

PARLIAMENT OF VICTORIA

Public Accounts and Estimates Committee



2019-20

**Financial and Performance Outcomes
General Questionnaire**

Department of Treasury and Finance

Contents

Contents	i
Introduction – Financial and Performance Outcomes Questionnaire	1
Section A: Output variances and program outcomes	2
Section B: Asset investment	12
Section C: Revenue and appropriations	18
Section D: Expenses.....	21
Section E: Overall financial performance	36
Section F: Public sector workforce	37
Section G: Government decisions impacting on the finances.....	43
Section H: General.....	48
Section I: Implementation of previous recommendations	64
Section J: Department of Treasury and Finance only.....	65
Section K: Treasury Corporation of Victoria only	85

DTF

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				
Review of building and planning approvals processes	2019-20	\$0.8 million	December 2019	Guide Government actions to reform building and planning approvals processes.	As part of the 2020-21 Budget, key recommendations were funded. The Department of Environment, Land, Water and Precincts (DELWP) is responsible for the implementation of the key recommendations.	Output: Economic and Policy Advice Portfolio: Treasurer

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. Developing the Economic Survival and tax relief packages to support Victorian businesses and households (DTF Annual Report 2019-20 page 8 and 15)	Output: Economic and Policy Advice Portfolio: Treasurer	Advice contributes to the achievement of Government policies and priorities relating economic and social outcomes.	The economic survival and jobs package included payroll tax relief for businesses, the establishment of the Business Support Fund and Working for Victoria Fund.	DTF contributed to developing and providing implementation support for initiatives to support Victorian businesses and individuals. DTF developed an additional package comprising further tax relief for businesses and a freeze of a range of fees, charges and levies to help reduce the financial burden on households. DTF also established a scheme allowing commercial tenants in government buildings to apply for rent relief.

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.

2.	<p>Developing the \$2.7 billion Building Works package to assist the construction industry in response to coronavirus (COVID-19)</p> <p>(DTF Annual Report 2019-20 page 8 and 17)</p>	<p>Output: Commercial and Infrastructure Advice</p> <p>Portfolio: Treasurer</p>	<p>Improve how Government manages its balance sheet, commercial activities and public sector infrastructure.</p>	<p>The Building Works package invests in new infrastructure, maintenance and upgrades of existing assets to create immediate stimulus activity in the construction, building and services sectors.</p>	<p>DTF coordinated advice on the whole of government \$2.7 billion Building works package announced in May 2020.</p>
3.	<p>Contracting the delivery of social housing through the Social Housing Growth Fund (co-led with the Department of Health and Human Services)</p> <p>(DTF Annual Report 2019-20 page 8 and 15)</p>	<p>Output: Economic and Policy Advice</p> <p>Portfolio: Treasurer</p>	<p>Advice contributes to the achievement of Government policies and priorities relating to economic and social outcomes.</p>	<p>Agreements were secured with 12 community housing agencies to deliver 782 social and affordable dwellings, including for specific cohorts such as Aboriginal Victorians, victims of family violence and persons living with mental illness.</p>	<p>Round one of the Social Housing Growth Fund was finalised. DTF approved nine low interest loans, which are at different stages of documentation.</p>
4.	<p>Benefits delivered as a percentage of expenditure by mandated agencies under DTF-managed state purchase contracts</p> <p>(DTF Annual Report 2019-20 page 18)</p>	<p>Output: Services to Government</p> <p>Portfolio: Assistant Treasurer</p>	<p>Deliver efficient whole of government services.</p>	<p>For 2019-20, DTF managed state purchase contracts generated 10.1 per cent in savings as a proportion of expenditure.</p>	<p>DTF manages 17 common use whole of Victorian government goods and services (non-IT) contracts totalling about \$1.2 billion of expenditure.</p> <p>State purchase contract (SPC) market engagement strategies were reviewed in response to changes in government demand and market supply due to coronavirus (COVID-19). The sourcing process for a number of SPCs progressed, with Professional Advisory Services (PAS) and Master Agency Media Services (MAMS) under evaluation.</p>

5.	Greener Government Buildings (GGB) Program (DTF Annual Report 2019-20 page 18)	<p>Output: Commercial and Infrastructure Advice</p> <p>Portfolio: Treasurer</p>	Advice contributes to the achievement of Government policies and priorities relating to Victoria's balance sheet, commercial activities and public sector infrastructure.	In 2019-20, DTF facilitated \$7.9 million of GGB projects, which will save \$1.7 million in annual utility and operational expenses and abate 9 805 tonnes of greenhouse gas emissions.	<p>DTF manages the Greener Government Buildings (GGB) Program, which has upgraded more than 800 government buildings since its establishment in 2010, resulting in annual cost savings of more than \$27 million and a 5 per cent cut in government greenhouse gas emissions.</p> <p>Projects include energy efficiency and renewable energy upgrades at the National Gallery of Victoria, regional health services, primary and secondary schools and public transport facilities.</p>
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- 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. Delivering the <i>2020-21 Budget</i> (DTF Annual Report 2019-20 page 8, 14 and 21)	Output: Budget and Financial Advice Portfolio: Treasurer	Advice contributes to the achievement of Government policies and priorities relating to optimising Victoria's fiscal resources.	The State's <i>2020-21 Budget</i> was released in November 2020.	The <i>2020-21 Budget</i> was deferred from May 2020 to late 2020, in line with all other Australian governments. DTF developed an emergency supply bill which allowed Parliament to give authority to the Government to respond to coronavirus (COVID-19) for the first six months of 2020-21. DTF supported Government decision-making by providing detailed analysis of funding proposals across all departmental portfolios and provided advice on the fiscal strategy and expenditure and revenue options to support the Victorian economy. Advice has been conditioned by the need for the Government to respond to key challenges, particularly bushfires and coronavirus (COVID-19).

2.	<p>Government land sales program, including Crown land</p> <p>(DTF Annual Report 2019-20 page 18)</p>	<p>Output: Commercial and Infrastructure Advice</p> <p>Portfolio: Treasurer</p>	<p>Advice contributes to the achievement of Government policies and priorities relating to Victoria's balance sheet, commercial activities and public sector infrastructure.</p>	<p>Forty land sales were undertaken in 2019-20, delivering revenue in the order of \$38 million.</p>	<p>The land sales program was impacted in early 2020 through the suspension of most auctions as a result of coronavirus (COVID-19) restrictions. In addition, DTF facilitated the acquisition of land for Victoria Police and other agencies to meet their respective output programs, including land in Point Cook and Gippsland.</p>
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Question 3 (all departments) Treasurer's advances and other budget supplementation

- a) Please identify all output(s) and portfolio(s) (and relate them to departmental programs) for which the department received additional funding after the initial Budget in 2019-20.

For each output, please quantify the additional funding, indicate the source of the additional funding (e.g. Treasurer's Advance, unused prior years appropriations under s32 of the *Financial Management Act 1994* (Vic), supplementation through a Temporary Advance under section 35 of the FMA, or any possible sources of funding as listed in the Resource Management Framework, section 4, pg. 58) and explain why additional funding was required after funding was allocated in the Budget.

Output(s) and portfolio(s)	Program	Program objectives	Funding allocated in 2019-20 Budget	Additional funding (\$ million)	Source of additional funding as per the Resource Management Framework	Funding utilised 2019-20 (\$ million)	Reasons why additional funding was required
Portfolio: DTF controlled							
Services to government	Cenitex working from home (WFH) arrangements	To better support the VPS to work from home during the COVID-19 pandemic.	Nil	13.0	Treasurer's advance	2.8	Funding required to support Whole of Government WFH arrangements.
Economic and Policy Advice	Implementation of Economic Survival Package	To provide advice on the implementation of the government's Economic Survival Package during the COVID-19 pandemic.	Nil	0.3	Treasurer's advance	0.3	Funding required to enable DTF to administer the economic support package announced by the Government.
Commercial and Infrastructure Advice	Land remediation	To undertake the required land remediation works on a contaminated site.	Nil	5.0	Treasurer's advance	5.0	Funding required for land remediation works.

Revenue Management and Administrative Services to Government	Legal costs relating to tax decisions	To pay for legal costs relating to tax decisions.	Nil	0.4	Treasurer's advance	0.4	Funding required to pay for legal costs relating to tax decisions.
Commercial and Infrastructure Advice	Office of Projects Victoria (OPV) complementary funding	To enable the expansion of OPV to meet the increased workload.	Nil	0.4	Treasurer's advance	0.4	Funding required from client departments to meet OPV's increased workload.
Commercial and Infrastructure Advice	Commercial advice relating to reform opportunities	To obtain commercial advice in relation to reform opportunities.	Nil	5.0	Treasurer's advance	5.0	Funding required to obtain commercial advice relating to reform opportunities.
Commercial and Infrastructure Advice	Suburban railway loop (SRL)	To prepare the finance strategy of the SRL project.	Nil	5.8	Treasurer's advance	5.1	Funding required to prepare the finance strategy of the SRL project.
Sub-total (TAs)			Nil	29.9		19.0	
Commercial and Infrastructure Advice	Various infrastructure projects	To oversee and provide commercial advice on key infrastructure projects.	Nil	4.3	Section 32 of FMA (carryover)	2.3	Funding required to complete the key infrastructure projects in 2019-20.
Sub-total (S32)			Nil	4.3		2.3	
Services to government	SRIMS managed support	To procure support services for the Government's budgeting system (SRIMS).	Nil	0.7	Section 33 of FMA 9 (access to previous appropriation)	0.7	Funding required to procure support services for SRIMS.
Sub-total (S33)			Nil	0.7		0.7	

DTF

Services to government	Centralised Accommodation Management (CAM)	To implement CAM and support SSP's daily CAM operations.	Nil	40.0	Section 37 of FMA (Public Account advances)	14.0	Funding required to implement CAM and support SSP's CAM operational activities.
Sub-total (S37)			Nil	40.0		14.0	
Total 2019-20 – DTF Controlled			Nil	74.9		36.0	

Output(s) and portfolio(s)	Program	Program objectives	Funding allocated in 2019-20 Budget	Additional funding (\$ million)	Source of additional funding as per the Resource Management Framework	Funding utilised 2019-20 (\$ million)	Reasons why additional funding was required
Portfolio: DTF administered							
DTF	Legal costs relating to tax decisions	To pay for legal costs relating to tax decisions.	Nil	1.7	Treasurer's advance	1.7	Funding required to pay for legal costs relating to tax decisions.
DTF	SRO refund of liquor licence fees	To issue liquor licence refunds to businesses impacted by COVID-19.	Nil	30.0	Treasurer's advance	22.6	Funding required to issue licence fee refunds to businesses impacted by COVID-19.
Sub-total (TAs)			Nil	31.7		24.3	
DTF	Centralised Accommodation Management (CAM)	To implement CAM and deliver WoVG centralised accommodation services.	Nil	390.0	Section 37 of FMA	300.0	Funding required for SSP to pay office rent, facility management fees and outgoings on behalf of clients since CAM implementation. The funding is short term in

DTF

							nature. SSP has been invoicing its CAM clients to recoup their accommodation costs.
Sub-total (S37)			Nil	390.0		300.0	
Total 2019-20 – DTF Administered			Nil	421.7		324.3	

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.

a) Capital expenditure

There were no DTF projects in 2019-20 with a variance of $\pm 5\%$ or \$50 million between TEI at announcement compared to Revised TEI in 2019-20 Budget.

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					

b) 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
Better Revenue Management System (Melbourne)	Output – Revenue Management and Administrative Services to Government Portfolio – DTF Agency – SRO	Quarter 4 2018-19	Quarter 4 2020-21	The completion date for this program was revised as a result of resource diversions due to legislative changes, in particular Wagering and Betting Tax, Land Use Victoria's direction for the electronic lodgement of all property transactions, Vacant Residential Land Tax and Commercial Passenger Levy Vehicle, Foreign Purchaser Additional Duty, the Land Tax Absentee Owner Surcharge and the Back to Work Scheme.
Greener Government Buildings (State wide)	Output – Commercial and Infrastructure Advice Portfolio – DTF Agency – DTF	Quarter 4 2018-19	Quarter 4 2019-20	Projects implemented under the Greener Government Buildings typically follow a process known as Energy Performance Contracting (EPC). This is a competitive tender process that requires a series of energy audits which can take more than 12 months. This was the case for projects implemented at the National Gallery of Victoria, Box Hill Institute, Metro Trains Melbourne, Yarra Trams, Transdev and health services across the State. The funding from this project was allocated to the Department of Health and Human Services to implement energy efficiency and renewable energy projects across a number of health services, which were delayed due to the coronavirus pandemic - COVID-19. The revised project completion is now expected by Quarter 3 of 2020-21.
Procurement Reform (Melbourne)	Output – Services to Government Portfolio – DTF Agency – DTF	Quarter 4 2018-19	Quarter 4 2019-20	An existing procurement system has been identified within another Victorian government department that can be leveraged to meet the needs of procurement reform. This project will only require operational expenditure funding, which is available within the existing approved 2019-20

DTF

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
				budgeted funds. Hence the original capital expenditure funding of \$1 million is no longer required.
State Revenue Office Land Tax Compliance Program (Melbourne)	Output – Revenue Management and Administrative Services to Government Portfolio – DTF Agency - SRO	Quarter 4 2018-19	Quarter 4 2019-20	The commencement of the State Revenue Office Land Tax Compliance Program was deferred due to a large volume of projects in the IT workplan and the reprioritisation of some high value digital projects. The revised project completion is now expected by Quarter 2 of 2020-21.

c) Scope

There were no DTF projects in 2019-20 where the scope of the projects at announcement was different than the scope presented in 2019-20 budget.

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			

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.

There were no DTF projects completed in 2019-20.

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)

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*.

There were no HVHR projects for DTF in 2019-20.

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					

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

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

- 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.
- Where the estimated completion date at announcement is different to the completion date in the 2019-20 Budget and an explanation for any variance.
- 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.

The Department of Treasury and Finance is not a partner department in any Public Private Partnerships

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						

Completion date

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

Scope

Project name	Output(s) and portfolio(s) and/or agency	Original scope	Revised scope	Explanation for scope changes
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)	Variance (\$ million)	Variance (%)	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)
Output appropriations	403	441	38	9	Not applicable	Not applicable	Not applicable
Interest	2	1	-1	-50	The lower interest revenue in 19-20 is primarily due to the reduction in interest rates for cash and deposits held by Cenitex.	No impact – this does not have any impact on community service delivery.	Portfolio: DTF Output: Deliver efficient whole of government common services

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

Sales of goods and services	189	204	15	8	Not applicable	Not applicable	Not applicable
Grants	5	9	4	80	The variance is primarily due to complimentary funding agreements with other departments for Office of Projects Victoria (OPV) (i.e. a new revenue stream in 19-20).	The additional revenue was used by OPV to provide project oversight and monitoring of the government's key infrastructure projects.	Portfolio: DTF Output: Commercial and Infrastructure Advice
Other income	38	28	-10	-26	The variance is primarily due to the higher payment into the consolidated fund from the Government Accommodation Trust operating surplus in 19-20 (i.e. \$9m) when compared with the prior year's (i.e. \$1m).	No impact – this does not have any impact on community service delivery, as it is an administrative arrangement only.	Portfolio: DTF Output: Deliver efficient whole of government common services
Total	637	683	46	21	Refer above	Refer above	Refer above

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)	Variance (\$ million)	Variance (%)	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)
Output appropriations	494	441	-53	12	The variance is primarily attributable to the budget rephasing and carryovers from 2019-20 to 2020-21 and onwards for Invest Victoria grants programs.	No impact – this is an administrative change only.	Portfolio: DTF Output: All
Interest	0	0	Not applicable	Not applicable	Not applicable	Not applicable	Not applicable
Sales of goods and services	191	204	13	6	Not applicable	Not applicable	Not applicable
Grants	8	9	1	11	The variance is primarily due to the reimbursement of Australian Major Projects Leadership Academy training.	No impact – this does not have any impact on community service delivery.	Portfolio: DTF Output: Commercial and Infrastructure Advice.
Other income	35	28	-7	25	The variance is primarily due to the transfer surplus from the Government Accommodation Trust.	No impact – this does not have any impact on community service delivery.	Portfolio: DTF Output: Deliver efficient whole of government common services.
Total	728	682	-46	7	Refer above	Refer above	Refer above

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.

2018-19 and 2019-20 Response DTF including SRO and ESC

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
Employee Benefits	168.7	195.8	<p>Additional resources were required to deliver several initiatives including: SRO Compliance Funding \$7.6m, Energy Fairness Plan \$3.2m (ESC) and the Centralised Accommodation Management (CAM) \$1.6m.</p> <p>2019-20 contains the full year impact \$5.2m of the Invest Vic, Machinery of Government (MoG) transfer to DTF on 1 Jan 2019</p> <p>Infrastructure Vic was transferred to DTF as a result of a MoG change on 1 May 2020 \$1.4m.</p>	<ul style="list-style-type: none"> Enhanced compliance programs in the collection of taxes, duties and levies To ensure that Victorian households receive a fair price on their electricity service. The CAM initiative will drive efficiencies and cost savings through a centralised and consistent approach to accommodation management services. MoG changes are administrative only.
Depreciation	18.1	19.2	N/A	N/A

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

DTF

Grants and Other transfers	51.1	62.5	2019-20 primarily reflects the full year impact of the machinery of government transfer of Invest Victoria to DTF.	MoG changes are administrative only.
Capital asset charges	63.0	63.0	N/A	N/A
Other Operating expenses	149.4	152.6	N/A	N/A

2019-20 actual vs budget Response DTF including SRO and ESC

Expenses category	2019-20 Budget \$ million	2019-20 Actual \$ million	Explanations for variances ±10% or \$100 million	Outcomes achieved by additional expenses/impact of reduced expenses. If no impact, how was this achieved
Employee Benefits	195.4	195.8	N/A	N/A
Depreciation	27.9	19.2	The lower depreciation expense is due to unspent depreciation for government accommodation.	The CAM savings initiative centralised decision making for accommodation management services within DTF. Depreciation was decreased as a result of the transfer of accommodation leases from departments to the DTF Shared Service Provider.
Grants and Other transfers	116.1	62.4	The lower grants and other transfers primarily related to the Invest Victoria grants programs. These programs were significantly impacted by COVID-19 pandemic related global economic conditions and have been renegotiated into future years.	N/A
Capital Asset charges	63.0	63.0	N/A	N/A
Other Operating expenses	140.6	152.6	N/A	N/A

2018-19 and 2019-20 Response CENITEX

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
Employee Benefits	\$74.2	\$76.5	N/A	N/A
Depreciation and Amortisation	\$10.9	\$16.7	Adoption of AASB16 – Leases resulted in additional Right of Use Assets and associated depreciation and amortisation	This is an accounting treatment only as a result of AASB16. There was no fundamental change to the services delivered by Cenitex
Other operating expenses	\$85.2	\$100.2	<p>Cenitex invested in several new services in 2019-20 including:</p> <ul style="list-style-type: none"> Establishing the new hosting services (SDDC), Rolling out new network and security services, and New service desk cloud-based telephony capabilities <p>Additionally, Cenitex incurred additional costs in responding to the COVID-19 pandemic</p>	<p>New services established by Cenitex have embedded greater resilience and reliance in both our hosting and desktop services on behalf of our customers.</p> <p>Responding to the pandemic was a key facilitator in rapidly enabling approximately 36,000 VPS employees to work from home.</p>

2019-20 actual vs budget Response CENITEX

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
Employee Benefits	\$81.4	\$76.5	N/A	N/A
Depreciation and Amortisation	\$18.6	\$16.7	Underspend in estimated amortisation on occupancy rental (AASB 16: Right of Use Asset) as a result in construction delays of new office building.	Cenitex was delayed in its planned move to new office, however, as a result of continued work from home arrangements this has had no impact.

Purchase of supplies and services	\$81.0	\$100.2	<p>Additional costs in responding to COVID-19 pandemic.</p> <p>Additional licensing costs due to increased customer demand for desktop services. This has been largely driven as customers ramped up resourcing to respond to the pandemic</p>	<p>Responding to the pandemic was a key facilitator in rapidly enabling approximately 36,000 VPS employees to work from home.</p> <p>Meeting customer demand to ensure they can deliver on their responsibilities in relation to the States response to the pandemic.</p>
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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 (\$m)	Output/Portfolio	Use of emergency advances/ retroactive funding approvals – Yes or No	Performance measures for the program/Initiative (including where published)	Explanation
Not applicable – there were no budget programs/initiatives announced as part of the government's response to COVID-19 in 19-20.						

b) Off budget*

Name of the program/initiative	Program/initiative objectives	Expenditure as at 30 June 2020 (\$m)	Output/Portfolio	Use of emergency advances/ retroactive funding approvals – Yes or No	Performance measures for the program/Initiative (including where published)	Explanation
Payroll tax relief	To provide payroll tax relief to eligible employers following the State's response to COVID-19	672.6	DTF administered	Yes (Warrant for additional Special Appropriation)	N/A	The payroll tax relief provided represents a reduction in the gross payroll tax revenue collected during 19-20. (Refer page 68 of the <i>DTF 2019-20 Annual Report</i>)
Land tax relief	To defer land tax assessments for 2020 and provide land tax reduction and deferral for landlords following on COVID-19	37.7	DTF administered	Yes (Warrant for additional Special Appropriation)	N/A	The land tax relief provided represents a reduction in the gross land tax revenue collected during 19-20. (Refer page 68 of the <i>DTF 2019-20 Annual Report</i>)
SRO refund of liquor licence fees	To issue liquor licence refunds to businesses impacted by COVID-19	22.6	DTF administered	Yes (Treasurer's Advance)	N/A	Funding required to issue licence fee refunds to businesses impacted by COVID-19 (Refer page 68 of the <i>DTF 2019-20 Annual Report</i>)
Cenitex working from home (WFH) arrangements		2.8	DTF controlled Services to government	Yes (Treasurer's Advance)		Funding required to support Whole of

	To better support VPS to work from home during the COVID-19 pandemic				Cenitex standard service level measures and targets	Government WFH arrangements.
COVID-19 cleaning and security costs	To provide additional cleaning and security services in response to COVID-19	2.8	DTF administered	No	N/A	No additional funding was announced. DTF SSP covered these costs within its operating budget.
Economic survival package - implementation	To provide advice on the implementation of the government's Economic Survival Package during the COVID-19 pandemic	0.3	DTF controlled Economic and Policy Advice	Yes (Treasurer's Advance)	Economic research projects and papers completed that contribute to deeper understanding of economic issues and development of government policy (as published in BP3)	Funding provided to DTF and the SRO to enable them to administer the economic support package announced by the Government
Economic survival package – rental relief	To provide short-term rental relief to commercial tenants in government-owned buildings	0.3	DTF controlled Services to government	No	N/A	Short-term rental relief to commercial tenants in government-owned buildings following on COVID-19
Total		739.1				

*In addition to the programs outlined above, there were other programs/initiatives approved by the Crisis Council of Cabinet (CCC) in late June 2020. However, these programs/initiatives are for budget year 20-21 and beyond. There was no expenditure for these programs/initiatives as at 30 June 2020.

- 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?

DTF created a project code for each of the COVID-19 programs in its Chart of Accounts to allocate the approved funding and track actual YTD expenditure against budget. DTF followed advice on reporting and disclosure on *Coronavirus fiscal impacts* provided to all government departments, including the use of SRIMS Authority codes.

In the DTF 2019-20 Annual Report, DTF made a number of disclosures relating to COVID 19 including disclosing the impact on the financial statements of lower revenue or COVID 19 related expenses.

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 \$ million	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					
Total savings and efficiencies \$20.5m BP3 – Page 118	0.5	0.5	The Department undertook the following actions: (a) reduce purchase of supplies and services by finding further efficiency measures such as better use of technology and systems; and (b) building in-house capability to reduce expenditure on consultants and contractors.	There was no impact on service delivery. The savings were achieved by undertaking the actions described in the left column.	DTF all outputs

Savings initiative in the Budget \$ million	Savings target allocated to the department/entity in 2019-20 \$ million	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)
2017-18					
Whole of Government efficiencies - \$196.6 million BP3 – Page 114	3.1*	3.1*	The Department undertook the following actions: (a) reduce purchase of supplies and services by finding further efficiency measures such as better use of technology and systems; and (b) building in-house capability to reduce expenditure on consultants and contractors.	There was no impact on service delivery. The savings were achieved by undertaking the actions described in the left column.	DTF all outputs
*The 2017-18 budget savings were distributed to departments in two tranches across 2017-18 and 2018-19.					
2018-19					
There were no new savings initiatives announced in the 2018-19 Budget	N/A	N/A	N/A	N/A	N/A
2019-20					
Whole of Government efficiencies - \$201.3 million BP3 – Page 126	1.3	1.3	The Department undertook the following actions: (a) reduce purchase of supplies and services by finding further efficiency measures such as better use of technology and systems; and	There was no impact on service delivery. The savings were achieved by undertaking the actions described in the left column.	DTF all outputs

			(b) building in-house capability to reduce expenditure on consultants and contractors.		
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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)
There was no reprioritisation of existing resources at DTF in 2019-20. Consequently, there was no impact on service delivery.				

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.

Category	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)
Consultants	\$34.1	\$20.9	\$23.68	<p>Higher expenditure in 2017-18 mainly due to Westgate Tunnel Initiative that was completed in 2017-18.</p> <p>2019-20 increase related to the overall requirements for consultancies within the Department including the development of a Major Project Leadership Academy program, the commencement of the Suburban Rail Loop project and continuation of the North East Link project.</p>	<p>Commercial Division</p> <p>Office of Projects Victoria and Commercial Division</p>	<p>Commercial and Infrastructure Advice</p> <p>Commercial and Infrastructure Advice</p>
Contractors (Excluding Labour Hire)	\$13.90	\$15.10	\$24.44	The 2019-20 increase is predominantly related to the provision of accommodation services (Jones Lang Lasalle Australia Pty Ltd) due to the increased portfolio and implementation of the Centralised Accommodation Management program.	Shared Service Provider	Services to Government

Labour Hire	\$9.7	\$12.20	\$12.93	2018-19 includes increased labour hire costs primarily for the State Revenue Office, and increased labour hire for DTF as it completed critical ICT uplift projects.	<p>SRO – continues development of the State Revenue Management System.</p> <p>DTF Corporate services for the implementation of ERP and other ICT uplift projects.</p> <p>In 2018-19, contract staff were employed across several projects to deliver ICT initiatives such as;</p> <ul style="list-style-type: none"> • Common Business Application Upgrade (Office 365); • Document Management upgrade; • ERP System Implementation; <p>and</p> <ul style="list-style-type: none"> • SRIMS Project. 	<p>Revenue Management and Administrative services to Government.</p> <p>All outputs</p>
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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.

This question does not apply to DTF

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

Economic funding ratio / accounting funding ratio as at 30 June 2020	Details of the methodology
N/A	

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 \$m*	Actual 2019-20 \$m*	Variance \$m*	Explanation of the impact caused by COVID-19 pandemic
Total revenue and income from transactions	729.1	683.0	46.1	Actual revenue is lower than budget mainly due to budget rephasing and carry-overs from 19-20 into 20-21. The COVID-19 pandemic is a significant contributor to the delay in delivery of the Invest Victoria grant program (approximately \$31m).
Total expenses from transactions	730.2	687.4	42.8	Actual expenses are lower than budget mainly due to lower grants and professional services expenditure when compared with the budget. The COVID-19 pandemic caused delays in program delivery and the associated milestone payments (up to \$31m).
Net result from transactions (net operating balance)	(1.1)	(4.4)	(3.3)	Refer above

*Source of information: DTF annual report 19-20 Page 33 – BPO comprehensive operating statement for the year ended 30 June 2020

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.

DTF

Category	30 June 2018 Actual FTE number	30 June 2019 Actual FTE number	30 June 2020 Actual FTE number
Secretary	1.00	1.00	1.00
EO-1	4.00	5.00	6.00
EO-2	22.30	18.60	28.60
EO-3	53.56	49.20	56.40
VPS Grade 7 (STS)	9.50	9.70	10.80
VPS Grade 6	147.81	192.81	209.31
VPS Grade 5	147.54	163.72	197.44
VPS Grade 4	104.11	116.72	117.32
VPS Grade 3	71.12	77.50	90.30
VPS Grade 2	26.78	25.68	28.44
VPS Grade 1	2.80	5.00	4.00
Government Teaching Service			
Health services			
Police			
Nurses/Midwives			
Allied health professionals			
Child protection			
Disability development and support			
*Youth custodial officers			
*Custodial officers			
**Other	1.37	0.36	
Total	591.89	665.29	749.61

****Other includes: Legal Officer**

SRO

Category	30 June 2018 Actual FTE number	30 June 2019 Actual FTE number	30 June 2020 Actual FTE number
Secretary			
EO-1	1.00	1.00	1.00
EO-2			4.90
EO-3	5.70	5.90	1.60
VPS Grade 7 (STS)	1.00	1.00	1.00
VPS Grade 6	44.50	45.10	54.30
VPS Grade 5	107.14	119.84	144.07
VPS Grade 4	106.03	120.96	143.88
VPS Grade 3	197.83	164.39	188.93
VPS Grade 2	65.00	65.83	76.46
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	19.80	22.20	22.40
Total	548	546.22	638.54

**Other includes: Legal Officer

ESC

Category	30 June 2018 Actual FTE number	30 June 2019 Actual FTE number	30 June 2020 Actual FTE number
Secretary			
EO-1			1.00
EO-2	1.00	1.00	
EO-3	7.00	4.00	4.00
VPS Grade 7 (STS)	3.00	3.00	4.00
VPS Grade 6	20.90	20.41	24.31
VPS Grade 5	27.56	31.36	45.60
VPS Grade 4	23.80	23.60	23.80
VPS Grade 3	21.40	23.20	19.25
VPS Grade 2	2.00	1.60	5.00
VPS Grade 1			1.80
Government Teaching Service			
Health services			
Police			
Nurses/Midwives			
Allied health professionals			
Child protection			
Disability development and support			
*Youth custodial officers			
*Custodial officers			
**Other	5.26	5.70	6.00
Total	111.92	113.87	134.76

****Other includes: Senior Regulatory Advisor classification**

ESSSuper

Category	30 June 2018 Actual FTE number	30 June 2019 Actual FTE number	30 June 2020 Actual FTE number
Secretary			
EO-1			1.00
EO-2	3.00	1.00	1.00
EO-3	3.00	4.00	5.00
ESS 4	21.90	26.60	33.00
ESS 3	46.40	50.74	54.48
ESS 2	30.20	37.90	38.20
ESS 1	36.25	33.56	36.35
Government Teaching Service			
Health services			
Police			
Nurses/Midwives			
Allied health professionals			
Child protection			
Disability development and support			
*Youth custodial officers			
*Custodial officers			
**Other			
Total	140.75	153.80	169.03

Cenitex

Category	30 June 2018 Actual FTE number	30 June 2019 Actual FTE number	30 June 2020 Actual FTE number
Secretary			
EO-1			1.00
EO-2	3.00	2.00	4.00
EO-3	1.80	2.00	1.00
VPS Grade 7 (STS)	26.80	24.80	33.80
VPS Grade 6	144.60	152.52	143.00
VPS Grade 5	150.70	145.20	132.93
VPS Grade 4	85.20	81.20	70.59
VPS Grade 3	100.19	110.03	115.46
VPS Grade 2	9.00	7.98	7.00
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			
Total	521.29	525.72	508.78

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

**Other includes:

Numbers include FTE for the following entities:

N/A

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.

DTF

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	69.5	74.0	87.2	2017-18 vs. 2018-19: no significant variance 2018-19 vs. 2019-20: Invest Victoria was part of DTF for the full financial year 2019-20 as opposed to six months only in 2018-19. This increase in gross salary in 19-20 is approximately \$5m. DTF received additional funding to deliver programs such as the review of building and planning approvals processes, Suburban Rail Loop Project, commercial transactions, and the implementation of the Centralised Accommodation Management.
Fixed-term	1.7	2.9	4.8	2017-18 vs. 2018-19: increase due to summer internships across the department and fixed term staff to implement strategic IT and Corporate Finance projects, including ERP. 18-19 vs. 19-20: Increase is mainly due to fixed term staff to implement IT strategy.
Casual	0	0	0	2017-18 vs. 2018-19: no significant variance 2018-19 vs. 2019-20: no significant variance
Total	71.2	76.9	92.0	Refer above

*as disclosed in the 18-19 PAEC performance and financial outcomes questionnaire. Gross salary includes base salary plus superannuation but does not include on-costs. The response to this question is for DTF as a department only (including its administrative offices) but does not include the salary information for its agencies.

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.

DTF

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%	5	8	0	Annual 2% increase; discretionary increase to reflect progression through the SES band; increase due to change in role; and/or salary increase upon renewal of contract.
3-5%	5	6	0	Annual 2% increase; discretionary increase to reflect progression through the SES band; increase due to change in role; and/or salary increase upon renewal of contract.
5-10%	9	8	0	Annual 2% increase; discretionary increase to reflect progression through the SES band; increase due to change in role; and/or salary increase upon renewal of contract.
10-15%	3	2	0	Annual 2% increase; discretionary increase to reflect progression through the SES band; increase due to change in role; and/or salary increase upon renewal of contract.
greater than 15%	0	0	0	

SRO

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%	2	3	0	Discretionary increase; VPSC Remuneration Review executive reclassification.
3-5%	0	0	0	N/A
5-10%	1	2		New executive contract at new rate; VPSC Remuneration Review executive reclassification.
10-15%	0	0	0	N/A
greater than 15%	0	0	0	N/A

ESC

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%	0	3	0	Progression through band.
3-5%	0	0	0	
5-10%	0	0	0	
10-15%	0	1	0	VPSC Remuneration Review executive reclassification; discretionary increase; remuneration range review.
greater than 15%	1	0	0	Significant change in complexity of role (size and scope of responsibilities).

ESSSuper

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%	0	1	0	Change in complexity of role.
3-5%	0	0	0	
5-10%	0	0	0	
10-15%	0	0	0	
greater than 15%	0	0	0	

Cenitex

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%	0	0	0	
3-5%	0	0	0	
5-10%	0	0	0	
10-15%	0	0	0	
greater than 15%	0	0	0	

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)
Nil		

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)
Nil		

National Cabinet decision	Impact in 2019-20	
	on income (\$ million)	on expenses (\$ million)
Nil		

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.

a)

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
Cenitex Customer Engagement Research and Strategy Development	To provide Cenitex with an in-depth understanding of customer department/agency needs, expectations and perceptions of Cenitex.	<p>Stage One: A qualitative research exercise with senior representatives of Cenitex's customer departments and agencies, and senior Cenitex staff, to inform the development of a customer engagement plan;</p> <p>Stage Two: A quantitative survey with end-users of Cenitex services (Victorian</p>	March – July 2019	An understanding of Customers perceptions of Cenitex and their higher order needs of Cenitex. A strategy for the future development of Cenitex's client engagement capability.	\$79,921	\$79,921	No

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.

		public service employees); and Stage Three: Facilitating the development of a Cenitex customer engagement plan, via a series of workshops.					
National Australia Bank Regulatory Perceptions Survey (DTF)	To measure the impact of the Government's regulatory reform efforts from the perspective of regulated parties.	Analysis of responses to additional questions included in NAB's Quarterly Business Survey for Q2 (Aug) 2019.	Conducted in Quarter 2 (Aug) 2019	Report received from NAB and used by DTF to inform regulatory policy development.	13,200	13,200	No
Fees and Charges Rolling Review Program (DTF)	Improve consistency in price-setting across government and guidance to enhance innovation in pricing and supply of services.	To undertake a minimum of 20 pricing reviews of prioritised government entities and service areas in 2019-20 and 2020-21.	Conducted from July 2019 to early 2020	Recommended 31 reform opportunities across a range of government entities and service areas.	\$2.8m in 2019-20 (including VPS staff, operating costs and BCG consultancy – see below)	Program halted in early 2020 due to COVID-19 pandemic	No
Specialist support for the Fees and Charges Rolling Review Program (BCG consultancy)	To provide specialist advisory support to the Fees and Charges Rolling Review Program.	Support DTF in developing a schedule of pricing reviews, project managing the reviews, and preparing reports on the priority reviews.	Support provided from mid-July to mid-October 2019	BCG provided high quality support including reports, project management, stakeholder engagement and capability building.	\$1.61m in 2019-20	\$1.61m in 2019-20	No
Zero and Low Emission Vehicles (ZLEV) Road User Charging – Implementation Issues Paper (ZLEV Road User-Charging)	In February 2020, the Board of Treasurers agreed that Victoria would lead the establishment of a Working Group involving officials from treasuries and transport departments to canvass	The paper considers ZLEV road user-charging implementation issues.	Mar-Oct 2020	A greater understanding of the opportunities and challenges associated with ZLEV road user charging. More consistent, or at least compatible, schemes across jurisdictions.	Internally resourced	Internally resourced	No

Interjurisdictional Working Group)	implementation issues concerning ZLEV road user-charging, particularly cross-border issues.						
Review of literature as background to vulnerable children Partnership Addressing Disadvantage (PAD) negotiations (DTF)	<p>In October 2018, the State commenced formal negotiations with Berry Street and the Victorian Aboriginal Child Care Agency to implement a program to support primary school students achieve improved educational outcomes (i.e. attendance and educational attainment outcomes) at select schools across Victoria.</p> <p>In August 2019, DTF engaged Professor Jeff Borland (University of Melbourne) to conduct a review of the early years literature to assist in setting performance targets for the PAD, and to enhance or strengthen the design of the overall intervention to support students.</p>	The objective of the report was to undertake a review of the literature to ascertain the efficacy and impact of interventions working with primary school-aged children. The intent of the review was to inform negotiations of the PAD between the State, Berry Street and VACCA.	Aug-Oct 2019	<p>Enhance or strengthen any elements of the intervention/program design prior to implementation, including home- or school-based tutoring, measures to improve learning effectiveness, considerations for payable outcome measures and data collection/reporting against outcome measures, and demonstrate that collectively, such components of the intervention are effective.</p> <p>Enhance the approach to market (i.e. to elicit funds from investors) by demonstrating that, in general terms, the proposed intervention has demonstrated benefits as evidenced by the literature, particularly when provided together (i.e. targeted school and family support at school and at the family home).</p> <p>Significantly contribute to the early years evidence base by assessing the components of interventions that are demonstrated to achieve</p>	\$17,600	\$17,600	No, however the review has been distributed to several stakeholders (DTF, DET, DPC, Berry Street, Social Ventures Australia, VACCA).

DTF

				outcomes, and those which may not be closely linked to outcomes.			
The duration and amplitude of Australia's housing cycles (DTF)	To inform property market analysis and tax revenue forecasting in Victoria.	Provide an empirical study of the amplitude and duration of cycles in Australia's house prices.	Project initiated in December 2018 and published in Victoria's Economic Bulletin – Volume 4 (VEB 4) in February 2020.	Identifying peaks and troughs of house prices for six Australian capital cities.	Internally resourced	Internally resourced	Yes https://www.dtf.vic.gov.au/sites/default/files/document/Victorian Economic Bulletin - Volume 4.pdf
Estimating Victoria's trend unemployment rate (DTF)	To inform estimates of the degree of spare capacity in the labour market.	Build on existing literature to estimate the trend unemployment rate in Victoria	Project initiated in March 2019 and published in VEB 4 in February 2020	An estimate of the trend unemployment rate for Victoria over time.	Internally resourced	Internally resourced	Yes https://www.dtf.vic.gov.au/sites/default/files/document/Victorian Economic Bulletin - Volume 4.pdf
Melbourne Housing market dynamics: Impact of land supply on detached residential prices (DTF)	To better understand the impact of planning regulations on the property market.	To establish a relationship between land use regulation and property price growth in Greater Melbourne using planning permit data	Project initiated in March 2019 and published in VEB 4 in February 2020	Estimates of the impact of changes in land supply on residential property prices in different regions in Greater Melbourne.	Internally resourced	Internally resourced	Yes https://www.dtf.vic.gov.au/sites/default/files/document/Victorian Economic Bulletin - Volume 4.pdf

Involuntary unemployment in Australia (DTF)	To understand the incidences of involuntary job loss across the labour market because of its association with a number of adverse financial, health and employment effects.	Investigating the characteristics of involuntary unemployment in Australia using HILDA data.	Project initiated in July 2019 and published in VEB 4 in February 2020.	A descriptive analysis of involuntary unemployment in terms of the job loss rate, post-displacement labour market outcomes and changes in job satisfaction.	Internally resourced	Internally resourced	Yes https://www.dtf.vic.gov.au/sites/default/files/document/Victorian Economic Bulletin - Volume 4.pdf
'Review of the Point of Consumption Tax on Wagering and Betting' conducted by the Department of Treasury and Finance on behalf of the Treasurer	Section 4.6A.26 of the <i>Gambling Regulation Act 2003</i> requires the Treasurer to review Part 6A of that Act by 1 December 2020.	As set out in section 4.6A.26 of the <i>Gambling Regulation Act 2003</i> .	From 1 January 2019 (the date the point of consumption framework for wagering and betting tax became effective) to 1 December 2020. The Review was tabled in Parliament on 26 November 2020.	Advice on the implementation of the point consumption framework for wagering and betting tax and its effect on the wagering market and the racing industry.	Internally resourced	Internally resourced	Yes https://www.parliament.vic.gov.au/file_uploads/P OCT_review_Final_rHd WQRHn.pdf
Essential Services Commission review of waste and recycling services in Victoria	The review followed on from previous confidential advice of October 2019 and required provision of further advice on 'how the Victorian Government can address issues of competition, system-level resilience, service quality and greater transparency in the waste and resource recovery sector'.	https://www.esc.vic.gov.au/sites/default/files/documents/terms-of-reference-for-stage-2-of-the-essential-services-commission-review-of-waste-and-resource-recovery-services-29.04.20.pdf	Review commenced 29 April 2020 and was completed 30 September 2020.	This advice contributes to progressing the Recycling Victoria strategy for achieving a circular economy. Recommendations will help establish a resilient sector that provides cost-effective, safe and reliable services to households and businesses.	\$1.2m	\$1.061m	No

Assessing the competitiveness and efficiency of the Victorian energy retail market	Recommendation from the Victorian government's response to the independent review in 2018, and as per legislative function to monitor and report on the market.	A framework and approach paper released in December 2019 outlines the overarching approach. https://www.esc.vic.gov.au/electricity-and-gas/inquiries-studies-and-reviews/electricity-and-gas-retail-markets-review-implementation-2018/assessing-energy-retail-markets-competitiveness-and-efficiency-2019	First report in 2021, with on-going function to monitor and assess market.	Evidence-based findings on the state of competition and efficiency in the retail market, which can be used to inform stakeholders, policy-makers and regulatory focus.	\$160,000 (consultancy cost)	\$160,000	Final report will be made publicly available in 2021.
Invest Victoria: Digital Market Opportunities	To inform its Foreign Direct Investment Strategy, identify market investment opportunities within Victoria's ecosystem and determine how it can best assist investors in relation to skills needs.	The finalised prioritisation framework (with notes). A full listing of priority technology sub-sectors assessed by the framework; Complete profiles of each priority sector/technology capability (including investment drivers, key firms by location potential service offerings to investors and a presentation of findings to key stakeholders, including IV executives.	This project formally commenced in September 2019 and concluded prior to 30 June 2020.	To help underpin the development of FDI Investment Strategy and identify market investment opportunities within Victoria.	\$190,000	\$190,000	No - The information generated from this study has been used Invest Victoria to inform, its digital Value Propositions website and other internal documents.

Invest Victoria. Digital Market Opportunities Mk2	To develop a set of investment collateral materials to help investment managers and Victorian Government Trade and Investment staff help attract strategic investments into the State. This will include a deep-dive analysis on high priority technology segments as identified by Invest Victoria.	<ul style="list-style-type: none"> • investment collateral for up to 12 tech segments • tech segment deep dive reports • a business case for a pilot capability gap ready to take to market • a framework for capability gap identification • briefing sessions for investment staff and • a final report that compiles all relevant components of the project at conclusion, including a strategy for leveraging in-market talent, connections and networks. 	This project formally commenced in April 2020 and was completed in November 2020.	<p>Develop a suite of investment collateral aligned to the new Strategy”). This will include:</p> <ul style="list-style-type: none"> • Undertake deep dive analysis to define the market opportunity across a series of digital technology sub-sectors and develop content for a new set of investment collateral • Edit the collateral into clear and consistent formatting and messaging across the products • Develop professional design for the collateral and ensure consistency with Invest Victoria Branding. • Develop collateral materials which will support the Strategy. 	\$284,500	\$284,500	No - The information generated from this study has been used by Invest Victoria to inform, its digital Value Proposition, IV’s website and other internal documents.
Invest Victoria. De-Carbonising the Victoria Economy	To help inform the Victorian Government post CoVID-19 responses to help drive FDI to the state and help key industries transition to a lower carbon future.	<p>Stage 1 - Identify and develop green investment priorities and opportunities for inbound investment.</p> <p>Stage 2 - Develop a detailed plan to attract inbound foreign investment for identified priorities</p>	This project formally commenced in June 2020 and was completed in November 2020.	The identification of potential investments associated with decarbonisation to pursue in the context of economic recovery including a considered view on potential sectors, markets and firms.	\$330,000	\$330,000	No, as an internal document, this work will be used to inform in market strategies and target firm plans.

<p>Invest Victoria</p> <p>An independent evaluation of the economic contribution of projects supported through the Investment Attraction and Assistance Program (IAAP). Responsible agency.</p>	<p>As per the Victorian Treasury Guidelines, a program must be evaluated when the funding cycle is complete (even if it is a recurring program). The study's focus was to understand the outcomes of IAAP funded projects over the period 2015-2019 and to provide evidence-based recommendations to enhance future investment promotion activities.</p>	<ul style="list-style-type: none"> • Evaluate the program's effectiveness as a foreign and domestic investment attraction program, directed by the program's guidelines and objectives. • Quantify the economic contribution of the IAAP funded projects to the state's economy to demonstrate the value of the program in terms of strategic economic impact. • Provide recommendations and insights to Invest Victoria to enhance program design, monitoring and evaluation. 	<p>The review period was 2015-19.</p> <p>This project was formally commenced in June 2020 and is expected to be completed prior to 30 June 2021.</p>	<p>An evaluation report summarising the outcome of IAAP funded projects in last five years, evidence-based recommendations for streamlining future activities. A framework for future evaluations.</p>	<p>\$65,691</p>	<p>\$65,691</p>	<p>No</p>
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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.

Centex : The delivery of the customer engagement review could not be undertaken with internal resources due to the requirement for interviews to be undertaken by a 3rd party.

External subject matter experts are occasionally utilised in circumstances where they can provide advice on innovations and opportunities within a sector or have specialist experience in undertaking similar tasks. Otherwise, DTF internally resources reviews/studies/evaluations/data analysis of the programs and services for which it is responsible.

The Essential Services Commission has dedicated teams focused on conducting reviews and data analysis relating to our regulated sectors. The teams include managers and analysts with experience in data analysis, performance reporting and reviews. The Chief Economist also provides expert advice when undertaking economic analysis.

While Invest Victoria has a certain amount of in-house capability in relation to these areas, it should be noted that:

IAAP evaluation – needs to be done independently of Invest Victoria;

Digital Market Opportunities – required detailed and specific deep knowledge of global and local sub-sectors and capabilities which was (where appropriate) supplemented by in house expertise.

Decarbonising the Victorian Economy – considered to be a specialised area of expertise, which was (where appropriate) supplemented by in house expertise.

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
Variance of the revised estimate of State budget expenditure	<5.0	5.9	18	The 2019-20 outcome reflects the impact of the 2019-20 Victorian bushfires and the support measures implemented by the Government in response to coronavirus (COVID-19).	Budget and Financial Advice
Unqualified audit reports/reviews for the State of Victoria Financial Report and Estimated Financial Statements	2	1	-50	The 2019-20 actual reflects the deferral of the 2020-21 budget (which includes the revised expected fiscal outcome for 2019-20) to later in 2020, in line with all other Australian governments.	Budget and Financial Advice
Annual Budget published by date agreed by Treasurer	May 2020	Nov 2020	N/A	The lower 2019-20 actual reflects the deferral of the 2020-21 budget to later in 2020, in line with all other Australian governments.	Budget and Financial Advice
Total output cost	27.7	29.1	5.2	The higher 2019-20 actual reflects internal reprioritisation of resources in the areas of financial policy and advice.	Budget and Financial Advice
Revenue collected as a percentage of budget target	>99	97	-2.02	Minor variance between target and actual.	Revenue Management and Administrative Services to Government

Conduct biannual surveys to assess the impact of changes to Victorian regulations on business	2	1	-50	The lower 2019-20 actual reflects the survey frequency being revised to annual to reduce the reporting burden on businesses.	Economic and Policy Advice
Proportion of people making inquiries to the Red Tape Unit who found it responsive and helpful	80	71.4	-10.7	The lower 2019-20 actual may reflect the low number of returned survey responses from private businesses or individuals interacting with the Red Tape Unit.	Economic and Policy Advice
Total output cost	32.6	38.1	17	The higher 2019-20 actual reflects internal reprioritisation of resources in the areas of tax reform and other economic policies.	Economic and Policy Advice
New or revised regulatory instruments issued	7	6	-14.3	The lower 2019-20 actual reflects the Victorian Energy Upgrade guidelines were delayed due to coronavirus (COVID-19) response related reprioritisation of activities by the Department of Environment, Land, Water and Planning.	Economic Regulatory Services
Performance reviews and compliance audits of regulated businesses	144	140	-2.8	Minor variance between target and actual.	Economic Regulatory Services
Price approvals of regulated businesses	22	21	-4.5	Minor variance between target and actual.	Economic Regulatory Services
Visits to the Invest Victoria website	150,000	97,649	-34.9	The lower 2019-20 actual reflects impacts of the coronavirus (COVID-19) pandemic on website visits.	Invest Victoria

Develop and implement policy guidance and training, and infrastructure investment frameworks to govern and build capability to deliver infrastructure	116	86	-25.9	The lower 2019-20 actual reflects the reduced demand for, and the ability to conduct, events such as training, conferences, forums and presentations due the impacts of coronavirus (COVID-19). The disruptions have also led to delays in progressing policy reforms due to a focus on supporting the Government to manage the impacts of coronavirus (COVID-19).	Commercial and Infrastructure Advice
Gateway reviews undertaken	70	42	-40	The lower 2019-20 actual reflects the deferral of some reviews to the 2020-21 financial year due to disruptions associated with coronavirus (COVID-19). Gateway reviews are dependent upon the project/program team's readiness to undertake the review. During 2019-20, the Gateway Unit received fewer requests to conduct reviews for gates 1 and 2, compared to previous financial years.	Commercial and Infrastructure Advice
Revenue from sale of surplus government land including Crown land	150	36	-76	The lower 2019-20 actual reflects most sales, including all public sales, being suspended due to coronavirus (COVID-19) restrictions.	Commercial and Infrastructure Advice
Provision of PNFC/PFC financial estimates and actuals, along with commentary and analysis, for the State budget papers and financial reports	6	5	-16.7	The lower 2019-20 actual reflects the 2020-21 budget being postponed to late 2020.	Commercial and Infrastructure Advice

Total output cost	54.4	74.2	36.4	The higher 2019-20 actual is primarily due to the provision of policy and advice in several infrastructure and commercial projects including the funding and financing strategy for the Suburban Rail Loop, commercial transactions scoping study and property remediation.	Commercial and Infrastructure Advice
Total output cost	9.9	10.13	1.8	Minor variance between target and actual.	Infrastructure Victoria

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
Nil			

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.	Challenging economic and fiscal environment	External	Global economic uncertainty due to COVID-19.	The Department has provided ongoing economic and financial analysis and advice to support the delivery of the Government's priorities, including its response to COVID-19.
2.	Delivering key publications remotely	External	Challenges in adjusting to remote work	DTF has successfully delivered on the <i>2020-21 State Budget</i> as well as other key publications including the <i>2019-20 Financial Report</i> .
3.	Information security in a remote working environment	Internal	Risk of cyber threats as staff work remotely	DTF has developed a cyber safety strategy which outlines how the Department of Treasury and Finance (DTF) protects information from internal and external threats and the systems, capability required to prevent information loss, malicious alteration and unauthorised use.
4.	Supporting Occupational Health and Safety in a COVID-19 environment	Internal	There are physical risks associated with improper home office set up	<p>The Department has required all staff to complete OHS assessments of their home offices.</p> <p>There has been a rollout of OHS webinars to staff to enable them to set up workstations ergonomically, including a virtual session for managers on managing their staff OHS requirements from home effectively and DTF employees have been granted access to an online safe workstation setup module.</p> <p>In addition, phone advice in relation to workstation ergonomics was provided. One-on-one virtual workstation assessments were made available on demand. A working from home (WFH) tip sheet was developed and advice on the purchase of office related equipment such as chairs and desks were also provided to assist our staff to set themselves up at home.</p>

5.	Supporting staff wellbeing in a COVID-19 environment	Internal	Mental health issues associated with isolation as well as staff fatigue associated with increased screen time.	<p>The Department held a series of interactive wellbeing workshops, covering topics such as the prevalence and causes of mental illness; burnout; feeling overwhelmed; working from home with children; isolation during lockdown; and life after lockdown. Training workshops on 'self-care and leadership' were also provided for Executives and Managers cohorts.</p> <p>Managers regularly checked in with staff to ensure staff wellbeing. The Department developed a wellbeing check-in plan requiring managers to hold regular one on one or team meetings and reminded staff of resources such as EAP that are available to them. A new type of leave (special/COVID leave) was introduced for impacted staff to access.</p> <p>The Department developed a Wellbeing and Resilience Framework reflecting its commitment to promoting and protecting the physical, emotional and social wellbeing of all employees.</p> <p>Furthermore, strategies were developed to help staff overcome video conference fatigue.</p>
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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					

Note: Infrastructure Victoria was transferred to DTF as result of Machinery of Government (MoG) change on 1 May 2020.

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.

The Government has not yet released its response to the *Report on the 2017-18 and 2018-19 Financial and Performance Outcomes*.

Department	Recommendations supported by Government	Actions taken at 31 January 2021

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:

- the relevant Department, output and portfolio
- the performance measure(s) not met
- the reasons provided by the Department for the performance measure(s) not being met
- the amount of the initial invoice
- the amount of revenue certified
- 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

In late 2019-20, DTF undertook a risk assessment of the likely outputs that would be impacted by the 2019 bushfires and COVID-19 coronavirus. Due to the large, material impact of coronavirus and bushfires in 2019-20, and the associated effects on departmental resourcing and performance data, DTF adjusted its standard revenue certification process to ensure that affected departments were not disadvantaged. While there were some performance measures that had been significantly impacted by these two events, the associated invoice was fully certified. DTF assessed departmental revenue claims based on actual revenue drawdowns as well as other information that may be available outside of performance information.

Given the timing of the release of the *2020-21 Budget* (and the decision to separate revenue certification from output performance for 2019-20) the full analysis of 2019-20 output performance and associated measures commenced post budget and will be completed in early 2021. Details of the 2019-20 performance measures (targets and actuals) are listed in *2020-21 Budget Paper No.3, chapter 2 – Department Performance Statements*.

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:

- the top five projects that contributed to the variance recorded in each year
- 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)
- 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.	Capital repatriations	DTF	Commercial and Infrastructure Advice	1,338	0	The variance relates to estimated payments from public non-financial corporations and public financial corporations that were included in the published budget but did not eventuate. Scheduled capital payments from the Victorian Workcover Authority and the Victorian Managed Insurance Authority were deferred due to the uncertainty of financial markets. In addition, some payments from the water sector were also deferred.

2.	Victorian Transport Fund (VTF) drawdown	DTF	Commercial and Infrastructure Advice	1,943	1,757	The variance is driven by the timing of expenditure from the Victorian Transport Fund, including certain Level Crossing Removal Project works which will occur in future years.
3.	West Gate Tunnel Loan	DOT	Integrated Transport, Major Transport Infrastructure Authority, Department of Transport	134	(8)	The State Loan inflows/outflows are driven by the actual Design & Construction State Works and overall Project Works expenditure profile for the West Gate Tunnel in 2019-20. The variance is mainly due to slower construction activity progress than anticipated.
4.	Solar Homes	DELWP	Solar Homes	(65)	(49)	The variance is driven by a change in the recognition date of when loans were provided to consumers, as well as a slower than anticipated uptake in loans by consumers.
5.	Other			(244)	(342)	The remaining variance relates to multiple items across various portfolios.
Total net cash flow				3,106	1,358	

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	Property, plant and equipment	1 134	911	-20%	The variance to budget is primarily due to funding for a number of capital projects being rephased from 2019-20 to 2020-21 and the forward estimates. This is mainly attributable to the impact of the COVID-19 response.	Output <ul style="list-style-type: none"> Admitted Services Ambulance Emergency Services Drug Treatment and Rehabilitation Portfolio: <ul style="list-style-type: none"> Primarily Health
Department of Transport	Property, plant and equipment Freehold Land, Crown Land and Land Improvement	6 887	5 926	-14%	The variance to budget is primarily due to the North East Link project resulting from the timing of land acquisitions now expected in 2020-21 and a slowdown in the State’s capital program as a result of the COVID-19 pandemic.	Output: <ul style="list-style-type: none"> Train services Integrated transport Portfolio: <ul style="list-style-type: none"> Public transport Major projects

Department of Education and Training	Property, plant and equipment Freehold Land, Crown Land and Land Improvement	1 758	1 567	-11%	The variance to budget is primarily due to rephases of funding from 2019-20 into future years approved for the revised delivery of the capital program including New School Construction and Land Acquisition.	Output <ul style="list-style-type: none"> School Education – Secondary School Education – Primary Early Childhood Education Portfolio: <ul style="list-style-type: none"> Education Early Childhood
Department of Jobs, Precincts and Regions	Property, plant and equipment	160	172	8%	Immaterial	N/A
Department of Justice and Community Safety	Property, plant and equipment	1 058	512	-52%	The variance to budget is primarily due to various Corrections and Youth Justice projects which were rephased into 2020-21 and the forward estimates.	Output: <ul style="list-style-type: none"> Prisoner Supervision and Support Youth Justice Custodial Services Portfolio: <ul style="list-style-type: none"> Corrections
Department of Environment, Land, Water and Planning	Property, plant and equipment	144	141	-2%	Immaterial	N/A
Court Services Victoria	Property, plant and equipment	83	80	-4%	Immaterial	N/A

Department of Premier and Cabinet	Property, plant and equipment	14	36	157%	<p>The variance to budget is primarily due to investments in assets during the year relating to:</p> <ul style="list-style-type: none"> • Service Victoria; • Victorian Electoral Commission; and • the Department's investments in capital projects which includes the completion of work on DPC's office modernisation project. 	<p>Output:</p> <ul style="list-style-type: none"> • Digital government and communications • State Electoral Roll and Electoral Events • Government-wide leadership, reform and implementation <p>Portfolio:</p> <ul style="list-style-type: none"> • Premier • Government Services
Department of Treasury and Finance	Property, plant and equipment	33	56	70%	<p>The variance primarily relates to the implementation of the centralised accommodation management initiative. While the Department of Treasury and Finance recorded the transfer of these leased assets in the actuals, the funding was reflected in the relevant department's estimates as part of the <i>2019-20 Budget</i>.</p>	<p>Output: Services to Government</p> <p>Portfolio:</p> <ul style="list-style-type: none"> • Treasurer • Assistant Treasurer
Parliamentary Departments	Property, plant and equipment	2	22	1000%	<p>The variance to budget is primarily due to capital works:</p> <ul style="list-style-type: none"> • to improve vertical circulation systems in East Wing and redesign of Assembly offices in Parliament House; and • refurbishment projects for electorate offices 	<p>Output:</p> <ul style="list-style-type: none"> • Provision of Information and Resources to Parliament <p>Portfolio:</p> <ul style="list-style-type: none"> • Parliamentary Services

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 $\pm 10\%$ or \$100 million between budget estimates and the actual results.

Initiative	2019-20 budget estimate (\$ million)	2019-20 actual (\$ million)	Explanation for any variance $\pm 10\%$ or \$100 million
Expand the payroll tax exemption to all types of parental leave	-1.7	Not available	The actual cost of this initiative is not available as employers do not provide data on exempt wages.
Expand the qualifying provisions for the corporate reconstruction duty relief	36.0	8.6	The coronavirus (COVID-19) pandemic slowed down business activity in 2019-20 and therefore corporate reconstruction activity.
Harmonisation of foreigner property surcharges – absentee landowner surcharge	45.7	31.3	The original estimates were based on 2017-18 actual land tax data and land tax revenue forecast estimates as at the 2019-20 Budget. The property market has since softened and as a result, land tax actual revenue is lower than estimated in the 2019-20 Budget. The actual for 2019-20 reflects natural variation in year-to-year absentee owner liabilities.
Harmonisation of foreigner property surcharges – land transfer duty surcharge	23.2	13.5	The coronavirus (COVID-19) pandemic and associated border closures resulted in fewer foreign purchaser transactions occurring in 2019-20 than expected at the time of the original costing.
Investing in our regions – land transfer duty concession for commercial and industrial properties in regional Victoria	-4.9	-2.9	The coronavirus (COVID-19) pandemic and associated movement restrictions and border closures resulted in fewer transactions occurring in 2019-20 than expected at the time of the original costing.
Motor vehicle duty – luxury vehicles	61.0	Actual is not available. Estimated impact	The original estimates were based on 2017-18 motor vehicle stamp duty data. The latest estimates primarily reflect a reduction in

		provided to PAEC in November 2020 of 39.4	<p>dutiable transactions in the 2019-20 financial year when compared to forecast transaction volumes for the same year.</p> <p>Stamp duty revenue from vehicle sales is expected to weaken further in 2020-21 following declines over recent years. This reflects lower sales of new vehicles due to cautious consumer spending behaviour in response to weaker economic conditions and trading restrictions during the coronavirus (COVID-19) pandemic.</p>
Motor vehicle duty – luxury vehicles concession for green cars and primary producers	-3.4	-2.9	<p>The original estimates were based on 2017-18 motor vehicle stamp duty data. The latest estimates primarily reflect a reduction in dutiable transactions in the 2019-20 financial year when compared to forecast transaction volumes for the same year.</p> <p>Stamp duty revenue from vehicle sales is expected to weaken further in 2020-21 following declines over recent years. This reflects lower sales of new vehicles due to cautious consumer spending behaviour in response to weaker economic conditions and trading restrictions during the coronavirus (COVID-19) pandemic.</p>
Motor vehicle duty – service demonstrator vehicles exemption	-3.0	Not available	The actual cost of this initiative is not available as licensed motor car traders do not provide data on exempt vehicles.

Remove the land tax exemption for contiguous land in metropolitan areas	10.9	3.5	The actual outcome reflects: <ul style="list-style-type: none"> • a decline in average site values within Greater Melbourne for the 2020 land tax year; • transitional arrangements for some properties for 2020; and • some owners potentially having consolidated or divested the PPR and contiguous PPR properties before 31 Dec 2019, consistent with the policy intent of the changes.
Removing the exemption for gold from royalties	8.0	25.4	The actual revenue relates to collections since 1 January 2020 (the date of the gold royalty's commencement). The variance from the <i>2019-20 Budget</i> estimate reflects a sustained increase in gold prices which have recently reached record highs. Further, the original estimates incorporated conservative assumptions about Victorian gold production over the forward estimates and were revised upwards for the 2020-21 Budget.

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	27,923	29,508	6%	The variance is primarily due to additional resources in the health sector for the COVID 19 response as well as cross-border interstate patient payments changing to be recognised on a gross, rather than net, basis as a result of a change in accounting treatment.	Output: Primarily: <ul style="list-style-type: none"> Admitted Services Portfolio: Primarily: <ul style="list-style-type: none"> Health
Department of Transport	9,224	9,479	3%	This variance is primarily due to additional funding provided to support the State's metropolitan and regional public transport network and services as part of the COVID-19 response. These include: <ul style="list-style-type: none"> Metropolitan and regional rail partnership support for continued operation of the rail network as an essential service recognising the ongoing impacts of coronavirus (COVID-19) on farebox and third-party revenues; and Increased cleaning costs incurred across the metropolitan and regional public transport network as a result of coronavirus. 	Output <ul style="list-style-type: none"> Bus Services – Statewide Train Services – Metropolitan Train Services – Regional Train Services – Statewide Tram Services Portfolio <ul style="list-style-type: none"> Public Transport

Department of Jobs, Precincts and Regions	2,403	3,524	47%	<p>The variance is primarily due to higher grants expenses incurred as part of the Government's COVID 19 response, including from the Business Support Fund, Working for Victoria Program and Experience Economy Package.</p>	<p>Output:</p> <ul style="list-style-type: none"> • Jobs • Trade and Global Engagement • Creative Industries Portfolio Agencies • Tourism and Major Events • Sport, Recreation and Racing • Creative Industries Access, Development and Innovation <p>Portfolio:</p> <ul style="list-style-type: none"> • Industry Support and Recovery • Employment • Trade • Creative Industries • Tourism, Sport and Major Events • Community Sport • Racing
Department of Education and Training	19,255	19,491	1%	<p>The variance is primarily due to higher than expected grants expense relating to recurrent school funding brought forward from July 2020 for non-government schools that re-opened by 1 June during the coronavirus pandemic.</p> <p>Also driving the variance was funding decisions for school education programs approved after the State Budget, including enrolment based funding and the <i>2019-20 Budget Update</i>.</p>	<p>Output:</p> <ul style="list-style-type: none"> • School Education – Primary • School Education - Secondary <p>Portfolio:</p> <ul style="list-style-type: none"> • Education

Department of Justice and Community Safety	8,047	8,846	10%	The variance is primarily due to higher employee expenses driven by additional police following the implementation of the Community Safety Statement, and higher grants expense relating to Bushfire recovery and clean-up programs as part of the Commonwealth and State Partnership Agreement through the National Disaster Recovery Trust, and resource support to the Metropolitan Fire Brigade and the Country Fire Authority.	Output: <ul style="list-style-type: none"> • Policing and Crime Prevention • Emergency Management Capability Portfolio: <ul style="list-style-type: none"> • Police and Emergency Services
Department of Environment, Land, Water and Planning	3,472	4,067	17%	The variance is primarily due to additional resources required for the bushfire response and suppression activities, as well as higher than expected grant payments to local government for the Financial Assistance Grants program from the Commonwealth.	Output: <ul style="list-style-type: none"> • Fire and Emergency Management • Local Government Portfolio: <ul style="list-style-type: none"> • Environment and Climate Change
Court Services Victoria	710	714	1%	Immaterial	N/A

Department of Premier and Cabinet	671	898	34%	<p>The variance is primarily due to additional grants expense for:</p> <ul style="list-style-type: none"> • Bushfire Recovery Victoria; • The bushfire appeal and good Friday appeal; • The Victorian Pride Centre, • The Pick My Project initiative; • The Bushfire mental health package; and • The Victorian Jobs and Investment Fund. <p>In addition, employee expenses were higher than the published budget due to:</p> <ul style="list-style-type: none"> • additional employee related costs from bushfire recovery activities; and • additional unbudgeted expenditure from various trusts. <p>Also driving the variance is other operating expenses which was higher than the published budget due to the recognition of long service leave benefits of employees and contractors coming under the scheme managed by Portable Long Service Authority and activities related to bushfire recovery.</p>	<p>Output:</p> <ul style="list-style-type: none"> • Government-wide Leadership Reform and Implementation • Digital Government and Communications • LGBTI equality policy and programs • Industrial relations <p>Portfolio:</p> <ul style="list-style-type: none"> • Premier • Equality
Department of Treasury and Finance	7,764	8,415	8%	<p>The variance primarily relates to the implementation of the centralised accommodation management initiative. While the Department of Treasury and Finance recorded this expense, funding was allocated to departments in the original budget.</p>	<p>Output:</p> <ul style="list-style-type: none"> • Services to Government <p>Portfolio:</p> <ul style="list-style-type: none"> • Treasurer • Assistant Treasurer
Parliamentary Departments	244	227	-7%	Immaterial	N/A

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 (ppts)	Explanation for variances equal to or greater than ± 0.5 percentage points
Real gross state product	2.75	-0.5	-3.3	The deviation in 2019-20 is a result of the significant shock to the economy in the second half of the financial year, arising from the COVID-19 pandemic and the related necessary public health restrictions. Household consumption, dwelling investment and business investment were all significantly negatively affected by the impact of coronavirus restrictions.
Labour force participation rate	65.9	65.9	-	Variance < ± 0.5 percentage points
Unemployment rate – overall	4.75	5.4	0.6	The unemployment rate rose in the latter months of 2019-20 due to reduced labour demand as a result of the COVID-19 pandemic and related public health restrictions.
Unemployment rate – male	N/A	5.2	N/A	N/A
Unemployment rate – female	N/A	5.6	N/A	N/A
Underemployment rate	N/A	9.7	N/A	N/A
Youth unemployment	N/A	11.8	N/A	N/A
Youth underemployment	N/A	N/A	N/A	N/A
Consumer price index	2.00	1.7	-0.3	Variance < ± 0.5 percentage points
Wage price index	3.00	2.4	-0.6	The weakness in economic and labour market conditions arising from COVID-19 impacts weighed on wages growth in 2019-20.

Population	2.00	1.5	-0.5	Population growth was mainly affected by national and interstate border closures, which lowered net overseas migration and net interstate migration. Natural increase declined due to lower fertility rates.
Household consumption	3.00	-3.3	-6.3	The impacts of the COVID-19 pandemic and related public health restrictions had a substantial negative impact on consumption. Restrictions on consumer service businesses, as well as a large decline in consumer confidence, caused spending to fall by 1.40 per cent in the March quarter 2020 and by 14 per cent in the June quarter.
Property prices ⁷	-2.3	10.5	12.8	In early 2019, property market conditions in Victoria were weak. The <i>2019-20 Budget</i> had forecast Victorian property prices to decline further in 2019-20. However, property prices recovered after the <i>2019-20 Budget</i> was released in May 2019, supported by an improvement in credit conditions and a rebound in housing sentiment. This has more than offset price declines following the onset of the coronavirus (COVID-19) pandemic.
Property volume ⁸	3.5	1.5	-2.0	The public health restrictions in response to the coronavirus (COVID-19) pandemic, a deterioration in economic conditions and heightened uncertainty over the economic outlook contributed to a decline in transaction volumes in the final quarter of 2019-20. As a result, growth in transaction volumes over 2019-20 was weaker than anticipated in the <i>2019-20 Budget</i> .
Employee expenses (\$ Million)	26,208	27,214	3.8%	Employee expenses were \$1 billion higher than originally estimated. This can be attributed to additional resources in the health sector for the COVID-19 response, additional resources required for the bushfire response and suppression activities, and additional police following the implementation of the Community Safety Statement.

⁷ Year to June quarter 2020

⁸ 2019-20 compared to 2018-19

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?

The long-term financial management objectives to which the Government was committed were updated to reflect the prevailing economic environment and the Government's focus on jobs to support sound longer-term fiscal management. Similarly, the financial measures and targets for these objectives were also updated to better reflect the prevailing economic and fiscal conditions. This is outlined in the *2020-21 Budget, Budget Paper 2, Chapter 1, pages 10-11 and Budget Paper 4, Chapter 1, page 17*.

- 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.

A Crisis Committee of Cabinet was established in early 2020 to oversee the Government's health, economic and social response to COVID-19. The Committee made decisions to allocate new funding but also reallocated resources and spending within departments and agencies. The Government also implemented a framework to facilitate the movement and deployment of staff across the Victorian Public Sector to respond to the crisis (*Industrial relations framework for managing the coronavirus pandemic*).

- 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.

DTF provided guidelines for tracking coronavirus-related financial impacts on Victorian Government departments, to assist with monitoring and reporting activities to support the publication of the Annual Financial Report.

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

Accounting standards require the publication of Victorian Government liabilities and Government produced its 2019-20 Annual Financial Report consistent with these Accounting Standards including the disclosure of contingent liabilities.
A special appendix of potential liabilities is not proposed as the accounting standard framework provides a consistent approach to liabilities across Government.

- 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?

The declarations, in and of themselves, did not have any financial management implications during the pandemic. The pandemic and its consequences on public health, jobs and the economy have had a significant impact on the Victorian budget as outlined in the 2020-21 budget papers.

Given the uncertainty created by COVID-19, the Government determined that publishing a budget in May 2020 for the 2020-21 financial year could not be undertaken with adequate certainty regarding either expenditure or revenue over the budget and forward estimates period. An alternative Supply Bill was enacted to provide financial capacity for the Government to meet the additional costs of managing the COVID-19 pandemic in 2019-20 and the first half year of the 2020-21 financial year (subsequently superseded by the 2020-21 Budget and annual appropriation Act). The outcomes of the 2019-20 year were reported in the 2019-20 Annual Financial Report.

- 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?

- DTF approves funding to departments through the budget process and it is the responsibility of individual Departments to monitor and manage budget risk, and to ensure they have appropriate insurance coverage.
- The coronavirus (COVID-19) pandemic has presented significant challenges to Government.
- The Government's budget is predicated on a series of assumptions, including those related to the coronavirus (COVID-19) pandemic. If these assumptions do not eventuate, the actual financial outcomes may differ materially from the Government's current budget. For this reason, Government undertakes a sensitivity analysis at each budget to better understand the impact of variations in key assumptions. This includes a scenario that explores the impact of a deep and enduring coronavirus (COVID-19) pandemic throughout all of 2021.
- The Government's budget incorporates contingency provisions to mitigate the impact of expenditure risks. Provisions are sized to allow for growth in Victoria's population and the derived increased demand for government services.
- Public health restrictions to slow the spread of coronavirus (COVID-19) have impacted the delivery of the Government's capital program. Government implemented a whole of government framework to assist delivery agencies to manage risks associated with the coronavirus (COVID-19) pandemic for

projects at each stage of the project lifecycle. The framework facilitates outcomes that are best for individual projects, project workforces and broader economic recovery in Victoria. This coordinated approach from the Government is expected to reduce project and financial risk, and preserve the project pipeline and competitive local industry.

- The Government also monitors and manages risk through the Risk Interdepartmental Committee. The Risk IDC assigned departments to monitor and manage key risks to ensure clear lines of responsibility for risk management.

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.

As outlined in 2020-21 Budget Paper 2 (p.7), the Government will continue to review its path to ensure fiscal sustainability, including providing strategies for the realignment of revenue and expenditure trajectories and steps to a more balanced operating environment in the 2021-22 budget. This will include the consideration of options for suitable contemporary improvements to financial management which may impact on the future policy for funding reviews.

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				

No Department of Treasury and Finance Enterprise Bargaining Agreements concluded in 2019-20.

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)	TCV will provide a response to this question	
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.

TCV will provide a response to this question.

Question 38 Foreign exchange risk management

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

TCV will provide a response to this question.

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.

TCV will provide a response to this question.

- 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
TCV will provide a response to this question.		