



Minister for Planning

1 Spring Street
Melbourne Victoria 3000
GPO Box 2392
Melbourne Victoria 3001
Telephone: (03) 9938 5990
Facsimile: (03) 9938 5949
DX 210292

Ref: CMIN047780

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



Dear Mr Morris *Dain*

Thank you for your letter dated 20 June 2013 regarding the Budget Estimates - further information request.

Please find enclosed the response to the question on notice relating to the Planning portfolio.

Please contact Anthony Wicking, Budget Director, on 9208 3355 should you require any further information.

Yours sincerely

Matthew Guy
MATTHEW GUY MLC
Minister for Planning ..

Date:

25.7.13



Privacy Statement

Any personal information about you or a third party in your correspondence will be protected under the provisions of the Information Privacy Act 2000. It will only be used or disclosed to appropriate Ministerial, Statutory Authority, or departmental staff in regard to the purpose for which it was provided, unless required or authorised by law. Enquiries about access to information about you held by the Department should be directed to the Manager Privacy, Department of Transport, Planning and Local Infrastructure, GPO Box 2392, Melbourne, 3001

**ATTACHMENT: QUESTIONS TAKEN ON NOTICE AND
FURTHER INFORMATION AGREED TO BE
SUPPLIED AT THE HEARINGS**

PLANNING PORTFOLIO

1. Please detail the factors leading to the reduction of the output cost for the *Planning, Building and Heritage* output from 2010-11 to 2012-13, including quantifying the impact of and providing information about:
 - a. rephrasing of expenditure in relation to projects;
 - b. savings and efficiencies for the Department; and
 - c. other relevant factors.

(Pages 8-9 of the Planning portfolio transcript)

Response

The principal factor leading to the reduction in the output price is the variation in expenditures relating to fixed term initiatives. In 2010-11 \$50 million in expenditure was incurred on the Revitalising Central Dandenong project compared with a \$5 million estimate for 2012-13. Similarly, \$5.5 million was incurred in relation to the Geelong Activities Area project in 2010-11. Given this project is now complete, no expenditure is estimated in 2012-13.

New initiatives announced since the 2010-11 Budget increase the output price. These include the Metropolitan Planning Strategy (\$3.1 million estimated for 2012-13) and the Frankston Activities Area revitalisation (\$1.4 million estimated for 2012-13).

The 2012-13 output price also takes into account the Government's Better Financial Management policy and Sustainable Government Initiative. These initiatives focus on reducing consultants, contractors and other head office expenditures and reduce the 2012-13 output price by \$2.5 million and \$3.9 million respectively as compared to the 2010-11 output price.