



PUBLIC ACCOUNTS AND ESTIMATES COMMITTEE

2013-14 AND 2014-15 FINANCIAL AND PERFORMANCE OUTCOMES GENERAL QUESTIONNAIRE

DEPARTMENT OF HUMAN SERVICES

Department of Health & Human Services

Explanatory Note

Following the 2014 State election, the new Victorian Government announced Machinery-of-government changes on 4 December 2014. On 24 December 2014, via Administrative Arrangements Order No. 460 (issued under the Administrative Arrangements Act 1983), the government renamed the then 'Department of Health' to the 'Department of Health and Human Services' (the Department), to integrate health and social care policies, programs and services to improve the wellbeing of all Victorians. As a consequence of this announcement, the 'Department of Human Services' ceased to exist as at midnight on 31 December 2014. All assets, liabilities, equity and programs of the 'Department of Human Services' were assumed by the 'Department of Health and Human Services' from 1 January 2015.

Due to this, figures relating to the period 2014-15 have been provided as the aggregate view relating to the new Department of Health and Human Services, including any part year contribution from the former Department of Human Services. For periods prior to this, the disaggregated view of the former Department of Health or the former Department of Human Services (as applicable) only is presented to most accurately and transparently present the information. In a limited number of questions, figures have been aggregated across the former departments to enable comparison over the period – where this is the case it has been noted.

As a result of the machinery-of-government changes, outputs relating to Sports and Recreation Victoria from the former 'Department of Transport, Planning and Local Infrastructure' were assumed by the 'Department of Health and Human Services' on 1 January 2015, and net assets relating to an unincorporated joint venture between Monash University and the 'Department of Economic Development, Jobs, Transport and Resources' (named the Australian Regenerative Medical Institute) were assumed by the 'Department of Health and Human Services' at 30 June 2015. The 'Office for Women' was transferred from the former 'Department of Human Services' to the 'Department of Premier and Cabinet' on 1 January 2015. None of these machinery-of-government changes was material, and no information relating to any of these entities has been included in the analysis for periods where these entities were not part of the department.

SECTION A: Output variances and program outcomes

Question 1 (departments only)

This question does not apply to your department.

Question 2 (departments only)

Please identify all outputs for which the department received additional funding after the initial budget (as described in *BFMG-42: Budget Supplementation*) in 2013-14 or 2014-15. For each output, please quantify the additional funding, indicate the source of the additional funding (e.g. 'Treasurer's Advance', 'appropriations that would otherwise be unapplied', 'accumulated surplus') and explain why additional funding was required:

(a) in 2013-14

Output	Additional funding (\$ million)	Source of funding	Reasons why additional funding was required
Disability	4.0	Treasurer's Advance	National Disability Insurance Scheme launch.
Child Protection and Family Services	0.8	Treasurer's Advance	Research into Mandatory Reporting.
Concessions to Pensioners and Beneficiaries	1.1	Treasurer's Advance	Supplementation for the Concessions program.

(b) in 2014-15

Output	Additional funding¹ (\$ million)	Source of funding	Reasons why additional funding was required
Admitted Services	25.1	Appropriations that would otherwise be unapplied	New initiatives to meet the Government's election commitments, and the full year effect of initiatives announced in previous budgets, for example, Ebola virus disease preparation, increases in quarterly services payments for hospital Public Private Partnership projects.
Ambulance Emergency Services	3.3	Appropriations that would otherwise be unapplied	New initiatives to meet the Government's election commitments, and the full year effect of initiatives announced in previous budgets.
Child Protection and Family Services	12.6	Appropriations that would otherwise be unapplied	New initiatives to meet the Government's election commitments, and the full year effect of initiatives announced in previous budgets, for example, strengthening responses to family violence, Betrayal of Trust Report, Family Violence Package, counselling services for children and women.
Clinical care	2.5	Appropriations that would otherwise be unapplied	New initiatives to meet the Government's election commitments, and the full year effect of initiatives announced in previous budgets.
Community Health Care	0.2	Appropriations that would otherwise be unapplied	New initiatives to meet the Government's election commitments, and the full year effect of initiatives announced in previous budgets.
Disability Services	1.1	Appropriations that would otherwise be unapplied	New initiatives to meet the Government's election commitments, and the full year effect of initiatives announced in previous budgets.
Drug Prevention and Control	2.1	Appropriations that would otherwise be unapplied	New initiatives to meet the Government's election commitments, and the full year effect of initiatives announced in previous budgets, including Government strategy to address ice use.

¹ The 2014-15 additional funding aggregates additional funding for the Department of Health & Human Services and the former Department of Human Services for the six months pre-Machinery of Government

Output	Additional funding² (\$ million)	Source of funding	Reasons why additional funding was required
Sports and Recreation	8.4	Appropriations that would otherwise be unapplied	New initiatives to meet the Government's election commitments, and the full year effect of initiatives announced in previous budgets, including Simonds Stadium (Operating costs) – Kardinia Park Trust, Simmonds Stadium (Strategic Infrastructure Program) and Shooting Sports Facility Program.
Health Protection	1.6	Appropriations that would otherwise be unapplied	New initiatives to meet the Government's election commitments, and the full year effect of initiatives announced in previous budgets, including Hazelwood Health Study.
Housing Assistance	1.0	Appropriations that would otherwise be unapplied	New initiatives to meet the Government's election commitments, and the full year effect of initiatives announced in previous budgets, including Support Services to people who are experiencing, or at risk of experiencing, family violence.
Psychiatric Disability Rehabilitation and Support Services	4.1	Appropriations that would otherwise be unapplied	New initiatives to meet the Government's election commitments, and the full year effect of initiatives announced in previous budgets, including National Disability Insurance Scheme – Barwon Trial Support.
Residential Aged Care	1.9	Appropriations that would otherwise be unapplied	New initiatives to meet the Government's election commitments, and the full year effect of initiatives announced in previous budgets.
Seniors Programs and Participation	0.3	Appropriations that would otherwise be unapplied	New initiatives to meet the Government's election commitments, and the full year effect of initiatives announced in previous budgets, including Seniors Participation Action Plan.
Youth Justice Custodial Services	0.2	Appropriations that would otherwise be unapplied	New initiatives to meet the Government's election commitments, and the full year effect of initiatives announced in previous budgets.
Small Rural services – Acute Health	1.2	Appropriations that would otherwise be unapplied	New initiatives to meet the Government's election commitments, and the full year effect of initiatives announced in previous budgets.

² The 2014-15 additional funding aggregates additional funding for the Department of Health & Human Services and the former Department of Human Services for the six months pre-Machinery of Government

Question 3 (Department of Treasury and Finance only)

This question does not apply to your department.

SECTION B: Asset investment (departments only)

Question 4

This question does not apply to your department.

Question 5

This question does not apply to your department.

Question 6

Please indicate the amount included in the following line items in your financial statements for 2013-14 and 2014-15 (using the budget portfolio outcomes for departments) which related to payments for commissioned public private partnerships (PPPs).

Line item	Amount within this line item reflecting payments for PPPs (\$ million)	
	2013-14	2014-15
<i>Operating statement</i>		
Interest expense	Not Applicable	Not Applicable
'Other operating expenses'	Not Applicable	Not Applicable
Other line items within expenses from transactions	Not Applicable	Not Applicable
<i>Cash flow statement</i>		
Payments to suppliers and employees	Not Applicable	Not Applicable
Interest and other costs of finance paid	Not Applicable	Not Applicable
Repayment of finance leases	Not Applicable	Not Applicable
Other line items in the cash flow statement	Not Applicable	Not Applicable
<i>Administered items statement</i>		
Expenses on behalf of the State	Not Applicable	Not Applicable
Interest and depreciation expense	Not Applicable	Not Applicable
Other line items within 'administered expenses'	Not Applicable	Not Applicable

Question 7

Regarding the 'net cash flows from investments in financial assets for policy purposes' in the general government sector cash flow statement for 2013-14 and 2014-15, please provide the following details about any sources of cash inflows and cash outflows included in that line item which are connected with your department or its controlled entities:

- (a) the project related to the cash flow (using the same project names as are used in Budget Paper No.4 where possible)
- (b) the initial budget estimate (**not** the revised estimate) for cash flow in 2013-14 and 2014-15; and
- (c) the actual cash flow in 2013-14 and 2014-15.

Cash inflows

Project	Estimated cash inflow in 2013-14 (\$ million)	Actual cash inflow in 2013-14 (\$ million)	Estimated cash inflow in 2014-15 (\$ million)	Actual cash inflow in 2014-15 (\$ million)
Not Applicable				

Cash outflows³

Project	Estimated cash outflow in 2013-14 (\$ million)	Actual cash outflow in 2013-14 (\$ million)	Estimated cash outflow in 2014-15 (\$ million)	Actual cash outflow in 2014-15 (\$ million)
Victorian Youth Foyers – third youth foyer (statewide)	3.100	1.465	4.400	2.142
Upgrade/conversion of rooming houses (statewide)	3.800	2.936	1.036	1.208
Social housing framework (improvements) (statewide)			7.000	1.679
All remaining projects with a Total Estimated Investment (TEI) less than \$1 million (statewide)	4.200	3.103	1.540	1.527
Efficient Government Building (statewide)			13.386	0.000
Contribution to various redevelopment projects ⁴	10.174	13.770	28.143	48.949

³ Net cash flows from investments in financial assets for policy purposes also capture non-project related activities, i.e., home finance; as they are non-project related, they have not been reported here

⁴ The balance of cash outflows pertaining to 'Additions to the net asset base' (ATNAB) drawdown is notionally allocated across various BP4 redevelopment projects, therefore specific Budget Paper No. 4 projects cannot be identified. 'Net cash flows from investments in financial assets for policy purposes' also captures non-project related activities, i.e., home finance; as they are non-project related, they have not been reported here

Question 8

Regarding the 'net cash flows from investments in financial assets for policy purposes' in the State of Victoria cash flow statement for 2013-14 and 2014-15, please provide the following details about any sources of cash inflows and cash outflows included in that line item which are connected with your department or its controlled entities:

- (a) the project related to the cash flow (using the same project names as are used in Budget Paper No.4 where possible)
- (b) the initial budget estimate (**not** the revised estimate) cash flow in 2013-14 and 2014-15; and
- (c) the actual cash flow in 2013-14 and 2014-15.

Cash inflows

Project	Estimated cash inflow in 2013-14 (\$ million)	Actual cash inflow in 2013-14 (\$ million)	Estimated cash inflow in 2014-15 (\$ million)	Actual cash inflow in 2014-15 (\$ million)
Not Applicable				

Cash outflows⁵

Project	Estimated cash outflow in 2013-14 (\$ million)	Actual cash outflow in 2013-14 (\$ million)	Estimated cash outflow in 2014-15 (\$ million)	Actual cash outflow in 2014-15 (\$ million)
Victorian Youth Foyers – third youth foyer (statewide)	3.100	1.465	4.400	2.142
Upgrade/conversion of rooming houses (statewide)	3.800	2.936	1.036	1.208
Social housing framework (improvements) (statewide)			7.000	1.679
All remaining projects with a Total Estimated Investment (TEI) less than \$1 million (statewide)	4.200	3.103	1.540	1.527
Efficient Government Building (statewide)			13.386	0.000
Contribution to various redevelopment projects ⁶	10.174	13.770	28.143	48.949

⁵ 'Net cash flows from investments in financial assets for policy purposes' also capture non-project related activities, i.e., home finance; as they are non-project related, they have not been reported here

⁶ The balance of cash outflows pertaining to 'Additions to the net asset base' (ATNAB) drawdown is notionally allocated across various Budget Paper No. 4 redevelopment projects, therefore specific Budget Paper No. 4 projects cannot be identified

Question 9 (Department of Treasury and Finance only)

This question does not apply to your department.

SECTION B: Asset investment (non-departments only)**Question 10**

This question does not apply to your department.

Question 11

This question does not apply to your department.

SECTION C: Revenue and appropriations

Question 12

Please explain any variances greater than ± 10 per cent or \$100 million between the prior year's actual result and the actual result for 2013-14 and 2014-15 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 impacted on 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 2013-14 and 2014-15 expenditure varied from the prior year's expenditure by more than ± 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	2012-13 actual ⁷ (\$ million)	2013-14 actual ⁸ (\$ million)	Explanations for variances greater than ± 10 per cent or \$100 million	How the additional revenue was used/the impact of reduced revenue
Output Appropriations	3,448.3	3,609.0	The variance primarily reflects new initiatives to meet the government's election commitments, including expansion of child protection and ChildFirst, out-of-home care demand and funding increases due to the full year effect of initiatives.	There is no impact as the reduced output appropriation revenue was received as Grant income instead.
Special Appropriations	63.9	63.9	No explanation needed – variance less than ± 10 per cent or \$100 million.	Not Applicable

⁷ The 2012-13 actual is for the former Department of Human Services (2014-15 Budget Paper No. 5, p.104)

⁸ The 2013-14 actual is for the former Department of Human Services (2015-16 Budget Paper No. 5, p.151)

Revenue category	2012-13 actual ⁹	2013-14 actual ¹⁰	Explanations for variances greater than ± 10 per cent or \$100 million	How the additional revenue was used/the impact of reduced revenue
	(\$ million)	(\$ million)		
Interest	0.2	0.3	Not Applicable	No material impact
Sales of goods and services	18.7	19.5	No explanation needed - variance less than ± 10 per cent or \$100 million.	Not Applicable
Grants	12.3	11.5	No explanation needed - variance less than ± 10 per cent or \$100 million.	Not Applicable
Fair value of assets and services received free of charge or for nominal consideration	0.3	20.2	The increase is due mainly to Long Service Leave (LSL) and Annual Leave liability transferred from Department of Human Services controlled entity to the Housing Public Non-Financial Corporation (PNFC) in 2013-14. (There is a reciprocal adjustment showing in the Housing PNFC as fair value of assets and services provided free of charge.)	These additional revenues cannot be used and are retained in consolidated funds.
Other income	3.9	10.2	The variance primarily relates to the replenishment of the Victorian Managed Insurance Authority (VMIA) Community Service Organisation (CSO) escrow account.	No material impact
Total	3,347.7	3,734.6		

⁹ The 2012-13 actual is for the former Department of Human Services (2014-15 Budget Paper No. 5, p.104)

¹⁰ The 2013-14 actual is for the former Department of Human Services (2015-16 Budget Paper No. 5, p.151)

Revenue category	2013-14 actual ¹¹ (\$ million)	2014-15 actual ¹² (\$ million)	Explanations for variances greater than ±10 per cent or \$100 million	How the additional revenue was used/the impact of reduced revenue
Output Appropriations	3,609.0	11,965.6	The increase in output appropriations from 2013-14 to 2014-15 is mainly due to new policy initiatives approved by Government, indexation, additional depreciation equivalent appropriation drawn to fund increases in depreciation expenses (arising as a result of 30 June 2014 asset revaluations) and appropriation transferred as a result of the 1 January 2015 Machinery of Government changes for Sports and recreation initiatives (not previously in either the Department of Health or the Department of Human Services).	The additional revenue was mainly used to fund new policy initiatives funded by Government or increases in costs of ongoing initiatives related to indexation, and initiatives transferred to the Department of Health and Human Services as a result of Machinery of Government changes.
Special Appropriations	63.9	1,304.5	The variance is a result of the Machinery of Government changes establishing the Department of Health and Human Services on 1 January 2015.	Not Applicable
Interest	0.3	62.4	The variance is a result of the Machinery of Government changes establishing the Department of Health and Human Services on 1 January 2015.	Not Applicable
Sales of goods and services	19.5	1,564.0	The variance is primarily a result of the Machinery of Government changes establishing the Department of Health and Human Services on 1 January 2015.	Not Applicable
Grants	11.5	4,838.9	The increase is mainly due to: <ul style="list-style-type: none"> • The Machinery of Government changes establishing the Department of Health and Human Services on 1 January 2015. • Additional Commonwealth contributions under the National Health Reform Agreement • Grants received directly by the health agencies (partly related to reclassification of revenue categories, refer to sales of goods and services above). 	The additional funding was mainly used to fund Hospital activity.

¹¹ The 2013-14 actual is for the former Department of Human Services (2015-16 Budget Paper No.5, p.151)

¹² The 2014-15 actual aggregates the actual revenue and appropriations of Department of Health & Human Services and the pre-Machinery of Government and six months of the former Department of Human Services (Department of Health & Human Services Annual Report 2014-15, p.65 and 2015-16 Budget Paper No.5, p151)

Revenue category	2013-14 actual ¹³	2014-15 actual ¹⁴	Explanations for variances greater than ±10 per cent or \$100 million	How the additional revenue was used/the impact of reduced revenue
	(\$ million)	(\$ million)		
Fair value of assets and services received free of charge or for nominal consideration	20.2	4.7	<p>The variance is mainly due to:</p> <ul style="list-style-type: none"> The asset revaluation process in 2013-14 that identified some adjustments to assets received free of charge in that year Long Service Leave (LSL) and Annual Leave liability transferred from Department of Human Services controlled entity to the Housing Public Non-Financial Corporation (PNFC) in 2013-14. (There is a reciprocal adjustment showing in the Housing PNFC as fair value of assets and services provided free of charge.) 	The reduced revenues are book entries that are retained in consolidated funds in 2014-15.
Other income	10.2	610.5	<p>The variance is mainly due to:</p> <ul style="list-style-type: none"> The Machinery of Government changes establishing the Department of Health and Human Services on 1 January 2015. An increase in Health agencies' own source revenue from miscellaneous non-operating activities. 	The additional revenue is invested back into the activities of the hospital or health service. Also allows for acquiring new equipment, investing in new technologies, progressing minor upgrades and improving facilities.
Total	3,734.6	20,350.6		

¹³ The 2013-14 actual is for the former Department of Human Services (2015-16 Budget Paper No.5, p.151)

¹⁴ The 2014-15 actual aggregates the actual revenue and appropriations of Department of Health & Human Services and the pre-Machinery of Government and six months of the former Department of Human Services (Department of Health & Human Services Annual Report 2014-15, p.65 and 2015-16 Budget Paper No.5, p151)

Question 13

Please explain any variances greater than ± 10 per cent or \$100 million between the initial budget estimate (**not** the revised estimate) and the actual result for 2013-14 and 2014-15 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 2013-14 and 2014-15 expenditure varied from the initial budget estimate by more than ± 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	2013-14 budget estimate ¹⁵ (\$ million)	2013-14 actual ¹⁶ (\$ million)	Explanations for variances greater than ± 10 per cent or \$100 million	Actions taken in response
Output Appropriations	3,581.3	3,609.0	No explanation needed – variance less than ± 10 per cent or \$100 million.	Not Applicable
Special Appropriations	63.9	63.9	No explanation needed – variance less than ± 10 per cent or \$100 million.	Not Applicable
Interest	0.4	0.3	Not Applicable	No material impact
Sales of goods and services	16.4	19.5	The variance is primarily due to additional revenue received from the Department of Health for provision of shared services.	Not Applicable
Grants	8.2	11.5	The variance is primarily due to additional revenue received from other government departments – primarily the Department of Treasury and Finance – for Community Support Fund (CSF) projects that have not been reflected in the published budget.	Not Applicable

¹⁵ The 2013-14 budget estimate is for the former Department of Human Services (2014-15 Budget Paper No. 5, p.104)

¹⁶ The 2013-14 actual is for the former Department of Human Services (2015-16 Budget Paper No.5, p.151)

Revenue category	2013-14 budget estimate ¹⁷	2013-14 actual ¹⁸	Explanations for variances greater than ± 10 per cent or \$100 million	Actions taken in response
	(\$ million)	(\$ million)		
Fair value of assets and services received free of charge or for nominal consideration	-	20.2	The variance relates mainly to Long Service Leave (LSL) and Annual Leave liability transferred from DHS controlled entity to the Housing Public Non-Financial Corporation (PNFC) which had not been reflected in the published budget. (There is a reciprocal adjustment showing in the Housing PNFC as fair value of assets and services provided free of charge.)	No action required
Other income	0.7	10.2	The variance primarily relates to the replenishment of the Victorian Managed Insurance Authority (VMIA) Community Service Organisation (CSO) escrow account.	No action required.
Total	3,670.9	3,734.6		

¹⁷ The 2013-14 budget estimate is for the former Department of Human Services (2014-15 Budget Paper No. 5, p.104)

¹⁸ The 2013-14 actual is for the former Department of Human Services (2015-16 Budget Paper No.5, p.151)

Revenue category	2014-15 budget estimate ¹⁹ (\$ million)	2014-15 actual ²⁰ (\$ million)	Explanations for variances greater than ± 10 per cent or \$100 million	Actions taken in response
Output Appropriations	12,127.5	11,965.6	<p>The lower output appropriation accessed is mainly due to:</p> <ul style="list-style-type: none"> Higher than estimated actual gaming receipts received through special appropriations. Actual hospital depreciation lower than estimated Hospital depreciation expenses, requiring a lower draw down of depreciation equivalent output appropriation. Unapplied output appropriations mainly in respect of underspend in concessions budget. 	No action required
Special Appropriations	1,256.6	1,304.5	No explanation needed – variance less than ± 10 per cent or \$100 million.	
Interest	68.2	62.4	No explanation needed – variance less than ± 10 per cent or \$100 million.	
Sales of goods and services	1,709.8	1,564.1	The decrease is due mainly to lower than expected Hospitals' sales of services mainly relating to a reclassification of some actual revenue from sales of goods and services to grants.	Reduced capacity for hospitals and health services to invest this revenue back into the business, e.g., reduced ability to replace ageing equipment, progress minor upgrades and improve facilities. The flow on effect of this may be an increase in repairs and maintenance costs or more costly acquisitions, over a longer term, e.g., through leases.

¹⁹ The 2014-15 budget estimate aggregates the revenue and appropriations budget estimates of the former Department of Health and Department of Human Services (2015-16 Budget Paper No.5, p.110 and p.151)

²⁰ The 2014-15 actual aggregates the actual revenue and appropriations of Department of Health & Human Services and the pre-Machinery of Government and six months of the former Department of Human Services (Department of Health & Human Services Annual Report 2014-15, p.65 and 2015-16 Budget Paper No.5, p151)

Revenue category	2014-15 budget estimate ²¹	2014-15 actual ²²	Explanations for variances greater than ±10 per cent or \$100 million	Actions taken in response
	(\$ million)	(\$ million)		
Grants	4,499.3	4,838.9	<p>The variance is mainly driven by:</p> <ul style="list-style-type: none"> Actual Commonwealth contribution for Activity Based Funding under National Health Reform above the amount estimated Higher than budgeted grants received directly by Health agencies (Hospitals etc.), mainly related to the reclassification of some actual revenue from 'sales of goods and services' to 'grants'. 	The additional funding was mainly used to fund Hospital activity.
Fair value of assets and services received free of charge or for nominal consideration	-	4.7	The transaction was not known at the time of the budget.	The reduced revenues are book entries that are retained in consolidated funds in 2014-15.
Other income	396.5	610.5	The variance is mainly driven by higher than expected Hospitals' own source revenue from miscellaneous non-operating activities.	The additional revenue is invested back into the activities of the hospital or health service. Also allows for acquiring new equipment, investing in new technologies, progressing minor upgrades and improving facilities.
Total	20,058.1	20,350.6		

²¹ The 2014-15 budget estimate aggregates the revenue and appropriations budget estimates of the former Department of Health and Department of Human Services (2015-16 Budget Paper No.5, p.110 and p.151)

²² The 2014-15 actual aggregates the actual revenue and appropriations of Department of Health & Human Services and the pre-Machinery of Government and six months of the former Department of Human Services (Department of Health & Human Services Annual Report 2014-15, p.65 and 2015-16 Budget Paper No.5, p151)

Question 14 (departments only)

Please provide a break-down of the Department's income from transactions (as calculated for the Department's comprehensive operating statement in the departmental financial statements in Budget Paper No.5 and in the budget portfolio outcomes in the annual report) into the following sources. If the variance between any budget and actual exceeds ± 10 per cent or \$100.0 million, please provide reasons for the variance. Part of the table has been pre-filled from the 2014-15 budget papers – please fill all blank spaces.

	2013-14 initial budget estimate ²³ (\$ million)	2013-14 actual ²⁴ (\$ million)	Explanation for variances greater than ± 10 per cent
Output appropriations	3,581.3	3,609.0	No explanation needed – variance less than ± 10 per cent or \$100 million.
Special appropriations	63.9	63.9	No explanation needed – variance less than ± 10 per cent or \$100 million.
Trust funds ²⁵	22.9	31.8	The variance primarily relates to additional revenue received from other government departments – primarily the Department of Treasury and Finance – for Community Support Fund (CSF) projects that have not been reflected in the published budget.

²³ The 2013-14 budget estimate is for the former Department of Human Services (2014-15 Budget Paper No. 5, p.104)

²⁴ The 2013-14 actual is for the former Department of Human Services (2014-15 Budget Paper No. 5, p.151)

²⁵ Trust funds income relates to grants and other income received and accessed by the Department through a trust arrangement. These arrangements only relate to income received by the Department of Health & Human Services and the former Department of Health and former Department of Human Services, and exclude income received directly by portfolio agencies consolidated in the Department's comprehensive operating statement in Budget Paper No. 5

	2013-14 initial budget estimate²⁶	2013-14 actual²⁷	Explanation for variances greater than ± 10 per cent
	(\$ million)	(\$ million)	
Funds received and held outside the Public Account ²⁸	2.8	29.8	The variance relates mainly to Long Service Leave (LSL) and Annual Leave liability transferred from DHS controlled entity to the Housing Public Non-Financial Corporation (PNFC) which had not been reflected in the published budget. (There is a reciprocal adjustment showing in the Housing PNFC as fair value of assets and services provided free of charge.)
Other (please specify)	-	-	
Total income from transactions	3,670.9	3,734.6	

²⁶ The 2013-14 budget estimate is for the former Department of Human Services (2014-15 Budget Paper No. 5, p.104)

²⁷ The 2013-14 actual is for the former Department of Human Services (2014-15 Budget Paper No. 5, p.151)

²⁸ Funds received and held outside the Public Account comprise grants, income from sales of goods and services, fair value of assets and services received free of charge or for nominal consideration and other income received in the non-public account authorities. All income received directly by the portfolio agencies consolidated in the departmental financial statements published in Budget Paper No. 5 are received and held outside the Public account

	2014-15 initial budget estimate²⁹ (\$ million)	2014-15 actual³⁰ (\$ million)	Explanation for variances greater than ± 10 per cent
Output appropriations	12,127.5	11,965.6	The lower output appropriation accessed is due mainly to: <ul style="list-style-type: none"> Higher than estimated actual gaming receipts received through special appropriations. Actual hospital depreciation lower than estimated Hospital depreciation expenses, requiring a lower draw down of depreciation equivalent output appropriation. Unapplied output appropriations mainly in respect of underspend in concessions budget.
Special appropriations	1,256.6	1,304.5	No explanation needed – variance less than ±10 per cent or \$100 million.
Trust funds	567.6	714.9	The increase is due mainly to higher than estimated National Health Reform Commonwealth contributions in respect of Block and Public Health funded initiatives.
Funds received and held outside the Public Account	6,106.4	6,365.6	The variance is driven mainly by higher than estimated Commonwealth contribution for Activity Based Funding under National Health Reform and Hospitals' own source revenue.
Other (please specify)	-	-	
Total income from transactions	20,058.1	20,350.6	

²⁹ The 2014-15 budget estimate aggregates the revenue and appropriations budget estimates of the former Department of Health and Department of Human Services (2015-16 Budget Paper No.5, p.110 and p.151)

³⁰ The 2014-15 actual aggregates the actual revenue and appropriations of Department of Health & Human Services and the pre-Machinery of Government six months of the former Department of Human Services (Department of Health & Human Services Annual Report 2014-15, p.65 and 2015-16 Budget Paper No.5, p151)

Question 15 (departments only)

Regarding the 'funds received and held outside the Public Account' figures provided in the previous question, please break these down into the most significant funds, quantify the income coming from each fund to the Department in each year and explain the sources and activities providing revenue into these funds.

Fund	2013-14 actual payments from fund to the Department (\$ million) ³¹	2014-15 actual payments from fund to the Department (\$ million) ³²	Sources and activities providing revenue to the fund
Funds received and held outside the Public Account received by the former Department of Health/former Department of Human Services/Department of Health & Human Services (Non Public Account Authority)	1.4	18.8	Mainly comprise of gains on revaluation of the escrow account with the Victorian Managed Insurance and Fair value of assets and services received free of charge or for nominal consideration
Funds received and held outside the Public Account received by Controlled Agencies	28.4	6,346.8	Mainly comprise of funding for hospital services under the National Health Reform Agreement received from the National Health Funding Pool by Health agencies and other revenue received directly by Health agencies from other sources.

³¹ The 2013-14 actual is for the former Department of Human Services

³² The 2014-15 actual aggregates the actual revenue and appropriations of Department of Health & Human Services and pre-Machinery of Government six months of the former Department of Human Services

Question 16

Regarding the trust accounts listed in the 'trust account balances' note to the financial statements in your entity's annual report, please identify any accounts from which payments were passed directly to other bodies without being counted in your entity's comprehensive operating statement. For each relevant account, please identify:

- (a) the value of payments;
- (b) the recipients of the payments; and
- (c) the purpose of the payments.

Trust account	Total payments from the account to bodies other than the Department, 2013-14 ³³ (\$ million)	Recipient of the payment	Purpose of the payment
2009 Victorian Bushfire Appeal Trust account	12.1	Payments to individuals and communities	For assistance to individuals and communities in towns, suburbs and rural areas affected by the 2009 Victorian bushfires.
2011 Victorian Floods Appeal Trust account	0.1	Payments to individuals and communities	For assistance to individuals and communities in towns, suburbs and rural areas affected by the 2011 Victorian Floods.
Victorian Natural Disasters Relief Fund	7.2	Payment to Individuals	For granting assistance to persons who suffer losses as a result of flood, bushfires and other natural disasters.

³³ The 2013-14 total payments are the former Department of Human Services

Trust account	Total payments from the account to bodies other than the Department, 2014-15 ³⁴ (\$ million)	Recipient of the payment	Purpose of the payment
2009 Victorian Bushfire Appeal Trust account	8.9	Payments to individuals and communities	For assistance to individuals and communities in towns, suburbs and rural areas affected by the 2009 Victorian bushfires.
National Health Funding Pool	7,230.0	Payments to eligible Victorian Health Services	Payments represent combined state and Commonwealth contributions to eligible Victorian Health Services for Activity Based Funding as part of the National Health Reform Agreement. The state contribution of \$3,914.6 million is counted in the Department's comprehensive operating statement, whereas the Commonwealth contribution is received directly by the portfolio agencies consolidated in the departmental financial statements published in Budget Paper No. 5 and is held outside the Public account.
Victorian Natural Disasters Relief Fund	0.4	Payments to Individuals	For granting assistance to persons who suffer losses as a result of flood, bushfires and other natural disasters.

³⁴ The 2014-15 aggregates the expenditure of the Department of Health and Human Services and six months pre-Machinery-of-Government of the former Department of Human Services

SECTION D: Expenses

Question 17

Please explain any variances greater than ± 10 per cent or \$100 million between the prior year's actual result and the actual result for 2013-14 and 2014-15 for each category of expenses detailed in your operating statement. Please also detail the outcomes in the community³⁵ 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 2013-14 and 2014-15 expenditure varied from the prior year's expenditure by more than ± 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	2012-13 ³⁶ actual (\$ million)	2013-14 ³⁷ actual (\$ million)	Explanations for variances greater than ± 10 per cent or \$100 million	Outcomes achieved by additional expenses/impact of reduced expenses
Employee benefits	833.4	833.2	No explanation needed – variance less than ± 10 per cent or \$100 million.	No impact
Depreciation	33.7	34.4	No explanation needed – variance less than ± 10 per cent or \$100 million.	No impact
Interest expense	2.4	2.0	Not applicable	No impact
Grants and other expense transfers	662.2	721.7	No explanation needed – variance less than ± 10 per cent or \$100 million.	No impact

³⁵ That is, the impact of service delivery on the community rather than a description of the services delivered

³⁶ The 2012-13 actual is for the former Department of Human Services (2014-15 Budget Paper No. 5, p.104)

³⁷ The 2013-14 actual is for the former Department of Human Services (2014-15 Budget Paper No. 5, p.151)

Expenses category	2012-13 ³⁸ actual (\$ million)	2013-14 ³⁹ actual (\$ million)	Explanations for variances greater than ± 10 per cent or \$100 million	Outcomes achieved by additional expenses/impact of reduced expenses
Other operating expenses	1,905.2	2,069.8	The variance reflects primarily new initiatives to meet the Government's election commitments, and the full year effect of initiatives announced in previous budgets.	Increase to departmental output service delivery
Capital asset charge	55.6	58.0	No explanation needed – variance less than ± 10 per cent or \$100 million.	No impact
Total	3,492.5	3,719.1		

³⁸ The 2012-13 actual is for the former Department of Human Services (2014-15 Budget Paper No. 5, p.104)

³⁹ The 2013-14 actual is for the former Department of Human Services (2014-15 Budget Paper No. 5, p.151)

Expenses category	2013-14 ⁴⁰ actual (\$ million)	2014-15 ⁴¹ actual (\$ million)	Explanations for variances greater than ±10 per cent or \$100 million	Outcomes achieved by additional expenses/impact of reduced expenses
Employee benefits	833.2	9,481.5	Increase due mainly to increased activity at health services and general Enterprise Bargaining Agreement increases.	Increase to departmental output service delivery.
Other operating expenses	2,069.8	7,177.2	Increase due mainly to increased activity at health services and higher cost of supplies and consumables.	Increase to departmental output service delivery.
Depreciation	34.4	816.6	The variance is primarily a result of the Machinery of Government changes establishing the Department of Health and Human Services on 1 January 2015.	Not Applicable
Interest	2.0	92.5	The variance is primarily a result of the Machinery of Government changes establishing the Department of Health and Human Services on 1 January 2015.	Not Applicable
Capital Asset Charge	58.0	940.0	The variance is primarily a result of the Machinery of Government changes establishing the Department of Health and Human Services on 1 January 2015.	Not Applicable
Grants and other transfers	721.7	1,632.1	The variance is primarily a result of the Machinery of Government changes establishing the Department of Health and Human Services on 1 January 2015.	Not Applicable
Total expenses	3,719.2	20,140.0		

⁴⁰ The 2013-14 actual is for the former Department of Human Services (2014-15 Budget Paper No. 5, p.151)

⁴¹ The 2014-15 actual aggregates the actual revenue and appropriations of Department of Health & Human Services and the pre-Machinery of Government six months of the former Department of Human Services (Department of Health & Human Services Annual Report 2014-15, p.65 and 2015-16 Budget Paper No.5, p151)

Question 18

Please explain any variances greater than ± 10 per cent or \$100 million between the initial budget estimate (**not** the revised budget) and the actual result for 2013-14 and 2014-15 for each category of expenses detailed in your operating statement. Please also detail the outcomes in the community⁴² 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 2013-14 and 2014-15 expenditure varied from the initial budget estimate by more than ± 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	2013-14 budget estimate ⁴³ (\$ million)	2013-14 actual ⁴⁴ (\$ million)	Explanations for variances greater than ± 10 per cent or \$100 million	Outcomes achieved by additional expenses/impact of reduced expenses
Employee benefits	831.3	833.2	No explanation needed – variance less than ± 10 per cent or \$100 million.	Not Applicable.
Depreciation and amortisation	36.8	34.4	No explanation needed – variance less than ± 10 per cent or \$100 million.	Not Applicable.
Interest expense	2.9	2.0	Not Applicable	Immaterial amount.

⁴² That is, the impact of service delivery on the community rather than a description of the services delivered

⁴³ The 2013-14 budget estimate is for the former Department of Human Services (2014-15 Budget Paper No. 5, p.104)

⁴⁴ The 2013-14 actual is for the former Department of Human Services (2015-16 Budget Paper No. 5, p.151)

Expenses category	2013-14 budget estimate⁴⁵ (\$ million)	2013-14 actual⁴⁶ (\$ million)	Explanations for variances greater than ±10 per cent or \$100 million	Outcomes achieved by additional expenses/impact of reduced expenses
Grants and other transfers	647.4	721.7	The Department of Human Services variance reflects primarily additional funding from the Commonwealth for the Transitional Homelessness National Partnership Agreement, the Social and Community Services pay equity case, and additional state funding for National Disability Insurance Scheme.	Increase to departmental output service delivery.
Capital asset charge	58.0	58.0	No explanation needed – variance less than ±10 per cent or \$100 million.	Not Applicable.
Other operating expenses	2,089.2	2,069.8	No explanation needed – variance less than ±10 per cent or \$100 million.	Not Applicable.
Total	3,665.6	3,719.2		

⁴⁵ The 2013-14 budget estimate is for the former Department of Human Services (2014-15 Budget Paper No. 5, p.104)

⁴⁶ The 2013-14 actual is for the former Department of Human Services (2015-16 Budget Paper No. 5, p.151)

Expenses category	2014-15 budget estimate⁴⁷ (\$ million)	2014-15 actual⁴⁸ (\$ million)	Explanations for variances greater than ± 10 per cent or \$100 million	Outcomes achieved by additional expenses/impact of reduced expenses
Employee benefits	9,189.1	9,481.5	Variance is due mainly to Enterprise Bargaining Agreement outcomes in health services that began during 2014-15 (e.g., Ambulance Victoria), but the effect was not captured in the budget, and there was a misalignment between the employee benefits and other operating expenses account groups.	No impact.
Depreciation and amortisation	932.6	816.6	Depreciation budget is high compared to actual due to the build-up over a number of years as Asset build decisions are approved using estimated useful lives which do not necessarily reflect those that are eventually estimated and applied by portfolio entities.	No impact.
Interest expense	79.1	92.5	The budget reflected estimated interest expense based on out-of-date data which was updated for the revised budget. The interest expense relates to interest payments for Public Partnership Projects.	No impact as the expense is matched with additional revenue for Health Services.
Grants and other transfers	1,483.1	1,632.1	The variance is due primarily to higher than estimated Activity Based Funding payments to non-portfolio hospitals and higher than estimated payments to Not-for-Profit organisations, and additional funding from the Commonwealth for Homelessness and Remote Indigenous Housing, not included in the published budget.	No impact, in relation to Activity Based Funding, as these payments were originally budgeted for as payments within the portfolio. The additional Commonwealth funding resulted in an increase to departmental output service delivery.
Capital asset charge	939.2	940.0	No explanation needed – variance less than ± 10 per cent or \$100 million.	Not Applicable.

⁴⁷ The 2014-15 budget estimate aggregates the revenue and appropriations budget estimates of the former Department of Health and Department of Human Services (2015-16 Budget Paper No.5, p.110 and p.151)

⁴⁸ The 2014-15 actual aggregates the expenditure of the Department of Health and Human Services and six month pre-Machinery-of-Government of the former Department of Human Services (Department of Health & Human Services Annual Report 2014-15, p.65 and 2015-16 Budget Paper No.5, p151)

Expenses category	2014-15 budget estimate⁴⁹ (\$ million)	2014-15 actual⁵⁰ (\$ million)	Explanations for variances greater than ±10 per cent or \$100 million	Outcomes achieved by additional expenses/impact of reduced expenses
Other operating expenses	7,330.2	7,177.2	The variance is mainly due to a misalignment between the employee benefits and other operating expenses account groups, and improvements in compliance audits of concession providers.	Improvements in compliance audits of concession providers resulted in an underspend in the concessions program
Total	19,953.4	20,140.0		

⁴⁹ The 2014-15 budget estimate aggregates the revenue and appropriations budget estimates of the former Department of Health and Department of Human Services (2015-16 Budget Paper No.5, p.110 and p.151)

⁵⁰ The 2014-15 actual aggregates the expenditure of the Department of Health & Human Services and six month pre-Machinery-of-Government of the former Department of Human Services (Department of Health & Human Services Annual Report 2014-15, p. 65 and 2015-16 Budget Paper No. 5, p. 151)

Question 19 (departments only)

Please provide the following details about the realisation of expenditure reduction targets in 2013-14 and 2014-15. In providing targets, please provide the cumulative target rather than the change in savings from one year to the next (i.e. provide the target on the same basis as the budget papers). Please provide figures for the Department including its controlled entities.⁵¹

Initiative	Total value of efficiencies/savings expected to be realised from that initiative (\$ million)		Explanation for any variances greater than ± 10 per cent between estimated and actual expenditure reductions	How the efficiencies/savings have been achieved (i.e. what measures or changes have been introduced)
	in 2013-14 ⁵²	in 2014-15 ⁵³		
Government election commitment savings (2011-12 Budget)	112.19	114.84	Not Applicable	Savings were achieved in accordance with the election savings commitment.
Measures to offset the GST reduction (2011-12 Budget)	40.1	40.47	Not Applicable	Savings were achieved through improved efficiencies and cost containment across the Department's portfolios, including a focus on improved purchasing practices through enhanced contract management by Health Purchasing Victoria; improvements in patient flow, both within hospitals and community health services; and, reduction of administrative overheads.
Maintain a sustainable public service (2011-12 Budget Update)	64.26	70.18	Not Applicable	The number of staff in non-service delivery and back-office roles was reduced by approximately 200 Full-Time Equivalent (FTE) staff.

⁵¹ That is, please provide this information for the Department on the same basis of consolidation as is used in the budget papers

⁵² The 2013-14 efficiencies/savings expected to be realised for each initiative are an aggregate of the former Department of Human Services and Department of Health

⁵³ The 2014-15 efficiencies/savings expected to be realised for each initiative are an aggregate of the former Department of Human Services and Department of Health

Initiative	Total value of efficiencies/savings expected to be realised from that initiative (\$ million)		Explanation for any variances greater than ± 10 per cent between estimated and actual expenditure reductions	How the efficiencies/savings have been achieved (i.e. what measures or changes have been introduced)
	in 2013-14 ⁵⁴	in 2014-15 ⁵⁵		
Capping departmental expenditure growth (2011-12 Budget Update)	71.5	140.5	Not Applicable	Savings were achieved through improved efficiencies and cost containment across the Department's portfolios, including a focus on improved purchasing practices through enhanced contract management by Health Purchasing Victoria; improvements in patient flow, both within hospitals and community health services; and, reduction of administrative overheads.
'Total savings' line item in 2012-13 Budget	95.45	97.85	Not Applicable	Savings were achieved through improved efficiencies and cost containment across the Department's portfolios, including a focus on improved purchasing practices through enhanced contract management by Health Purchasing Victoria; improvements in patient flow, both within hospitals and community health services; and, reduction of administrative overheads.
Efficiency measures (2012-13 Budget Update)	31.1	93.00	Not Applicable	Savings were achieved through improved efficiencies and cost containment across the Department's portfolios, including a focus on improved purchasing practices through enhanced contract management by Health Purchasing Victoria; improvements in patient flow, both within hospitals and community health services; and, reduction of administrative overheads.

⁵⁴ The 2013-14 efficiencies/savings expected to be realised for each initiative are an aggregate of the former Department of Human Services and Department of Health

⁵⁵ The 2014-15 efficiencies/savings expected to be realised for each initiative are an aggregate of the former Department of Human Services and Department of Health

Initiative	Total value of efficiencies/savings expected to be realised from that initiative (\$ million)		Explanation for any variances greater than ± 10 per cent between estimated and actual expenditure reductions	How the efficiencies/savings have been achieved (i.e. what measures or changes have been introduced)
	in 2013-14 ⁵⁶	in 2014-15 ⁵⁷		
Efficiency and expenditure reduction measures (2013-14 Budget)	30.59	54.94	Not Applicable	Savings were achieved through improved efficiencies and cost containment across the Department's portfolios, including a focus on improved purchasing practices through enhanced contract management by Health Purchasing Victoria; improvements in patient flow, both within hospitals and community health services; and, reduction of administrative overheads.
Efficiency measures (2013-14 Budget Update)	-	81.0	Not Applicable	Savings were achieved through improved efficiencies and cost containment across the Department's portfolios, including a focus on improved purchasing practices through enhanced contract management by Health Purchasing Victoria; improvements in patient flow, both within hospitals and community health services; and, reduction of administrative overheads.
Application of an efficiency dividend to non-frontline departmental expenditure (2014-15 Budget)	-	0.68	Not Applicable	Not Applicable
Other	-	-	Not Applicable	Not Applicable

⁵⁶ The 2013-14 efficiencies/savings expected to be realised for each initiative are an aggregate of the former Department of Human Services and Department of Health

⁵⁷ The 2014-15 efficiencies/savings expected to be realised for each initiative are an aggregate of the former Department of Human Services and Department of Health

Question 20

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:

(a) in 2013-14

Service delivery indicators have been adjusted to reflect the total annual increase in the budgeted output costs of \$856.5 million.

Note: This is the aggregated result of 2013-14 of the former Department of Human Services and Department of Health

(b) in 2014-15

Service delivery indicators have been adjusted to reflect the total annual increase in the budgeted output costs of \$809.7 million.

Note: This is the aggregated result of 2014-15 of the former Department of Human Services and Department of Health

Question 21 (departments only)

The 2013-14 and 2014-15 budget papers both include targets for the ‘reprioritisation of resources previously allocated to departments’ to fund new initiatives (2013-14 Budget Paper No.2, p.54; 2014-15 Budget Paper No.2, p.61). This is in addition to any savings or efficiencies resulting from expenditure reduction measures. For your department (including all controlled entities),⁵⁸ 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) for each area of expenditure (or project or program), how much funding was reprioritised in each year; and
- (c) the impact of the reprioritisation on those areas.

Area of expenditure originally funded	Value of funding reprioritised (\$ million)		Impact of reprioritisation of funding
	2013-14 ⁵⁹	2014-15 ⁶⁰	
The reprioritisation of resources was achieved through improved efficiencies, cost containment, and reduction of administrative overheads across the department’s portfolios.	3.93	83.35	As the reprioritisation of resources was achieved through improved efficiencies and cost containment, there is no directly quantifiable impact on any specific area.
Total	3.93	83.35	

⁵⁸ That is, please provide this information for the Department on the same basis of consolidation as is used in the budget papers

⁵⁹ 2013-14 includes reprioritisation of the former Department of Human Services

⁶⁰ 2014-15 includes reprioritisation of the former Department of Health and Department of Human Services

Question 22 (Department of Treasury and Finance only)

This question does not apply to your department.

Question 23 (PNFC and PFC entities only)

This question does not apply to your department.

SECTION E: Public sector workforce**Question 24**

Please detail the total full-time equivalent number of staff in your department/agency as at 30 June 2013, 30 June 2014 and 30 June 2015 in each of the following bands of levels, and explain the changes:

Level	Total FTE (30 June 2013)	Total FTE (30 June 2014)	Total FTE (30 June 2015)	Explanation for changes
VPS Grades 1-3	776	720		2013 and 2014 reflect Department of Human Services only. For 2015, due to the Machinery of Government changes effective on 1/1/2015, the information of the combined Department of Health & Human Services is identified in the 2013-15 and 2014-15 PAEC Financial and Performance Outcomes General Questionnaire .
VPS Grade 4	525	497		As above
VPS Grades 5-6 and STS	1099	1177		As above
EO	78	79		As above
Other	7193	7216		As above
Total of all staff (including non-VPS grades)	9671	9689		As above

Question 25

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 ± 10 per cent or \$100 million between the years for each category.

Employment category	Gross salary 2012-13 (\$ million)	Gross salary 2013-14 (\$ million)	Gross salary 2014-15 (\$ million)	Explanation for any year-on-year variances greater than ± 10 per cent or \$100 million
Ongoing	701	670		2013 and 2014 reflect Department of Human Services only. For 2014-15, due to the Machinery of Government changes effective on 1/1/2015, the information of the combined Department of Health & Human Services is identified in the 2013-15 and 2014-15 PAEC Financial and Performance Outcomes General Questionnaire .
Fixed-term	48	43		As above
Casual	59	66		As above
Total	808	779		As above

Question 26

Please detail the number of executives who received increases in their base remuneration in 2013-14 and 2014-15, 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.

Increase in base remuneration	Number of executives receiving increases in their base rate of remuneration of this amount in 2013-14	Reasons for these increases
0-3 per cent	77	<ul style="list-style-type: none"> • 2014 annual Executive Officer guideline increase • Appointment
3-5 per cent	1	<ul style="list-style-type: none"> • Remuneration review relativity to others
5-10 per cent	4	<ul style="list-style-type: none"> • Remuneration review relativity to others • Promotion
10-15 per cent	1	Promotion
greater than 15 per cent	1	Promotion

Increase in base remuneration	Number of executives receiving increases in their base rate of remuneration of this amount in 2014-15	Reasons for these increases
0-3 per cent		For 2014-15, due to the Machinery of Government changes effective on 1/1/2015, the information of the combined Department of Health & Human Services is identified in the 2013-15 and 2014-15 PAEC Financial and Performance Outcomes General Questionnaire – Department of Health & Human Services/ Department of Health.
3-5 per cent		As above
5-10 per cent		As above
10-15 per cent		As above
greater than 15 per cent		As above

SECTION F: Inter-sector flows

Question 27 (Department of Treasury and Finance only)

This question does not apply to your department.

SECTION G: Government decisions impacting on the finances

Question 28

(a) Please detail any costs incurred during 2014-15 in the following categories as a result of machinery-of-government changes:

	(\$ million)
Consultants and contractors (including legal advice)	0.12
Relocation	0.01
Telephony	0.01
IT and records management	0.34
Rebranding	0.07
Furniture and fit-out	0.04
Other	0.02

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

These costs were absorbed through existing operating budgets and did not impact on departmental projects/programs.

(c) Please identify any benefits achieved during 2014-15 as a result of machinery-of-government changes, quantifying the benefits where possible.

The benefits derived from the Machinery-of-Government changes provide for a better coordinated approach in improving social service delivery. Benefits will be seen in the 2015-16 financial year.

Question 29

Please identify any Commonwealth Government decisions during 2013-14 or 2014-15 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 2013-14		Impact in 2014-15	
	on income (\$ million)	on expenses (\$ million)	on income (\$ million)	on expenses (\$ million)
<p>Termination of the National Partnership Agreement on Certain Concessions for Pensioner Concession Card and Seniors Card holders (the Agreement).</p> <p>In the 2014-15 Commonwealth Budget it was announced that the Agreement would cease from 1 July 2014.</p> <p>Termination of the Agreement resulted in a shortfall of \$73.8 million in 2014-15 to Victoria's Concessions Program, and a total shortfall of \$229.6 million for the period 2014-15 to 2016-17.</p> <p>Households receiving a concession did not experience any impact as a result of the cessation of Commonwealth funding, as the State responded quickly to the Commonwealth's announcement by maintaining the full value of the concessions program.</p> <p>This loss of revenue was at a whole of state level.</p> <p>The level of funding provided by the Victorian Government to the then Department of Human Services was maintained.</p>	00.0	00.0	73.8	00.0

Question 30

Please identify any COAG decisions during 2013-14 or 2014-15 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.

COAG decision	Impact in 2013-14		Impact in 2014-15	
	on income (\$ million)	on expenses (\$ million)	on income (\$ million)	on expenses (\$ million)
Not Applicable				

SECTION H: Fiscal and financial management strategies (Department of Treasury and Finance only)**Question 31**

This question does not apply to your department.

Question 32

This question does not apply to your department.

SECTION I: Economic environment**Question 33 (Department of Treasury and Finance only)**

This question does not apply to your department.

Question 34 (Department of Treasury and Finance only)

This question does not apply to your department.

Question 35 (Department of Treasury and Finance only)

This question does not apply to your department.

Question 36 (Department of Treasury and Finance only)

This question does not apply to your department.

Question 37

Please identify any key economic variables for which there were variances in 2013-14 and 2014-15 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 2013-14	Actual result in 2013-14	Impact of the variance on budget outcomes	Decisions made in response
Not Applicable for the Department of Human Services			

Expected economic result in 2014-15	Actual result in 2014-15	Impact of the variance on budget outcomes	Impact of the variance on service delivery
Not Applicable for the Department of Human Services			

SECTION J: Previous recommendations

Question 38 (departments only)

This question does not apply to your department.