (\$ million)	Explanation for any year-on-year variances $\pm 10\%$ or \$100 million
Ongoing	61.9	68.3	72.3	Variance across both years is attributed to ongoing funding for the 'Advanced Compliance Revenue Program' (2020-21) and administration of the Victorian Homebuilder Fund.
Fixed-term	3.9	4.6	4.0	In 2022-23, the SRO converted a number of fixed-term contact centre customer services roles to ongoing during 2022-23 in response to increased demand resulting from tax changes and administrative responsibilities referred to in Question 22.
Casual	-	-	-	
Total	65.8	72.8	76.3	Enterprise Agreement increases also contribute to annual growth in gross salary payments.

Table 3: Essential Services Commission (ESC)

Employment category	Gross salary 2020-21 (\$ million)	Gross salary 2021-22 (\$ million)	Gross salary 2022-23 (\$ million)	Explanation for any year-on-year variances $\pm 10\%$ or \$100 million
Ongoing	15.6	16.9	19.4	The 2022-23 increase is attributed to FTE increase described in ESC's response to Question 22, including 'Expansion of regulatory activities of the Essential Services Commission' (2021-22) and 'Support for the expansion of the Victorian Energy Upgrades program' (2021-22) budget initiatives.
Fixed-term	3.1	3.6	4.4	Fixed-term salary costs increased across the two reporting periods to increase ESC's capacity to respond to increased work demand.
Casual	0.0	0.0	0.1	
Total	18.7	20.5	23.8	Enterprise Agreement increases also contribute to annual growth in gross salary payments.

Table 4: Infrastructure Victoria

Employment category	Gross salary 2020-21 (\$ million)	Gross salary 2021-22 (\$ million)	Gross salary 2022-23 (\$ million)	Explanation for any year-on-year variances $\pm 10\%$ or \$100 million
Ongoing	3.6	4.2	4.5	A Gradual increase in ongoing roles due to increased work demand and conversion of fixed term roles to ongoing has contributed to Infrastructure Victoria's increase in ongoing gross salary payments.
Fixed-term	1.8	1.4	1.0	Infrastructure Victoria has implemented a gradual reduction in fixed term positions and increase in ongoing roles due to work demand changes.
Casual	0.1	0.1	0.1	
Total	5.5	5.6	5.6	Enterprise Agreement increases also contribute to annual growth in gross salary payments.

Notes (all tables):

- a) Totals may not add up due to rounding. This function has now transferred to the Department of Jobs, Skills, Industry and Regions as part of a machinery of government (MOG) change on 1 January 2023.
- b) Gross salary payments to fixed term employees who obtained an ongoing position during the financial year are disclosed in the ongoing category for that financial year.

Question 24 (all departments and entities) Executive salary increases

Please detail the number of executives who received increases in their base remuneration in 2021-22 and 2022-23, 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.

2021-22 response

Increase in base remuneration	Number of executives receiving increases in their base rate of remuneration of this amount in 2021-22, apart from increases outlined in employment agreements			Reasons for these increases
	Female	Male	Self-described	
0-3%	12	24		Progression through the salary band reflecting performance, experience, and workload.
3-5%	1	2		Progression through the salary band reflecting performance, experience, and workload.
5-10%	1	4		Progression through the salary band reflecting performance, experience, and workload. One reclassification to a SES-2 also occurred during this period.
10-15%	4	6		Progression through the salary band reflecting performance, experience, and workload.
greater than 15%				

Notes:

- 1) SRO and ESC are excluded from reporting for the applicable year.
- 2) The response does not reflect increases to remuneration associated with the Premier's annual remuneration adjustment.

2022-23 response

Increase in base remuneration	Number of executives receiving increases in their base rate of remuneration of this amount in 2022-23, apart from increases outlined in employment agreements			Reasons for these increases
	Female	Male	Self-described	
0-3%	1	4		Progression through the salary band reflecting performance, experience, and workload.
3-5%	8	17		Progression through the salary band reflecting performance, experience, and workload.
5-10%	4	6		Progression through the salary band reflecting performance, experience, and workload.
10-15%	1			Progression through the salary band reflecting performance, experience, and workload.
greater than 15%				

Notes:

- 1) SRO and ESC are excluded from reporting for the applicable year.
- 2) The response does not reflect increases to remuneration associated with the Premier's annual remuneration adjustment.

Question 25 (all departments and entities) Enterprise Bargaining Agreement (EBAs)

Please list the Enterprise Bargaining Agreement (EBAs) concluded in 2021-22 and 2022-23 that had an impact for the department/agency. For each EBA, please show the number of employees affected and the growth in employee expenses attributable to the EBA.

2021-22 response

Enterprise Bargaining Agreement	Number of employees affected	Number of employees as a % of department/entity	Growth in employee expenses attributable to the EBA (\$ million)	Growth in employee expenses attributable to the EBA (\$ million) as a % of total employee expenses
N/A ^{1,2}	-	-	-	-

2022-23 response

Enterprise Bargaining Agreement	Number of employees affected	Number of employees as a % of department/entity	Growth in employee expenses attributable to the EBA (\$ million)	Growth in employee expenses attributable to the EBA (\$ million) as a % of total employee expenses
N/A ^{1,3}	-	-	-	-

¹ DTF interpretation of an EBA completed during the relevant financial year assumes that an EBA continues in force until it is either replaced by a new EBA or terminated.

² Previous responses for 2021-22 included State Trustees Limited. However, while within the DTF portfolio, this entity is not encompassed by the DTF performance measures in the budget papers nor in the budget portfolio outcomes statement in DTF's annual report. On that basis it has not been listed in response to this question.

³ Previous responses for 2022-23 included ESS Super. However, while within the DTF portfolio, this entity is not encompassed by the DTF performance measures in the budget papers nor in the budget portfolio outcomes statement in DTF's annual report. On that basis it has not been listed in response to this question.

Section G: Government decisions impacting on finances

Question 26 (all departments and entities) Commonwealth Government and National Cabinet decisions

Please identify any Commonwealth Government and National Cabinet decisions during 2021-22 and 2022-23 which had not been anticipated/not been concluded before the finalisation of the State budget in 2021-22 and in 2022-23 and their impact(s) on the department's/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.

2021-22 response

Commonwealth Government decision	Impact(s) in 2021-22	
	on income (\$ million)	on expenses (\$ million)
Business Support Payments – delivered business support packages to eligible Victorian businesses that were financially impacted by COVID-19 lockdowns. The Department of Jobs, Skills, Industry and Regions (DJSIR) was provided full funding authority required to administer the programs, with the Commonwealth retrospectively reimbursing Victoria based on the expenditure reports provided by DTF.	3 067	6 135
National Cabinet decision	Impact(s) in 2021-22	
	on income (\$ million)	on expenses (\$ million)
Covid-19 Disaster Payments (CDP) – On 3 June 2021, the Commonwealth announced the CDP, which was administered through Services Australia. The Commonwealth Government funded areas it declared as a 'Commonwealth hotspot'. Following the Commonwealth's announcement, the Victorian Government assumed responsibility to fund payments in locked-down areas that were <i>not</i> deemed Commonwealth hotspots, totalling \$233.419 million in Victoria.	-	233.42

2022-23 response

Commonwealth Government decision	Impact(s) in 2022-23	
	on income (\$ million)	on expenses (\$ million)
Business Support Payments – delivered business support packages to eligible Victorian businesses that were financially impacted by COVID-19 lockdowns. The Department of Jobs, Skills, Industry and Regions (DJSIR) was provided all funding required to administer the programs, with the Commonwealth retrospectively reimbursing Victoria based on the expenditure reports provided by DTF.	33.29	66.57

HomeBuilder – a fully funded Commonwealth program, administered by the State Revenue Office. This was an extension of an existing demand-driven agreement. Under the Agreement, the Commonwealth fully reimburses payments by Victoria to applicants that meet the Commonwealth’s eligibility criteria. The State is responsible for associated administration costs.	10.59	10.59
National Cabinet decision	Impact(s) in 2022-23	
N/A	on income (\$ million)	on expenses (\$ million)

Section H: General

Question 27 (all departments and entities) Reviews/evaluations undertaken

- a) Please list all internal³⁵ and external reviews/studies, established, commenced or completed by or on behalf of the department/agency in 2021-22 and 2022-23 and provide the following information:
- i. Name of the review/evaluation and which portfolio and output/agency is responsible
 - ii. Reasons for the review/evaluation
 - iii. Terms of reference/scope of the review/evaluation
 - iv. Timeline for the review/evaluation
 - v. Anticipated outcomes of the review/evaluation
 - vi. Estimated cost of the review/evaluation and final cost (if completed)
 - vii. Where completed, whether the review/evaluation is publicly available and where. If no, why it is not publicly available.

2021-22 response

Name of the review (portfolio(s) and output(s)/agency responsible)	Reasons for the review/evaluation	Terms of reference/scope	Timeline	Anticipated outcomes	Estimated cost (\$)	Final cost if completed (\$)	Publicly available (Y/N) and URL If no, why.
OPV Acil Allen review - Evaluation of OPVs training programs	Assess the benefits of the Australian Major Projects Leadership Academy, Commercial Capability training and Project Delivery Graduate Stream	Assess the benefits and return on investment of the Australian Major Projects Leadership Academy, Commercial Capability training and Project Delivery Graduate Stream.	October 2021 to July 2022	Positive return on investment for participants	194 009	174 609	No - contains commercially sensitive information relating to suppliers and participants.

³⁵ Internal reviews do not include internal costings. Internal reviews/evaluations include any reviews or evaluations undertaken by your department and not given to external consultants. Internal reviews/evaluations do not include inquiries carried out by Parliamentary Committees or reviews undertaken by integrity agencies.

OPV Project Delivery and Efficiency Reviews	To identify opportunities to deliver projects more efficiently	Using workshops with subject matter experts to identify opportunities to reduce potential cost, time and risk pressure.	October 2021 to May 2022	Opportunities to reduce potential cost, time and risk pressure	4 681 999	4 299 499	No - review included sensitive information, including procurement approach and contractor costing information for a major project, and so could not be made publicly available.
OPV Productivity Strategy	Infrastructure productivity has not progressed in line with other industries. This trend increases the cost of delivering infrastructure that the State needs.	Identify initiatives that can be implemented in the short to medium term, to have a positive impact on productivity. Initiatives must be within OPV's remit to progress as lead, or by partnering with other departments.	Dec 2021 – ongoing	Development of suggested interventions that can improve productivity in infrastructure delivery.	300 000		To be determined
Commercial Department of Treasury and Finance and NSW Treasury Joint Procurement Review.	The review involved identifying opportunities to improve Government's infrastructure policy framework and drive improvements and efficiencies in the delivery of the infrastructure pipeline.	The scope of the review was to identify challenges and opportunities in both jurisdictions to improve major infrastructure project planning, procurement and delivery to optimise project outcomes.	July 2020 to September 2021	Identification of key problem statements capturing the key issues affecting project performance. The development of initiatives and actions to address these problems.	40 000 ³⁶	40 000	No. The review includes information provided by stakeholders on a confidential basis. The findings of the review have informed internal policy development. Changes to the framework are published through updated policies and guidance.

³⁶ Victorian share

Commercial MTIA and DTF joint review of procurement and delivery models for delivery of major transport infrastructure projects	To identify reform options to improve the efficacy of the procurement and delivery models used to procure transport infrastructure mega projects, giving consideration to the impacts of current challenges, such as infrastructure pipeline size and complexity and heated market conditions.	To consult industry and government stakeholders and conducted a literature review on transport infrastructure procurement and delivery, to: <ul style="list-style-type: none"> - identify drivers of project success; - develop reform options including updates to whole of government policies and guidance. 	October 2020 to September 2021	A set of reform options for DTF and MTIA to consider progressing to optimise transport infrastructure procurement. Updates to related whole of government infrastructure policies.	500 000	Cost borne by MTIA	No. The review includes information provided by stakeholders on a confidential basis. The findings of the review have informed internal policy development.
Commercial Gateway Review	To review DTF's Gateway Review policy, processes, and guidance to make recommendations to improve the effectiveness and fitness for purpose of the assurance framework to support infrastructure delivery.	To conduct a fit-for-purpose review of the GRP for 'standard' projects, 'mega' projects and projects which employ collaborative contracting panels.	June 2022 to December 2022	The expected outcomes of the work included: engagement with key stakeholders to seek feedback on the performance of the GRP for different project and procurement typologies; and to identify opportunities to improve and/or reform the GRP to be more fit-for-purpose. This included an interjurisdictional	100 000 - 250 000	149 156.70 GST incl.	No. The review includes information provided by stakeholders on a confidential basis. The findings of the review will inform internal policy development to the Gateway Review Process. Changes to GRP are published through updated policies and guidance.

				and 'best practice' scan and the preparation of draft reports for consultation and feedback to inform a final report.			
Essential Services Commission ESC water price review package A ³⁷	<p>In September 2023, 14 Victorian Water corporations made submissions proposing prices for a 5-year period covering 2023 to 2028.</p> <p>ESC required a consultant to undertake an independent expert review of each corporation's operating and capital expenditure forecasts (which underpin each corporation's proposed prices) to establish their prudency and efficiency, against the requirements set out in our guidance issued to corporations.</p>	<p>Assess the prudency and efficiency, and deliverability, of the proposed operating expenditure and capital expenditure forecasts for 7 water corps against the requirements of our guidance. Interrogate the water corporations seeking further information where required to support their proposals. Provide expert advice in the form of a public report for each corporation to inform the draft pricing decision.</p>	<p>Approach to market and tender occurred in June 2022. Contract Length: 15 August 2022 to 30 June 2023</p> <p>Stage 1 report on each business's OPEX and CAPEX forecast delivered 19 October 2022.</p> <p>A draft report on each business, including detailed analysis of the business's OPEX and</p>	<p>Provision of high quality and timely advice on the prudency and efficiency of water corporations' expenditure proposals, that supports the commission's analysis and subsequent regulatory decisions on water prices Victorian customers pay from 1 July 2023.</p>	<p>Prior to approaching the market for quotes (using VendorPanel), the estimated value of the contract was \$450 000 for each package of work (\$900 000 total to review all 14 water corporations).</p> <p>Final agreed contract value with the successful firm, which secured BOTH packages, was \$406 433.50 for each package. A total of \$812 867.</p>	<p>Total final cost was \$858 363 (incl GST) for both packages, which includes the original quoted price, plus \$45 496 of additional follow-up work in response to our draft decisions.</p> <p>Package A final cost = \$426 250</p>	<p>Yes. The final report for each water corporation was published on the ESC website alongside our draft pricing decision.</p> <p>(see: https://www.esc.vic.gov.au/water/water-prices-tariffs-and-special-drainage/water-price-reviews/water-price-review-2023)</p> <p>Click through to the review page for each business, select the resources tab and click on the FTI Consulting report underneath the 'Our draft decision' subheading.)</p>

³⁷ The decision to split the work packages was taken so as not to disadvantage smaller providers who would not have the capacity to deliver across all 14 water corporations. An economy of scale, discounts and value-for-money responses are achieved under a work package for 7 water corporations.

A similar approach was taken in the last review (2017-18) when the water corporations were split between Metro and Regional; with Deloitte awarded both packages.

	<p>Relevant expenditure forecasts across the 14 corporations totalled \$11.3 billion (\$4.7 billion in controllable OPEX and \$6.6 billion in capital expenditure).</p> <p>This work cannot be performed in house, as it is a very large & irregular piece of work which requires a bespoke team of up-to-date technical experts, who cannot be accommodated within the commissions' staff budget year round.</p> <p>This work was split into two equal packages of seven businesses (packages A and B) to allow more consultant firms to bid on the work during the tender process. The split produced two smaller work packages to suit smaller consultancies, and also allowed for</p>		<p>CAPEX proposals and the consultant's assessment of prudence and efficiency – Delivered over the course of late December 2022 to early January 2023.</p> <p>Final versions of each report delivered across February and March 2023, to inform draft decisions.</p> <p>Consultant then provided support and further advice (where necessary) post draft decision, in instances where stakeholders challenged the draft decision, or the view expressed by</p>				
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	better management of conflicts of interest with consultants and the various water businesses.		the consultant.				
Essential Services Commission ESC water price review package B	As above – total work program split into two roughly equal packages of 7 water corporations apiece. Consultants were invited to bid on either package A or B, or on both packages.	As above.	As above.	As above.	As above.	See above for total final cost. Package B final cost = \$432 113	As above.
Fast Track Reviews - Automatic Approvals (Assistant Treasurer, Economic Policy and Advice/DTF)	A review into expanding as of right approvals to reduce the need for businesses to seek local council approvals for low-risk activities	Work with select councils to develop a model for: <ul style="list-style-type: none"> • Footpath trading • Skip bins • Outdoor fitness 	April 2021 – October 2021	Models of as of right approvals that other councils can adopt. By November 2023, five councils had adopted this model.	\$107,000	\$107,000	No.
Fast Track Reviews - Streamlining local government streetscape activities relating to outdoor dining (Economic Policy and Advice)	Examined how to embed temporary arrangements implemented during the COVID-19 pandemic to assist businesses trading outside	Arrangements for outdoor dining	June 2021 - April 2022	DTP was funded under the Business Acceleration Fund to update guidance material by December 2023 for ongoing use and work with other departments to coordinate and streamline processes for issuing permits	\$98,000	\$98,000	No.

DTF

Fast Track Reviews – Streamlining business transfers (Assistant Treasurer, Economic Policy and Advice/DTF)	To identify opportunities to streamline business licence transfers	Liquor licences, food safety	September 2021- April 2022	Reform opportunities identified in this review have informed DTF's ongoing regulatory reform program.	\$141,000	\$141,000	No.
Business Licensing Phase 1 (Assistant Treasurer, Economic Policy and Advice/DTF)	To identify potential improvements to business licensing in Victoria, including opportunities to reduce or consolidate licences.	Victorian Government business licensing	June 2021 – December 2021	The review identified opportunities to improve information and data sharing between regulators and streamline some business licensing applications. This has informed DTF's regulatory reform program.	\$446,000	\$446,000	No.

2022-23 response

Name of the review (portfolio(s) and output(s)/agency responsible)	Reasons for the review/evaluation	Terms of reference/scope	Timeline	Anticipated outcomes	Estimated cost (\$)	Final cost if completed (\$)	Publicly available (Y/N) and URL If no, why.
OPV Project Delivery and Efficiency Reviews	To identify opportunities to deliver projects more efficiently	Using workshops with subject matter experts to identify opportunities to reduce potential cost, time and risk pressure.	June to October 2022	Opportunities to reduce potential cost, time and risk pressure	1 700 000	1 700 000	No - review included sensitive information, including procurement approach and contractor costing information for a major project, and so could not be made publicly available.
Budget & Finance Evaluation of gender responsive budgeting 22/23 budget process	Lapsing program evaluation, as required by the Resource Management Framework (for program under \$2 million)	The evaluation scope was to consider the efficiency and effectiveness of the implementation of gender responsive budgeting, including the extent to which the budget process incorporated consideration of gender impacts.	October 2022 to January 2023	A report to support a subsequent funding request, advising potential improvements for future budgets, the efficiency and effectiveness of implementation, and an ongoing model for gender responsive budgeting.	50 000	62 700	No - The Government is expected to consider these matters at Cabinet and these deliberations cannot be disclosed publicly.
Corporate & Government Services SRIMS system changes after assurance review	Design, testing and implementation of changes to the SRIMS system in line with the annual Service Assurance	-	Initial: 1/5/2023 – 30/9/2023 Current: Timeline extended due to resourcing constraints brought about by AFR and	Confirmed implementation of remediation of identified issues in the SRIMS Service Assurance report	\$391 000	-	No – Review not yet complete

			MoG requirements as well as the departure of key staff. The work was completed at the end of October 2023.				
Business Licensing Review Phase 2 (Assistant Treasurer, Economic Policy and Advice/DTF)	To develop a whole of Victorian government view of business licensing and build an evidence base for licensing reform.	Victorian Government business licensing	May 2022 – Nov 2022	Provided recommendations for business licensing reform to streamline and abolish licences in Victoria that have been incorporated into DTF's regulatory reform program.	\$1,470,000	\$1,470,000	No.
Fast Track Reviews – Remote and Virtual Inspections (Assistant Treasurer, Economic Policy and Advice/DTF)	To examine how to support appropriate use of remote and virtual inspections for regulators.	Appropriate use of remote and virtual inspections by regulators	February – July 2022	Regulators are informed about emerging tools available to complement their inspection programs	\$131,000	\$131,000	No.
Fast Track Reviews – Digitisation of Regulatory Tests and Qualification Processes (Assistant Treasurer, Economic Policy and Advice/DTF)	To examine opportunities to digitise training – where suitable and appropriate – to reduce the burden on applicants and regulators.	Licensed Electrical Assessments, Transport Safety Victoria, Justice of the Peace training, Digitising Motor Car Traders Licence Interviews	October 2021 - June 2022	Agencies are working towards digitising tests as part of broader modernisation and digitisation programs, where appropriate	\$93,000	\$73,000	No.
Fast Track Reviews – Addressing Inconsistency in Local Government (Assistant	To identify reforms to improve consistency across councils and reduce the burden that	Local laws legislated by local government	April - October 2022	DTF is using the Business Acceleration Fund for councils to develop model provisions for	\$301,000	\$299,000	No.

Treasurer, Economic Policy and Advice/DTF)	businesses experience when working across multiple councils			common permits to help achieve consistency in the requirements for these permits, and for councils to take up automatic approvals on the Service Victoria platform.			
Fast Track Reviews – RegTech (Assistant Treasurer, Economic Policy and Advice/DTF)	To identify new technologies making it easier for businesses to comply, and regulators to regulate	Potential for use of RegTech by Victoria’s regulators	July 2022 - March 2023	A forum for regulators to collaborate on Regtech matters and provide an opportunity for regulators to co- design RegTech solutions and build and share knowledge and experience	\$165,000	\$165,000	No.
Fast Track Reviews – Live Music Venues (Assistant Treasurer, Economic Policy and Advice/DTF)	A review of the regulatory requirements applying to live music venues	Regulation of live music venues	August 2022 – March 2023	DTF is working with other agencies on ways to streamline regulatory processes so it is simpler to set up and run a live music venue in Victoria	\$98,000	\$98,000	No.
Fast Track Reviews – Enhancing Regulator collaboration (Assistant Treasurer, Economic Policy and Advice/DTF)	A review to understand the current level and nature of regulatory collaboration and identify opportunities among Victorian regulators to	Selected regulators	March 2023 – ongoing	Increased collaboration between regulators	\$132,000	Not complete	No.

	increase collaboration.						
Fast Track Reviews – Permissions Framework pilot and guides (Assistant Treasurer, Economic Policy and Advice/DTF)	A review conducted to help streamline, simplify and consolidate licences, permits and other permissions.	Pilots with two departments and one regulator	May 2023 - ongoing	Reform of licences, permits and other permissions	\$186,000	Not complete	No.
Fast Track Reviews – Standardisation of Fit and Proper Tests (Assistant Treasurer, Economic Policy and Advice/DTF)	A review to enable the screening process for businesses to be more efficient and less costly for regulators, while maintaining protections	All types of Fit and Proper Tests	June 2023 - ongoing	More consistency across regulators.	\$242,000	Not complete	No.
Program Evaluation of HomesVic shared equity pilot and VHF shared equity scheme (Treasurer, Economic Policy and Advice/DTF)	An independent evaluation of scheme performance for HomesVic and the VHF to: <ul style="list-style-type: none"> • assess whether each scheme has met, or is on track to meet, its intended outcomes. • identify opportunities to improve the scheme. 	<ul style="list-style-type: none"> • Evaluate the scheme's effectiveness. • Provide recommendations to enhance the scheme. 	June 2023 to end of November 2023	Clarify roles of delivery partners (SRO and banks)	\$315,878.20	\$315,878.20	No.
Review of the Commercial Passenger Vehicle	Independent review of compliance levels	<ul style="list-style-type: none"> • Determine incidence and patterns of non-compliance. 	May 2022 – August 2022	Final report addressing terms of reference delivered,	\$71,202	\$71,202	No.

Service Levy (CPVSL) (Treasurer, Economic and Policy Advice/DTF)		<ul style="list-style-type: none"> Identify key lessons in respect to collection. Identify opportunities for improvements in compliance. 		and recommendations referred to portfolio department for any necessary policy or legislative changes.			
Economic Evaluation of Building the Financial Capacity of Housing Agencies (BFCHA) initiative recently renamed Affordable Housing Investment Partnerships (AHIP) (Treasurer, Economic and Policy Advice/DTF)	<p>An independent evaluation of the BFCHA initiative was approved alongside the expansion of the initiative to:</p> <ul style="list-style-type: none"> Assess whether it was delivering on program objectives, and Identify opportunities to further improve the program to better support the delivery of social and affordable housing in Victoria. 	The evaluation sought to understand the scheme's outcomes and opportunities for improvement.	April 2023 - September 2023	The review found the program was delivering on program objectives and identified some improvements to enhance its operation. including administrative improvements, making the existing State Guarantee product more fit-for-purpose, and to better help loan applicants clearly understand the loan terms and conditions at the credit assessment stage.	\$219,549	\$219,549	The final report was published on 8 November 2023. https://www.vic.gov.au/ahip
J2SI Partnership Addressing Disadvantage evaluation (Treasurer, Economic Policy and Advice/DTF)	To examine the value for money of the PAD, including assessment of actual outcomes achieved by the program (including both payable outcomes and broader outcomes) and whether key	Insights on the program outcomes (including through cost-benefit analysis), the longevity of the outcomes and any unintended consequences. Learnings may also inform recommendations for future program and policy development.	November 2019 -December 2023	N/A - incomplete	\$510,000	N/A - incomplete	No

	objectives have been met.						
COMPASS Partnership Addressing Disadvantage evaluation (Treasurer, Economic Policy and Advice/DTF)	To examine the value for money of the PAD, including assessment of actual outcomes achieved by the program (including both payable outcomes and broader outcomes) and whether key objectives have been met.	Insights on the program outcomes (including through cost-benefit analysis), the longevity of the outcomes and any unintended consequences. Learnings may also inform recommendations for future program and policy development.	July 2021 - June 2026	N/A - incomplete	\$560,000	N/A - incomplete	No
Living Learning Partnership Addressing Disadvantage evaluation (Treasurer, Economic Policy and Advice/DTF)	To examine the value for money of the PAD, including assessment of actual outcomes achieved by the program (including both payable outcomes and broader outcomes) and whether key objectives have been met.	Insights on the program outcomes (including through cost-benefit analysis), the longevity of the outcomes and any unintended consequences. Learnings may also inform recommendations for future program and policy development.	June 2021 - June 2027	N/A - incomplete	\$589,109	N/A - incomplete	Yes, the report for the first of three evaluation stages is at https://www.dtf.vic.gov.au/partnerships-addressing-disadvantage/investments-underway
Side by Side Partnership Addressing Disadvantage evaluation (Treasurer, Economic Policy and Advice/DTF)	To examine the value for money of the PAD, including assessment of actual outcomes achieved by the program (including both payable outcomes and broader outcomes) and whether key	Insights on the program outcomes (including through cost-benefit analysis), the longevity of the outcomes and any unintended consequences. Learnings may also inform recommendations for future program and policy development.	January 2024 - June 2030	N/A - incomplete	\$733,100	N/A - incomplete	No

objectives have been met.							
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- b) Please outline the Department's/Agencies in house skills/capabilities/expertise to conduct reviews/studies/evaluations/data analysis of the programs and services for which the Department /Agency is responsible.

OPV

As part of its departmental commitments, OPV completes several reviews and reports each financial year. This includes but is not limited to project assurance reviews, strengthening front end engineering and design within the gateway process, portfolio oversight and monitoring of the Victorian infrastructure project pipeline, and implementing project system-wide improvements.

To fulfil departmental commitments, OPV has internal expertise in areas of:

- Civil engineering and design
- Digital engineering
- Project management and delivery
- Commercial and contract management
- Project risk management
- Public and social policy
- Workforce planning and development
- Data analytics

Essential Service Commission

The ESC (the Commission) water team maintains some level of in-house experience in assessing expenditure forecasts for water price reviews, but this is predominantly used to effectively and efficiently manage the larger consultant team required to complete a major price review workload in a relatively short period of time (4-6 months). This is standard practice among Australian regulators. The use of a consulting team also brings contemporary knowledge which is shared with the Commission team.

Capacity: It is not feasible or cost effective for the Commission to retain a high calibre team (the consulting team contained former water company managing directors, general managers, ex-DELWP subject matter experts and auditors) on 'the bench' for a requirement that exists for a 6-month period, every 5 years. The salary costs over a 5-year period would far exceed the consulting cost for a six month period.

Independence: The work conducted is considered an arms-length independent review and FTI Consulting were engaged to act independently of the Commission in their work. Their output was written advice to finalise the reviews.

Note: two water corporations are scheduled for a price review in 2024, the 14 water corporations in this review will again be in scope in 2028.

DTF Economic

DTF has the necessary skills to undertake regulatory reform reviews including:

- Regulatory policy analysis and development of robust but practical policy advice
- Conceptual and problem solving skills
- Stakeholder engagement
- Project management

While DTF has the necessary skills to undertake regulatory reform reviews, the specialised nature of some elements of the reform program and volume of work to be undertaken to deliver the Regulatory Reform program to support Victoria's productivity means that professional expertise is engaged to complement in-house skills.

Question 28 (all departments) Climate change

- a) Under FRD 24 Reporting of environmental data by government entities, Victorian Government organisations must report their greenhouse gas emissions and other environmental impacts. Please list the department/entity's internal targets for reducing greenhouse gas emissions in 2021-22 and 2022-23 and the department/entity's performance against these internal targets.

Internal target for reducing greenhouse gas emissions 2021-22	Performance against internal target as at 30 June 2022
DTF will reduce electricity consumption in 2021-22	Electricity consumption increased 1 per cent in 2021-22 compared with 2020-21 and total energy consumption decreased by 1.5 per cent. The decline across the past two financial years is largely reflective of the sustained reduction in office attendance due to COVID-19.

Internal target for reducing greenhouse gas emissions 2022-23	Performance against internal target as at 30 June 2023
DTF will reduce electricity consumption in 2022-23	DTF's electricity consumption increased by 4.6% in 2022-23 compared with 2021-22. The lower consumption recorded across the previous financial years is reflective of the sustained reduction in office attendance.

- b) Please outline and quantify where possible the department's actions in 2021-22 and 2022-23 that have contributed to the Whole of Victorian Government emissions reduction pledge.

In 2021-22 and the first half of 2022-23, DTF undertook procurement activities that are environmentally responsible and support the objectives of DTF and the whole of government. Some of these activities were formally transferred to the Department of Government Services from 1 January 2023 due to machinery of government changes and will be reported on by DGS in the future.

In 2022, DTF's sustainable procurement activities included:

- incorporating environmental requirements in tender specifications and contractual commitments, on relevant projects over \$20 million,
- monitoring supplier compliance with environmental sustainability commitments,
- managing two electricity state purchase contracts (SPCs) which include renewable (green) energy options for government buyers of up to 100 per cent. Between 2021-22 and 2022-23, the uptake of green power increased by approximately 67 per cent,
- implementing government policy initiatives towards achieving net-zero emissions by transitioning 400 vehicles in the government fleet to zero emission vehicles, including the procurement of associated electric vehicle charging infrastructure. DTF has delivered 394 charging stations and procurement of electric vehicles continues,
- the DTF Social Procurement Assurance team providing specialised support and advice across government on high-value projects during procurement planning, development of tender documentation and participating in evaluation and contract negotiation to ensure that social outcomes, including sustainability objectives under the Social Procurement Framework, are effectively embedded into government projects, and
- managing the current extension to the stationery and workplace consumables SPC, which has expanded environmentally sustainable objectives to achieving net zero emissions in 2023 and 100 per cent renewable energy in 2023. This includes engaging an offset program to offset any carbon that is unable to be eliminated and the removal of all single use plastic items from its catalogue.

Additional actions that also contributed to the Whole of Victorian Government emissions reduction pledge include:

- the promotion of hybrid working, video conferencing and digital practices for reviewing or collaborating on documents, allowing staff to attend the office part time which reduces energy consumption, paper usage, waste, and unnecessary travel,
- following an audit revealing a decrease in office-based printing and copying activities, over 25 per cent of printers were removed from 1 Macarthur, 1 Treasury and 55 Collins Street in December 2022,
- maintaining signage in kitchens to encourage place waste in the correct waste stream, and
- Corporate Travel Management (CTM) offset its carbon footprint through the CTM Climate+ program. CTM Climate+ enables businesses to offset the carbon emissions created by their air, hotel, car rental and rail travel by supporting a range of environmental sustainability initiatives including rainforest conservation, sustainable livelihood programs, wildlife protection and renewable energy.

Question 29 (DoT/DTP, DET/DE, DH, DELWP/DEECA) Adaptation Action Plans

[DTF response not required]

Please describe the progress made and actions taken to implement the department’s Adaptation Action Plan in 2021-22 and 2022-23. What measurable impact have these actions had on addressing the impacts of climate change?

Please provide information regarding all Adaptation Action Plans your department is responsible for.

Question 30 (all departments) Annual reports – performance measure targets and objective indicators

a) Please provide the following information on performance measures that did not meet their 2021-22 targets.

Performance measure	2021-22 target (Budget)	2021-22 actual (Annual report)	Variance	Explanation	Output(s) and portfolio(s) impacted
Total output cost	36.8 million	37.8 million	3 per cent	Minor variance between target and actual.	<p>Output: Budget and Financial advice</p> <p>Portfolio: Treasurer</p>
Ratio of outstanding debt to total revenue (monthly average)	<2 per cent	3.20 per cent	60 per cent	<p>Debt levels have increased due to necessary changes in approach during the COVID-19 pandemic. Changes to debt collection activities by the State Revenue Office included payment deferrals, extensions, and the suspension of reminder letters, legal action, and referrals to external debt collection agencies.</p> <p>Following a successful amnesty, debt collection activities resumed, with a phased transition to business as usual. Debt levels are improving and with the ongoing increase in debt collection activities, the ratio of outstanding debt to total revenue will continue to reduce over time.</p>	<p>Output: Revenue management and administrative services to government</p> <p>Portfolio: Treasurer</p>

Total output cost	153.1 million	155.8 million	2 per cent	Minor variance between target and actual.	Output: Revenue management and administrative services to government Portfolio: Treasurer
Accuracy of estimating state taxation revenue in the state budget	≤5.0 percentage variance	14.9 percentage variance	198 per cent	The higher 2021-22 actual is due to higher than forecast land transfer duty collections associated with stronger than expected activity in the Victorian property market.	Output: Economic and Policy advice Portfolio: Treasurer
Accuracy of estimating the employment growth rate in the state budget	≤1.0 percentage point variance	1.2 percentage point variance	20 per cent	Victoria's employment recovery was stronger than forecast in the <i>2021-22 Budget</i> due to a more rapid recovery from the impact of the COVID-19 pandemic resulting in much stronger labour demand than predicted.	Output: Economic and Policy advice Portfolio: Treasurer
Performance reviews and compliance audits of regulated businesses	142	95	-33 per cent	The lower 2021-22 actual is due to an extension to the timeframe for energy retailers to submit information on their certificate obligations and fewer field audits of accredited persons due to COVID-19 restrictions.	Output: Economic Regulatory Services Portfolio: Assistant Treasurer
Price approvals of regulated businesses	20	18	-10 per cent	The lower 2021-22 actual is due to no council rate variation applications made in 2021-22.	Output: Economic Regulatory Services Portfolio: Assistant Treasurer

Total output cost	31.7 million	36.4 million	15 per cent	<p>The higher actual reflects funding provided after the published budget for programs such as the Expansion of Regulatory Activities of the Essential Services Commission.</p> <p>Furthermore, there were expenses relating to software impairment and funding carried over from the previous financial year that resulted in the higher actual output cost.</p>	<p>Output: Economic Regulatory Services</p> <p>Portfolio: Assistant Treasurer</p>
Total output cost	83.6 million	90.4 million	8 per cent	<p>The higher actual reflects funding provided after the published budget for programs such as the COVID-19 Event Insurance Pilot and remediation works at the Energy Brix site.</p> <p>This is partly offset by funding reallocated into future years due to timing of project delivery.</p>	<p>Output: Commercial and Infrastructure Advice</p> <p>Portfolio: Treasurer</p>

b) Please provide the following information for objective indicators where data was not available at publication of the annual report 2021-22.

Objective indicators stated in annual report for which data was not available at date of publication	Best available data for 2021-22 and relevant date	Explanation for the absence of data in annual report	Action taken to ensure timely data for 2022-23 annual report
<p>Economic growth to exceed population growth as expressed by GSP per capita increasing in real terms (annual percentage change).</p> <p>(DTF Annual Report page 17, Table 2)</p>	<p>5.7 per cent</p> <p>Note: data was released in November 2022</p>	<p>Data availability was dependent upon Australian Bureau of Statistics (ABS) published data for 2021-22, which occurred in November 2022 (after the conclusion of the 2021-22 Annual Report publication).</p>	<p>Data availability is dependent on ABS publishing timelines in 2022-23. As such, ABS published data is due to be available in November 2023 which is after the conclusion of the 2022-23 Annual Report publication.</p>

c) Please provide the following information on performance measures that did not meet their 2022-23 targets.

Performance measure	2022-23 target (Budget)	2022-23 actual (Annual report)	Variance	Explanation	Output(s) and portfolio(s) impacted
Customer satisfaction level	≥85 per cent	82 per cent	-4 per cent	Minor variance between target and actual.	<p>Output: Revenue management and administrative services to government</p> <p>Portfolio: Treasurer</p>
Ratio of outstanding debt to total revenue (monthly average)	<2 per cent	2.66 per cent	-28 per cent	<p>The higher 2022-23 actual is due to the debt level remaining high, due to debts accumulated over the pandemic period and ongoing increases in new debts arising in the post pandemic period – including the 2023 Land Tax which increased on the previous year.</p> <p>High debt levels were addressed by the State Revenue Office by the full return to business-as-usual debt recovery activities, including legal actions, and targeted debt reduction campaigns.</p> <p>This resulted in the continued reduction of debt levels and improvement in the ratio of outstanding debt to total revenue over the course of 2022-23, from 3.07 per cent at the end of Q1 to 2.66 per cent at the end of Q4 2022-23.</p>	<p>Output: Revenue management and administrative services to government</p> <p>Portfolio: Treasurer</p>

Achievement of scheduled milestones in budget funded projects of Master Data Management Toolsets, Identity and Access Management system and Microservices implementation	>85 per cent	50 per cent	-52 per cent	The lower 2022-23 actual is due to a number of factors, including over 10 new initiatives announced in the <i>2023-24 Budget</i> requiring immediate prioritisation and challenges in obtaining specialist skills in a timely manner. The impacts of these are being reviewed and assessed and the overall program will be realigned in 2023-24 to support the agreed outcomes of this program.	Output: Revenue management and administrative services to government Portfolio: Treasurer
Total output cost	154.7 million	171.8 million	11 per cent	The higher 2022-23 actual primarily reflects additional funding for the extension of the Service Level Agreement with the Department of Transport and Planning for the collection of motor vehicle duties.	Output: Revenue management and administrative services to government Portfolio: Treasurer
Accuracy of estimating State taxation revenue in the State budget	≤5.0 percentage variance	6.1 million percentage variance	22 per cent	The higher 2022-23 actual is largely attributable to higher land transfer duty and land tax revenue arising from stronger than expected outcomes in Victoria's property market, and higher payroll tax revenue arising from the persistent strength in Victoria's labour market across 2022-23.	Output: Economic and Policy advice Portfolio: Treasurer
Accuracy of estimating the employment growth rate in the State budget	≤1.0 percentage point variance	2.25 percentage point variance	125 per cent	The higher 2022-23 actual is due to high employment growth reflecting strong labour demand, and strong population growth supporting growth in labour supply.	Output: Economic and Policy advice Portfolio: Treasurer

Total output cost	100.7 million	374.5 million	272 per cent	The higher 2022-23 actual primarily reflects one-off funding for WorkSafe's financial sustainability that was paid in the first half of the financial year when this function was with the Department of Justice and Community Services before being transferred as part of the machinery of government change effective from 1 January 2023.	Output: Economic and Policy advice Portfolio: Treasurer
Price determinations of regulated businesses	20	19	-5 per cent	The lower 2022-23 actual is due to the merger of City West Water and Western Water to Greater Western Water in July 2022 which resulted in one less price determination than originally planned.	Output: Economic Regulatory Services Portfolio: Assistant Treasurer
Stakeholder satisfaction survey result	≥65 per cent	52 per cent	-22 per cent	The 2022-23 actual is lower than the 2022-23 target as although there was an increase in reputation with community and consumer groups (76 per cent), this was offset by a decline in results from regulated industries; noting stronger compliance and enforcement actions have been taken in the last 12 months.	Output: Economic Regulatory Services Portfolio: Assistant Treasurer
Total output cost	35.7 million	37.3 million	4 per cent	Minor variance between target and actual.	Output: Economic Regulatory Services Portfolio: Assistant Treasurer

Gateway reviews undertaken	70	69	-1 per cent	Minor variance between target and actual.	Output: Commercial and Infrastructure Advice Portfolio: Treasurer
Total output cost	54.1 million	89 million	-65 per cent	The higher 2022-23 actual primarily reflects funding for financial adviser fees and transaction costs associated with VicRoads Modernisation Project.	Output: Commercial and Infrastructure Advice Portfolio: Treasurer
Total output cost	10.0 million	10.1 million	1 per cent	Minor variance between target and actual.	Output: Infrastructure Victoria Portfolio: Treasurer

d) Please provide the following information for objective indicators where data was not available at publication of the annual report 2022-23.

Objective indicators stated in annual report for which data was not available at date of publication	Best available data for 2022-23 and relevant date	Explanation for the absence of data in annual report	Action taken to ensure timely data for 2023-24 annual report
Economic growth to exceed population growth as expressed by GSP per capita increasing in real terms (annual percentage change) (DTF Annual Report 2022-23 page 16, Table 2)	Data is not available until November 2023.	Data availability is dependent upon Australian Bureau of Statistics (ABS) published data for 2022-23, which is available in November 2023 (after the conclusion of the 2022-23 Annual Report publication).	Data availability is dependent upon publishing timelines of the ABS for 2023-24.

Question 31 (all departments and entities) Challenges experienced by department/agency

Please list a minimum of three main challenges/risks faced by the department/agency in 2021-22 and 2022-23.

A significant challenge may be any matter or strategy that impacted the department/agency, whether it arose externally or internally or as a result of new policy or legislation.

2021-22 response

	Challenge experienced	Internal/ External	Causes of the challenge	Action taken to manage the challenge/risk
1.	Challenging fiscal environment	External	Global economic uncertainty due to COVID-19.	The Department provided ongoing economic and financial analysis and advice to support the delivery of the Government's priorities, including the Government's economic stimulus and support measures in response to COVID-19. This included providing detailed analysis and advice to the Government on the four-step fiscal strategy and presenting opportunities to ensure progress towards these goals.
2.	Continued transition towards hybrid model of working for DTF staff.	Internal	Changing status of COVID-19 work from home measures.	The Department established a Return to Office Hub to support our transition to a hybrid model. The hub provides tools for managers and employees to help establish new ways of working, including team rituals and routines for the hybrid working week. This initiative supported the Department to return staff to the office and combine the benefits of face-to-face collaboration with the ability to work from home as part of a hybrid work model.
3.	Supporting DTF staff workload challenges in a COVID-19 environment.	Internal	New or increased responsibilities in various areas of the department due to COVID-19 response requirements.	The Department re-introduced its Jobs Transfer Program, to help resolve resourcing and workload issues across the Department and give participants the opportunity to further their careers and take on new challenges.

2022-23 response

	Challenge experienced	Internal/ External	Causes of the challenge	Action taken to manage the challenge/risk
1.	Challenging fiscal environment	External	Global economic environment – high inflation, increased cost of living pressures and rising input costs for business.	Supporting the Government’s fiscal strategy by continuing to provide comprehensive economic and financial analysis and advice to support delivery of the Government’s priorities. This also included providing advice to Government on opportunities to put downward pressure on consumer prices and business input costs and support growth in household incomes, including through productivity growth.
2.	Continued roll out of HybriDTF – to implement hybrid and flexible working practices in the Department.	Internal	Hybrid working approach due to COVID-19 pandemic response.	The HybriDTF model sets out to align our virtual and physical workspaces, as well as build capabilities and behaviours key to successful hybrid working. Initiatives continued to ensure that DTF staff have access to wellbeing related programs and a positive work culture – no matter where they are working.
3.	Complex operating environment	Internal	Increased workload and resource allocation challenges and adapting to Machinery of Government changes.	DTF’s flexible workforce supports any short-term resource gaps that arise. DTF also maintains good relations with its stakeholders to assist in managing and prioritising the Department’s workload. DTF has an internal job transfer program to support mobility, training, and resources to support wellbeing and workload management.

Question 32 (all departments) Newly created bodies

Please list all newly created bodies (authorities, offices, commissions, boards and/or councils) created within the department in 2021-22 and 2022-23 and provide the following information:

- Date body created
- Expenditure in relevant financial year
- FTE staff at end of relevant financial year
- Purpose/function(s) of the body

2021-22 response

Name of the body	Date body created	Expenditure in 2021-22	FTE staff	Purpose/function(s) of the body	Who the head of the newly created body directly reports to
Nil					

2022-23 response

Name of the body	Date body created	Expenditure in 2022-23	FTE staff	Purpose/function(s) of the body	Who the head of the newly created body directly reports to
Nil					

Section I: Implementation of previous recommendations

Question 33 (relevant departments only)

- a) Please provide an update on the status of the implementation of each of the below recommendations that were made by the Committee in its *Report on the 2020-21 Financial and Performance Outcomes* and supported by the Government.

Department	Recommendations supported by Government	Actions taken at 30 September 2023
DTF	The Department of Treasury and Finance resume publishing regular Economic Updates as soon as possible.	A Victorian Economic Snapshot is now published on the DTF website, accessible from the website home page. This Snapshot reports key data on the Victorian economy, and is updated weekly.
DTF	The Department of Treasury and Finance outline in its Financial Reports the progress made toward achieving the four steps of the Government's Fiscal strategy.	The Government provided an update on progress against each component of the four step fiscal strategy in the <i>2023-24 Budget</i> , Budget Paper No. 2, Chapter 1.
DTF	To increase the usefulness of financial information reported on, the Department of Treasury and Finance and the Department of Jobs, Precincts and Regions include notes to detail the basis of any calculations and discretionary judgments made in the process of reporting on grant programs.	Where necessary, DTF will engage DJSIR (previously DJPR) to understand individual disclosures and ensure consistency across government reported financial information, including grant programs, consistent with requirements of <i>AASB 1049 Whole of Government and General Government Sector Financial Reporting</i> .
DTF	When Treasurer's Advances are used to fund budget initiatives rather than normal appropriation funding, the Department of Treasury and Finance provide the reasons for providing funding in that way in the Financial Report.	The Resource Management Framework is reviewed annually, and any updates (including on the use of Treasurer's Advances) are provided on the DTF website.

- b) Please provide an update on the status of the implementation of each of the recommendations that were made by the Committee in its *Report on 2019-20 Financial and Performance Outcomes* supported by the Government.

Department	Recommendations supported by Government	Actions taken at 30 September 2023
DTF	Recommendation 31: The Department of Treasury and Finance develop performance measures for significant off budget programs and initiatives with an allocation of \$50 million or more	DTF works to ensure that the impacts of any major policy decisions are reflected in updated performance measures. Changes to departmental performance measures are made annually as part of the budget process and reflected in departmental performance statements.
DTF	Recommendation 32: The Department of Treasury and Finance publish details associated with contractors and labour hire arrangements with the consultancy information it discloses as part of its annual reporting process.	<p>DTF continually works to improve reporting to ensure transparency and clear accountabilities in the Victorian Public Sector, through a range of policies and instruments, such as the Standing Directions of the Assistant Treasurer, the Financial Reporting Directions, and the Model Financial Report.</p> <p>DTF's annual report disclosures are based on the requirements of Financial Reporting Direction 22, which outlines the reporting requirements for all departments, including DTF, on how contractors and consultants are to be disclosed in annual reports, and what information should be available upon request.</p>
DTF	Recommendation 33: The Department of Treasury and Finance revise guidance material to government departments to stipulate the need for the release of details associated with contractors and labour hire arrangement as part of annual reporting processes.	<p>The Victorian Auditor-General's Office (VAGO) is currently undertaking an audit into <i>Contractors and Consultants in the Victorian Public Service: Spending</i>, and recommendations from this audit will inform updates to guidance material prepared by DTF to support the Victorian Public Sector in understanding and meeting reporting requirements.</p> <p>Implementation of this recommendation will be considered alongside recommendations contained in VAGO's final report, which is currently due to be tabled in December 2023.</p>

Section J: Department of Treasury and Finance only

Question 34 (DTF only) Net cash flows from investments in financial assets for policy purposes – General Government Sector (GGS)

Financial assets include cash, investments, loans and placements. This question seeks to ascertain the variance behind the estimated value of the financial assets held versus the actual value of the financial assets and the projects that contributed to the variance.

Regarding the 'net cash flows from investments in financial assets for policy purposes' in the GGS cash flow statement for 2021-22 and 2022-23, please provide:

- the top five projects that contributed to the variance recorded in each year
- the initial budget estimate (not the revised estimate) for net cash flow in 2021-22 and 2022-23 (source: 2021-22 BP5, p. 9; 2022-23 BP5 p. 9) and the actual net cash flow in 2021-22 and 2022-23
- an explanation for variances between budget estimate and actual net cash flow.

2021-22 response

	Project name	Department	Output(s) and portfolio(s)	Estimated net cash flow in 2021-22	Actual net cash flow in 2021-22	Variance explanation
1.	Multiple projects including: the State Basketball Centre (Knox), AAMI Park Upgrades for FIFA Women's World Cup 2023 and the Arts Centre Melbourne Renewal Redevelopment Project	DJPR	Outputs <ul style="list-style-type: none"> • Sport and Recreation • Creative Industries Portfolio Agencies • Agriculture Portfolios: <ul style="list-style-type: none"> • Tourism, Sport and Major Events • Creative Industries • Agriculture 	127	236	Variance primarily relates to additional Treasurer's Advance capital funding, external funding contributions, and funding converted from operating to capital – which was all approved post the State Budget. This includes investment in the State Basketball Centre (Knox), AAMI Park Upgrades for FIFA Women's World Cup 2023, Arts Centre Melbourne Renewal and Redevelopment Project and Creative Industries Agencies Support and Reform.

2.	West Gate Tunnel	DTP	Output: Road Operations and Network Improvements Portfolio: Transport and Infrastructure	0	126	The West Gate Tunnel settlement with Transurban occurred after the original budget. As such, the original budget did not take into account the timing of works by Transurban for the West Gate Tunnel Project as part of the settlement agreement entered into between the State and Transurban.
3.	Victorian Transport Fund (VTF) drawdown	DTF	Output: Commercial and Infrastructure Advice Portfolio: Treasurer	(1 029)	(773)	Timing of drawdown from the VTF to fund relevant capital projects, including level crossing removal.
4.	Big Housing Build	DFFH	Output: Housing Assistance Portfolio: Housing	117	206	The variance is primarily driven by the timing of Big Housing Build projects in Homes Victoria in 2021-22.
5.	State Tolling Corporation	DTP	Output: Road Operations and Network Improvements Portfolio: Transport and Infrastructure	294	158	Lower than forecast draw on State loans to the State Tolling Corporation (STC) as part of the funding of STC as part of the North East Link Project.
	Other			(79)	0	The remaining variance relates to a number of small variances across various portfolios.
Total net cash flow				(570)	(47)	

2022-23 response

	Project name	Department	Output(s) and portfolio(s)	Estimated net cash flow in 2022-23	Actual net cash flow in 2022-23	Variance explanation
1.	Victorian Transport Fund (VTF) drawdown	DTF	Output: Commercial and Infrastructure Advice Portfolio: Treasurer	(459)	(249)	Timing of drawdown from the VTF to fund relevant capital projects, including level crossing removal.
2.	Capital repatriations	DTF/DEECA	Output: Commercial and Infrastructure Advice Portfolio: Treasurer	(275)	0	The variance primarily relates to the capital repatriations from the water sector, which are expected in 2023-24.
3.	Big Housing Build	DFH	Output: Housing Assistance Portfolio: Housing	729	602	The variance is primarily driven by the timing of Big Housing Build projects in Homes Victoria in 2022-23.
4.	West Gate Tunnel	DTP	Output: Road Operations and Network Improvements Portfolio: Transport and Infrastructure	260	354	Relating to the timing of works by Transurban for the West Gate Tunnel Project as part of the settlement agreement entered into between the State and Transurban.
5.	Capital contributions to Transport Public Non-Financial Corporations	DTP	Outputs: <ul style="list-style-type: none"> • Integrated Transport • Train Services • Tram Services 	204	56	Relates to the timing of State capital contributions provided to V/Line, the State Tolling Corporation, VicTrack and Ports Victoria.

			<ul style="list-style-type: none"> • Road Operations and Network Improvements • Port and Freight Network Access <p>Portfolios:</p> <ul style="list-style-type: none"> • Public Transport • Transport and Infrastructure • Ports and Freight 			
	Other	Various	Various	970	862	The balance in other relates to a number of projects across various portfolios, including State loans to the State Tolling Corporation (STC) as part of the funding of STC as part of the North East Link Project, funding to Breakthrough Victoria and sports and recreation funding.
	Total net cash flow			1,429	1,625	

Question 35 (DTF only) Purchases of non-financial assets – General Government Sector (GGS)

Regarding the 'purchases of non-financial assets' by the GGS in 2021-22 and 2022-23 (source: 2021-22 BP 5, p.32: 2022-23 BP 5, pg. 30), please compare the initial budget estimate for each department to the actual value of 'purchases of non-financial assets' for each department, explaining any variances equal to or greater than $\pm 10\%$ or \$100 million (please fill all blank spaces) and then link it to the relevant output and portfolio. For variance greater than $\pm 10\%$ or \$100 million, please provide a breakdown of the non-financial asset purchased.

2021-22 response

By department	Types of non-financial assets	Initial budget estimate 2021-22 \$ million	Actual 2021-22 \$ million	Variance (%)	Variance explanation	Relevant Output(s) and portfolio(s)
Department of Health	Property, Plant and Equipment	1 721	1 347	-21.7%	The variance is mainly driven by the rephase of capital projects including: <ul style="list-style-type: none"> • Regional Health Infrastructure Fund projects ; • Metropolitan Health Infrastructure Fund projects; • Guaranteeing Future Energy Supply; • First stage of the new Melton Hospital; and • Engineering infrastructure and medical equipment replacement program. 	Most relevant output: <ul style="list-style-type: none"> • Acute Health Services

Department of Families, Fairness and Housing	Property, Plant and Equipment	96	55	-42.7%	The variance is mainly driven by the rephase of capital projects including: <ul style="list-style-type: none"> • Specialist Disability Accommodation (SDA) Maintenance and minor upgrade program; • Reforming Care Services • Out-of-home care residential capacity; and • National Disability Insurance Scheme Stage 2. 	Most relevant output: <ul style="list-style-type: none"> • Disability Services; and Child Protection and Family Services
Department of Jobs, Precinct and Regions	Property, Plant and Equipment	96	54	-43.8%	The variance is mainly driven by: <ul style="list-style-type: none"> • budget transferred from capital to operating budget during the 2021-22 Budget Update for the Fisherman Bends project in line with accounting standards; and • accounting treatment for write-off of Agriculture Victoria assets. 	Most relevant outputs: <ul style="list-style-type: none"> • Agriculture • Business Precincts Portfolios: <ul style="list-style-type: none"> • Agriculture • Business Precincts.
Department of Transport	Property, Plant and Equipment	7 969	9 490	19.1%	The variance is mainly driven by funding approved post-budget for various capital projects, including the Level Crossing Removal Program.	Most relevant output: <ul style="list-style-type: none"> • Integrated Transport: Level Crossing Removal Program Most relevant portfolio: <ul style="list-style-type: none"> • Transport Infrastructure

Department of Education and Training	Land, Property, Plant and Equipment	2 324	1 953	-16.0%	The variance is mainly driven by the rephase of capital projects and carryover for: Upgrades and Modernisation, New schools construction, Minor Capital Works Fund, Land acquisition, Ready for school: Kinder for every three-year-old, New Schools construction and Education plans and Relocatable Buildings Program 2021-22.	Portfolios: <ul style="list-style-type: none"> • Early childhood • Education • Higher Education • Training and Skills
Department of Justice and Community Safety	Property, Plant and Equipment	1 443	1 109	-23.1%	The variance is mainly driven by the rephase of capital projects for prisons including the initiatives for Men's Prison System Capacity project, and Western Plains Correctional Centre and Supporting the State's forensic capability initiative.	Most relevant output: <ul style="list-style-type: none"> • Criminal Law Support and Reform • Prisoner Supervision and Support • Youth Justice Community Based services Portfolio: <ul style="list-style-type: none"> • Corrections
Department of Environment, Land, Water and Planning	Land	216	300	38.9%	The variance is mainly driven by funding approved post-budget for the purchase of land associated with the Suburban Parks Program.	Outputs: <ul style="list-style-type: none"> • Management of Public Land and Forests Portfolio: <ul style="list-style-type: none"> • Environment
Court Services Victoria	Property, Plant and Equipment	221	478	116.3%	The variance is mainly driven by funding approved post-budget for accommodation requirements for the County Court Melbourne.	Most relevant output: <ul style="list-style-type: none"> • Courts

Department of Premier and Cabinet	Property, Plant, Equipment and Intangibles	30	44	46.7%	The variance is mainly driven by funding approved post-budget for initiatives relating to Service Victoria led COVID-19 response such as mobile applications and digital vaccination certificates.	Most relevant output: <ul style="list-style-type: none"> Digital strategy and transformation Portfolio: <ul style="list-style-type: none"> Government Services
Department of Treasury and Finance	Property, Plant and Equipment	178	18	-89.9%	The variance is mainly driven by the rephase of the Bendigo GovHub.	Most relevant output: <ul style="list-style-type: none"> Commercial and Infrastructure Advice Portfolio: <ul style="list-style-type: none"> Assistant Treasurer
Parliamentary Departments	Property, Plant and Equipment	17	24	41.2%	The variance is mainly driven by funding approved post-budget for the refurbishment of the East Wing of Parliament House and carry over of budgets for approved capital projects, and other minor capital works/asset investments including Parliamentary Precinct and electorate office refurbishment, Parliament House and electorate office security upgrades and information technology upgrades.	Most relevant output: Parliamentary Services.

2022-23 response

By department	Types of non-financial assets	Initial budget estimate 2022-23 \$ million	Actual 2022-23 \$ million	Variance (%)	Variance explanation	Relevant Output(s) and portfolio(s)
Department of Health		1 571	1 552	-1.2%	NA	NA
Department of Families, Fairness and Housing	Property, Plant and Equipment	112	63	-43.8%	The variance is mainly driven by the rephase of capital projects relating to the Big Housing Build projects	Most relevant output: <ul style="list-style-type: none"> Housing Assistance
Department of Jobs, Precinct and Regions/Department of Jobs, Skills, Industry and Regions	Property, Plant and Equipment	54	405	650.0%	The variance is mainly driven by funding approved for the Melbourne Art Precinct Corporations and the purchase of land under the Project Development and Construction Management Act.	Most relevant output: <ul style="list-style-type: none"> Business Precincts Creative Industries Portfolio Agencies Portfolios: <ul style="list-style-type: none"> Business Precincts Creative Industries
Department of Transport/Department of Transport and Planning	Property, Plant and Equipment	8 430	10 473	24.2%	The variance is mainly driven by funding approved for the Level Crossing Removal Program.	Most relevant output: <ul style="list-style-type: none"> Integrated Transport: Level Crossing Removal Program Most relevant portfolio: <ul style="list-style-type: none"> Transport and Infrastructure

Department of Education and Training/Department Education	Land, Property, Plant and Equipment	2 808	2 096	-25.4%	The variance is mainly driven by the rephase of capital projects including: Modernisation and Schools Upgrades, New schools and Construction, Land acquisition, Essential maintenance and compliance, Minor Capital Works Fund, and Ready for school: Kinder for every three-year-old.	Portfolios: <ul style="list-style-type: none"> • Early childhood • Education • Higher Education • Training and Skills
Department of Justice and Community Safety	Property, Plant and Equipment	958	719	-24.9%	This variance is mainly driven by the rephase of capital projects for prisons and youth justice centres, including Men's Prison System Capacity project and Women's Prison System Capacity.	Most relevant output: <ul style="list-style-type: none"> • Criminal Law Support and Reform • Prisoner Supervision and Support • Youth Justice Community Based services Portfolio: <ul style="list-style-type: none"> • Corrections
Department of Environment, Land, Water and Planning/Department of Energy, Environment and Climate Action	Land	406	277	-31.8%	The variance is mainly driven by the rephase of capital projects including: land acquisition associated with Melbourne Strategic Assessment, Suburban Parks Program, Historic Boost for Camping in Victoria's Great Outdoors and Morwell Rail Trail and Staying Safe and Dry on the Portarlington Ferry.	Most relevant outputs: <ul style="list-style-type: none"> • Management of Public Lands and Forests • Environment and Biodiversity Portfolio: <ul style="list-style-type: none"> • Environment
Court Services Victoria	Land, Property, Plant and Equipment	158	234	48.1%	The variance mainly relates to a revaluation of the County Court Melbourne site.	Most relevant output: <ul style="list-style-type: none"> • Courts

Department of Premier and Cabinet	Property, Plant and Equipment, and Intangibles	47	33	-29.8%	The variance is mainly driven by Machinery of Government (MoG) changes which resulted in transferring operations out of DPC portfolio which included Service Victoria.	Most relevant output: <ul style="list-style-type: none"> Digital strategy and transformation Portfolio: <ul style="list-style-type: none"> Government Services
Department of Government Services		NA	26	NA	NA	NA
Department of Treasury and Finance	Land, Property, Plant and Equipment	190	16	-91.6%	The variance is mainly driven by asset funding transferred to the Department of Transport and Planning (DTP) and the Department of Jobs, Skills, Industry & Regions (DJSIR) as part of Machinery of Government changes effective 1 January 2023.	Most relevant output <ul style="list-style-type: none"> Invest Victoria Commercial and Infrastructure Advice Portfolio <ul style="list-style-type: none"> Assistant Treasurer Economic Development
Parliamentary Departments	Property, Plant and Equipment	19	36	89.5%	The variance is mainly driven by funding approved post-budget for the refurbishment of the East Wing of Parliament House and carry over of budgets for approved capital projects, and other minor capital works/asset investments including Parliamentary Precinct and electorate office refurbishment, Parliament House and electorate office security upgrades and information technology upgrades.	Most relevant output: <ul style="list-style-type: none"> Parliamentary Services.

Question 36 (DTF only) Revenue initiatives

- a) Regarding the revenue initiatives announced in the 2021-22 and 2022-23 Budgets, please provide an explanation for the variances equal to or greater than $\pm 10\%$ or \$100 million between budget estimates and the actual results.

2021-22 response

Initiative*	2021-22 budget estimate (\$ million)	2021-22 actual (\$ million)	Explanation for any variance $\pm 10\%$ or \$100 million
Extend the point of consumption framework to keno tax	1.0	1.5	Actuals are higher than modelled estimates as a result of movements in the gambling market.
Increase the tax-free threshold for land tax	(22.3)	N/A	Actuals for this measure are not separately tracked. Changes in revenue from this measure are recorded as part of the broader tax expenditures for land tax.
Increased penalty unit value	60.7	N/A	Actuals for penalty units are not separately tracked. Changes in penalties collected are recorded as part of fines and regulatory fees for the relevant portfolio.
Premium duty rate on land transfer duty for high-value properties	136.7	152.5	Actuals are higher than modelled estimates as a result of movements in the property market.
Removal of land tax exemption for private gender-exclusive clubs	0.1	0.6	Actuals are higher than modelled estimates as a result of movements in property values.
Bring forward increases in the payroll tax-free threshold to \$700 000	(27.9)	N/A	Actuals for this measure are not separately tracked. Changes in revenue from this measure are recorded as part of the broader payroll tax revenue line.
Bring forward the regional employer payroll tax rate of 1.2125 per cent	(29.9)	N/A	Actuals for this measure are not separately tracked. Changes in revenue from this measure are recorded as part of the broader payroll tax revenue line.
Temporary increase in the eligibility threshold for the off-the-plan duty concession	(0.2)	(1.2)	Actuals are higher than modelled estimates as a result of movements in the property market.

Temporary land transfer duty concession for new residential property within the Melbourne local government area	(33.2)	(12.2)	Actuals are lower than modelled estimates as a result of take up rates and movements in the property market.
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* Initiatives are not listed where there is no revenue impact, or the variance is less than $\pm 10\%$ or \$100 million between the 2021-22 Budget estimates and the actual results

2022-23 response

Initiative	2022-23 budget estimate (\$ million)	2022-23 actual (\$ million)	Explanation for any variance $\pm 10\%$ or \$100 million
Exempt wheelchair accessible commercial passenger vehicles that provide unbooked services from motor vehicle duty	(0.6)	(0.3)	Actuals are lower than modelled estimates due to lower than anticipated applications.

* Initiatives are not listed where there is no revenue impact, or the variance is less than $\pm 10\%$ or \$100 million between the 2021-22 Budget estimates and the actual results

- b) Regarding the Mental Health and Wellbeing surcharge/levy, please provide the total revenue received from the surcharge/levy, how much of the revenue was expended, which departments received funds from the surcharge/levy, amount received, and what outputs departments spent/will spend the funds on for 2021-22 and 2022-23.

2021-22 response

2021-22 actual (\$ million)	Total expended for 2021-22 financial year	Departments that received funds from the surcharge/levy, amount of funding received by each department and what outputs departments utilised funding for
397.5	397.5	Department of Health: \$397.5 million. Funding spent on the provision of outputs that are consistent with and promote the objectives and principles of the <i>Mental Health and Wellbeing Act 2022</i> .

2022-23 response

2022-23 actual (\$ million)	Total expended for 2022- 23 financial year	Departments that received funds from the surcharge/levy, amount of funding received by each department and what outputs departments utilised funding for
1 105.0	1 105.0	Department of Health: \$1 105.0 million. Funding spent on the provision of outputs that are consistent with and promote the objectives and principles of the <i>Mental Health and Wellbeing Act 2022</i> .

Question 37 (DTF only) Expenses by departments – General Government Sector (GGS)

Regarding expenses of the GGS in 2021-22 and 2022-23 (source: 2021-22 BP 5, p. 30; 2022-23 BP5, p. 28), please compare the initial budget estimates (not the revised estimate) for each department to the actual expenses for each department, explaining any variances equal to or greater than $\pm 10\%$ or \$100 million (please fill all blank spaces) and then link it to the relevant output and portfolio.

2021-22 response

By department	Initial budget estimate 2021-22 \$ million	Actual 2021-22 \$ million	Variance (%)	Variance explanation	Relevant output(s) and portfolio(s)
Department of Health	25 250	28 856	14.3%	The variance is mainly driven by funding approved post-budget for COVID-19 health response initiatives.	Most relevant output: <ul style="list-style-type: none"> Health protection Admitted Services
Department of Families, Fairness and Housing	7 589	8 214	8.2%	The variance is mainly driven by funding approved post-budget for the Big Housing Build projects funded by Capital Grants from the Social Housing Growth Fund.	Most relevant output: <ul style="list-style-type: none"> Housing Assistance
Department of Jobs, Precinct and Regions	3 458	12 014	247.4%	The variance is mainly driven by funding approved post-budget to deliver COVID-19 response programs: <ul style="list-style-type: none"> \$7.0 billion additional funding provided for Business Costs Assistance Program, Licensed Hospitality Venue Support and the Small Business COVID Hardship Fund. COVID employee isolation program (\$372 million) 	Most relevant outputs: <ul style="list-style-type: none"> Industry, Innovation, Medical Research and Small Business Jobs Portfolios: <ul style="list-style-type: none"> Industry Support and Recovery Innovation, Medical Research and the Digital Economy Small Business

				and Pandemic Leave Disaster Payments (\$109 million).	
Department of Transport	6 894	7 706	11.8%	<p>The variance is mainly driven by post-budget approval for:</p> <ul style="list-style-type: none"> Increased expenses as part of the Government's response to COVID-19 impacts on regional public transport. <p>Reclassification of operating expenditure related to capital projects and employee costs in line with accounting standards, including Big Build projects.</p>	<p>Most relevant outputs:</p> <ul style="list-style-type: none"> Train Services Tram Services Bus Services <p>Portfolios:</p> <ul style="list-style-type: none"> Public Transport
Department of Education and Training	20 120	19 958	-0.8%	<p>The variance is mainly driven by lower salary expenditure due to lower enrolments in government schools in 2021-22 than expected. This reduction was driven by the continuing impact of the COVID-19 restrictions into 2021 which was not factored in as part of the <i>2021-22 Budget</i>.</p> <p>Additionally, this is also driven by the rephase of several programs including: capital grants for the Non-Government Schools Infrastructure Fund, Ready for school: Kinder for every three-year-old, Children's facilities</p>	<p>Portfolios:</p> <ul style="list-style-type: none"> Early childhood Education Higher Education Training and Skills

				capital program and Kindergarten refurbishment and minor works program.	
Department of Justice and Community Safety	8 748	11 232	28.4%	The variance is mainly driven by funding approved post-budget for the operations of the COVID-19 Quarantine Victoria and costs incurred for natural disasters, including the flood and storm events during the year.	<p>Most relevant output:</p> <ul style="list-style-type: none"> • Policing and Community Safety • Emergency Management Capability <p>Portfolio:</p> <ul style="list-style-type: none"> • Police • Emergency Services
Department of Environment, Land, Water and Planning	3 564	3 817	7.1%	The variance is mainly driven by funding approved post-budget for various programs, including an increase in grants expenses for financial instruments related to the department's renewable energy generation contracts, an increase in grants to deliver the Commonwealth funded Sustainable Rural Water Use and Infrastructure Development program, and increased expenditure associated with the department's flood and storm recovery efforts and Melbourne Strategic Assessment.	<p>Most relevant outputs:</p> <ul style="list-style-type: none"> • Energy • Management of Public Lands and Forests • Fire and Emergency Management • Environment and Biodiversity • Effective Water Management and Supply <p>Portfolios:</p> <ul style="list-style-type: none"> • Energy and Resources • Environment • Water

Court Services Victoria	819	867	5.9%	The variance is mainly driven by funding approved post-budget for accommodation payment requirements for the County Court Melbourne.	Most relevant output: • Courts
Department of Premier and Cabinet	713	897	25.8%	The variance is mainly driven by funding approved post-budget for Breakthrough Victoria Pty Ltd (BVPL) operations.	Most relevant output: • Executive government advice & services. Portfolio: • Premier
Department of Treasury and Finance	9 987	11 220	12.3%	The variance is mainly driven by post-budget approval of additional Social Housing Growth Fund capital grants and higher than expected Australian HomeBuilder Grant payments.	Most relevant output • Economic and Policy Advice and Housing Concessions Portfolio: • Treasurer
Parliamentary Departments	340	322	-5.3%	NA	NA

2022-23 response

By department	Initial budget estimate 2022-23 \$ million	Actual 2022-23 \$ million	Variance (%)	Variance explanation	Relevant output(s) and portfolio(s)
Department of Health	26 973	29 670	10.0%	The variance is mainly driven by funding approved post-budget for initiatives including: • Additional resources provided to health services • Workforce attraction and retention strategy	Most relevant output: • Admitted Services

				<ul style="list-style-type: none"> • Emergency Response services; and • COVID-19 Testing and vaccination services and engagement. 	
Department of Families, Fairness and Housing	7 593	7 876	3.7%	<p>The variance is mainly driven by funding approved post-budget for initiatives including:</p> <ul style="list-style-type: none"> • Big Housing Build • Civil claims costs for historical institutional child abuse • October 2022 flood relief; and • From Homelessness to a Home 	<p>Most relevant output:</p> <ul style="list-style-type: none"> • Housing Assistance; and • Child Protection and Family Services
Department of Jobs, Precinct and Regions/Department of Jobs, Skills, Industry and Regions	3 866	4 645	20.2%	<p>The variance is mainly due to the Machinery of Government changes including the transition of Skills and Higher Education into the Department. These were in part offset by Machinery of Government changes out of the Department, including Agriculture.</p>	<p>Most relevant outputs:</p> <ul style="list-style-type: none"> • Training, Higher Education and Workforce Development • Agriculture <p>Portfolios:</p> <ul style="list-style-type: none"> • Training and Skills • Agriculture

Department of Transport/Department of Transport and Planning	6 937	8 792	26.7%	<p>The variance is mainly driven by funding approved post-budget for:</p> <ul style="list-style-type: none"> • Increase in purchase of services expenditure, relating to the service fee paid to the Joint Venture for registration and licencing, including Customer Plates Service fee • Increase in net contractual payments to operators for the 2022 MR4 revenue reset <p>Transfer of Planning and Land Use, Business Precincts and Land and Property Services functions into the Department on 1 January 2023.</p>	<p>Most relevant outputs:</p> <ul style="list-style-type: none"> • Road Operations and Network Improvements • Train Services • Tram Services • Bus Services • Planning and Heritage <p>Portfolios:</p> <ul style="list-style-type: none"> • Public Transport • Roads and Road Safety • Planning • Precincts
Department of Education and Training/Department Education	21 018	20 192	-3.9%	<p>The variance is mainly driven by Machinery of Government (MoG) changes with the Training and Skills and Higher Education (TS and HE) portfolios transferred to the Department of Jobs, Skills, Industry and Regions (DJSIR). This resulted in the department not recognising employee benefits and purchase of supplies and consumables related to the TS and HE portfolio from</p>	<p>Portfolios:</p> <ul style="list-style-type: none"> • Early childhood • Education • Higher Education • Training and Skills

				1 January 2023. Additionally, this is also driven by the rephase of several programs including: capital grants for the Non-Government Schools Infrastructure Fund, Children's facilities capital program, Building Blocks, Building and Upgrade early learning facilities.	
Department of Justice and Community Safety	9 144	10 835	18.5%	The variance is mainly driven by additional resources provided for Victoria's flood recovery initiatives announced in the <i>2023-24 Budget</i> .	Most relevant output: <ul style="list-style-type: none"> • Policing and Community Safety • Emergency Management Capability Portfolio: <ul style="list-style-type: none"> • Police • Emergency Services
Department of Environment, Land, Water and Planning/Department of Energy, Environment and Climate Action	3 680	4 700	27.7%	The variance is mainly driven by funding approved post-budget for grants to households for the Power Saving Bonus initiative, grant payments for Timber worker and industry support, and response and recovery efforts for Victorian Floods.	Most relevant outputs: <ul style="list-style-type: none"> • Energy • Agriculture • Fire and Emergency Management Portfolios: <ul style="list-style-type: none"> • Energy and Resources • Agriculture • Environment
Court Services Victoria	886	851	-4.0%	The variance is mainly driven by operational delays in several major projects that	Most relevant output: <ul style="list-style-type: none"> • Courts

				have been rephased and lower volume of victims of crime cases that are heard and awarded in court.	
Department of Premier and Cabinet	867	886	2.2%	NA	NA
Department of Government Services	NA	1 486		NA	NA
Department of Treasury and Finance	11 072	10 779	-2.6%	The variance is mainly driven by the transfer of depreciation and interest expense budgets associated with the Right of Use assets held by the Shared Service Provider, following the Machinery of Government (MoG) changes effective 1 January 2023.	Most relevant output: <ul style="list-style-type: none"> • Services to Government Portfolio: <ul style="list-style-type: none"> • Assistant Treasurer
Parliamentary Departments	346	346	0.0%	NA	NA

Question 38 (DTF only) Economic variables

Please indicate the estimated and actual result for the following economic variables. For the estimate, please use the initial estimate used in preparing the 2021-22 and 2022-23 budget papers. For any variance equal to or greater than ± 0.5 percentage points, please provide an explanation for the variance. Please fill all blank spaces.

2021-22 response

Economic variable	Budget estimate 2021-22	Actual 2021-22 result	Variance	Explanation for variances equal to or greater than ± 0.5 percentage points
Real gross state product	6.50	5.6	-0.9	The deviation was driven by pandemic-related public health restrictions in mid-to-late 2021 following the outbreak of the Delta variant of COVID-19.
Labour force participation rate	66.6	66.5	-0.1	
Unemployment rate – overall	5.75	4.3	-1.5	The unemployment rate declined materially following the lifting of public health restrictions in early 2021, ahead of the resumption of public health restrictions due to the Delta outbreak in mid-2021. Following the lifting of Delta-related restrictions, the unemployment rate declined to a low level by the end of 2021-22 amid a strong economic recovery.
Unemployment rate – male	N/A	3.9	N/A	
Unemployment rate – female	N/A	4.6	N/A	
Underemployment rate	N/A	7.4	N/A	
Youth unemployment	N/A	10.4	N/A	
Youth underemployment	N/A	N/A	N/A	
Consumer price index	1.50	4.0	2.5	The rise in the CPI was driven by the inflationary shocks caused by the COVID-19 pandemic and Russia's invasion of Ukraine. Significant disruptions to global supply chains, strong demand for goods and the sharp rise in energy prices resulted in high inflation across many advanced economies, including Australia and Victoria.
Wage price index	1.75	2.4	0.7	The pick-up in the WPI was largely due to the strong labour market recovery after pandemic-related health restrictions were lifted.

Population	0.30	1.3	1.0	The stronger result was largely due to a faster return of international students driving an increase in net overseas migration, following the easing of national border restrictions.
Household consumption	9.40	6.5	-2.9	The weaker, though still strong, growth in household consumption growth was largely driven by public health restrictions implemented from mid-to-late 2021 following the outbreak of the Delta variant of COVID-19.
Property prices	7.2 per cent growth	7.3 per cent growth	0.1 per cent	N/A
Property volume	164,962 transactions	198,434 transactions	20.3 per cent	Victorian transaction volumes increased strongly relative to expectation at <i>2021-22 Budget</i> , driven by record low interest rates and government stimulus measures.
Employee expenses	31,725	32,239	1.6	Employee expenses were \$514 million higher than the published budget primarily due to additional resources required for the public health response to COVID-19, as well as higher than expected employee costs in the community safety sector, as outlined in the 2021-22 Financial Report (pages 130-131).

2022-23 response

Economic variable	Budget estimate 2022-23	Actual 2022-23 result	Variance	Explanation for variances equal to or greater than ± 0.5 percentage points
Real gross state product	3.25	N/A		
Labour force participation rate	66.9	67.1	0.2	
Unemployment rate – overall	4.00	3.7	-0.3	
Unemployment rate – male	N/A	3.6	N/A	
Unemployment rate – female	N/A	3.7	N/A	
Underemployment rate	N/A	6.0	N/A	
Youth unemployment	N/A	8.3	N/A	
Youth underemployment	N/A	N/A	N/A	

Consumer price index	2.50	6.9	4.4	The strong CPI result was driven by the inflationary shocks caused by the COVID-19 pandemic and Russia's invasion of Ukraine. Significant disruptions to global supply chains, strong demand for goods and the sharp rise in energy prices resulted in high inflation across many advanced economies.
Wage price index	2.75	3.4	0.7	Strong labour market conditions and a larger-than-usual Fair Work Commission increase in the minimum wage and associated awards both contributed to a pick-up in wages growth.
Population	1.20	N/A		
Household consumption	5.90	6.9	1.0	Household consumption grew strongly following the removal of pandemic-related health restrictions, and was supported by a strong labour market and large savings buffers accumulated by households.
Property prices	-2.7 per cent growth	-5.0 per cent growth	-2.3 per cent	Victorian dwelling prices experienced a sharper and more compressed correction during 2022-23 than expected in the <i>2022-23 Budget</i> , driven by stronger than expected interest rates rises in response to higher inflation.
Property volume	161,585 transactions	145,926 transactions	-9.7 per cent	Victorian transaction volumes fell relative to expectation at the <i>2022-23 Budget</i> , driven by stronger than expected interest rate rises in response to higher inflation.
Employee expenses	33,087	33,629	1.6	Employee expenses were \$541 million higher than the published budget. This was largely driven by new initiatives funded in 2022-23 in the health sector and higher than expected costs within the regulatory bodies in the justice and community safety, and environment sectors as outlined in the <i>2022-23 Financial Report</i> (pages 141-143).

Section K: Treasury Corporation of Victoria only

Question 39 Public Private Partnership (PPP)/alliance contracting projects

[DTF response not required]

Please indicate how many PPP/alliance contracting projects (and which ones) TCV provided 'project advisory services' for in 2021-22 and 2022-23. For each project, please also specify if the project is a newly confirmed engagement or if it was for a project that was already underway.

2021-22 response

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2022-23 response

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Please indicate how many business cases TCV provided (and which clients these were for) as part of its 'project advisory services' in 2021-22 and 2022-23. For each business case, also specify if the project forms part of the Department of Treasury and Finance's Gateway Review Process.

2021-22 response

Business case provided by TCV	Client	Gateway Review Process – Y/N

2022-23 response

Business case provided by TCV	Client	Gateway Review Process – Y/N