

PARLIAMENT OF VICTORIA

Public Accounts and Estimates Committee



2017-18 and 2018-19 Financial and Performance Outcomes General Questionnaire

Alfred Health

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Introduction – Financial and Performance Outcomes Questionnaire

The Committee's inquiry into the 2017-18 and 2018-19 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.

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 2017-18 and 2018-19 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 Thursday 12 December 2019**.

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

Whenever 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 initiatives from past budgets

For all initiatives that were due to be completed in 2017-18 and 2018-19, please provide details of the outcomes expected to be achieved in the community and the outcomes actually 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).

Not applicable to the Health Service

2017-18 Response

Initiative	Actual date of completion (month and year)	Expected outcomes	Actual outcomes	Output(s) and portfolio(s)

2018-19 Response

Initiative	Actual date of completion (month and year)	Expected outcomes	Actual outcomes	Output(s) and portfolio(s)

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 2017-18 and 2018-19.

- 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 2017-18 and 2018-19 including:
- i. The name of the program
 - ii. The relevant output(s) and portfolio(s) responsible for delivery of the program
 - iii. The planned outcome as stated in the budget papers
 - 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).

Not applicable to the Health Service

2017-18 Response

Program	Output(s) and portfolio(s)	Planned outcome	Description of actual outcome achieved	Description of the actions taken to deliver the actual outcome
1.				
2.				
3.				
4.				
5.				

2018-19 Response

Program	Output(s) and portfolio(s)	Planned outcome	Description of actual outcome achieved	Description of the actions taken to deliver the actual outcome
1.				
2.				
3.				

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.

4.				
5.				

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 2017-18 and 2018-19 including:

- i. The name of the program
- ii. The relevant output(s) and portfolio(s) responsible for delivery of the program
- iii. The planned outcome as stated in the budget papers
- 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)

2017-18 Response

Program	Output(s) and portfolio(s)	Planned outcome to be achieved	Description of actual outcome achieved	Explanation for not delivering the planned outcome
1.				
2.				
3.				
4.				
5.				

2018-19 Response

Program	Output(s) and portfolio(s)	Planned outcome to be achieved	Description of actual outcome achieved	Explanation for not delivering the planned outcome
1.				
2.				
3.				
4.				
5.				

Question 3 (all departments) Treasurer’s advances and other budget supplementation

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 2017-18 and 2018-19.

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, section 4, pg. 55) and explain why additional funding was required after funding was allocated in the Budget.

Not applicable to the Health Service

2017-18 Response

Output(s) and portfolio(s)	Program	Funding allocated in 2017-18 Budget	Additional funding (\$ million)	Source of additional funding as per the Resource Management Framework	Reasons why additional funding was required
Total 2017-18					

2018-19 Response

Output(s) and portfolio(s)	Program	Funding allocated in 2018-19 Budget	Additional funding (\$ million)	Source of additional funding as per the Resource Management Framework	Reasons why additional funding was required
Total 2018-19					

Section B: Asset investment

Question 4 (all departments) Capital expenditure variances, completion date and scope changes – existing projects

Please provide details of all capital asset programs where:

- a) there was a variance between TEI at announcement compared to the revised TEI in the 2017-18 Budget and 2018-19 Budget of equal to or greater than $\pm 5\%$ or \$50 million and an explanation for the variance
- b) the estimated completion date at announcement is different to the completion date in the 2017-18 Budget and 2018-19 Budget and an explanation for the change
- c) the scope of the project at announcement is different to the scope of the project as it is presented in the 2017-18 Budget and 2018-19 Budget.

Not applicable to the Health Service

2017-18 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 2018 (\$ million)	TEI at announcement (\$ million)	Revised TEI 2017-18 Budget (\$ million)	Variance between TEI at announcement compared to Revised TEI in 2018-19 Budget ($\pm 5\%$ or \$50 million) explanation

Completion date

Project	Output(s) and portfolio(s) and/or agency responsible for the project	Estimated completion date at announcement	Revised completion date 2017-18 Budget	Explanation

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

2018-19 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 2019 (\$ million)	TEI at announcement (\$ million)	Revised TEI 2018-19 Budget (\$ million)	Variance between TEI at announcement compared to Revised TEI in 2019-20 Budget ($\pm 5\%$ or \$50 million) explanation

Completion date

Project	Output(s) and portfolio(s) and/or agency responsible for the project	Estimated completion date at announcement	Revised completion date 2018-19 Budget	Explanation

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

Question 5 (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 2017-18 and 2018-19:

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

Not applicable to the Health Service

2017-18 Response

Project	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)

2018-19 Response

Project	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)

Question 6 (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 2017-18 and 2018-19 budget papers that were allocated to the department and were classified as HVHR. Please also specify which gateway reviews, if any, were completed during 2017-18 and 2018-19 and business case details for each project. Please use project names as specified in *Budget Paper No.4: State Capital Program*.

Not applicable to the Health Service

2017-18 Response

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

2018-19 Response

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

Question 7 (all departments) Public Private Partnership (PPP) expenditure – existing and completed

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

- a) The total estimated PPP investment value, the total actual expenditure from announcement to 30 June 2018 and 2019, or the actual cost spent to 30 June 2018 and 2019 (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.
- b) Where the estimated completion date at announcement is different to the completion date in the 2017-18 Budget and 2018-19 Budget and an explanation for any variance.
- c) Where the scope of the PPP at announcement is different to the scope of the project as it is presented in the 2017-18 Budget and 2018-19 Budget.

Not applicable to the Health Service

2017-18 Response

Investment value and benefit of using PPP model

Project name	Output(s) and portfolio(s) and/or agency	Total estimated PPP investment value (\$ million)	Total actual expenditure from announcement to 30 June 2018 (\$ million)	Actual expenditure in year ending 30 June 2018 (\$ million)	Benefits of using PPP 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

2018-19 Response

Investment value and benefit of using PPP model

Project name	Output(s) and portfolio(s) and/or agency	Total estimated PPP investment value (\$ million)	Total actual expenditure from announcement to 30 June 2019 (\$ million)	Actual expenditure in year ending 30 June 2019 (\$ million)	Benefits of using PPP 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 8 (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 2017-18 and 2018-19 and the actual result for 2017-18 and 2018-19 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 community² achieved by any additional expenses or the impact on the community of reduced expenses (if there was no impact, please explain how that was achieved).

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

If there were no revenue/income categories for the department/agency for which the 2017-18 and 2018-19 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.

2017-18 Response

Revenue category	2016-17 actual (\$ million)	2017-18 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)
Revenue from operating activities	1,141.5	1,193.5	No relevant line items.	Increase in revenue due to increased activity across the organisation used to deliver patient care.	
Revenue from non-operating activities	4.8	4.9	No relevant line items.	No action required.	
Capital purpose income	44.3	30.9	Lower capital grants from government received in 2017-18 due to the timing of capital projects.	No impact. Capital grants received from government relate to specific capital projects.	

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

2018-19 Response

Revenue category	2017-18 actual (\$ million)	2018-19 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)
Revenue from operating activities	1,193.5	1,269.8	No relevant line items.	Increase in revenue due to increased activity and additional DHHS grants to fund medical EBA costs above base inflation rate used to deliver patient care.	
Revenue from non-operating activities	4.9	5.0	No relevant line items.	No action required.	
Capital purpose income	30.9	40.2	Higher capital grants received from government in 2018-19 due to the timing of capital projects.	No impact. Capital grants received from government relate to specific capital projects.	

Question 9 (all departments and entities) Revenue – variances from budget to actual

Please explain any variances equal to or greater than ±10% or \$100 million between the initial budget estimate (not the revised estimate) and the actual result for 2017-18 and 2018-19 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.

2017-18 Response

Revenue category	2017-18 Budget estimate (\$ million)	2017-18 actual (\$ million)	Explanations for changes ±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)
Revenue from operating activities	1,159.9	1,193.5	No relevant line items.	Higher than budgeted revenue due to activity and additional DHHS funding for the Medical EBA, used to deliver patient care.	
Revenue from non-operating activities	5.3	4.9	No relevant line items.	No action required.	
Capital purpose income	37.8	30.9	Lower capital grants received from government due to the timing of projects.	No impact. Capital grants received from government relate to specific capital projects.	

2018-19 Response

Revenue category	2018-19 Budget estimate (\$ million)	2018-19 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)
Revenue from operating activities	1,251.6	1,269.8	No relevant line items.	Higher than budgeted revenue due to higher than budget activity.	
Revenue from non-operating activities	5.0	5.0	No relevant line items.	No action required.	
Capital purpose income	37.8	40.2	Higher capital grants received from government due to the timing of projects.	No impact. Capital grants received from government relate to specific capital projects.	

Section D: Expenses

Question 10 (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 2016-17 and 2017-18 for each category of expenses detailed in your operating statement, the initial budget estimate (not the revised budget), and 2017-18 and 2018-19 actual results. Please also detail the outcomes in the community³ achieved by any additional expenses or the impact on the community of reduced expenses (if there was no impact, please explain how that was achieved).

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

2017-18 Response

Expenses category	2016-17 Actual \$ million	2017-18 Budget estimate \$ million	2017-18 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 expenses	738.4	786.8	800.6	No relevant line items.	Quality of patient care maintained.
Non salary labour costs	16.7	7.1	12.1	Lower than prior year due to actions taken to reduce temporary staff costs. Higher than budget due to higher than budget activity.	Quality of patient care maintained.
Supplies and consumables	261.1	239.8	247.0	No relevant line items.	Higher than budget patient related costs relating to higher than budget activity. Quality of patient care maintained.
Other expenses	131.0	131.5	139.0	No relevant line items.	Higher than budget costs due to utilities and infrastructure maintenance expenditure.

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

					Quality of patient care maintained.
Depreciation and amortisation	67.9	67.1	66.8	No relevant line items.	No action required.

2018-19 Response

Expenses category	2017-18 Actual \$ million	2018-19 Budget estimate \$ million	2018-19 Actual \$ million	Explanations for variances ±10% or \$100 million	Outcomes achieved by additional expenses/impact of reduced expenses. If no impact, how was this achieved
Employee expenses	800.6	857.6	861.1	No relevant line items.	Higher costs compared to prior year due to activity and the impact of EBAs. Quality of patient care maintained.
Non salary labour costs	12.1	6.7	11.1	Lower than prior year due to actions taken to reduce temporary staff costs. Higher than budget due to higher than budget activity.	Higher costs due to increase in patient activity during the year. Quality of patient care maintained.
Supplies and consumables	280.6	276.9	290.2	No relevant line items.	Higher costs compared to prior year due to increase in patient activity during the year. Quality of patient care maintained.
Other expenses	105.4	114.7	113.6	No relevant line items.	Higher costs due to inflation and increase in activity. Quality of patient care maintained.
Depreciation and amortisation	66.8	77.7	77.7	Higher than prior year due to capital additions and the impact of prior year buildings revaluation on the depreciation charge.	Technical adjustment only.

Question 11 (all departments and entities) Changes to service delivery from savings initiatives

Please provide the following details of the impact on service delivery as a result of the savings initiatives announced in the 2017-18 and 2018-19 Budget:

- a) Savings target in the 2017-18 and 2018-19 Budget and the amount of the savings target allocated to the department/entity
- b) Actual savings achieved in 2017-18 and 2018-19 and the actions taken to achieve the savings target allocated and their impact, including the link to the relevant output and portfolio impacted.

2017-18 Response

Savings initiative in the 2017-18 Budget \$ million	Savings target allocated to the department/entity in 2017-18	Actual savings achieved in 2017-18 \$ 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)
18.3	Operations	18.3	Changes to current practice and approach with a number of efficiency initiatives across Operations.	No impact from the savings initiatives as primarily achieved through efficiency savings.	
3.2	Corporate Support Services	3.2	A range of efficiency measures across the entire Corporate Support Service department.	No impact from the savings initiatives as primarily achieved through efficiency savings.	
21.5	Total	21.5			

2018-19 Response

Savings initiative in the 2018-19 Budget \$ million	Savings target allocated to the department/entity in 2018-19	Actual savings achieved in 2018-19 \$ 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)
17.2	Operations	17.2	Changes to current practice and approach with a number of efficiency initiatives across Operations.	No impact from the savings initiatives as primarily achieved through efficiency savings.	
2.5	Corporate Support Services	2.5	A range of efficiency measures across the entire Corporate Support Service department.	No impact from the savings initiatives as primarily achieved through efficiency savings.	
19.7	Total	19.7			

Question 12 (all departments) Achievement of reprioritisation of existing resources

The 2017-18 and 2018-19 budget papers include targets for ‘funding from reprioritisation of existing resources’ to fund new initiatives (2017-18 Budget Paper No.2, p.55 and 2018-19 Budget paper No.2, pg. 54). This is in addition to any savings or efficiencies resulting from expenditure reduction measures.

For the department (including all controlled entities),⁴ please indicate:

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

Not applicable to the Health Service

2017-18 Response

Area of expenditure originally funded	Area of expenditure actually funded	Value of funding reprioritised in 2017-18 (\$ million)	Impact of reprioritisation of funding (if no impact, how was this achieved)	Output(s) and portfolio(s) impacted (if relevant)
Not applicable.				

2018-19 Response

Area of expenditure originally funded	Area of expenditure actually funded	Value of funding reprioritised in 2018-19 (\$ million)	Impact of reprioritisation of funding (if no impact, how was this achieved)	Output(s) and portfolio(s) impacted (if relevant)
Not applicable.				

⁴ That is, please provide this information for the Department on the same basis of consolidation as is used in the budget papers.

Question 13 (all departments) Contractors, Consultants and Labour Hire Arrangements

Please indicate how much the department spent on contractors, consultants and labour hire arrangements during 2016-17, 2017-18 and 2018-19. 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 ±10% between years and list the business areas impacted and how.

Not applicable to the Health Service

2016-17 Actual \$ million	2017-18 Actual \$ million	2018-19 Actual \$ million	Explanation for variances (year on year) ±10%	Which business areas were impacted/benefitted and how?	Please link your response to relevant output(s) and portfolio(s)
Not applicable.					

Question 14 (PNFC and PFC entities only) Dividends and other amounts paid to the general government sector

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 2017-18 and 2018-19, explaining the reasons for any significant changes over that period and the impact of any changes on the entity.

Not applicable to the Health Service

2017-18 Response

Type of dividend paid	2017-18 Budget (\$ million) <i>BP 5, pg. 21</i>	2017-18 Actual (\$ million)	Explanations for variances $\pm 10\%$ or \$100 million	Impact on the agency. If no impact, how was this achieved	Funding ratio at 30 June 2018
Not applicable.					

2018-19 Response

Type of dividend paid	2018-19 Budget (\$ million) <i>BP 5, pg. 21</i>	2018-19 Actual (\$ million)	Explanations for variances $\pm 10\%$ or \$100 million	Impact on the agency. If no impact, how was this achieved	Funding ratio at 30 June 2019
Not applicable.					

Section E: Public sector workforce

Question 15 (all departments and entities) Full Time Equivalent (FTE) staff by level and category

Please fully complete the table below, providing actual FTE staff numbers at 30 June 2017, at 30 June 2018 and 30 June 2019 (broken down by the categories listed below) for the department. Please include specific categories as relevant to the department/entity and where relevant, provide a description of what categories constitute 'other'. Please provide figures consolidated on the same basis as the expenditure for the department in the budget papers and detail which, if any, entities are included in the FTE numbers provided.

Category	30 June 2017 Actual FTE number	30 June 2018 Actual FTE number	30 June 2019 Actual FTE number
Secretary			
EO-1	3	3	3
EO-2	4	4	4
EO-3			
VPS Grade 7 (STS)			
VPS Grade 6			
VPS Grade 5			
VPS Grade 4			
VPS Grade 3			
VPS Grade 2			
VPS Grade 1			
Government Teaching Service			
Health services	1447	1524	1579
Police			
Nurses/Midwives	2532	2595	2618
Allied health professionals	1194	1176	1172
Child protection			
Disability development and support			
*Youth custodial officers			
*Custodial officers			
**Other	982	1042	1068
Total	6162	6344	6444

***Please provide a breakdown for Youth custodial and Custodial officers by level (for example, YW1, YW2, YW3, YW4, YW5 and YW6).**

****Other includes:** Administration and clerical staff.

Numbers include FTE for the following entities:

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Question 16 (all departments and entities) Salary by employment category

In the table below, please detail the salary costs for 2016-17, 2017-18 and 2018-19, 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.

Employment category	Gross salary 2016-17 (\$ million)	Gross salary 2017-18 (\$ million)	Gross salary 2018-19 (\$ million)	Explanation for any year-on-year variances $\pm 10\%$ or \$100 million
Ongoing	428.0	467.6	502.9	
Fixed-term	277.8	302.8	325.7	
Casual	32.6	30.2	32.5	
Total	738.4	800.6	861.1	

Question 17 (all departments and entities) Executive salary increases

Please detail the number of executives who received increases in their base remuneration in 2017-18 and 2018-19, 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.

2017-18 Response

Increase in base remuneration	Number of executives receiving increases in their base rate of remuneration of this amount in 2017-18, apart from normal increases due to employment agreements	Reasons for these increases
0-3%	7	In line with GSERP contract.
3-5%		
5-10%		
10-15%		
greater than 15%		

2018-19 Response

Increase in base remuneration	Number of executives receiving increases in their base rate of remuneration of this amount in 2018-19, apart from normal increases due to employment agreements	Reasons for these increases
0-3%	6	In line with GSERP contract.
3-5%		
5-10%		
10-15%		
greater than 15%	1	Change in role.

Question 18 (all departments and entities) Enterprise Bargaining Agreement (EBAs)

Please list the Enterprise Bargaining Agreement (EBAs) concluded in 2017-18 and 2018-19 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.

2017-18 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
Health & Allied Services, Managers & Administrative Officer	2035	23%	2.0	0.27%
Nursing and Midwives	3169	36%	1.5	0.20%
Medical Specialists and Doctors in Training	1434	16%	2.7	0.37%

2018-19 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
Health & Allied Services, Managers & Administrative Officer	2237	24%	2.0	0.25%
Nursing and Midwives	3332	36%	3.9	0.49%
Medical Specialists and Doctors in Training	1480	16%	36.4	4.54%
Medical Scientists, Pharmacists and Psychologists	607	7%	4.6	0.57%

Section F: Government decisions impacting on the finances

Question 19 (all departments and entities) Commonwealth Government decisions

Please identify any Commonwealth Government decisions during 2017-18 and 2018-19 which had not been anticipated/not been concluded before the finalisation of the State budget in 2017-18 and 2018-19 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.

Not applicable to the Health Service

2017-18 Response

Commonwealth Government decision	Impact(s) in 2017-18	
	on income (\$ million)	on expenses (\$ million)
Nil.		

2018-19 Response

Commonwealth Government decision	Impact(s) in 2018-19	
	on income (\$ million)	on expenses (\$ million)
Nil.		

Question 20 (all departments and entities) Council of Australian Governments (COAG) decisions

Please identify any COAG decisions during 2017-18 and 2018-19 which had not been anticipated/not been concluded before the finalisation of the State Budget in 2017-18 and 2018-19 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 agreements). Please quantify the impact on income and expenses where possible.

Not applicable to the Health Service

2017-18 Response

Commonwealth Government decision	Impact in 2017-18	
	on income (\$ million)	on expenses (\$ million)
Nil.		

2018-19 Response

Commonwealth Government decision	Impact in 2018-19	
	on income (\$ million)	on expenses (\$ million)
Nil.		

Section G: General

Question 21 (all departments and entities) Key audit matters

Please list any Key Audit Matters (KAMs) identified by the Victorian Auditor General in the department/entities 2017-18 and 2018-19 annual reports and provide information about the associated actions taken by the department/entity to benefit future disclosures or manage associated risks, since the KAMs were identified.

2017-18 Response

Key audit matters identified	Actions taken
None identified.	

2018-19 Response

Key audit matters identified	Actions taken
None identified.	

Question 22 (all departments and entities) Reviews/studies undertaken

- a) Please list all internal and external reviews/studies commenced or completed by or on behalf of the department/agency in 2017-18 and 2018-19 and provide the following information:
- i. Name of the review/study and which portfolio and output/agency is responsible
 - ii. Reasons for the review/study
 - iii. Terms of reference/scope of the review/study
 - iv. Timeline for the review/study
 - v. Anticipated outcomes of the review/study
 - vi. Estimated cost of the review/study and final cost (if completed)
 - vii. Final cost if completed
 - viii. Where completed, whether the review/study is publicly available and where.

2017-18 Response

Name of the review (portfolio(s) and output(s)/agency responsible)	Reasons for the review/study	Term of reference/scope	Timeline	Anticipated outcomes	Estimated cost (\$)	Final cost if completed (\$)	Publicly available (Y/N) and URL
Evaluation – Caulfield ABI Unit	Post occupation evaluation	Review fitness for purpose of built solution	During 2017/18	Improved built solution	22.6k	22.6k	N
AMREP Strategic Review	Revision of AMREP Strategic Direction	Revision of AMREP Strategic Direction	During 2017/18	Relaunched Alfred Research Alliance	24.8k	24.8k	N
Masterplan & Feasibility Study *partially paid in 2018/19	Update to Masterplan incorporating plans for new St Kilda wing of The Alfred	Set by DHHS	Set by DHHS	Set by DHHS	607.9k (funded by DHHS)	607.9k* (funded by DHHS)	N
Psychiatry Service Plan Development	Incorporation into Service Plan	Set by DHHS	Set by DHHS	Set by DHHS	81.9k	81.9k	N

Human Resources Information Review	Post implementation review	Review implementation for key learnings	2017/18	Learnings for future implementations	44.0k	44.0k	N
Assessment of risks of Fraud & Corruption	Response to IBAC report on major risks of fraud & corruption in Public Health	Assess Alfred Health's risks in relation to the report	Included in Internal Audit Program	Risks matrix to inform Audit Committee in preparing Internal Audit Program	31.2k	31.2k	N
Clinical Service Reviews <ul style="list-style-type: none"> ▪ Diabetes ▪ Hyperbaric ▪ Radiation Oncology ▪ ICU Nursing 	Alfred Health regularly reviews clinical services in regard to: <ul style="list-style-type: none"> ▪ Benchmarking best practice ▪ Outcomes ▪ Workforce ▪ Work practices 	What steps are necessary to improve service	Various across 2017/18 and into 2018/19	Report and outcomes discussed and actions agreed and implemented by working groups	Costs are embedded in Health Service budgets.		N

2018-19 Response

Name of the review (portfolio(s) and output(s)/agency responsible)	Reasons for the review/study	Term of reference/scope	Timeline	Anticipated outcomes	Estimated cost (\$)	Final cost if completed (\$)	Publicly available (Y/N) and URL
Sub-Acute Mental Health Masterplan and feasibility assessment	Incorporation into Master Plan	Options for service and infrastructure design	2018/19	Scenarios for future planning	73.7k	73.7k	N
Masterplan and feasibility study	Update to Masterplan incorporating new inpatient tower at The Alfred	Set by DHHS	Set by DHHS	Set by DHHS	403.2k (funded by DHHS)	403.2k (funded by DHHS)	N
Safety & wellbeing behaviour change program	Training for staff	Provide increased skills for workforce	2018/19	Provide increased skills for workforce	67.2k	67.2k	N

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.

Question 23 (all departments and entities) Annual reports – performance measure targets and objective indicators

a) Please provide the following information on performance measures that did not meet their 2017-18 and 2018-19 targets

2017-18 Response

Performance measure	2017-18 target (Budget)	2017-18 actual (Annual report)	Variance	Explanation	Output(s) and portfolio(s) impacted
Patient Experience					
Victorian Healthcare Experience Survey – positive patient experience – Quarter 1	95%	88%	-7%	Old buildings and work environment reduces rating	
Victorian Healthcare Experience Survey – positive patient experience – Quarter 2	95%	91%	-4%	Old buildings and work environment reduces rating	
Victorian Healthcare Experience Survey – positive patient experience – Quarter 3	95%	94%	-1%	Old buildings and work environment reduces rating	
Victorian Healthcare Experience Survey – discharge care – Quarter 1	75%	72%	-3%	Old buildings and work environment reduces rating	
Victorian Healthcare Experience Survey- patients' perception of cleanliness – Quarter 1	70%	64%	-6%	Old buildings and work environment reduces rating	
Victorian Healthcare Experience Survey- patients' perception of cleanliness – Quarter 2	70%	54%	-16%	Old buildings and work environment reduces rating	
Victorian Healthcare Experience Survey- patients' perception of cleanliness – Quarter 3	70%	61%	-9%	Old buildings and work environment reduces rating	
Healthcare-associated infections					
Rate of patients with SAB per occupied bed day	≤ 1/10,000	1.06	0.06	Rate slightly higher largely due to patient complexity	

Adverse events					
Number of sentinel events	Nil	2	2	Small number of cases reported as per guidelines.	
Continuing care					
Functional independence gains from an episode of GEM3 admission to discharge relative to length of stay	≤ 0.39	0.71	0.32	Due to change in acuity of patient cohort	
Functional independence gains from an episode of rehabilitation admission to discharge relative to length of stay	≤ 0.645	0.765	0.12	Due to change in acuity of patient cohort	
Governance, leadership and culture					
People Matter Survey – percentage of staff with an overall positive response to safety and culture questions	80%	75%	-5%	Scores in clinical areas are above target. Non clinical staff tend to answer as “don’t know” at greater levels.	
People Matter Survey – percentage of staff with a positive response to the statement: "Patient care errors are handled appropriately in my work area"	80%	77%	-3%	Normal variation to target, no change.	
People Matter Survey – percentage of staff with a positive response to the statement: "My suggestions about patient safety would be acted upon if I expressed them to my manager"	80%	75%	-5%	Non clinical staff may not fully understand the question	
People Matter Survey – percentage of staff with a positive response to the statement: "The culture in my work area"	80%	70%	-10%	Non clinical staff may not fully understand the question	

makes it easy to learn from the errors of others"					
People Matter Survey – percentage of staff with a positive response to the statement: "Management is driving us to be a safety-centred organisation"	80%	76%	-4%	Non clinical staff may not fully understand the question	
People Matter Survey – percentage of staff with a positive response to the statement: "This health service does a good job of training new and existing staff"	80%	67%	-13%	Non clinical staff may not fully understand the question	
People Matter Survey – percentage of staff with a positive response to the statement: "Trainees in my discipline are adequately supervised"	80%	69%	-11%	Non clinical staff may not fully understand the question	
Emergency care					
Percentage of patients transferred from ambulance to emergency department within 40 minutes	90%	Alfred 84%	-6%	Building works in ED	
Percentage of Triage Category 1 to 5 emergency patients seen within clinically recommended time	80%	Alfred 79%	-1%		
Elective surgery					
Number of patients admitted from the elective surgery waiting list	11,500	11,257	-243	More emergency patients	
Finance					
Average number of days to receiving patient fee debtors	60 days	64 days	4 days	Higher than target due to delays in receipts from health funds.	

Public and private WIES activity performance to target	100%	96.2%	-3.8%	Coded WIES yields reduced. Acute activity funding protected through specific grants.	
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2018-19 Response

Performance measure	2018-19 target (Budget)	2018-19 actual (Annual report)	Variance	Explanation	Output(s) and portfolio(s) impacted
Patient Experience					
Victorian Healthcare Experience Survey – percentage positive patient experience responses – Quarter 1	95%	90%	-5%	Old buildings and work environment reduces rating	
Victorian Healthcare Experience Survey – percentage positive patient experience responses – Quarter 2	95%	89%	-1%	Old buildings and work environment reduces rating	
Victorian Healthcare Experience Survey – percentage positive patient experience responses – Quarter 3	95%	94%	-1%	Old buildings and work environment reduces rating	
Victorian Healthcare Experience Survey – transition of care – Quarter 1	75%	72%	-3%	Old buildings and work environment reduces rating	
Victorian Healthcare Experience Survey – transition of care – Quarter 3	75%	74%	-1%	Old buildings and work environment reduces rating	
Victorian Healthcare Experience Survey- patients’ perception of cleanliness – Quarter 1	70%	56%	-14%	Old buildings and work environment reduces rating	
Victorian Healthcare Experience Survey- patients’ perception of cleanliness – Quarter 2	70%	62%	-8%	Old buildings and work environment reduces rating	

Victorian Healthcare Experience Survey- patients' perception of cleanliness – Quarter 3	70%	55%	-15%	Old buildings and work environment reduces rating	
Healthcare-associated infections (HAIs)					
Number of patients with ICU central line-associated bloodstream infection (CLABSI)	Nil	5 ICU CLABSIs (rate of 0.48)	5	Absolute rate does not take account of large number of ICU beds. Rate/1000 bed days has decreased	
Rate of patients with SAB per occupied bed day	≤ 1/10,000	1.26/10,000	0.26	Largely due to patient complexity. Very few cases involving simple IV lines.	
Adverse events					
Unplanned re-admission hip replacement	Annual rate ≤ 2.5%	The Alfred 2.9%	0.4%	Very small numbers therefore small changes impact the rate. Readmissions usually related to co-morbidities	
Organisational culture					
People Matter Survey – percentage of staff with an overall positive response to safety and culture questions	80%	72%	-8%	Non clinical staff may not fully understand the question	
People Matter Survey – percentage of staff with a positive response to the question: “Patient care errors are handled appropriately in my work area	81%	75%	-5%	Non clinical staff may not fully understand the question	
People Matter Survey – percentage of staff with a positive response to the question: “My suggestions about patient safety would be acted upon if I expressed them to my manager.”	80%	72%	-8%	Non clinical staff may not fully understand the question	
People Matter Survey – percentage of staff with a positive response to the question:	80%	70%	-10%	Non clinical staff may not fully understand the question	

“The culture in my work area makes it easy to learn from the errors of others.”					
People Matter Survey – percentage of staff with a positive response to the question: “Management is driving us to be a safety-centred organisation.”	80%	69%	-11%	Non clinical staff may not fully understand the question	
People Matter Survey – percentage of staff with a positive response to the question: “This health service does a good job of training new and existing staff.”	80%	65%	-15%	Non clinical staff may not fully understand the question	
People Matter Survey – percentage of staff with a positive response to the question: “Trainees in my discipline are adequately supervised.”	80%	66%	-14%	Non clinical staff may not fully understand the question	
Emergency care					
Percentage of patients transferred from ambulance to emergency department within 40 minutes	90%	Alfred 84%	-6%	Unplanned reduction in hospital capacity	
Percentage of Triage Category 1 to 5 emergency patients seen within clinically recommended time	80%	Alfred 78%	-2%	Unplanned reduction in hospital capacity	
Percentage of emergency patients with a length of stay in the Emergency Department of less than four hours (NEAT)	80%	Alfred 76%	-4%	Unplanned reduction in hospital capacity	
Number of patients with a length of stay in the Emergency Department greater than 24 hours	0	1	1	Data error	
Elective surgery					
Number of patients admitted from the elective surgery waiting list	11,500	11,060	-440	More emergency target in 2019/20	

Finance					
Average number of days to receiving patient fee debtors	60 days	68 days	8 days	Higher than target due to delays in receipts from health funds.	
Measures the accuracy of forecasting the net result from transactions (NRFT) for the current financial year ending 30 June	Variance ≤ \$250,000	\$2.33m	\$2.08m	Higher than target due to additional DHHS capital grants received in June 19.	

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

2017-18 Response

Objective indicators stated in annual report for which data was not available at date of publication	Best available data for 2017-18 and relevant date (ie. 95 through January 2018)	Explanation for the absence of data in annual report
Nil.		

2018-19 Response

Objective indicators stated in annual report for which data was not available at date of publication	Best available data for 2018-19 and relevant date (ie. 95 through January 2019)	Explanation for lack of timely data in annual report	Action taken to ensure timely data for 2019-20 annual report
Nil.			

Question 24 (all departments and entities) Challenges experienced by department/agency

Please list a minimum of five main challenges faced by the department/agency in 2017-18 and 2018-19.

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.

2017-18 Response

	Challenge experienced	Internal/ External	Causes of the challenge
1.	Increase patient demand for services	Both	Service capacity growth not matching demand Physical capacity limitations
2.	Unplanned reduction in capacity	Internal	Failing infrastructure
3.	Behaviours of concern towards staff and by patients	External	Changes in societal attitudes towards health professionals
4.			
5.			
6.			
7.			

2018-19 Response

	Challenge experienced	Internal/ External	Causes of the challenge
1.	Increase patient demand for services	Both	Service capacity growth not matching demand Physical capacity limitations
2.	Unplanned reduction in capacity including major events: a) Closure of elective surgery due to major repairs Weather event reducing theatre capacity	Internal	Failing infrastructure
3.	Behaviours of concern towards staff and by patients	External	Changes in societal attitudes towards health professionals
4.			
5.			
6.			
7.			

Question 25 (all departments) Newly created bodies

Please list all newly created bodies (authorities, offices, commissions, boards and/or councils) created within the department in 2017-18 and 2018-19 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.

Not applicable to the Health Service

2017-18 response

Name of the body	Date body created	Expenditure in 2017-18	FTE staff	Purpose/function(s) of the body
Not applicable.				

2018-19 response

Name of the body	Date body created	Expenditure in 2018-19	FTE staff	Purpose/function(s) of the body
Not applicable				

Section H: Implementation of previous recommendations

Question 26 (relevant departments only)

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 2016-17 Financial and Performance Outcomes* and supported by the Government. Please delete those lines that are not relevant to the department.

Not applicable to the Health Service

Department	Recommendation supported by Government	Actions taken at 20 September 2018	Update on status of implementation
DTF	<p>RECOMMENDATION 1: Due to the historic volatility of the net result for the public financial corporations sector and its significant variance from budget estimates, future Annual Financial Reports contain a specific explanation for growth from the previous year and variance from original estimates. These explanations should separate the operating result and other economic flows, and discuss any relevant macroeconomic factors in more detail.</p>	<p>Future Annual Financial Reports will include an explanation of the key drivers of the net result for the public financial corporations sector. This will include comments on the operating result and other economic flows separately. In this respect, it is worth noting that other economic flows are largely attributable to the impact that movements in bond yields have on the valuation of liabilities of the Treasury Corporation of Victoria (TCV) and the State's insurance agencies. In particular, of the \$6.2 billion of other economic flows that were reported in the 2016-17 Annual Financial Report for the PFC sector, over half related to a gain that arose due to the impact that a fall in bond yields had on the value of these agencies' liabilities.</p>	

<p>DTF</p>	<p>RECOMMENDATION 2: When estimates of the net result for the public financial corporations sector are altered by more than \$1 billion in any direction in a budget update or a subsequent set of budget papers, a detailed explanation be provided of the updated estimate, including reasons why the estimate has changed.</p>	<p>Future budget papers will include an explanation of variations to the estimated net result for the public financial corporations sector that exceed \$1 billion. Please note that variations of this order are not unexpected as the liabilities of this sector can vary significantly as a result of movements in the bond yields that underlie their valuation.</p>	
<p>DTF/DHHS/ DPC</p>	<p>RECOMMENDATION 4: Targets and metrics developed for gender equality are developed that include:</p> <ul style="list-style-type: none"> (a) measuring the impact of the overall Budget on women and girls aged over 12 (b) performance measures tracking achievements and progress at the departmental level, reported upon annually 	<p>The Government has commenced the introduction of Gender Equality Budget Statements, starting with the inaugural 2017-18 Gender Equality Budget Statement. All future budgets will be required to identify specific budget impacts on Gender Equality.</p> <p>The Victorian Government has developed a draft Outcomes Framework to measure progress towards our vision for gender equality in Victoria. The draft Outcomes Framework includes preliminary outcome indicators and potential targets, and details how progress against Safe and Strong: A Victorian Gender Equality Strategy will be measured and reported. Critically, the Outcomes Framework will provide the Victorian Government with both quantitative and qualitative data to promote accountability, inform decision-making, and facilitate organisational learning and continuous improvement. Reports against the</p>	

	<p>(c) targets for greater gender equality in the public sector, including recruitment and the procurement of gender-responsive suppliers and contractors.</p>	<p>Outcomes Framework will form the basis for annual reporting on progress towards gender equality targets.</p> <p>The Department of Health and Human Services has established the Gender Equality Deputy Secretaries Group working across all Victorian Public Service agencies to drive actions within their own departments and the public sector more broadly. The Office of Prevention and Women's Equality will commence reporting on progress with gender equality initiatives from July 2018 through the Gender Equality Deputy Secretaries Group to the Victorian Secretaries Board. The Department of Health and Human Services has also been working with the Department of Treasury and Finance to evaluate the social and economic impact of gender equality in our policies, service delivery and budgets.</p> <p>Significant progress has been made to implement Safe and Strong: A Victorian Gender Equality Strategy within the public sector including meeting and then exceeding the Premier's Women on Boards commitment. Since setting this target in March 2015, the representation of women on paid boards has increased from 39% to 53% as of 28 March 2018.</p>	
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<p>DHHS</p>	<p>RECOMMENDATION 10: Where unplanned/unexpected re-admissions targets are exceeded by more than five per cent, or lower than five per cent the Department of Health and Human Services provide reasons for the result in its annual report.</p>	<p>Results below target occur when the number of avoidable readmissions varies significantly from that expected. Readmissions can be reduced through effective discharge planning that ensures appropriate physical and social supports are available to the patients. Often patients will return to hospital due to pain, infection or concern that recovery is not progressing as expected. A good discharge plan will address these factors pre-emptively through incorporating a suitable level of rehabilitation, a pain management plan and scheduled review appointments.</p> <p>In 2018-19, Safer Care Victoria will commence further work with health services to identify the causes underlying unplanned readmissions of hip replacement surgery patients and will expect health services to develop improvements to reduce this rate as part of their work plans. This process will give the Department of Health and Human Services a level of information that was not previously available to it.</p> <p>Safer Care Victoria has recently started a state-wide improvement program, led by the Victorian Paediatric Clinical Network, to reduce variation in tonsillitis care overall and will include consideration of unplanned readmission.</p>	
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		<p>Safer Care Victoria will work with the department to improve the level of detail that accompanies performance outcome reporting in the annual report.</p>	
DHHS	<p>The Department of Health and Human Services:</p> <p>(a) disclose in its annual report information showing trends in elective surgery waiting times for particular specialities that show a significant improvement or deterioration</p> <p>(b) explore the option of expanding the indicator on chronic disease risk factors beyond smoking.</p>	<p>Data analysis by specialty has commenced that will inform the selection of potential specialties to be part of a reporting set. These will then be tested with Safer Care Victoria, consumers and health service executives to ensure they are operationally and clinically meaningful representations of waiting time.</p> <p>The Department of Health and Human Services will explore the option to expand indicators on chronic disease risk factors (e.g. overweight and obesity, fruit and vegetable consumption, and physical activity) in budget performance measures to facilitate trend analysis and allow comparisons to benchmarks. The department notes there can be a significant lag time between the Victorian Public Health Survey (which surveys these risk factors across the Victorian community) and the availability of data on these indicators.</p>	
DET	<p>RECOMMENDATION 13: The Department of Education and Training explain in its annual report the rationale for not reporting against all of the indicators set out in the Budget.</p>	<p>DET supports inclusion of this information and, where data is unavailable at the time of submission of the Annual Report, DET will provide the most recent available data and include a</p>	

		<p>footnote explaining the rationale for not including this information.</p> <p>DET notes that data for the measure 'Children who have no general developmental issues on entry to prep' was reported on pages 21 and 22 of the 2016-17 DET Annual Report, and that data for the measure 'VET participation by learners facing barriers' was not available at the time of submission of the Annual Report.</p>	
DET	<p>RECOMMENDATION 17: To assist interested parties assess actual performance against targeted activity, if final figures for the current reporting year are not available in time for report publication, the Department of Education and Training disclose in its annual report how this data relating to the Early Childhood Development output can be accessed and the latest date that the data will become publicly available.</p>	<p>Where Early Childhood data is unavailable in the future, DET will provide the most recent available data and include a footnote explaining the rationale for non-inclusion. A web link to the most up-to-date published data will also be included on the DET website. Updated data will be published in the subsequent DET Annual Report.</p>	
DJPR/DOT	<p>RECOMMENDATION 18: Where activities of the Department during a year have an impact on outcomes relevant to the Department's objectives, such as increasing employment opportunities, the Department of Economic Development, Jobs, Transport and Resources' annual report reflect this to enhance its accountability</p>	<p>The Department will continue to investigate opportunities to enhance its accountability through providing additional information on the achievement of outcomes in its annual report.</p>	
DELWP	<p>RECOMMENDATION 27: For the newly established objective 'Reliable, efficient, accessible, safe and sustainable energy services', the Department of Environment, Land, Water and Planning develop a wider suite of indicators to complement the sole indicator that currently relates to only renewables.</p>	<p>Implemented</p>	

<p>DELWP</p>	<p>RECOMMENDATION 28: For the objective 'Sustainable and effective local governments', the Department of Environment, Land, Water and Planning report on a greater suite of quantitative indicators that reflect the work of Local Government Victoria</p>	<p>The Department of Environment, Land, Water and Planning supports the recommendation.</p> <p>As part of the department's annual business planning process, the department continually reviews and assesses its objective indicators and performance measures, for relevance and appropriateness, to ensure the department can appropriately measure its service delivery performance.</p> <p>DELWP will incorporate PAEC's recommendation as part of its 2019-20 annual business planning process, with full implementation anticipated for 2020-21 reporting.</p>	
<p>DELWP</p>	<p>RECOMMENDATION 29: The Department of Environment, Land, Water and Planning explain in its annual report the basis for the state-wide bushfire risk of 70 per cent or below target and what the target means in lay terms</p>	<p>The Department of Environment, Land, Water and Planning's approach to bushfire risk assessment is outlined on page 80 of the 2017 DELWP annual report.</p> <p>Further explanation is also provided on page 17 of DELWP's 2016-20 corporate plan and is also explained in detail in the following Government policy document: Safer Together – a new approach to reducing the risk of bushfire in Victoria.</p> <p>DELWP will provide additional clarifying information in the 2018 DELWP Annual Report on the basis for the state-wide</p>	

		bushfire risk of 70 per cent or below target, and what the target means.	
DELWP	RECOMMENDATION 30: Where there is a significant underspend in a year due to a delay experienced in a particular program, the Department of Environment, Land, Water and Planning explain the circumstances surrounding the delay in its annual report and remedial action taken, rather than only disclosing the delay	The Department of Environment, Land, Water and Planning supports the recommendation and agrees to provide further detail and context in its annual report, on programs that have been significantly underspent and delayed.	
DPC	RECOMMENDATION 31: Where significant proportions of output funding are not spent in a year and carried forward to the subsequent year, the Department of Premier and Cabinet outline the underlying reasons for the under-spend in the annual report, together with a discussion on the subsequent impact on the delivery of services and outcomes for that year	Output – Aboriginal Policy, Strengthening Aboriginal Cultural Heritage and Communities – underspend \$7.6 million The underspend is due to delays in several projects, the largest being the First Mortgage on Aboriginal Community - Community Infrastructure Program (FMCIP) and redevelopment of the Sir Douglas Nicholls Oval. The FMCIP experienced delays in the development of the program guidelines as Aboriginal Victoria sought the views of a number of Aboriginal Community Controlled organisations to co-design elements of the guidelines. The Department of Premier and Cabinet (DPC) will meet 2018–19 BP3 targets for the lifting of first mortgages. DPC has released the budgeted \$1 million which supports redeveloping the Sir Douglas Nicholls Oval. Upgrades, repairs and maintenance are currently underway. Other minor project delays were the following:	

		<ul style="list-style-type: none"> • The delay in the delivery of a training program was due to low participant uptake. The impact is that there needs to be a reconsideration of the most appropriate governance model for the Aboriginal community. No program will be delivered during 2018–19 whilst a new approach is developed. • Aboriginal Lands Act (ALA) review was delayed due to a change to the management approach. Private contractors were the preferred choice to enable a more rigorous, culturally appropriate and transparent outcome for the community. • Aboriginal Heritage Country Mapping has commenced. The evaluation and scoping process resulted in release of funding for the Pilot Project and on agreed project milestones, however 20 per cent of the project will fall into 2018–19. • Ancestral Remains Database (ARD) currently does not have the required functionality and requires an internal gap analysis to determine needs. It is expected that this project will proceed in 2018–19. 	
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		<p>Output – Support to Veterans in Victoria – underspend \$0.9 million The underspend related to phasing of payments and delays in meeting funding milestones with some ANZAC Centenary projects and with the Victoria Remembers grant program. These did not have a negative impact on program and outcome delivery.</p> <p>Output – Public Sector ICT and Digital Government – underspend \$14.7 million The 2016–17 actual is less than the target mainly due to unspent funding relating to a grant received from the Department of Economic Development, Jobs, Transport and Resources which was received and used for future operational requirements.</p>	
DTF	<p>RECOMMENDATION 33: To provide clearer performance-related connections in the Department’s annual report, the Department of Treasury and Finance link its objectives and performance indicators with its outputs to be delivered as part of the budget process.</p>	<p>Clearer links between objectives, objective indicators, outputs and performance measures were introduced in the 2017-18 Budget and will be reported against in the 2017-18 Annual Report.</p>	
DTF	<p>RECOMMENDATION 35: The Department of Treasury and Finance include comprehensive information in its annual report of the outcomes achieved in relation to the indicator ‘Ensure high-value high-risk Government projects are completed within agreed timeframes and scope’.</p>	<p>The objective indicator “Ensure high-value high-risk Government projects are completed within agreed timeframes and scope through ensuring adherence to standards” was superseded by “percentage of Government projects completed within agreed budgets, timeframes and scope or evidenced by timely and appropriate remedial actions where necessary” in 2017-18. This</p>	

		indicator was amended to reflect a more measurable outcomes focus, in accordance with DTF's Whole of Victorian Government Performance Management Framework. DTF will provide information in its 2017-18 Annual Report of the outcomes achieved in relation to the revised indicator.	
DTF	<p>RECOMMENDATION 36: The Department of Treasury and Finance disclose whether their key clients consider high quality, timely and relevant advice has been provided on:</p> <ul style="list-style-type: none"> (a) economic policy, forecasts, legislation and frameworks (b) asset management, the delivery of infrastructure, management of government land, borrowings, investments, insurance, superannuation issues and prudential supervision in its annual report 	DTF supports this recommendation and will include further detail in its 2018-19 Annual Report.	

Section I: Department of Treasury and Finance only

Question 27 (DTF only) Revenue certification

Not applicable to the Health Service

The Resource Management Framework outlines that on receipt of a revenue certification invoice, DTF assesses actual departmental output performance against agreed performance measures based on output delivery. In the event that assessment at output level may be deemed inappropriate, DTF and the department may agree on alternative, suitable and appropriate performance information that could be used as the basis for revenue certification.⁵

Please detail all outputs which DTF assessed as not having met their measures for 2017-18 and 2018-19, indicating for each:

- a) the relevant Department, output and portfolio
- b) the performance measure(s) not met
- c) the reasons provided by the Department for the performance measure(s) not being met
- d) the amount of the initial invoice
- e) the amount of revenue certified
- f) the evidence base used for the revenue certification.

2017-18 Response

Department	Output(s) and portfolio(s)	Performance measure(s) not met	Reason for not meeting the measure(s)	Initial invoice (\$ million)	Revenue certified (\$ million)	Evidence used for approving the invoice or not approving the invoice

2018-19 Response

Department	Output(s) and portfolio(s)	Performance measure(s) not met	Reason for not meeting the measure(s)	Initial invoice (\$ million)	Revenue certified (\$ million)	Evidence used for approving the invoice or not approving the invoice

⁵ Resource Management Framework, pg. 93

Question 28 (DTF only) Net cash flows from investments in financial assets for policy purposes – General Government Sector (GGS)

Not applicable to the Health Service

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 2017-18 and 2018-19, please provide:

- a) the top five projects that contributed to the variance recorded in each year
- b) the initial budget estimate (not the revised estimate) for net cash flow in 2017-18 and 2018-19 (source: 2017-18 BP 5, pg. 10 and 2018-19 BP 5, pg. 10) and the actual net cash flow in 2017-18 and 2018-19 (source: 2017-18 Financial Report, pg. 31 and 2018-19 Financial Report, pg. 31)
- c) an explanation for variances between budget estimate and actual net cash flow.

2017-18 Response

	Project name	Department	Output(s) and portfolio(s)	Estimated net cash flow in 2017-18	Actual net cash flow in 2017-18	Variance explanation
1.						
2.						
3.						
4.						
	Other					
	Total net cash flow					

2018-19 Response

	Project name	Department	Output(s) and portfolio(s)	Estimated net cash flow in 2018-19	Actual net cash flow in 2019-20	Variance explanation
1.						
2.						
3.						
4.						
5.						
	Other					
	Total net cash flow					

Question 29 (DTF only) Purchases of non-financial assets – General Government Sector (GGS)

Regarding the ‘purchases of non-financial assets’ by the GGS in 2017-18 and 2018-19 (source: 2017-18 BP 5, pg. 31 and 2018-19 BP 5, pg. 31), please compare the initial budget estimate for each department to the actual value of ‘purchases of non-financial assets’ (source: 2017-18 Financial Report, pg. 45 and 2018-19 Financial Report, pg. 31) for each department, explaining any variances equal to or greater than ±10% or \$100 million (please fill all blank spaces) and then link it to the relevant output and portfolio.

Not applicable to the Health Service

2017-18 Response

By department	Types of non-financial assets	Initial budget estimate 2017-18 \$ million	Actual 2017-18 \$ million	Variance (%)	Variance explanation	Relevant Output(s) and portfolio(s)
Department of Health and Human Services						
Department of Economic Development, Jobs, Transport and Resources						
Department of Education and Training						
Department of Justice and Regulation						
Department of Environment, Land, Water and Planning						
Court Services Victoria						
Department of Premier and Cabinet						
Department of Treasury and Finance						
Department of Parliamentary Services						

2018-19 Response

By department	Types of non-financial assets	Initial budget estimate 2018-19 \$ million	Actual 2018-19 \$ million	Variance (%)	Variance explanation	Relevant Output(s) and portfolio(s)
Department of Health and Human Services						
Department of Transport						
Department of Justice and Community Safety						
Department of Education and Training						
Department of Jobs, Precincts and Regions						
Department of Environment, Land, Water and Planning						
Court Services Victoria						
Department of Premier and Cabinet						
Department of Treasury and Finance						
Department of Parliamentary Services						

Question 30 (DTF only) Revenue initiatives

Regarding the revenue initiatives announced in the 2017-18 and 2018-19 Budgets, please provide an explanation for the variances equal to or greater than ±10% or \$100 million between budget estimates and the actual results.

Not applicable to the Health Service

2017-18 Response

Initiative	2017-18 budget estimate (\$ million)	2017-18 actual (\$ million)	Explanation for any variance ±10% or \$100 million

2018-19 Response

Initiative	2018-19 budget estimate (\$ million)	2018-19 actual (\$ million)	Explanation for any variance ±10% or \$100 million

Question 31 (DTF only) Expenses by departments – General Government Sector (GGS)

Regarding expenses of the GGS in 2017-18 and 2018-19 (source: 2017-18 BP 5, pg. 30 and 2018-19 BP 5, pg. 30), please compare the initial budget estimates (not the revised estimate) for each department to the actual expenses for each department (source: 2017-18 Financial Report, pg. 45 and 2018-19 Financial Report, pg. 45), 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.

Not applicable to the Health Service

2017-18 Response

By department	Initial budget estimate 2017-18 \$ million	Actual 2017-18 \$ million	Variance (%)	Variance explanation	Relevant Output(s) and portfolio(s)
Department of Health and Human Services					
Department of Economic Development, Jobs, Transport and Resources					
Department of Education and Training					
Department of Justice and Regulation					
Department of Environment, Land, Water and Planning					
Court Services Victoria					
Department of Premier and Cabinet					
Department of Treasury and Finance					
Department of Parliamentary Services					

2018-19 Response

By department	Initial budget estimate 2018-19 \$ million	Actual 2018-19 \$ million	Variance (%)	Variance explanation	Relevant Output(s) and portfolio(s)
Department of Health and Human Services					
Department of Education and Training					
Department of Transport					
Department of Justice and Community Safety					
Department of Environment, Land, Water and Planning					
Department of Jobs, Precincts and Regions					
Court Services Victoria					
Department of Premier and Cabinet					
Department of Treasury and Finance					
Department of Parliamentary Services					

Question 32 (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 2017-18 and 2018-19 budget papers (not revised estimates). For any variance equal to or greater than ±0.5 percentage points, please provide an explanation for the variance. Please fill all blank spaces.

Not applicable to the Health Service

2017-18 Response

Economic variable	Budget estimate 2017-18	Actual 2017-18 result	Variance	Explanation for variances equal to or greater than ±0.5 percentage points
Real gross state product growth				
Employment growth				
Unemployment rate				
Consumer price index growth				
Wage price index growth				
Population growth				
Interest rates				
Household consumption growth				
Property prices growth				
Property volume				
Employee expenses				
Exchange rate				

2018-19 Response

Economic variable	Budget estimate 2018-19	Actual 2018-19 result	Variance	Explanation for variances equal to or greater than ± 0.5 percentage points
Real gross state product growth				
Employment growth				
Unemployment rate				
Consumer price index growth				
Wage price index growth				
Population growth				
Interest rates ^(a)				
Household consumption growth				
Property prices growth				
Property volume				
Employee expenses				
Exchange rate				

Question 33 (DTF only) Resource Management Framework – Funding reviews

Not applicable to the Health Service

Section 6.2 of the Resource Management Framework outlines the funding review policy of the evaluation stage of the Integrated Management Cycle.

Section 6.2 states that ‘the requirements and guidance for doing reviews are currently under review’ and that ‘Departments will be advised when this policy is updated’. Please provide an update of the review and the status of the policy.

Section J: Treasury Corporation of Victoria only

Question 34 Dividends

Not applicable to the Health Service

- a) Please explain the factors that have been involved in the negotiations with the Treasurer, in relation to the amount of dividends paid by the Treasurer Corporation of Victoria (TCV) in 2017-18 and 2018-19.

	Dividends paid in 2017-18	Dividends paid in 2018-19
Amount of dividends paid (\$ million)		
Factors that have been involved in the negotiations with the Treasurer to determine the amount of dividends paid.		

Question 35 Commodity risk management

Not applicable to the Health Service

- a) Please provide details of TCV's Commodity Risk Management Policy

- b) Please explain how this policy influenced the business activities undertaken by TCV in 2017-18 and 2018-19

Question 36 Foreign exchange risk management

Not applicable to the Health Service

- a) Please provide details of TCV’s Foreign Risk Management Policy

- b) Explain how this policy influenced the business activities undertaken by TCV in 2017-18 and 2018-19.

Question 37 Public Private Partnership (PPP) projects

Not applicable to the Health Service

- a) Please indicate how many PPP projects (and which ones) TCV provided ‘project advisory services’ for in 2017-18 and 2018-19. 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.

b) Please indicate how many business cases TCV provided (and which clients these were for) as part of its 'project advisory services' in 2017-18 and 2018-19. For each business case, also specify if the project forms part of the Department of Treasury and Finance's Gateway Review Process.

2017-18 Response

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

2018-19 Response

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

Question 38 Green Bonds

Not applicable to the Health Service

How many TCV Green Bonds were issued in 2017-18 and 2018-19? Please also indicate the maturity and the rate of return.