

PARLIAMENT OF VICTORIA

Public Accounts and Estimates Committee



2019-20

Financial and Performance Outcomes General Questionnaire

Development Victoria

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Introduction – Financial and Performance Outcomes Questionnaire

The Committee's inquiry into the 2019-20 Financial and Performance Outcomes examines:

- the Government's actual expenditure and revenue compared to the budgeted expenditure and revenue
- the actual performance outcomes against the targeted performance outcomes at a departmental/agency level.

The inquiry aims to benefit the Parliament and the community by:

- promoting the accountability, transparency and integrity of the executive and the public sector
- encouraging the effective and efficient delivery of public services and assets.

This questionnaire seeks information on the departmental/agency financials for the 2019-20 financial year, what was achieved during those years and how that compares to expectations.

Timeline and format

Responses to this questionnaire are due by **5.00pm on Monday 1 February 2021**.

Please email the completed questionnaire (in word and pdf) to paec@parliament.vic.gov.au

Please also email a signed copy.

Consistency with the budget papers

Whenever referring to an initiative/program/project that is referred to in the budget papers, please use the same name as is used in the budget papers. This ensures that the Committee can correlate the information provided by the department with the information in the budget papers.

Basis of consolidation

For departments, please use the same basis of consolidation as was used in the budget papers and in the budget portfolio outcomes statement in the department's annual report.

Guidance

Please contact the secretariat should you require guidance in relation to any questions:

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Section A: Output variances and program outcomes

Question 1 (all departments) Completed output initiatives from past budgets

- a) For all initiatives that were completed in 2019-20, please provide details of the outcomes achieved in the community and the outcomes actually achieved to date. Please use initiatives names as specified in *Budget Paper No.3: Service Delivery* and link the initiative to the responsible output(s) and portfolio(s).

| Initiative | Year and funding allocated | | Actual date of completion (month and year) | Expected outcomes | Actual outcomes | Output(s) and portfolio(s) |
|------------|----------------------------|----------------------|---|-------------------|-----------------|-------------------------------|
| | Budget year | Funding allocated | | | | |
| N/A | N/A | N/A | N/A | N/A | N/A | N/A |
| | | | | | | |
| | | | | | | |
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Question 2 (all departments) Program outcomes

Outcomes reflect the impact on the community of the goods and services provided by a department. The questions in this section all relate to the outcomes that the department contributed to in 2019-20.

- a) Using the format of the table below, please outline the five programs that delivered the most important outcomes in the community¹ achieved by the department in 2019-20 including:
- i. The name of the program
 - ii. The relevant output(s) and portfolio(s) responsible for delivery of the program
 - iii. The program objectives
 - iv. The actual outcome achieved
 - v. The actions taken to deliver the actual outcome (i.e. the most important elements/essential parts that led the Department to deliver the outcome).

| Program | Output(s) and portfolio(s) | Program objectives | Description of actual outcome achieved | Description of the actions taken to deliver the actual outcome |
|---------|----------------------------|--------------------|--|--|
| 1. | N/A | N/A | N/A | N/A |
| 2. | | | | |
| 3. | | | | |
| 4. | | | | |
| 5. | | | | |

¹ 'Outcomes' are the impact of service delivery on the community rather than a description of the services delivered. The Committee considers that an outcome could be considered important for a variety of reasons, such as the amount of funding allocated to the program, the public interest in the service or goods being delivered or where particular actions taken by the Department delivered improved outcomes.

- b) Using the format of the table below, please outline the five least performing programs that did not deliver their planned outcomes in the community by the department 2019-20 including:
- i. The name of the program
 - ii. The relevant output(s) and portfolio(s) responsible for delivery of the program
 - iii. The program objectives
 - iv. The actual outcome achieved
 - v. Explanation for not achieving the planned outcome (including a description of what actions were taken to try and achieve the planned outcome).

| Program | | Output(s) and portfolio(s) | Program objectives | Description of actual outcome achieved | Detailed explanation for not delivering the planned outcome |
|---------|-----|----------------------------|--------------------|--|---|
| 1. | N/A | N/A | N/A | N/A | N/A |
| 2. | | | | | |
| 3. | | | | | |
| 4. | | | | | |
| 5. | | | | | |

Section B: Asset investment

Question 4 (all departments) Capital expenditure variances, completion date and scope changes – existing projects

Please provide details of all capital asset programs where:

- there was a variance between TEI at announcement compared to the revised TEI in the 2019-20 Budget of equal to or greater than $\pm 5\%$ or \$50 million and an explanation for the variance
- the estimated completion date at announcement is different to the completion date in the 2019-20 Budget and an explanation for the change
- the scope of the project at announcement is different to the scope of the project as it is presented in the 2019-20 Budget.

Capital expenditure

| Project | Output(s) and portfolio(s) and/or agency responsible for the project | Total actual expenditure spent from announcement to 30 June 2020 (\$ million) | TEI at announcement (\$ million) | Revised TEI 2019-20 Budget (\$ million) | Variance between TEI at announcement compared to Revised TEI in 2019-20 Budget ($\pm 5\%$ or \$50 million) explanation |
|---------|--|---|----------------------------------|---|---|
| N/A | N/A | N/A | N/A | N/A | N/A |
| | | | | | |
| | | | | | |

Completion date

| Project | Output(s) and portfolio(s) and/or agency responsible for the project | Estimated completion date at announcement | Revised completion date 2019-20 Budget | Explanation |
|---------|--|---|--|-------------|
| N/A | N/A | N/A | N/A | N/A |
| | | | | |
| | | | | |

Scope

| Project | Output(s) and portfolio(s) and/or agency responsible for the project | Scope at announcement | Details of scope change(s) and date(s) scope changes occurred |
|---------|--|-----------------------|---|
| N/A | N/A | N/A | N/A |
| | | | |
| | | | |
| | | | |

Question 5 (all departments) Details of actual capital expenditure – completed projects (or expected to be completed)

Please provide the following details about asset investment projects that were completed in 2019-20:

- Project name, project objectives and Department(s), Output(s) and Portfolio(s) and/or Agency/Agencies responsible for delivery of the project
- Total Estimated Investment (TEI) at announcement
- Actual cost of project
- Estimated completion date at announcement
- Actual completion date
- Explanations for any variance in capital expenditure and/or completion date.

| Project | Original project objectives | Responsible Department(s), Output(s) and Portfolio(s) and/or Agency/Agencies | TEI at announcement (\$ million) | Actual cost of project (\$ million) | Estimated completion date at announcement | Actual completed date | Variance explanation (\$ value variance and/or time variance) |
|---------|-----------------------------|--|----------------------------------|-------------------------------------|---|-----------------------|---|
| N/A | N/A | N/A | N/A | N/A | N/A | N/A | N/A |
| | | | | | | | |
| | | | | | | | |

Question 6 (all departments) High-value high-risk projects, gateway reviews and business cases

Under the High Value High Risk (HVHR) Framework, a project will be classified as HVHR if it is a budget funded project that has a Total Estimated Investment (TEI) of over \$250 million. HVHR projects are subject to compulsory Gateway reviews, where Gates 1 through 6 are compulsory for all eligible projects: Gate 2 outlines the development of a business case.

Please list all projects included in the 2019-20 budget papers that were allocated to the department and were classified as HVHR and project objectives. Please also specify which gateway reviews, if any, were completed during 2019-20 and business case details for each project. Please use project names as specified in *Budget Paper No.4: State Capital Program*.

| HVHR Project | Original project objectives | Gateway review name/ Date completed | Date business case completed | Business case – publicly available? Y/N | Business case link (URL) |
|---------------------|------------------------------------|--|-------------------------------------|--|---------------------------------|
| N/A | N/A | N/A | N/A | N/A | N/A |
| | | | | | |
| | | | | | |
| | | | | | |

Question 7 (all departments) Public Private Partnership (PPP) expenditure – existing and completed

Please provide the following information related to the department’s PPP projects:

- a) The total estimated PPP investment value, the total actual expenditure from announcement to 30 June 2020, or the actual cost spent to 30 June 2020 (actual cost spent in the respective financial year) and the benefits of using the PPP financing model when delivering/funding a project over other financing methods.
- b) Where the estimated completion date at announcement is different to the completion date in the 2019-20 Budget and an explanation for any variance.
- c) Where the scope of the PPP at announcement is different to the scope of the project as it is presented in the 2019-20 Budget.

Investment value and benefit of using PPP model

| Project name | Project objectives | Output(s) and portfolio(s) and/or agency | Total estimated PPP investment value at the start of the project (\$ million) | Total actual expenditure since the announcement to 30 June 2020 (\$ million) | Actual expenditure in year ending 30 June 2020 (\$ million) | Benefits of using PPP model versus other delivery/funding models |
|--------------|--------------------|--|---|--|---|--|
| N/A | N/A | N/A | N/A | N/A | N/A | N/A |

Completion date

| Project name | Output(s) and portfolio(s) and/or agency | Estimated completion date | Revised estimated completion date | Variance explanation |
|--------------|--|---------------------------|-----------------------------------|----------------------|
| N/A | N/A | N/A | N/A | N/A |

Scope

| Project name | Output(s) and portfolio(s) and/or agency | Original scope | Revised scope | Explanation for scope changes |
|--------------|--|----------------|---------------|-------------------------------|
| N/A | N/A | N/A | N/A | N/A |

Section C: Revenue and appropriations

Question 8 (all departments and entities) Revenue – variances from previous year

Please explain any changes equal to or greater than $\pm 10\%$ or \$100 million between the actual result for 2018-19 and 2019-20 for each revenue 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 and then link it to the relevant output and portfolio.

Please also detail the outcomes in the community² 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 revenue/income categories for the department/agency for which the 2019-20 expenditure changed from the prior year's expenditure by more than $\pm 10\%$ 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 | 2018-19 actual (\$ million) | 2019-20 actual (\$ million) | Explanations for changes $\pm 10\%$ or \$100 million | How the additional revenue was used/the impact of reduced revenue. If no impact, how was this achieved | Relevant output(s) and portfolio(s) |
|------------------|-----------------------------|-----------------------------|--|--|--|
| Land Sales | 196.3 | 181.6 | N/A | N/A | N/A |
| Interest Income | 2.4 | 1.6 | Variations due to decreases in interest rates and cash holdings in the period. | Variations due to decreases in interest rates and cash holdings in the period. | Variations due to decreases in interest rates and cash holdings in the period. |
| Other Income | 8.2 | 7.6 | N/A | N/A | N/A |

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

Question 9 (all departments and entities) Revenue – variances from budget to actual

Please explain any variances equal to or greater than $\pm 10\%$ or \$100 million between the initial budget estimate (not the revised estimate) and the actual result for 2019-20 for each revenue 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 and then link it to the relevant output and portfolio.

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

| Revenue category | 2019-20 Budget estimate (\$ million) | 2019-20 actual (\$ million) | Explanations for changes $\pm 10\%$ or \$100 million | How the additional revenue was used/the impact of reduced revenue. If no impact, explain why | Relevant output(s) and portfolio(s) |
|------------------------|--------------------------------------|-----------------------------|--|--|-------------------------------------|
| No relevant line items | N/A | N/A | N/A | Refer above | N/A |
| | | | | | |
| | | | | | |
| | | | | | |

Section D: Expenses

Question 10 (all departments and entities) Expenses changed from previous year

Please explain any changes equal to or greater than $\pm 10\%$ or \$100 million with regards to the actual result for 2018-19 and 2019-20 for each category of expenses detailed in your operating statement. Please explain any changes equal to or greater than $\pm 10\%$ or \$100 million with regards the actual result for 2019-20 and the initial budget estimate (not the revised budget). Please also detail the outcomes in the community³ 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.

| Expenses category | 2018-19 Actual \$ million | 2019-20 Actual \$ million | Explanations for variances $\pm 10\%$ or \$100 million | Outcomes achieved by additional expenses/impact of reduced expenses. If no impact, how was this achieved |
|----------------------------------|------------------------------|------------------------------|---|---|
| Costs of Sales | (142.5) | (131.6) | N/A | N/A |
| Employee benefits | (15.9) | (17.1) | N/A | N/A |
| Depreciation and amortisation | (1.7) | (3.7) | Due to implementation of AASB 16 and Leases brought onto Balance Sheet in FY20. | Due to implementation of AASB 16 and Leases brought onto Balance Sheet in FY20. |
| Borrowing costs | (0.9) | (0.7) | Decrease due to favourable interest rates in FY20. | Decrease due to favourable interest rates in FY20. |
| Other operating expenses | (9.5) | (9.0) | N/A | N/A |

| Expenses category | 2019-20 Budget \$ million | 2019-20 Actual \$ million | Explanations for variances $\pm 10\%$ or \$100 million | Outcomes achieved by additional expenses/impact of reduced expenses. If no impact, how was this achieved |
|----------------------------------|------------------------------|------------------------------|---|---|
| Costs of Sales | N/A | N/A | N/A | N/A |
| Employee benefits | N/A | N/A | N/A | N/A |
| Depreciation and amortisation | N/A | N/A | N/A | N/A |
| Borrowing costs | N/A | N/A | N/A | N/A |

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

| | | | | |
|--------------------------|-----|-----|-----|-----|
| Other operating expenses | N/A | N/A | N/A | N/A |
|--------------------------|-----|-----|-----|-----|

Question 11 Expenses/interventions related to COVID-19 pandemic response

For the year 2019-20, please outline the programs and/or initiatives that were announced as part of the Victorian Government's response to the COVID-19 pandemic in the order of the highest amount allocated.

Please indicate if the department made use of emergency advances and retroactive funding approvals.

Please note whether there are identified performance measures in the budget papers related to the announced programs. If not, please explain where progress is being reported.

a) On budget

| Name of the program/initiative | Program/initiative objectives | Expenditure as at 30 June 2020 | Output/Portfolio | Use of emergency advances/ retroactive funding approvals – Yes or No | Performance measures for the program/Initiative (including where published) | Explanation |
|--------------------------------|-------------------------------|--------------------------------|------------------|--|---|-------------|
| N/A | N/A | N/A | N/A | N/A | N/A | N/A |
| | | | | | | |
| | | | | | | |

b) Off budget

| Name of the program/initiative | Program/initiative objectives | Expenditure as at 30 June 2020 | Output/Portfolio | Use of emergency advances/retroactive funding approvals – Yes or No | Performance measures for the program/Initiative (including where published) | Explanation |
|--------------------------------|-------------------------------|--------------------------------|------------------|---|---|-------------|
| N/A | N/A | N/A | N/A | N/A | N/A | N/A |
| | | | | | | |
| | | | | | | |

c) What additional budgetary control and tracking/traceability measures were introduced by the department in 2019-20 to ensure COVID-19 programs/initiatives were deployed effectively and in line with the intended purpose?

| |
|-----|
| N/A |
|-----|

Question 12 (all departments and entities) Changes to service delivery from savings initiatives

For each of the savings initiatives detailed in the 2016-17 Budget, 2017-18 Budget, 2018-19 Budget, and 2019-20 Budget, please provide the following details of the impact on service delivery:

- Savings target in the 2016-17, 2017-18, 2018-19 and 2019-20 Budgets and the amount of the savings target allocated to the department/entity
- Actual savings achieved in 2016-17, 2017-18, 2018-19 and 2019-20 and the actions taken to achieve the savings target allocated and their impact, including the link to the relevant output and portfolio impacted.

| Savings initiative in the Budget \$ million | Savings target allocated to the department/entity in 2019-20 | Actual savings achieved in 2019-20 \$ million | Actions taken to achieve the allocated savings target | What was the impact as a result of the measures taken to achieve the savings target? <i>(e.g. frontline and/or other areas of business that saw the impact)</i> If no impact, how was this achieved | Which output(s) and portfolio(s) were impacted (if relevant) |
|---|--|---|---|--|--|
| 2016-17 | N/A | N/A | N/A | N/A | N/A |
| 2017-18 | No relevant line items | N/A | N/A | N/A | N/A |
| 2018-19 | No relevant line items | N/A | N/A | N/A | N/A |
| 2019-20 | No relevant line items | N/A | N/A | N/A | N/A |

Question 13 (all departments) Achievement of reprioritisation of existing resources

The 2019-20 Budget includes targets for 'reprioritisation and revenue offsets' to fund new initiatives (2019-20 Budget Paper No.2, p.57). This is in addition to any savings or efficiencies resulting from expenditure reduction measures. For the department (including all controlled entities),⁴ please indicate:

- what areas of expenditure (including projects and programs if appropriate) the funding was reprioritised from (i.e. what the funding was initially provided for)
- what areas of expenditure were the funds actually spent on
- for each area of expenditure (or project or program), how much funding was reprioritised in each year
- the impact of the reprioritisation (in terms of service delivery) on those areas.

| Area of expenditure originally funded | Area of expenditure actually funded | Value of funding reprioritised in 2019-20 (\$ million) | Impact of reprioritisation of funding (if no impact, how was this achieved) | Output(s) and portfolio(s) impacted (if relevant) |
|---------------------------------------|-------------------------------------|--|---|---|
| N/A | N/A | N/A | N/A | N/A |
| | | | | |

⁴ That is, please provide this information for the Department on the same basis of consolidation as is used in the budget papers.

Question 14 (all departments) Contractors, Consultants and Labour Hire Arrangements

Please indicate how much the department spent on contractors, consultants and labour hire arrangements during 2017-18, 2018-19 and 2019-20. Labour hire arrangements include the cost of engaging the labour recruiting firm, plus additional costs paid to the labour recruiting firm for the provision of the services of the contractor. Please also explain variances equal to or greater than $\pm 10\%$ between years and list the business areas impacted and how.

| 2017-18 Actual \$ million | 2018-19 Actual \$ million | 2019-20 Actual \$ million | Explanation for variances (year on year) $\pm 10\%$ | Which business areas were impacted/benefitted and how? | Please link your response to relevant output(s) and portfolio(s) |
|---------------------------------|---------------------------------|---------------------------------|---|--|--|
| N/A | N/A | N/A | N/A | N/A | N/A |
| | | | | | |
| | | | | | |

Question 15 (PNFC and PFC entities only) Dividends and other amounts paid to the general government sector

Please detail the type and value of dividends, amounts equivalent to dividends, non-dividend grants, and capital repatriations paid by your agency to the general government sector in 2019-20, explaining the reasons for any significant changes over that period and the impact of any changes on the entity.

Please provide the economic funding ratio or accounting funding ratio as applicable at 30 June 2020. Please provide details of the methodology used for the ratio calculation.

| Type of dividend paid | 2019-20 Budget (\$ million) <i>BP 5, pg. 22</i> | 2019-20 Actual (\$ million) | Explanations for variances ±10% or \$100 million | Impact on the agency. If no impact, how was this achieved | Funding ratio at 30 June 2020 |
|-----------------------|---|--------------------------------|--|---|-------------------------------|
| General dividend | N/A | 0.00 | | | |
| | | | | | |

| Economic funding ratio / accounting funding ratio as at 30 June 2020 | Details of the methodology |
|---|---|
| General Dividend | In order to maintain our status and a Public Non-Financial Corporation, we are required to generate at least 50% or revenues on the open market and at economically significant prices. |
| | |

Section E: Overall financial performance

Question 16 (all departments) Impact of COVID-19 on financial performance – 2019-20

Please outline and quantify, where possible, the impacts of the COVID-19 pandemic on the department/agency's financial performance.

| Line item in the Comprehensive operating statement for the financial year ended 30 June 2020 | Budget 2019-20 | Actual 2019-20 | Explanation of the impact caused by COVID-19 pandemic |
|--|----------------|----------------|---|
| Total revenue and income from transactions | N/A | (\$3.1M) | In response to Federal and State Government directions Development Victoria offered rental relief to tenants totalling \$3.1m |
| Total expenses from transactions | N/A | N/A | N/A |
| Net result from transactions (net operating balance) | N/A | N/A | N/A |

Section F: Public sector workforce

Question 17 (all departments and entities) Full Time Equivalent (FTE) staff by level and category

Please fully complete the table below, providing actual FTE staff numbers at 30 June 2018, at 30 June 2019 and 30 June 2020 (broken down by the categories listed below) for the department. Please include specific categories as relevant to the department/entity and where relevant, provide a description of what categories constitute 'other'. Please provide figures consolidated on the same basis as the expenditure for the department in the budget papers and detail which, if any, entities are included in the FTE numbers provided.

| Category | 30 June 2018 Actual FTE number | 30 June 2019 Actual FTE number | 30 June 2020 Actual FTE number |
|------------------------------------|--------------------------------|--------------------------------|--------------------------------|
| Secretary | | | |
| EO-1 | | | |
| EO-2 | | | |
| EO-3 | | | |
| VPS Grade 7 (STS) | | | |
| VPS Grade 6 | | | |
| VPS Grade 5 | | | |
| VPS Grade 4 | | | |
| VPS Grade 3 | | | |
| VPS Grade 2 | | | |
| VPS Grade 1 | | | |
| Government Teaching Service | | | |
| Health services | | | |
| Police | | | |
| Nurses/Midwives | | | |
| Allied health professionals | | | |
| Child protection | | | |
| Disability development and support | | | |
| *Youth custodial officers | | | |
| *Custodial officers | | | |
| **Other | 163 | 191.4 | 191.2 |
| Total | 163 | 191.4 | 191.2 |

***Please provide a breakdown for Youth custodial and Custodial officers by level (for example, YW1, YW2, YW3, YW4, YW5 and YW6).**

****Other includes:** Development Victoria Staff classification levels.

Numbers include FTE for the following entities:

| |
|----------------------|
| Development Victoria |
|----------------------|

Question 18 (all departments and entities) Salary by employment category

In the table below, please detail the salary costs for 2017-18, 2018-19 and 2019-20, broken down by ongoing, fixed-term and casual, and explain any variances equal to or greater than $\pm 10\%$ or \$100 million between the years for each category.

| Employment category | Gross salary 2017-18 (\$ million) | Gross salary 2018-19 (\$ million) | Gross salary 2019-20 (\$ million) | Explanation for any year-on-year variances $\pm 10\%$ or \$100 million |
|---------------------|--------------------------------------|--------------------------------------|--------------------------------------|---|
| Ongoing | 15.3 | 13.0 | 13.3 | N/A |
| Fixed-term | | | | |
| Casual | | | | |
| Total | 15.3 | 13.0 | 13.3 | |

Question 19 (all departments and entities) Executive salary increases

Please detail the number of executives who received increases in their base remuneration in 2019-20, 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 2019-20, apart from increases outlined in employment agreements | | | Reasons for these increases |
|-------------------------------|---|------|----------------|--|
| | Female | Male | Self-described | |
| 0-3% | 1 | - | - | Benchmarking against internal peers and external market. |
| 3-5% | - | 1 | - | Benchmarking against internal peers and external market. |
| 5-10% | | | | |
| 10-15% | | | | |
| greater than 15% | | | | |

Section G: Government decisions impacting on the finances

Question 20 (all departments and entities) Commonwealth Government decisions

Please identify any Commonwealth Government decisions during 2019-20 which had not been anticipated/not been concluded before the finalisation of the State budget in 2019-20 and their impact(s) on the department's/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(s) in 2019-20 | |
|----------------------------------|------------------------|--------------------------|
| | on income (\$ million) | on expenses (\$ million) |
| N/A | N/A | N/A |
| | | |
| | | |
| | | |

Question 21 (all departments and entities) Commonwealth and National Cabinet decisions

Please identify any Commonwealth and National Cabinet decisions during 2019-20 which had not been anticipated/not been concluded before the finalisation of the State Budget in 2019-20 and their impact(s) on the department's/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.

| Commonwealth Government decision | Impact in 2019-20 | |
|----------------------------------|------------------------|--------------------------|
| | on income (\$ million) | on expenses (\$ million) |
| N/A | N/A | N/A |
| | | |
| | | |
| | | |

| National Cabinet decision | Impact in 2019-20 | |
|---------------------------|------------------------|--------------------------|
| | on income (\$ million) | on expenses (\$ million) |
| N/A | N/A | N/A |
| | | |
| | | |
| | | |

Section H: General

Question 22 (all departments and entities) Reviews/studies undertaken

- a) Please list all internal⁵ and external reviews/studies, established, commenced or completed by or on behalf of the department/agency in 2019-20 and provide the following information:
- i. Name of the review/study and which portfolio and output/agency is responsible
 - ii. Reasons for the review/study
 - iii. Terms of reference/scope of the review/study
 - iv. Timeline for the review/study
 - v. Anticipated outcomes of the review/study
 - vi. Estimated cost of the review/study and final cost (if completed)
 - vii. Final cost if completed
 - viii. Where completed, whether the review/study is publicly available and where.

| Name of the review (portfolio(s) and output(s)/agency responsible) | Reasons for the review/study | Terms of reference/scope | Timeline | Anticipated outcomes | Estimated cost (\$) | Final cost if completed (\$) | Publicly available (Y/N) and URL |
|--|------------------------------|--------------------------|----------|----------------------|---------------------|------------------------------|----------------------------------|
| No relevant items identified | N/A | N/A | N/A | N/A | N/A | N/A | N/A |
| | | | | | | | |

- b) Please outline the Department's/Agencies in house skills/capabilities/expertise to conduct reviews/studies/evaluations/data analysis of the programs and services for which the Department /Agency is responsible.

N/A

⁵ Internal reviews do not include internal costings. Internal reviews/studies include any reviews or studies undertaken by your department and not given to external consultants. Internal reviews/studies do not include inquiries carried out by Parliamentary Committees or reviews undertaken by integrity agencies.

Question 23 (all departments) Annual reports – performance measure targets and objective indicators

a) Please provide the following information on performance measures that did not meet their 2019-20 targets.

| Performance measure | 2019-20 target (Budget) | 2019-20 actual (Annual report) | Variance | Explanation | Output(s) and portfolio(s) impacted |
|---------------------|-------------------------|--------------------------------|----------|-------------|-------------------------------------|
| N/A | N/A | N/A | N/A | N/A | N/A |
| | | | | | |
| | | | | | |

b) Please provide the following information for objective indicators where data was not available at publication of the annual report

| Objective indicators stated in annual report for which data was not available at date of publication | Best available data for 2019-20 and relevant date | Explanation for the absence of data in annual report | Action taken to ensure timely data for 2020-21 annual report |
|--|---|--|--|
| N/A | N/A | N/A | N/A |
| | | | |
| | | | |

Question 24 (all departments and entities) Challenges experienced by department/agency

Please list a minimum of five main challenges/risks faced by the department/agency in 2019-20.

A significant challenge may be any matter or strategy that impacted the department/agency, whether it arose externally or internally or as a result of new policy or legislation.

| | Challenge experienced | Internal/ External | Causes of the challenge | Action taken to manage the challenge/risk |
|----|--|---------------------------|---|---|
| 1. | Manage impacts of COVID-19 | External | Global pandemic | Various internal task forces to respond appropriately to changing operating conditions. |
| 2. | Procurement policies | External | Additional regulatory requirements introduced | Implement changes to policies and procedures. |
| 3. | Ensuring alignment with government policy objectives | External | Machinery of Government changes | Stakeholder management. |
| 4. | Portfolio based decision and Pipeline Opportunities | External | Fluctuating market forces | Planning and forecasting processes. |
| 5. | Leadership Change | Internal | Secondments of key executives. | Temporary leadership structure. |
| 6. | | | | |
| 7. | | | | |

Question 25 (all departments) Newly created bodies

Please list all newly created bodies (authorities, offices, commissions, boards and/or councils) created within the department in 2019-20 and provide the following information:

- Date body created
- Expenditure in relevant financial year
- FTE staff at end of relevant financial year
- purpose/function(s) of the body.

| Name of the body | Date body created | Expenditure in 2019-20 | FTE staff | Purpose/function(s) of the body | Who the head of the newly created body directly reports to |
|------------------|-------------------|------------------------|-----------|---------------------------------|--|
| N/A | N/A | N/A | N/A | N/A | N/A |
| | | | | | |
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Section I: Implementation of previous recommendations

Question 26 (relevant departments only)

Please provide an update on the status of the implementation of each of the below recommendations that were made by the Committee in its *Report on the 2017-18 and 2018-19 Financial and Performance Outcomes* and supported by the Government. Please delete those lines that are not relevant to the department.

| Department | Recommendations supported by Government | Actions taken at 31 January 2021 |
|------------|---|----------------------------------|
| N/A | N/A | N/A |
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Section J: Department of Treasury and Finance only

Question 27 (DTF only) Revenue certification

The Resource Management Framework outlines that on receipt of a revenue certification invoice, DTF assesses actual departmental output performance against agreed performance measures based on output delivery. In the event that assessment at output level may be deemed inappropriate, DTF and the department may agree on alternative, suitable and appropriate performance information that could be used as the basis for revenue certification.⁶

Please detail all outputs which DTF assessed as not having met their measures for 2019-20, indicating for each:

- a) the relevant Department, output and portfolio
- b) the performance measure(s) not met
- c) the reasons provided by the Department for the performance measure(s) not being met
- d) the amount of the initial invoice
- e) the amount of revenue certified
- f) the evidence base used for the revenue certification.

| Department | Output(s) and portfolio(s) | Performance measure(s) not met | Reason for not meeting the measure(s) | Initial invoice (\$ million) | Revenue certified (\$ million) | Evidence used for approving the invoice or not approving the invoice |
|------------|----------------------------|--------------------------------|---------------------------------------|------------------------------|--------------------------------|--|
| | | | | | | |
| | | | | | | |

⁶ Resource Management Framework, pg. 101

Question 28 (DTF only) Net cash flows from investments in financial assets for policy purposes – General Government Sector (GGS)

Financial assets include cash, investments, loans and placements. This question seeks to ascertain the variance behind the estimated value of the financial assets held versus the actual value of the financial assets and the projects that contributed to the variance.

Regarding the 'net cash flows from investments in financial assets for policy purposes' in the GGS cash flow statement for 2019-20, please provide:

- a) the top five projects that contributed to the variance recorded in each year
- b) the initial budget estimate (not the revised estimate) for net cash flow in 2019-20 (source: 2019-20 BP 5, pg. 12) and the actual net cash flow in 2019-20 (source: 2019-20 Financial Report, pg. 39)
- c) an explanation for variances between budget estimate and actual net cash flow.

| | Project name | Department | Output(s) and portfolio(s) | Estimated net cash flow in 2019-20 | Actual net cash flow in 2019-20 | Variance explanation |
|----|----------------------------|------------|----------------------------|------------------------------------|---------------------------------|----------------------|
| 1. | | | | | | |
| 2. | | | | | | |
| 3. | | | | | | |
| 4. | | | | | | |
| 5. | | | | | | |
| | Other | | | | | |
| | Total net cash flow | | | | | |

Question 29 (DTF only) Purchases of non-financial assets – General Government Sector (GGS)

Regarding the ‘purchases of non-financial assets’ by the GGS in 2019-20 (source: 2019-20 BP 5, pg. 33), please compare the initial budget estimate for each department to the actual value of ‘purchases of non-financial assets’ (source: 2019-20 Financial Report, pg. 57) for each department, explaining any variances equal to or greater than $\pm 10\%$ or \$100 million (please fill all blank spaces) and then link it to the relevant output and portfolio. For variance greater than $\pm 10\%$ or \$100 million, please provide a breakdown of the non-financial asset purchased.

| By department | Types of non-financial assets | Initial budget estimate 2019-20 \$ million | Actual 2019-20 \$ million | Variance (%) | Variance explanation | Relevant Output(s) and portfolio(s) |
|---|-------------------------------|--|---------------------------|--------------|----------------------|-------------------------------------|
| Department of Health and Human Services | | | | | | |
| Department of Economic Development, Jobs, Transport and Resources | | | | | | |
| Department of Education and Training | | | | | | |
| Department of Justice and Community Safety | | | | | | |
| Department of Environment, Land, Water and Planning | | | | | | |
| Court Services Victoria | | | | | | |
| Department of Premier and Cabinet | | | | | | |
| Department of Treasury and Finance | | | | | | |
| Parliamentary Departments | | | | | | |

Question 30 (DTF only) Revenue initiatives

Regarding the revenue initiatives announced in the 2019-20 Budget, please provide an explanation for the variances equal to or greater than ±10% or \$100 million between budget estimates and the actual results.

| Initiative | 2019-20 budget estimate (\$ million) | 2019-20 actual (\$ million) | Explanation for any variance ±10% or \$100 million |
|------------|---|--------------------------------|--|
| | | | |
| | | | |
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Question 31 (DTF only) Expenses by departments – General Government Sector (GGS)

Regarding expenses of the GGS in 2019-20 (source: 2019-20 BP 5, pg. 32), please compare the initial budget estimates (not the revised estimate) for each department to the actual expenses for each department (source: 2019-20 Financial Report, pg. 57), explaining any variances equal to or greater than $\pm 10\%$ or \$100 million (please fill all blank spaces) and then link it to the relevant output and portfolio.

| By department | Initial budget estimate 2019-20 \$ million | Actual 2019-20 \$ million | Variance (%) | Variance explanation | Relevant output(s) and portfolio(s) |
|---|--|---------------------------|--------------|----------------------|-------------------------------------|
| Department of Health and Human Services | | | | | |
| Department of Economic Development, Jobs, Transport and Resources | | | | | |
| Department of Education and Training | | | | | |
| Department of Justice and Community Safety | | | | | |
| Department of Environment, Land, Water and Planning | | | | | |
| Court Services Victoria | | | | | |
| Department of Premier and Cabinet | | | | | |
| Department of Treasury and Finance | | | | | |
| Parliamentary Departments | | | | | |

Question 32 (DTF only) Economic variables

Please indicate the estimated and actual result for the following economic variables. For the estimate, please use the initial estimate used in preparing the 2019-20 budget papers. For any variance equal to or greater than ± 0.5 percentage points, please provide an explanation for the variance. Please fill all blank spaces.

| Economic variable | Budget estimate 2019-20 | Actual 2019-20 result | Variance | Explanation for variances equal to or greater than ± 0.5 percentage points |
|---------------------------------|-------------------------|-----------------------|----------|--|
| Real gross state product | | | | |
| Labour force participation rate | | | | |
| Unemployment rate – overall | | | | |
| Unemployment rate – male | | | | |
| Unemployment rate – female | | | | |
| Underemployment rate | | | | |
| Youth unemployment | | | | |
| Youth underemployment | | | | |
| Consumer price index | | | | |
| Wage price index | | | | |
| Population | | | | |
| Household consumption | | | | |
| Property prices | | | | |
| Property volume | | | | |
| Employee expenses | | | | |

Question 33 (DTF only) COVID-19 pandemic response

a) What fiscal rules did Victoria have in place in 2019-20 and were any suspended or modified due to the pandemic? If so, which ones?

b) Some jurisdictions created fiscal space using provisions to reallocate spending across budget programs. To what extent did this occur in Victoria in 2019-20? Please provide some examples.

c) Did DTF introduce additional monitoring and reporting requirements of departments in 2019-20 due to additional COVID-19 expenditure? If so, please provide details of the requirements.

d) Will DTF produce a special appendix of all potential liabilities (on and off budget) for COVID-19 related measures?

e) What have been the financial management implications of the declaration of the state of emergency and state of disaster during the COVID-19 pandemic?

f) What risks associated with the emergency budgetary response have been identified by DTF and its insurers? How were these risks actively managed in 2019-20?

Question 34 (DTF only) Resource Management Framework – Funding reviews

Section 6.2 of the May 2020 updated Resource Management Framework outlines the funding review policy of the evaluation stage of the Integrated Management Cycle.

Section 6.2 states that ‘the requirements and guidance for doing reviews are currently under review’ and that ‘Departments will be advised when this policy is updated’. Please provide an update of the review and the status of the policy.

Question 35 (all departments and entities) Enterprise Bargaining Agreement (EBAs)

Please list the Enterprise Bargaining Agreement (EBAs) concluded in 2019-20 that had an impact for the department/agency. For each EBA, please show the number of employees affected and the growth in employee expenses attributable to the EBA.

| Enterprise Bargaining Agreement | Number of employees affected | Number of employees as a % of department/entity | Growth in employee expenses attributable to the EBA (\$ million) | Growth in employee expenses attributable to the EBA (\$ million) as a % of total employee expenses |
|--|-------------------------------------|--|---|---|
| N/A | N/A | N/A | N/A | N/A |
| | | | | |
| | | | | |

Section K: Treasury Corporation of Victoria only

Question 36 Dividends

- a) Please explain the factors that have been involved in the negotiations with the Treasurer, in relation to the amount of dividends paid by the Treasurer Corporation of Victoria (TCV) in 2018-19 and 2019-20.

| | Dividends paid in 2018-19 | Dividends paid in 2019-20 |
|---|---------------------------|---------------------------|
| Amount of dividends paid (\$ million) | | |
| Factors that have been involved in the negotiations with the Treasurer to determine the amount of dividends paid. | | |

Question 37 Commodity risk management

- a) Please provide details of how the COVID-19 pandemic impacted on TCV's Commodity Risk Management.

Question 38 Foreign exchange risk management

- a) Please provide details of how the COVID-19 pandemic impacted on TCV's Foreign Risk Management.

Question 39 Public Private Partnership (PPP) projects

- a) Please indicate how many PPP projects (and which ones) TCV provided 'project advisory services' for in 2019-20. For each project, please also specify if the project is a newly confirmed engagement or if it was for a project that was already underway.

N/A

b) Please indicate how many business cases TCV provided (and which clients these were for) as part of its 'project advisory services' in 2019-20. For each business case, also specify if the project forms part of the Department of Treasury and Finance's Gateway Review Process.

| Business case provided by TCV | Client | Gateway Review Process – Y/N |
|-------------------------------|--------|------------------------------|
| N/A | N/A | N/A |
| | | |
| | | |
| | | |