



**PUBLIC ACCOUNTS AND ESTIMATES COMMITTEE**

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

**VICROADS (ROADS CORPORATION)**

## **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.

**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.

## 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 <sup>1</sup>	Estimated financial completion date in 2015-16 budget papers <sup>2</sup>	Estimated financial completion date in 2016-17 budget papers <sup>2</sup>	Explanation for any changes to the estimated financial completion date <sup>2</sup>
Calder Highway interchange Ravenswood	26.9	13.5	Variance due to cultural heritage issues.	Qtr 4 2017-18	Qtr 2 2017-18	Cultural heritage issues resolved with no impact to the practical completion date.
Princes Highway Duplication Project - Winchelsea to Colac	33.4	11.6	Variance due to delay in advertising tender and obtaining Environment Protection and Biodiversity Conservation (EPBC) approval.	Qtr 4 2018-19	Qtr 4 2018-19	N/A
Targeted Road Restoration	52.7	39.1	Variance due to a combination of delays in contract advertisement and award, rescheduling program of works and service relocation issues.	Qtr 4 2015-16	Qtr 4 2015-16	N/A

<sup>1</sup> The 2015-16 financial variance had no impact on the TEI of any of the projects on the list.

<sup>2</sup> The 2015-16 and 2016-17 Budget Paper reflects practical completion date and not the financial completion date.

Project	Estimated expenditure in 2015-16 (2015-16 budget papers) (\$ million)	Actual expenditure in 2015-16 (\$ million)	Explanation for variance <sup>1</sup>	Estimated financial completion date in 2015-16 budget papers <sup>2</sup>	Estimated financial completion date in 2016-17 budget papers <sup>2</sup>	Explanation for any changes to the estimated financial completion date <sup>2</sup>
Transport Solutions - Regional Roads Package	34.0	17.4	Variance due to a combination of service relocation, environmental and land acquisition issues.	Qtr 4 2016-17	Qtr 4 2017-18	Changes due to a combination of factors including service relocation, environmental and land acquisition issues.
Road Safety Strategy 2013-22	74.9	50.8	Variance due to delay in getting approval for projects and investment plans.	Qtr 2 2022-23	Qtr 2 2022-23	N/A
Bridge strengthening for freight efficiency	47.8	24.5	Variance due to a combination of delays in contract advertisement and award, design delays and environmental issues.	Qtr 4 2017-18	Qtr 4 2017-18	N/A
M80 Upgrade – Sunshine Avenue to Calder Freeway (Sunshine North)	40.0	4.3	Variance due to change in scope resulting in delay in obtaining approval to invite Expressions of Interest.	Qtr 4 2017-18	Qtr 2 2018-19	Changes due to delay in obtaining approval to invite Expressions of Interest.
Princes Hwy East - Traralgon to Sale	48.1	37.8	Variance due to changes to schedule of works.	Qtr 4 2018-19	Qtr 4 2018-19	N/A
Western Highway - Ballarat to Stawell	102.7	82.7	Variance due issues with environmental approval for section 2B - Buangor to Ararat.	Qtr 4 2017-18	Qtr 3 2018-19	Change due to issues with environmental approval for section 2B - Buangor to Ararat.

### **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  $\pm 10$  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 $\pm 10$ per cent or \$100 million
705.7	606.5	Under expenditure due to delays in a number of projects including Princes Highway Duplication Project - Winchelsea to Colac, Road Safety Strategy 2013-22, Bridge strengthening for freight efficiency and Metropolitan Ring Road upgrade - Whitten Bridge to Sunshine Avenue.

## 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.

<b>Revenue category</b>	<b>2014-15 actual</b> <b>(\$ million)</b>	<b>2015-16 actual</b> <b>(\$ million)</b>	<b>Explanations for changes greater than <math>\pm 10</math> per cent or \$100 million</b>	<b>How the additional revenue was used/the impact of reduced revenue</b>
Victorian Government grants	980.4	1,092.1	Increase mainly due to Peninsula Link funding. 2015-16 contains twelve months funding as compared to only two months in 2014-15. Peninsula Link was transferred to VicRoads on 8 May 2015.	Meet contract commitments associated with Peninsula Link.
Transport Accident Commission grants	105.6	68.1	Decrease primarily due to timing of approved projects.	Reduced revenue resulted from reduction in program expenditure.
Regulatory revenue	122.5	137.6	Increased revenue received from multiple regulatory fees, including driver licence fees, alcohol interlock and registration plates.	Nil
Fair value of assets received free of charge	15.3	34.9	Roads transferred free of charge to VicRoads from council following revised classification from municipal road to arterial road during 2015-16.	Nil
Other revenue	174.9	744.8	Increase due to recognition of revenue of \$591 million associated with the level crossing removal projects which are being delivered by VicRoads on behalf of the Level Crossing Removal Authority.	Delivery of level crossing removal projects.
<b>Total Revenue</b>	<b>1,398.7</b>	<b>2,077.5</b>		

### **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.

<b>Revenue category</b>	<b>2015-16 budget estimate</b> <b>(\$ million)</b>	<b>2015-16 actual</b> <b>(\$ million)</b>	<b>Explanations for variances greater than <math>\pm 10</math> per cent or \$100 million</b>	<b>Actions taken in response</b>
Transport Accident Commission Grants	126.9	68.1	Under expenditure primarily due to the timing of approval of new projects and rescheduling of works in the Road Safety Strategy 2013-2022 program.	Nil
Fair value of assets received free to charge	0.0	34.9	Roads transferred free of charge to VicRoads from council following revised classification from municipal road to arterial road during 2015-16.	Nil
Other revenue	147.0	744.8	Increase in revenue is due to the recognition of revenue of \$591 million associated with the level crossing removal project which are being delivered by VicRoads on behalf of the Level Crossing Removal Authority.	Nil
Victorian Government Grants	1,130.6	1,092.1	N/A	Nil
Regulatory Revenue	118.7	137.6	The increase in revenue is primarily due to higher than anticipated collection of driver licence fees and custom plates.	Nil
<b>Total Income</b>	<b>1,523.2</b>	<b>2,077.5</b>		



**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.

## 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>3</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</b> <b>(\$ million)</b>	<b>2015-16 actual</b> <b>(\$ 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>
Employee benefits	210.2	206.2	N/A	
Supplies and services	632.5	1,199.4	Increase due to \$591 million associated with the level crossing removal projects which are being delivered by VicRoads on behalf of the Level Crossing Removal Authority.	Improves safety for drivers and pedestrians, eased congestion and allows more trains to run more often..
Depreciation and amortisation	576.7	610.2	N/A	
Interest expense	14.9	88.0	Full year impact of interest on Peninsula Link lease.	

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

<b>Expenses category</b>	<b>2014-15 actual</b> <b>(\$ million)</b>	<b>2015-16 actual</b> <b>(\$ million)</b>	<b>Explanations for variances greater than ±10 per cent or \$100 million</b>	<b>Outcomes achieved by additional expenses/impact of reduced expenses</b>
Grants and other transfers	94.2	87.1	N/A	
Capital asset charge	49.8	49.8	N/A	
Fair value of assets transferred to other entities	10.9	2.6	Decrease in road assets transferred to other entities.	
<b>Total Expense</b>	<b>1,589.2</b>	<b>2,243.3</b>		

### 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>4</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
Employee benefits	283.4	206.2	Variance due to staff vacancies and staff on secondment not replaced or replaced with agency staff.	N/A
Supplies and services	579.9	1,199.4	Variance primarily due to delivery of level crossing removal projects undertaken on behalf of the Level Crossing Removal Authority.	Improves safety for drivers and pedestrians, eased congestion and allows more trains to run more often.
Depreciation and amortisation	642.3	610.2	N/A	N/A
Interest expense	0.0	88.0	Unbudgeted interest on Peninsula Link lease. Responsibility transferred to VicRoads from 8 May 2015.	N/A
Grants and other transfers	47.9	87.1	Unbudgeted State contribution to National Heavy Vehicle Regulator.	N/A

<sup>4</sup> That is, the impact of service delivery on the community rather than a description of the services delivered.

<b>Expenses category</b>	<b>2015-16 budget estimate</b> <b>(\$ million)</b>	<b>2015-16 actual</b> <b>(\$ million)</b>	<b>Explanations for variances greater than ±10 per cent or \$100 million</b>	<b>Outcomes achieved by additional expenses/impact of reduced expenses</b>
Capital asset charge	49.8	49.8	N/A	N/A
Fair value of assets transferred to other entities	0.0	2.6	Road asset transferred to other entities.	N/A
<b>Total Expenses</b>	<b>1,603.3</b>	<b>2,243.3</b>		

### **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:

Services are delivered in line with initiatives outlined in the State Budget each year.

- (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

Services are delivered in line with initiatives outlined in the State Budget each year.

**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.

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

This question does not apply to your agency.

**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 2014, at 30 June 2015 and 30 June 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.

<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>
EO-1	1	1	1
EO-2	12	11	14
EO-3	43	36	35
VPS Grade 7 (STS)	17	17	19
VPS Grade 6	156	156	155

<b>Grade</b>	<b>30 June 2014</b>	<b>30 June 2015</b>	<b>30 June 2016</b>
	<b>(Actual FTE number)</b>	<b>(Actual FTE number)</b>	<b>(Actual FTE number)</b>
VPS Grade 5	358	361	366
VPS Grade 4	674	679	702
VPS Grade 3	577	567	592
VPS Grade 2	563	539	554
VPS Grade 1	22	22	10
<b>Total</b>	<b>2,423</b>	<b>2,389</b>	<b>2,448</b>

### **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</b>	<b>Gross salary 2014-15</b>	<b>Gross salary 2015-16</b>	<b>Explanation for any year-on-year variances greater than <math>\pm 10</math> per cent or \$100 million</b>
	<b>(\$ million)</b>	<b>(\$ million)</b>	<b>(\$ million)</b>	
Ongoing	217.8	218.4	236.6	
Fixed-term	0.4	1.4	2.8	An increase in fixed-term opportunities being advertised externally to enable flexibility and reduce agency cost.
Casual	0.0	0.0	0.0	
<b>Total</b>	<b>218.2</b>	<b>219.8</b>	<b>239.4</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.

Increase in base remuneration	Number of executives receiving increases in their base rate of remuneration of this amount in 2015-16	Reasons for these increases
0-3 per cent	41	Annual adjustment and performance review
3-5 per cent	0	
5-10 per cent	1	Performance review
10-15 per cent	1	Annual adjustment and promotion
greater than 15 per cent	3	Annual adjustment and promotion

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

This question does not apply to your agency.

**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.

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

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

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.

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.

**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
		Economic variables did not significantly impact on VicRoads' finances, service delivery or asset investment.	