



PUBLIC ACCOUNTS AND ESTIMATES COMMITTEE

2013-14 AND 2014-15 FINANCIAL AND PERFORMANCE OUTCOMES – ENTITY-SPECIFIC QUESTIONNAIRE

DEPARTMENT OF PREMIER AND CABINET

Question 1

Regarding the Department's document *Guidelines for Submissions and Responses to Inquiries*.¹ The Government indicated that the new guidance would be completed in late 2014.²

- a. What progress has been made on this review project?

Following the State Election in November 2014, the Department of Premier and Cabinet (DPC) has undertaken a review of the *Guidelines for Submissions and Responses to Inquiries*. Consultations within the Victorian Public Service on revised guidelines are scheduled for early 2016.

- b. When is a new guidance document expected to be released?

Revised guidelines are expected to be released in 2016.

Question 2

The Department has not provided explanations for cost performance measures, as required in the Model Report.³ Results for a number of output cost measures for the Department have been significantly over or under targets set at the time of the 2014-15 Budget. For the following measures, please provide explanations for variances.

Output	2014-15 Target	2014-15 Actual	Variation (per cent)	Explanation for variance
Strategic advice and government support	78.8	84.4	7.1%	The 2014-15 Actual result is higher than the Target due to costs relating to the change of Government.
Innovation and technology	24.3	21	-13.6%	The 2014-15 Actual result is lower than the Target due to deferral of activities from 2014-15 to 2015-16. This output was transferred to DPC as part of the Machinery of Government changes effective 1 January 2015.
Small business assistance	4.6	4.0	-13.0%	The 2014-15 Actual result is lower than the Target due to deferral of activities from 2014-15 to 2015-16. This output was transferred to DPC as part of the

¹ www.dpc.vic.gov.au/index.php/policies/governance/guidelines-for-submissions-and-responses-to-inquiries

² Department of Premier and Cabinet, *Response to 2014-15 Budget Estimates Questionnaire*, Question 35.

³ Department of Treasury and Finance, *2014-15 Model Report for Victorian Government Departments* (2015), p.21

				Machinery of Government changes effective 1 January 2015.
Multicultural Affairs & Citizenship	24.4	21.8	-10.7%	The 2014-15 Actual result is lower than the Target due to deferral of activities from 2014-15 to 2015-16 mainly related to Office of Multicultural Affairs and Citizenship grant programs.
Public administration advice and support	6.3	6.7	6.3%	The 2014-15 Actual result is higher than the Target as a result of deferred activities from 2013-14 to 2014-15 related to the Victorian Public Sector Commission.
Ombudsman services	11	11.8	7.3%	The 2014-15 Actual result is higher than the Target due to additional resources being provided to the Victorian Ombudsman during 2014-15.
Chief Parliamentary Counsel services	5.7	6.4	12.3%	The 2014-15 Actual result is higher than the Target due to additional resources being provided to the Chief Parliamentary Counsel.
Privacy regulation	4.4	4.8	9.1%	The 2014-15 Actual result is higher than the Target due to additional activity undertaken in 2014-15 related to the Commissioner for Privacy and Data Protection. This output was transferred to DPC as part of the Machinery of Government changes effective 1 January 2015.
Anti-corruption and public sector integrity	56.8	28.6	-49.6%	The 2014-15 Actual result is lower than the Target due to deferral of activities from 2014-15 to 2015-16 and a budget rephase to future years. This output was transferred to DPC as part of the Machinery of Government changes effective 1 January 2015.
Freedom of Information (FOI) Commissioner	2.7	2.4	-11.1%	The 2014-15 Actual result is lower than the Target due to deferral of activities from 2014-15 to 2015-16. This output was transferred to DPC as part of the Machinery of Government changes effective 1 January 2015.
Local government	2	1.4	-30.0%	The 2014-15 Actual result is lower than the Target due to deferral of activities from 2014-15 to 2015-16 related to Local Government Investigations and Compliance Inspectorate. This output was transferred to DPC as part of the

				Machinery of Government changes effective 1 January 2015.
State electoral roll and elections	71	63.2	-11.0%	The 2014-15 Actual result is lower than the Target due to deferral of activities from 2014-15 to 2015-16 related to the Victorian Electoral Commission. This output was transferred to DPC as part of the Machinery of Government changes effective 1 January 2015.

Question 3

In the comprehensive operating statement of the Annual Report (p.106), the 'other' item under 'other economic flows — other comprehensive income' shows a variance of 370.7%. Please advise the Committee

- a. what specific item(s) contribute to this variance

The variance is driven by movements in the Equity Accounts (Accumulated Surplus and General Reserves) as a result of functions/entities being relinquished by or transferred to the control of the DPC portfolio.

- b. the underlying cause of the variance.

Machinery of Government changes effective 1 January 2015.

Question 4

In the cash flow statement of the annual report (p.108) the variance for net borrowings is 7,550%. Please advise what projects or programs the higher-than-expected borrowings supported.

The main causes of this variance were:

- **The State Administration Unit (SAU) funds transferred from the Department of Economic Development, Jobs, Transport and Resources (DEDJTR) to DPC for the reimbursement of the post Machinery of Government transactions incurred by Arts Victoria whilst transitioning to the DEDJTR financial systems (\$107 million).**

Offset by:

- **The SAU component of the Capital Assets Charge transferred to the Department of Treasury and Finance from DPC (\$43 million).**
- **The repayment of the \$10 million Public Account Advance which was outstanding from the construction of the Melbourne Recital Centre. The Treasurer approved the use of prior years' Arts Sector accumulated Depreciation Equivalent SAU funds for this repayment.**