



**PUBLIC ACCOUNTS AND ESTIMATES COMMITTEE**

**2015-16 FINANCIAL AND PERFORMANCE OUTCOMES  
GENERAL QUESTIONNAIRE**

**TREASURY CORPORATION OF VICTORIA**

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## **SECTION A: Output variances and program outcomes**

### ***Question 1 (all departments) Completed initiatives from past budgets***

This question does not apply to your agency.

### ***Question 2 (departments only) Treasurer's advances and other budget supplementation***

This question does not apply to your agency.

### ***Question 3 (Department of Treasury and Finance only) Revenue certification***

This question does not apply to your agency.

## **SECTION B: Asset investment (departments only)**

### ***Question 4 Details of actual investment and variance against budget – current projects***

This question does not apply to your agency.

### ***Question 5 Details of actual investment and variance against budget – projects completed (or expected to be completed)***

This question does not apply to your agency.

### ***Question 6 Major Projects Victoria and high-value high-risk projects***

This question does not apply to your agency.

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***Question 7 PPP expenditure and line items***

This question does not apply to your agency.

***Question 8 Net cash flows from investments in financial assets for policy purposes – GGS***

This question does not apply to your agency.

***Question 9 Net cash flows from investments in financial assets for policy purposes – SoV***

This question does not apply to your agency.

***Question 10 (Department of Treasury and Finance only) Purchases of non-financial assets – government purpose classification***

This question does not apply to your agency.

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## SECTION B: Asset investment (non-departments only)

### Question 11 Details of actual investment and variance against budget for projects

Please provide the following details for any asset investment project where actual expenditure in 2015-16 varied by \$±10 million or more from the initial budget estimate at the start of the relevant year (**not** the revised estimate).

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

Project	Estimated expenditure in 2015-16 (2015-16 budget papers) (\$ million)	Actual expenditure in 2015-16 (\$ million)	Explanation for variance	Estimated financial completion date in 2015-16 budget papers	Estimated financial completion date in 2016-17 budget papers	Explanation for any changes to the estimated financial completion date
No relevant projects						

### Question 12 Details of actual investment and variance against budget for entities

Please detail the initial budget estimates (**not** the revised estimate) for 'purchases of non-financial assets' for 2015-16 (or equivalent line items in the cash flow statements) for your entity, the actual amounts of those line item in your annual reports and an explanation for any variances greater than ±10 per cent or \$100 million. Initial budget estimates for departments are listed in Department of Treasury and Finance, *Budget Paper No.5: 2015-16 Statement of Finances* (2015), p.40

Initial budget estimate for 2015-16 (\$ million)	Actual for 2015-16 (\$ million)	Explanation for any variance greater than ±10 per cent or \$100 million
0.4	0.2	Property Plant and Equipment – variance reflects budgeted leasehold improvements being deferred and the motor vehicle fleet (salary packaged vehicles) reducing
1.2	1.0	Software – variance reflects the deferral of a number of small/non critical IT projects

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## SECTION C: Revenue and appropriations

### **Question 13 (all departments and entities) Changes from previous year by revenue/income category**

Please explain any changes greater than  $\pm 10$  per cent or \$100 million between the actual result for 2014-15 and the actual result for 2015-16 for each revenue/income category detailed in your operating statement. Please also indicate what any additional revenue was used for or how any reduced amounts of revenue affected service delivery.

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

If there were no revenue/income categories for your department/agency for which the 2015-16 expenditure changed from the prior year's expenditure by more than  $\pm 10$  per cent or \$100 million, you do not need to answer this question. If this is the case, please indicate 'no relevant line items' in the table(s) below.

Revenue category	2014-15 actual (\$ million)	2015-16 actual (\$ million)	Explanations for changes greater than $\pm 10$ per cent or \$100 million	How the additional revenue was used/the impact of reduced revenue
Net gain on financial assets at fair value through profit and loss	41.2	53.9	The 'net gain on financial assets at fair value through profit and loss' was higher than 2014-15 due to an increase in revenue generated from the active management of the asset and liability mismatches on the TCV balance sheet.	Subject to the Treasurer's determination, it is anticipated that TCV's net profit for 2015-16 will be paid in full to the Consolidated Fund.
Other fees and income	8.7	8.8		

### **Question 14 (all departments and entities) Variances from budget/target by revenue/income category**

Please explain any variances greater than  $\pm 10$  per cent or \$100 million between the initial budget estimate (**not** the revised estimate) and the actual result for 2015-16 for each revenue/income category detailed in your operating statement. Please also identify any actions taken in response to the variations, either to mitigate or take advantage of the impact.

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

If there were no revenue/income categories for your department/agency for which the 2015-16 expenditure varied from the initial budget estimate by more than  $\pm 10$  per cent or \$100 million, you do not need to answer this question. If this is the case, please indicate 'no relevant line items' in the table(s) below.

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Revenue category	2015-16 budget estimate (\$ million)	2015-16 actual (\$ million)	Explanations for variances greater than $\pm 10$ per cent or \$100 million	Actions taken in response
	35.8	53.9	The higher than budget outcome was due to an increase in revenue generated from the active management of the asset and liability mismatches on the TCV balance sheet.	n/a
	7.9	8.8	Delay in Port of Melbourne sale left DTF's loan liabilities higher than budgeted, and thus the associated fees charged by TCV.	n/a

**Question 15 (departments only)**

This question does not apply to your agency.

**Question 16 Revenue from trust accounts passed to other bodies (departments only)**

This question does not apply to your agency.

**Question 17 (Department of Treasury and Finance only) Revenue initiatives**

This question does not apply to your agency.

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## SECTION D: Expenses

### **Question 18 Expenses changed from previous year**

Please explain any changes greater than  $\pm 10$  per cent or \$100 million between the prior year's actual result and the actual result for 2015-16 for each category of expenses detailed in your operating statement. Please also detail the outcomes in the community<sup>1</sup> achieved by any additional expenses or the impact on the community of reduced expenses (if there was no impact, please explain how that was achieved).

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

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

<b>Expenses category</b>	<b>2014-15 actual (\$ million)</b>	<b>2015-16 actual (\$ million)</b>	<b>Explanations for variances greater than <math>\pm 10</math> per cent or \$100 million</b>	<b>Outcomes achieved by additional expenses/impact of reduced expenses</b>
Borrowing Expenses	1.2	3.4	Syndication fees of \$2.1 million were incurred for a bond issue (none were incurred in 2014-15).	A successful bond issuance.
Market Information Services	1.2	1.4	Primarily reflects increases or new fees sought by industry suppliers.	Maintenance of business activities
Advertising, promotion and related travel	0.3	0.5	2014-15 expenditure was \$260k below budget, primarily due to cancelled international travel arrangements. 2015-16 expenditure was marginally below budget.	
Other operating expenses	0.5	0.5	2015-16 expenditure \$53k higher than 2014-15 largely reflecting increased expenditure on staff training.	

<sup>1</sup> That is, the impact of service delivery on the community rather than a description of the services delivered.

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### Question 19 Expenses varying from budget

Please explain any variances greater than  $\pm 10$  per cent or \$100 million between the initial budget estimate (**not** the revised budget) and the actual result for 2015-16 for each category of expenses detailed in your operating statement. Please also detail the outcomes in the community<sup>2</sup> achieved by any additional expenses or the impact on the community of reduced expenses (if there was no impact, please explain how that was achieved).

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

If there were no categories of expenses for your department/agency for which the 2015-16 expenditure varied from the initial budget estimate by more than  $\pm 10$  per cent or \$100 million, you do not need to answer this question. If this is the case, please indicate 'no relevant line items' in the table(s) below.

Expenses category	2015-16 budget estimate (\$ million)	2015-16 actual (\$ million)	Explanations for variances greater than $\pm 10$ per cent or \$100 million	Outcomes achieved by additional expenses/impact of reduced expenses
Borrowing expenses	1.4	3.4	Syndication fees of \$2.1 million were incurred for a bond issue. The fees are not budgeted as the decision to syndicate an issue depends on the nature of the issuance and market conditions at the time.	A successful bond issuance.
Other professional service fees	0.9	0.8	The variance largely reflects a slightly reduced internal audit scope.	None
Other occupancy costs	0.2	0.2	Expenditure was \$27k below budget, primarily due to a partial refund of outgoings.	Reduced expenditure
Other operating expenses	0.6	0.5	Other operating expenses were \$109k below budget largely as a result of no recruitment expenditure being incurred and staff training being below budget.	None

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

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**Question 20 (departments only) Expenditure reduction targets**

This question does not apply to your agency.

**Question 21 Changes to service delivery from expenditure reduction initiatives**

- (a) Please detail any changes to your department's/agency's service delivery as a result of expenditure reduction initiatives, e.g. changes to the timing and scope of specific programs or discontinued programs in 2015-16:

None

- (b) As a result of the expenditure reduction initiative 'Reduce the use of labour hire firms' for 2015-16 (BP3 p.105), please detail any changes to your department's/agency's service delivery

None, TCV's operational expenditure includes less than \$2k on temporary staff.

**Question 22 (departments only) Achievement of reprioritisation of existing resources**

This question does not apply to your agency.

**Question 23 (Department of Treasury and Finance only) Expenses by government purpose classifications**

This question does not apply to your agency.

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**Question 24 (PNFC and PFC entities only) Dividends paid to the general government sector**

Please detail the value of dividends paid by your agency to the general government sector over the last three years, explaining the reasons for any significant changes over that period and the impact of any changes on the agency.

Total dividends paid in 2013-14 (\$ million)	Total dividends paid in 2014-15 (\$ million)	Total dividends paid in 2015-16 (\$ million)	Explanation for any variance greater than $\pm 10$ per cent or \$100 million	Impact of changes to dividends on the agency
56.3	50.6	31.7	TCV paid 100% of the previous year's net profit in each of the three years as a dividend. The lower net profit in 2014-15 (impacting the 2015-16 dividend) reflected a lower level of lending activity and less favourable market conditions.	None

**SECTION E: Public sector workforce****Question 25 Full-time equivalent staff by level**

Please fully complete the table below, providing actual FTE staff numbers at 30 June 2016, at 30 June 2015 and 30 June 2014 2016 (broken down by the categories listed below) for the Department. Please provide figures consolidated on the same basis as the expenditure for the Department in the budget papers.

Grade	30 June 2014 (Actual FTE number)	30 June 2015 (Actual FTE number)	30 June 2016 (Actual FTE number)
Secretary			
EO-1			
EO-2			
EO-3			
VPS Grade 7 (STS)			

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<b>Grade</b>	<b>30 June 2014</b> <b>(Actual FTE number)</b>	<b>30 June 2015</b> <b>(Actual FTE number)</b>	<b>30 June 2016</b> <b>(Actual FTE number)</b>
VPS Grade 6			
VPS Grade 5			
VPS Grade 4			
VPS Grade 3			
VPS Grade 2			
VPS Grade 1			
Government Teaching Service			
Health services			
Police			
Allied health professionals			
Child protection			
Disability development and support			
Custodial officers			
Other			
Total			

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<b>Job Level / Classification</b>	<b>30 June 2014 (Actual FTE number)</b>	<b>30 June 2015 (Actual FTE number)</b>	<b>30 June 2016 (Actual FTE number)</b>
GSERP	5.6	5.6	5.6
Principal Officer	3.0	3.0	3.0
TCV Professional	6.2	5.4	5.4
TCV IT Technical	9.0	9.6	9.6
TCV Technical	15.2	15.2	15.2
TCV Settlements	4.0	3.0	3.0
TCV Administration	5.65	4.85	3.25
Total	48.65	46.65	45.05

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**Question 26 FTE staff numbers by employment type**

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

<b>Employment category</b>	<b>Gross salary 2013-14 (\$ million)</b>	<b>Gross salary 2014-15 (\$ million)</b>	<b>Gross salary 2015-16 (\$ million)</b>	<b>Explanation for any year-on-year variances greater than <math>\pm 10</math> per cent or \$100 million</b>
Ongoing	4.60	4.75	4.82	
Fixed-term	2.67	2.74	2.82	
Casual				
<b>Total</b>	<b>7.27</b>	<b>7.48</b>	<b>7.64</b>	

**Question 27 Executive salary increases**

Please detail the number of executives who received increases in their base remuneration in 2015-16, 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.

<b>Increase in base remuneration</b>	<b>Number of executives receiving increases in their base rate of remuneration of this amount in 2015-16</b>	<b>Reasons for these increases</b>
0-3 per cent	9	All within GSERP guidelines
3-5 per cent	0	
5-10 per cent	0	
10-15 per cent	0	
greater than 15 per cent	0	

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**Question 28 Enterprise bargain agreements (EBA)(Department of Treasury and Finance only)**

This question does not apply to your agency.

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**SECTION F: Inter-sector flows****Question 29 (Department of Treasury and Finance only) Inter-sector flows**

This question does not apply to your agency.

**SECTION G: Government decisions impacting on the finances****Question 30 Machinery-of-government changes**

- (a) Please detail the final costs incurred in the following categories as a result of machinery-of-government changes. Also provide a description of any relevant machinery-of-government changes during 2015-16.

	<b>Final costs as a result of machinery-of-government-changes (\$ million)</b>
Consultants and contractors (including legal advice)	0
Relocation	0
Telephony	0
IT and records management	0
Rebranding	0
Furniture and fit-out	0
Other	0

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

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n/a

(c) Please identify any benefits achieved during 2015-16 as a result of machinery-of-government changes, quantifying the benefits where possible.

n/a

(d) Please provide a description of any relevant machinery-of-government changes during 2015-16

n/a

**Question 31 Commonwealth Government decisions**

Please identify any Commonwealth Government decisions during 2015-16 which had not been anticipated in the State budget but which impacted on your entity’s finances or activities during those years (including new funding agreements, discontinued agreements and changes to funding levels). Please quantify the impact on income and expenses where possible.

Commonwealth Government decision	Impact in 2015-16	
	on income (\$ million)	on expenses (\$ million)
n/a		

**Question 32 COAG decisions**

Please identify any COAG decisions during 2015-16 which had not been anticipated in the State budget but which impacted on your entity’s finances or activities during those years (including new funding agreements, discontinued agreements and changes to agreements). Please quantify the impact on income and expenses where possible.

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COAG decision	Impact in 2015-16	
	on income (\$ million)	on expenses (\$ million)
n/a		

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

***Question 33 Financial measures***

This question does not apply to your agency.

***Question 34 Long-term financial management objectives***

This question does not apply to your agency.

**SECTION I: Economic environment**

***Question 35 (Department of Treasury and Finance only) Economic variables***

This question does not apply to your agency.

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**Question 36 (Department of Treasury and Finance only) Actual impact on GGS of variances in economic variables**

This question does not apply to your agency.

**Question 37 (Department of Treasury and Finance only) Impact on PFC net result of variances in economic variables**

This question does not apply to your agency.

**Question 38 (Department of Treasury and Finance only) Impact on PNFC net result of variances in economic variables**

This question does not apply to your agency.

**Question 39 (all entities) Effects of variances in economic variables**

Please identify any key economic variables for which there were variances in 2015-16 between what was estimated in the initial budget for each year (**not** the revised estimate) and what actually occurred which had a significant impact on your department's/agency's finances, service delivery or asset investment. For each variance, please indicate:

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

Expected economic result in 2015-16	Actual result in 2015-16	Impact of the variance on budget outcomes	Impact of the variance on service delivery
Nil			

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