



PUBLIC ACCOUNTS AND ESTIMATES COMMITTEE

2018-19 BUDGET ESTIMATES QUESTIONNAIRE

1. Economic outlook for 2018-19

Question 1 *Impact of the economic outlook on the department/agency*

Budget Paper No.2: Strategy and Outlook contains a chapter on the Economic Context for Victoria over 2018-19, together with growth forecasts of the following key economic variables:

- GSP
- Employment
- Wage prices
- Consumer price index
- Wage index
- Population.

There is also a sensitivity analysis section in Appendix A of *Budget Paper No.2* that gives a further list of outcomes of economic variables that may influence the budgetary position including average weekly earnings, domestic share prices, overseas share prices, property prices, property volumes and interest rates.

- (a) How will the economic context for Victoria over 2018-19 outlined in Chapter 2 of *Budget Paper No.2: Strategy and Outlook* impact on:
- (i) the financial position of the department or agency
 - (ii) services delivered by the department or agency
 - (iii) outcomes for the community.

The Government centrally manages the State's resources through the budget allocation process. Given budgets are prepared on a forward looking basis, expected revenue and expenditure decisions take into account the prevailing macroeconomic conditions in the State of Victoria. As such, it is not expected that the economic context outlined in *Budget Paper No.2* will significantly impact the financial position or services delivered by the department or the outcomes for the community.

- (b) What are the three economic indicators that are most relevant to the department/agency (e.g. population, employment)? What are the implications for the department/agency for any positive or negative variation to the forecast for these published in *Budget Paper No.2: Strategy and Outlook*?

All the key economic indicators are relevant to the department, although population growth most directly impacts the demand for services delivered by the Government. However, given the base funding departments receive to deliver on their outputs, a significant shift in the economic environment would be required for any changes to appear in the departmental outcomes as measured by the performance reporting framework.

- (c) What plans are in place within the department or agency to manage the changing economic conditions that are set out in the budget papers over 2018-19?

Through the annual budget process, the Government explicitly plans for and responds to the economic conditions facing the State, including adapting to challenges and identifying future opportunities.

2. Spending

Question 2 *Lapsing programs or initiatives*

Please identify any programs or initiatives (including asset or output initiatives) that have lapsed in 2017-18 (that is, they will not be continued in 2018-19). For each program or initiative, please indicate the expenditure on this program/initiative in 2017-18. If the program or initiative is to be extended, please identify whether the Department's own sources will be used or name any initiatives in the 2018-19 Budget that replace the lapsing initiative. Please also identify the effect on the community of the lapsing program (*including rescheduling of service provision or commencement of service provision*). If there is no effect, please detail the actions undertaken by the Department to ensure this. In describing the programs or initiatives, please use the same names as are used in the budget papers where applicable.

Program or initiative	Expenditure in 2017-18 (\$ million)	If it is to be extended into 2018-19, how is the program or initiative to be funded?	Effect on the community (<i>including rescheduling of service provision or commencement of service provision</i>) of lapsing programs	Actions taken by the Department to ensure that there is no effect on service delivery resulting from lapsing programs
Delivering on Victoria's cancer plan - One-off catch up HPV vaccination program	0.769	Existing departmental resources will be used to fund this initiative to 31 December 2018.	Nil. Fixed term project	Not applicable.
Health and Medical Research - Advancing Clinical Trials - National Drug Discovery Centre	1	Not applicable.	Nil. Fixed term funding to develop options for a National Drug Discovery Centre.	Not applicable.
Accommodation for the homeless	1.55	Not applicable.	Nil. Fixed term funding for construction of new units.	Not applicable.
Responses to homelessness - Supportive housing facility for women and children	13.3	Not applicable.	Nil. One off capital grant.	Not applicable.

Responses to homelessness - Accommodation for people with a mental illness	7.5	Not applicable.	Nil. One off capital grant	Not applicable.
Responses to homelessness - Crisis accommodation centre	7.9	Not applicable.	Nil. One off capital grant	Not applicable.
National Partnership Agreement on Homelessness	33.1	Victoria has allocated \$23.9 million to continue program services in 2018-19, and will continue to negotiate with the Commonwealth regarding historically matched funding.	The previous National Partnership Agreement on Homelessness provided significant funding to support those at risk of homelessness, as well as services for rough sleepers, particularly for children and young people	Victoria continues to seek agreement with the Commonwealth under the proposed National Housing and Homelessness Agreement.
Parkville Precinct electronic medical records	1.2	Not applicable.	Nil. Fixed term project.	Not applicable.
Statewide health infrastructure planning	2.5	Not applicable.	Nil. Fixed term project.	Existing departmental resources in the Victorian Health and Human Services Building Authority will continue to be used for future infrastructure planning.
Rooming house upgrades	10.0	Not applicable.	Nil. This was a fixed term project to upgrade rooming houses.	Not applicable.
State Disability Plan 2017-2020	4.875	Not applicable.	Nil. Funding was for a range of one-off discrete activities.	Not applicable.
Prevent Alcohol and Risk-related Trauma in Youth (PARTY) program	0.2	Existing departmental resources will be used to fund this initiative in 2018-19.	Not applicable.	Not applicable.

Home and Community Care Program for Younger People	2.861	Not applicable	Nil. Home and Community Care Program for Younger People clients will still continue to access social support groups.	Funded projects were evaluated to ensure no ongoing implications.
Laying the Groundwork - Family Violence Index	0.5	Not applicable.	Nil. Fixed term project. Prevention of family violence activities will continue through new 2018-19 budget funding.	Not applicable as not direct service delivery.
Laying the Groundwork - Workforce capacity building project	0.3	Not applicable.	Nil. Fixed term project. Prevention of family violence activities will continue through new 2018-19 budget funding.	Not applicable as not direct service delivery.
Achieving equality for Victorian Women	2.375	Not applicable.	Gender equality strategies and actions will be prioritised through new 2018-19 budget funding.	Not applicable as not direct service delivery.
Reaching all Victorians where they live, work or play	5	Not applicable.	Prevention of family violence activities will be prioritised through new 2018-19 budget funding.	Not applicable as not direct service delivery.
Urgent and essential residential care maintenance	1.16	Not applicable.	Nil. Fixed term increased maintenance.	Existing departmental resources will be used for ongoing urgent and essential residential care maintenance.

Question 3 Variations from prior year

Please explain any variations of more than ± 10 per cent (or greater than \$100 million) between the revised estimate for 2017-18 and the budget for 2018-19 for the following line items in the Department's operating statement in the Statement of Finances budget paper:

- (a) 'employee benefits'
- (b) 'grants and other transfers'
- (c) 'other operating expenses' in aggregate
- (d) the major components of 'other operating expenses' for your department (please supply categories as appropriate).

	2017-18 (budget estimate) (\$ million)	2017-18 (revised estimate) (\$ million)	Explanation for any variances greater than $\pm 10\%$ (or greater than \$100 million) 2017-18 budget estimate vs. revised estimate	2018-19 (Budget) (\$ million)	Explanation for any change greater than $\pm 10\%$ (or greater than \$100 million) 2018-19 budget estimate vs. revised estimate
Employee benefits	11,449.1	11,630.0	Variance primarily due to: <ul style="list-style-type: none"> • additional funding for new initiatives and anticipated cost increases in 2017-18 • revised estimates of health portfolio agencies to reflect forecast employee expenditure 	12,806.2	The variance is primarily due to: <ul style="list-style-type: none"> • additional funding for new initiatives announced in the 2018-19 State Budget • revised estimates of health portfolio agencies to reflect forecast employee expenditure

Grants and other transfers	2,319.4	2,351.8	Not applicable	3,027.9	<p>The variance is primarily due to:</p> <ul style="list-style-type: none"> the increase in state contribution to the National Disability Insurance Agency via the NDIS Trust Fund for the transition of NDIS clients additional funding for new initiatives announced in the 2018-19 State Budget
Other operating expenses	8,512.1	8,682.1	<p>Variance primarily due to:</p> <ul style="list-style-type: none"> additional funding for new initiatives announced in the 2017-18 Budget Update additional funding provided under Commonwealth National Partnership agreements realignment of health portfolio agencies' expenditure 	8,210.7	Revised estimates of health portfolio agencies to reflect forecast expenditure
Major components of 'other operating expenses' (please supply categories):					

Service Contracts	2,797.0	2,736.8	Not applicable	2,352.9	The decrease in Service Contracts is primarily due to the state contribution to the National Disability Insurance Agency via the NDIS Trust Fund as this is paid as a grant to the Administered Entity rather than payments to external agencies
Medicinal drug pharmacy and medical supplies	1,267.5	1,505.2	The variance primarily reflects the realignment of health portfolio agencies' estimates within the other operating expenses category	1,542.1	Not applicable
Other operating supplies and consumables	1,072.4	769.9	The variance primarily reflects the realignment of health portfolio agencies' estimates within the other operating expenses category	719.5	Not applicable
Benefits to Households and Persons in goods and services	712.0	708.7	Not applicable	764.3	Not applicable

Other service charges	541.9	736.8	The variance primarily reflects the realignment of health portfolio agencies' estimates within the other operating expenses category	543.0	The variance primarily reflects the realignment of health portfolio agencies' estimates within the other operating expenses category
Medical and client care services	329.7	375.6	The variance primarily reflects the realignment of health portfolio agencies' estimates within the other operating expenses category	380.7	Not applicable
Accommodation / occupancy	275.2	343.9	The variance primarily reflects the realignment of health portfolio agencies' estimates within the other operating expenses category	317.3	Not applicable
Maintenance	261.1	266.0	Not applicable	280.9	Not applicable

- (e) If the Department is unable to provide estimates for the components of 'other operating expenses' in 2018-19, please explain how the amount of 'other operating expenses' listed for 2018-19 in the budget papers was calculated.

N/A

Question 4 Carryover funding for payments for non-financial assets

For the line item 'payments for non-financial assets' for 2018-19 in the departmental cash flow statement in the Statement of Finances budget paper, please identify the amount that is expected to be funded using funds carried over from 2017-18.

The department re-cash flowed \$356.8 million from 2017-18, of which \$214.288 million of this will be utilised in 2018-19 to fund payments for non-financial assets.

Question 5 Expenditure by government purpose classification

In relation to the break-down of expenses from transactions disaggregated by government purpose classification in the budget papers (if provided in the 2018-19 budget papers – see Table 1.3.5 in the 2017-18 Statement of Finances budget paper, p.29), please provide details of the Department’s component of the expenses in each category for 2017-18 and 2018-19. Please explain any variations between the years that are greater than ±10 per cent or greater than \$100 million between 2017-18 and 2018-19 estimates.

Government purpose classification	2016-17 actual (\$ million)	2017-18 revised estimate (\$ million)	2018-19 Budget (\$ million)	Explanation for any variances greater than ±10% (or greater than \$100 million) between 2017-18 and 2018-19 estimates.
General public services	17.2	19.9	31.2	The variance is primarily driven by additional funding for new initiatives provided in the 2018-19 Budget and re-phasing of funding from 2017-18 into 2018-19 in line with the delivery of government commitments.
Public order and safety	70.8	0.0	0.0	
Education	-	-	-	
Health	17,854.0	19,305.9	20,337.0	The variance is primarily driven by: - additional funding for new initiatives provided in the 2018-19 Budget; - continuing implementation of initiatives announced in previous budgets; and - additional funding for anticipated cost increases in 2018-19.

Social security and welfare	4,464.0	5,079.0	5,603.5	This variance is primarily driven by: - increased contributions from other departments to the National Disability Insurance Agency via the National Disability Insurance Scheme Trust Fund; and - additional funding for new initiatives for Family Violence Reform in the 2018-19 Budget and re-phasing of funding from 2017-18 into 2018-19 in line with the delivery of government commitments.
Housing and community amenities	543.4	636.4	653.6	-
Recreation and culture	110	106.3	300.3	The variance is primarily driven by additional funding for new initiatives provided in the 2018-19 Budget.
Fuel and energy	-	-	-	
Agriculture, forestry, fishing and hunting	-	-	-	
Transport and communications	-	-	-	
Other economic affairs	-	-	-	
Other purposes	-	-	-	
Not allocated by purpose	-	-	-	

(a) Please note for future questionnaires: The Australian system of Government Finance Statistics (GFS) was revised by the Australian Bureau of Statistics, with the release of the *Australian System of Government Finance Statistics: Concepts, Sources and Methods 2015 Cat. No. 5514.0*.

Implementation of the updated GFS manual has resulted in the 'classification of the functions of government' (COFOG) framework replacing the former 'government purpose classification' (GPC) framework, with effect from the 2018-19 financial year for financial reporting under AASB 1049. This change in framework has been implemented in the *2018-19 Budget*.

The key reporting changes from GPC to COFOG are as follows:

- the number of categories has reduced from 12 under GPC to 10 under COFOG;
- the fuel and energy, agriculture, forestry, fishing and hunting categories have been abolished and are now part of the new economic affairs category. The majority of the outputs in other economic affairs are also included in this new category;
- public debt transactions have moved from the other purposes category (i.e. primarily interest expense on borrowings) to general public services category;

- a new environment protection category was created to include functions such as waste management, water waste management, pollution and production of biodiversity and landscape, which were previously classified under housing and community amenities category, as well as national and state parks functions from the recreation and culture category; and
- housing functions such as housing assistance and housing concessions are now part of the social protection category.

The COFOG framework disclosures required under AASB 1049 classify expenses, acquisition of non-financial assets of the public sector and total assets of the general government sector in terms of their purposes. This information is presented to facilitate improved inter-jurisdictional comparison of the financial operations of public sector jurisdictions.

The major COFOG groups reflect the broad objectives of government and the groups and subgroups detail the means by which these broad objectives are achieved. The major groups are:

General public services: Includes legislative and executive organs, financial and fiscal affairs, external affairs, foreign economic aid, general services, basic research, research and development – general public services, public debt transactions.

Public order and safety: Includes police services, civil and fire protection services, law courts, prisons, research and development.

Economic affairs: Includes general economic, commercial and labour affairs, agriculture, forestry, fishing and hunting, fuel and energy, mining, manufacturing, and construction, communication, other industries, research and development.

Environmental protection: Includes waste management, waste water management, pollution abatement, protection of biodiversity and landscape, research and development.

Housing and community amenities: Includes housing and community development, water supply, street lighting, research and development.

Health: Includes medical products, appliances, and equipment, outpatient services, hospital services, mental health institutions, community health services, public health services, research and development.

Recreation, culture and religion: Includes recreational and sporting services, cultural services, broadcasting and publishing services, religious and other community services, research and development.

Education: Includes pre-primary and primary education, secondary education, tertiary education, education not defined by level, subsidiary services to education, research and development.

Social protection: Includes sickness and disability, old age, survivors, family and children, unemployment, housing, social exclusion, research and development.

Transport: Includes road transport, bus transport, water transport, railway transport, air transport, multi-mode urban transport, pipeline and other transport, research and development.

(b) Therefore GPC presentation of the 2018-19 Budget above will not be published in the 2018-19 Budget papers.

3. Expenditure reduction measures

Question 6 *Savings initiatives from past budgets*

For each of the savings initiatives detailed in the table below, please detail (on the same basis of consolidation as the budget papers):

- (a) how the Department will meet the various savings targets in 2018-19
- (b) the nature of the impact that these actions will have on the delivery of services during 2018-19
- (c) the Department's savings target for 2018-19, with an explanation for any variances between the current target and what was originally published in the budget papers when the initiative was released. If the change in Government affected the implementation of these measures, please provide a more detailed explanation.

Initiative	Actions the Department will take in 2018-19	Impact of these actions on service delivery in 2018-19	Savings target for 2018-19 (\$ million)	Explanation for variances to the original target
Efficiency and expenditure reduction measures in 2015-16 Budget (2015-16 BP3 p.105-7)	<ul style="list-style-type: none"> • Reduce executive officers • Reduce travel costs • Cease production of hard copy reports • Reduce labour hire firms • Abolish taxpayer funded political advertising • Implement more efficient government fleet arrangements • Implement electronic purchasing 	Savings will be targeted at overhead reduction and should not impact on productivity or services delivered to the community	0.0	N/A

Savings and efficiencies and expenditure reduction measures in 2016-17 Budget (2016-17 BP3 p.118)	N/A	N/A	N/A	N/A
Savings measures in 2017-18 Budget (2017-18 BP3 p.114)	The department will deliver efficiencies and savings by reducing expenditure on administration, consultants, contractors and staffing.	The reductions will be targeted so as not to impact on service delivery.	39.4	N/A
Any efficiency and expenditure reduction measures in 2018-19 Budget	N/A	N/A	N/A	N/A

Question 7 Use for funds saved from other programs or initiatives

In relation to any programs or initiatives that have been reprioritised, curtailed or reduced for 2018-19 (including lapsing programs), please identify:

- (a) the amount expected to be spent under the program or initiative during 2018-19 at the time of the 2017-18 Budget
- (b) the amount currently to be spent under the program or initiative during 2018-19
- (c) the use to which the funds freed by this reduction will be put. Please include the name(s) of any program or initiative that will be funded or partially funded.

Program/initiative that has been reprioritised, curtailed or reduced	The amount expected to be spent under the program or initiative during 2018-19:		The use to which the funds will be put
	at the time of the 2017-18 Budget	at the time of the 2018-19 Budget	
Programs where funding is lapsing in 2017-18 are identified in Question 2 above. No specific initiatives or programs have been identified for reprioritisation to other initiatives as part of the 2018-19 Budget.			Not applicable.

- (d) Please identify any programs or initiatives (asset or output) over \$2.0 million relevant to the Department that have been curtailed, deferred, discontinued or completed as a result of changes in strategic priorities between 2017-18 and 2018-19. In describing the programs or initiatives, please use the same names that are used in the budget papers where applicable.

No programs or initiatives have been discontinued as a result of adjustments to strategic priorities.

Question 8 *Department's share of reprioritisation of existing resources*

Please provide the Department's contribution to the whole-of-government amount identified as 'funding from reprioritisation of existing resources' in the 'net impact of the 2018-19 Budget new output initiatives' table.

Amount reprioritised for 2018-19 (\$ million)	Amount reprioritised for 2019-20 (\$ million)	Amount reprioritised for 2020-21 (\$ million)	Amount reprioritised for 2021-22 (\$ million)
25.4	3.5	0.8	0.9

4. Output and asset initiative funding

Question 9 *Development of the Department's budget*

- (a) Please list the factors by which the Department developed its overall budget, in terms of total income from transactions, relating to total income from transactions for 2017-18. Please include explanations for all items.

	Amount		Explanation
	(per cent)	(\$ million)	
Total income from transactions 2017-18	N/A	24,817.0	
New output initiative funding ¹	5.4	1,329.4	Government policy decisions
Lapsing or reducing programs	(2.6)	(655.9)	Government policy decisions
External (e.g. Commonwealth) funding for new initiatives	1.4	337.9	Government policy decisions – National Health Reform Commonwealth contribution
Savings and efficiency measures	(1.0)	(258.5)	Government policy decisions
Inflation adjustment	1.4	338.9	Government policy decisions – Departmental funding model
Output resource allocation reviews	N/A	N/A	
Base reviews	N/A	N/A	
Other (growth in existing output initiative funding)	2.0	492.7	Government policy decisions
Other (Commonwealth funding and hospitals own source funding)	0.4	104.1	National Health Reform revenue, National Partnership revenue and Commonwealth Own Purpose Expenditure revenue. Hospitals own source revenues
Other (CAC. Depreciation, Carryover, Public Private Partnership Quarterly Service Payments)	0.7	177.7	
Total income from transactions 2018-19	N/A	26,683.3	

- (b) If this is not the way the Department developed its overall budget, please provide a description of the process that was followed.

N/A

¹ This is the 2018-19 total from the Department's 'output initiatives' table plus the Department's share of any whole-of-government initiatives released in Budget Paper No.3.

5. Public private partnership expenditure

Question 10 *PPP expenditure on operating statement*

For each line item in the Department's comprehensive operating statement or statement of cash flows (as indicated in the Statement of Finances budget paper) which includes expenditure on all PPP projects in 2018-19 or across the forward estimates period, please identify:

- the line item
- the value of expenditure (**including staff costs**) on PPP projects included within that line item
- what the expenditure is for (for example, labour costs, payment of interest, payment of capital, purchases of services, payment of contracted penalties etc.).

Line item	2017-18 revised (\$ million)	2018-19 (\$ million)	2019-20 (\$ million)	2020-21 (\$ million)	2021-22 (\$ million)	Explanation
PPPs under construction (including in planning)						
Payments for non-financial assets	52.870	77.425	3.614	0.00	0.00	Casey Hospital Expansion
PPPs in operation						
Other operating expenses	314.7	291.7	288.2	292.8	279.3	These expenses comprise interest, lifecycle maintenance costs, service costs, refurbishment, contingent, insurance and other costs for the following commissioned PPP projects: Casey/Berwick Hospital Royal Women's Hospital Royal Children's Hospital Victorian Comprehensive Cancer Centre Bendigo Hospital
Repayment of finance	132.2	105.7	112.5	120.6	128.5	These comprise repayment of

lease						<p>finance leases in respect of the following commissioned PPP projects:</p> <p>Casey/Berwick Hospital</p> <p>Royal Women's Hospital</p> <p>Royal Children's Hospital</p> <p>Victorian Comprehensive Cancer Centre</p> <p>Bendigo Hospital</p>
<ul style="list-style-type: none"> Note – the estimates in respect of operating expenses and repayment of finance lease for commissioned PPP are updated periodically to reflect changes in discount rates and other assumptions. The repayment of finance lease amounts currently agree with the amounts reflected in the statement of cash flows. 						

Question 11 *Schools-related PPP projects (Department of Education and Training only)*

Currently, there are two PPP projects relating to school construction: *New Schools PPP – Tranche 1* and *New Schools PPP – Tranche 2*. Tranche 1 was commissioned during 2016-17 and Tranche 2 is still in procurement.

- (a) Please advise:
- (i) the most recent public sector comparator for the two tranches of the *New Schools PPP* project
 - (ii) what were the nature and extent of scope changes made to the project since the most recent public sector comparators were estimated.
- (b) Apart from these two projects, please advise what plans there are to open new schools in Victoria over the forward estimates period:
- (i) through PPP arrangements
 - (ii) through direct asset investment.
- (c) Please advise which new schools are planned:
- (i) in growth areas
 - (ii) in other areas.
- (d) Please advise the amount of total expenditure on new schools provided through PPPs and those provided through direct investment (including both capital and operating) anticipated:
- (i) in each year of the forward estimates period
 - (ii) in present value terms for the whole of the project life.

Expected investment expenditure over the forward estimates period	2018-19	2019-20	2020-21	2021-22
New schools expected to be provided through PPP procurement				
New schools expected to be provided through direct asset investment				

Present value of expected expenditure over the whole of the project life	(\$ million, 2018-19 values)
New schools expected to be provided through PPP procurement	
New schools expected to be provided through direct asset investment	

- (e) Please describe how operating schools are managed, highlighting differences (such as the maintenance of school buildings) between operating schools provided through PPP arrangements and schools procured through direct investment.
- (f) Please describe the planning process for new schools that are to be developed, including
 - (i) the use of population projections and other data analysis undertaken by either the department or external contractors or consultants.
 - (ii) the involvement of education agencies such as the Victorian Schools Building Authority
 - (iii) the involvement of other Victorian Government departments and agencies e.g. the Department of Treasury and Finance
 - (iv) community engagement activities.

6. Revenue

Question 12 *Revenue raising initiatives*

In relation to 2018-19, please outline any new revenue-raising initiatives released in the 2018-19 Budget. For each initiative, please explain:

- (a) the reasons for the initiative
- (b) the assumptions underlying the reasons
- (c) the impact of any changes on service delivery (that is, please detail all programs/projects that have been revised as a result of changes to existing revenue initiatives)
- (d) any performance measures or targets altered as a result of the initiative
- (e) the anticipated total value of revenue gained/foregone as a result of the initiative.

In describing initiatives, please use the same names as are used in the budget papers where applicable.

Initiative/change	Reasons for the initiative/change	Underlying assumptions	Impact of changes on service delivery	Performance measures or targets altered	Anticipated total value of revenue gained/foregone
N/A					

Question 13 *Changes to existing revenue initiatives*

In relation to 2018-19, please outline any other major changes to existing revenue initiatives. For each change, please explain:

- (a) the reasons for the change
- (b) the assumptions underlying the reasons
- (c) the impact of any changes on service delivery (that is, please detail all programs/projects that have been revised as a result of the change)

- (d) any performance measures or targets altered as a result of the change
- (e) the anticipated total value of revenue gained/foregone as a result of the change.

Where possible, please use names for programs or initiatives that are used in the budget papers.

Initiative	Change	Reasons for the change	Underlying assumptions	Impact of changes on service delivery	Performance measures or targets altered	Anticipated total value of revenue gained/foregone
N/A						

Question 14 New or changed tax expenditures/concession/subsidy initiative

In relation to 2018-19, please outline any new tax expenditures or concession/subsidy initiatives and/or major changes to existing tax expenditures or concession/subsidy initiatives. For each initiative/change, please explain:

- (a) the reasons for the initiative/change
- (b) the assumptions underlying the reasons
- (c) the impact of any initiatives/changes on service delivery (that is, please detail all programs/projects that have been revised as a result of changes to existing revenue initiatives)
- (d) any performance measures or targets altered as a result of the initiative/change
- (e) the anticipated total value of revenue gained/foregone as a result of the initiative/change.

In describing initiatives, please use the same names as are used in the budget papers where applicable.

Initiative/change	Reasons for the initiative/change	Underlying assumptions	Impact of changes on service delivery	Performance measures or targets altered	Anticipated total value of revenue gained/foregone
N/A					

Question 15 *Growth in income categories*

For the Department's income categories (as they appear in the Department's operating statement in the Statement of Finances budget paper), please provide a description of the income category, an explanation for any items that have a variance of greater than ± 10 per cent or \$100 million between the revised estimate for 2017-18 and the budget for 2018-19.

Income category	Description of income category	Revised estimate for 2017-18 (\$ million)	Estimate for 2018-19 (\$ million)	Explanation
Output appropriations	Includes output appropriation, revenue retained under s29 of FMA, output appropriation carried over from the previous year	14,951.1	16,052.5	The variance is primarily driven by additional funding for new initiatives provided in the 2018-19 State Budget, continuing implementation of initiatives announced in previous budgets, and additional funding for anticipated cost increases in 2018-19.
Special appropriations	Includes output appropriation, revenue retained under s29 of FMA, output appropriation carried over from the previous year	1,342.0	1,354.5	Not required.
Interest	Interest revenue	45.8	48.1	Not required.
Sales of goods and services	Includes hospital and other patient fees, other sales of goods and services	1,653.2	1,734.1	Not required.
Grants	Includes Commonwealth grants, ABF grants from National Health Funding Pool	6,545.0	6,812.6	The variance is primarily driven by additional Commonwealth National Health Reform funding for new initiatives in the 2018-19 State Budget.

Fair value of assets and services received free of charge or for nominal consideration	Includes fixed assets received free of charge	3.9	1.0	This variance reflects latest estimates of fixed assets expected to be received free of charge by hospitals.
Other income	Includes donations, property rental revenue, other miscellaneous non-operating revenue	651.1	680.6	Not required.

Question 16 Commonwealth – State relations

What impact have developments at the Commonwealth level had on the Department's component of the 2018-19 State Budget?

The Addendum to the National Health Reform Agreement came into effect from 2017-18 and substantially rolls over the existing National Health Reform Agreement arrangements until 2019-20.

The Addendum commits to deliver reforms designed to improve health outcomes for all Australians, ensure the sustainability of the Australian health system, and decrease avoidable demand for public hospital services.

The Addendum incorporates quality and safety into hospital pricing and funding. In 2018-19, adjustments will be made to Commonwealth National Health Reform funding for Hospital Acquired Complications.

From 2017-18 to 2019-20, Commonwealth funding growth for public hospitals will be capped at 6.5 per cent annually and the Commonwealth contribution to efficient growth funding will remain at 45 per cent.

In the 2017 Commonwealth Budget the Commonwealth Government announced that from 2018-19 onwards the National Partnership Agreement on Homelessness (NPAH) and the National Affordable Housing Specific Purpose Payment (NAH SPP) would be replaced by a proposed National Housing and Homelessness Agreement (NHHA). Legislation was passed by the Australian Parliament in March 2018 that removed the NAH SPP and required Victoria to agree to the NHHA in order for housing and homelessness funding previously provided under the NAH SPP and the NPAH to continue to be provided to Victoria. This legislation also stipulates that Victoria must match a level of Commonwealth funding specified for homelessness in order to receive NHHA funding. Victoria is currently negotiating the terms of the agreement with the Commonwealth.

Developments at the Commonwealth level relevant to the delivery of health and human services in Victoria are considered in developing the department's input into the State Budget. The 2017-18 Commonwealth Budget to be released on 8 May 2018 may affect the following agreements:

- National Partnership Agreement on Public Dental Services for Adults
- National Partnership on OzFoodNet
- National Partnership on vaccine-preventable diseases surveillance
- National Partnership on essential vaccines
- National cancer system
- Regional priority round
- Albury-Wodonga Cardiac Catherisation Laboratory

- National Partnership on Suicide Prevention Hotspots (UNDER NEGOTIATION)
- National Partnership on Encouraging More Clinical Trials in Australia (UNDER NEGOTIATION)
- National Partnership for Victorian Cytology Service (UNDER NEGOTIATION)
- National Partnership on expansion of the BreastScreen Australia programme (UNDER NEGOTIATION)
- National Partnership on the National Bowel Cancer Screening Programme — participant follow-up function (UNDER NEGOTIATION)
- National Affordable Housing Agreement (CEASING)
- National Disability Agreement
- National Partnership Agreement on Homelessness (CEASING)
- National Partnership Agreement on Pay Equity for the Social and Community Services Sector
- National Partnership Agreement on Payments from the DisabilityCare Australia Fund
- National Housing and Homelessness Agreement (UNDER NEGOTIATION)
- National Partnership on the Transition to Independent Living Allowance (UNDER NEGOTIATION)

National Partnership Agreement on Public Dental Services for Adults

The National Partnership Agreement on Public Dental Services provides funding of up to \$60.5 million to Victoria to provide 104,612 dental services (or approximately 96,800 people) for the period 1 January 2017 to 30 June 2019. Funding available under the Agreement represents a 30 per cent reduction.

National Partnership on Essential Vaccines

As part of the first National Partnership Agreement (NPA) for Essential Vaccines between the Commonwealth and the States and Territories dated June 2009, the Commonwealth committed to commence a process to centralise the procurement of vaccines used on the National Immunisation Program schedule. The purpose of this centralisation of vaccine procurement processes was to avoid duplication of jurisdictional vaccine procurement processes and to seek reduced costs through a stronger bargaining position of a centralised procurement process.

The 2017-18 expected outcome for the Total Output Cost in the Victorian Budget papers (Budget Paper No 3) is lower than the 2017-18 Expected Output Cost primarily due to the reduction of Commonwealth funding for vaccine purchases under the Essential Vaccines NPA in place of direct supply of vaccine by the Commonwealth to States.

The process of the Commonwealth centralising the vaccine procurement process has been carried out in stages with vaccines being market tested. This staged process has taken approximately 8 years and as such there has been a respective staged annual reduction in vaccine funding to the jurisdictions as the Commonwealth has absorbed more and more of the vaccine procurement responsibility

7. Performance measures

Question 17 *New performance measures*

For each quality, quantity or timeliness performance measure newly introduced in the 2018-19 Budget, please attach any supporting documentation the Department has produced in developing the measure, such as:

- (a) a description of the measure, including the data that support it, assumptions made, and how the data are collected and transformed
- (b) if the measure is a ratio (including a percentage), please include a description of the numerator and denominator series that provide the ratio
- (c) how the measure evaluates the performance of the Department or the task faced by the Department
- (d) the process the Department employed to set a target or anticipated result for this measure
- (e) a description of what constitutes good performance and how the performance measure indicates this
- (f) any shortcomings of the measure
- (g) how the department intends to estimate the 'expected outcome' of the measure at the time of the 2018-19 Budget
- (h) how the department intends to evaluate the effectiveness of the measure in the future.

Workers complying with Alcohol and Other Drug Minimum Qualification Strategy requirements	
Question part	Response
a) a description of the measure, including the data that support it, assumptions made, and how the data are collected and transformed	<p>The number of Alcohol and Other Drug workers who are working towards compliance with the Minimum Qualification Strategy in the reasonable timeframe or who already hold the required qualification.</p> <p>The reported compliance rate will reflect the client-facing workforce (that is, any member of the workforce that delivers direct care, but none other), and include:</p> <ul style="list-style-type: none"> • All workers with a specialist Alcohol and Other Drug qualification at the diploma level or higher; • All workers who have no other relevant qualification but who have completed all 17 units of competency in the Certificate IV in Alcohol and Other Drugs; • All workers with a relevant tertiary qualification in health, social and behavioural sciences who have also completed the four units of competency in the Alcohol and Other Drug skill set; and • All workers enrolled in and actively progressing toward attainment of the necessary units of competency to meet the Minimum Qualification Strategy requirement within a reasonable timeframe.
b) if the measure is a ratio (including a percentage), please include a description of the numerator and denominator series that provide the ratio	<p>The measure is expressed as a percentage.</p> <p>The numerator is the total number of workers in the sample complying with the Minimum Qualification Strategy requirement, as defined in Question Part a) above.</p> <p>The denominator is the total number of workers sampled.</p>
c) how the measure evaluates the performance of the Department or the task faced by the Department	<p>Service providers have primary responsibility for ensuring the workforce meets industry standards. As such, the measure evaluates the performance of the department in setting and monitoring the minimum standard expected as a condition of funding.</p>
d) the process the Department employed to set a target or anticipated result for this measure	<p>Available workforce survey data has been analysed to determine likely levels of Minimum Qualification Strategy compliance by using the counting rule described at a) above. Survey data indicates that of those workers with no Alcohol and Other Drug specific qualifications, around 80 per cent have a relevant formal qualification, of which 30 per cent have completed some of the prescribed units of competency. The target has been modelled on efforts to increase compliance in this cohort in conjunction with lifting Alcohol and Other Drug specialist qualification rates.</p>

e) a description of what constitutes good performance and how the performance measure indicates this	Good performance for this measure would be that essential Alcohol and Other Drug capabilities are in place to meet the needs of people presenting to Alcohol and Other Drug services. This would be demonstrated by all the workforce comprising workers having either specialist Alcohol and Other Drug qualifications, other relevant professionals with supplementary Alcohol and Other Drug skills, or workers on a structured pathway to attaining this accredited skill set.
f) any shortcomings of the measure	Provided there is good alignment between service delivery requirements, industry standards and accredited curriculum in scope for the Minimum Qualification Strategy, the measure provides adequate assurance that the requisite foundational capabilities are in place to support effective Alcohol and Other Drug service responses.
g) how the department intends to estimate the 'expected outcome' of the measure at the time of the 2018-19 Budget	The expected outcome for 2018-19 will be estimated by modelling compliance with the new counting rule for the 2016 workforce study data, and forecasting the uptake rate of funded scholarships on offer to the Alcohol and Other Drug workforce in 2018. Whilst primarily targeting new workers, it is anticipated that increasing access to accredited training will result in overall higher Minimum Qualification Strategy compliance in the sector.
h) how the department intends to evaluate the effectiveness of the measure in the future.	Although the sector is in support of the Minimum Qualification Strategy as a strategy, there is strong interest in better aligning service delivery requirements and core competencies of workers. This will inform which units of competency are prescribed, but it is unlikely to change to the way the Minimum Qualification Strategy is administered. The role that funded agencies play in implementing the Minimum Qualification Strategy locally and ensuring integrity, including more routine and accurate reporting, will require ongoing monitoring to ensure funded agencies are upholding their accountabilities. The effectiveness of this measure will be evaluated through the biennial Alcohol and Other Drug workforce study, which monitors the extent to which workers feel sufficiently prepared for Alcohol and Other Drug practice as a result of their specialist qualifications.

Average waiting time for public rental housing for those clients who have received priority access housing allocation or a priority transfer	
Question part	Response
a) a description of the measure, including the data that support it, assumptions made, and how the data are collected and transformed	The measurement is the average time between a client being approved for priority housing and the client being housed (in months). The proposed change is to include priority transfers, which better reflects the structure of the Victorian Housing Register. There is no other change to the measurement methodology.
b) if the measure is a ratio (including a	N/A

percentage), please include a description of the numerator and denominator series that provide the ratio	
c) how the measure evaluates the performance of the Department or the task faced by the Department	The measure evaluates the timeliness of allocations from the Priority Access component of the Victorian Housing Register.
d) the process the Department employed to set a target or anticipated result for this measure	Targets are set based on previous targets and performance. Estimates are modelled using past trends of stock turnover and including impacts of policy changes which have taken a large number of stock offline for redevelopment.
e) a description of what constitutes good performance and how the performance measure indicates this	Good performance is achievement of a wait-time of 10.5 months or less.
f) any shortcomings of the measure	The measure appropriately takes into account both new allocations and those on the priority transfers list. This reflects accurately the structure of the Victorian Housing Register.
g) how the department intends to estimate the 'expected outcome' of the measure at the time of the 2018-19 Budget	The estimate of the 'expected outcome' will be based on the results for the previous measured period 2017-18 and for 2018-19. It will include the estimated impact of evidence of reduced turnover, and known numbers of stock offline and unavailable due to Public Housing Renewal Projects.
h) how the department intends to evaluate the effectiveness of the measure in the future.	The validity and effectiveness of this measure will be evaluated through the System Effectiveness project undertaken by Social Housing Reform for delivery later in 2018.
Number of clients provided with accommodation	
Question part	Response
a) a description of the measure, including the data that support it, assumptions made, and how the data are collected and transformed	This measure will report the number of clients provided with accommodation by Victorian Government funded homelessness service providers. This is intended to capture a broader range of accommodation models than the previous measure, ' <i>Number of households assisted with crisis/transitional accommodation</i> '. The Department of Health and Human Services collects data from funded homelessness service

	providers.
b) if the measure is a ratio (including a percentage), please include a description of the numerator and denominator series that provide the ratio	N/A
c) how the measure evaluates the performance of the Department or the task faced by the Department	Providing clients with accommodation is a core component of the homelessness service system.
d) the process the Department employed to set a target or anticipated result for this measure	The target is set based on current performance and the estimated impact of new funding.
e) a description of what constitutes good performance and how the performance measure indicates this	An increase in this number constitutes good performance as it indicates homelessness services are providing more people with accommodation.
f) any shortcomings of the measure	This is not a direct measure of client outcomes, as it does not measure whether the client maintained the accommodation or was able to move into more sustainable housing.
g) how the department intends to estimate the 'expected outcome' of the measure at the time of the 2018-19 Budget	The expected outcome will be estimated based on service provider data reported monthly to the Department of Health and Human Services.
h) how the department intends to evaluate the effectiveness of the measure in the future.	The Department of Health and Human Services will look to share data with service providers to better understand trends and work towards outcomes.
Proportion of clients where support to sustain housing tenure was provided or referred	
Question part	Response
a) a description of the measure, including the data that support it, assumptions made, and	The previous measure ' <i>Proportion of clients where support to sustain housing tenure was unable to be provided or referred</i> ' has been changed to affirmative; ' <i>Proportion of clients where support to sustain</i>

how the data are collected and transformed	<i>housing tenure was provided or referred'</i> ; to make the measure easier to understand on plain reading. The Department of Health and Human Services collects data from funded homelessness service providers.
b) if the measure is a ratio (including a percentage), please include a description of the numerator and denominator series that provide the ratio	The denominator is the number of clients who need assistance to sustain housing tenure. The numerator is the number of clients who were provided with or referred to this service.
c) how the measure evaluates the performance of the Department or the task faced by the Department	This is a measure of 'timeliness' or early intervention. They show how well the system is providing services to people before they become homeless.
d) the process the Department employed to set a target or anticipated result for this measure	The target (85 per cent) will be the inverse of the current target for <i>'Proportion of clients where support to sustain housing tenure was unable to be provided or referred'</i> , which was 15 per cent.
e) a description of what constitutes good performance and how the performance measure indicates this	An increase in this measure constitutes good performance as it indicates more clients who need assistance to sustain their housing tenure are being provided with this service.
f) any shortcomings of the measure	The measure only includes clients who needed services to sustain a tenancy. It also does not indicate whether clients receiving a service to sustain a tenancy ultimately sustained their tenancy.
g) how the department intends to estimate the 'expected outcome' of the measure at the time of the 2018-19 Budget	The expected outcome will be estimated based on service provider data reported monthly to the Department of Health and Human Services.
h) how the department intends to evaluate the effectiveness of the measure in the future.	The Department of Health and Human Services will look to share data with service providers to better understand trends and work towards outcomes.

Number of investigations from reports to child protection services about the wellbeing and safety of children	
Question part	Response
a) a description of the measure, including the data that support it, assumptions made, and how the data are collected and transformed	<p>An investigation establishes if a child is in need of protection as defined by s162 of the <i>Children, Youth, Families Act 2005</i>.</p> <p>The number of investigations is used to measure the demand on the child protection program.</p> <p>The investigations data is collected from Client Relationship Information System and is monitored, as well as reported annually in the Australian Institute of Health and Welfare and Report on Government Services reports.</p>
b) if the measure is a ratio (including a percentage), please include a description of the numerator and denominator series that provide the ratio	N/A
c) how the measure evaluates the performance of the Department or the task faced by the Department	The number of child protection investigations is a measure of demand on child protection services, and can be used to measure how many reports proceed to investigation.
d) how the department intends to estimate the 'expected outcome' of the measure at the time of the 2018-19 Budget	The annual target is projected based on trends over several preceding years. During the course of a year, the projected outcome may require modification as the actual outcome is known. The actual outcome for 2018-19 will be based on investigations commenced in the period from 1 July 2017 to the most recent month for which complete data is available at the time.
e) a description of what constitutes good performance and how the performance measure indicates this	The measure can be used to monitor and assess the response provided to reports i.e. how many reports are received and investigated. However, an analysis of this measure is required to understand the drivers for any change, and may be an indicator of the programs capacity to manage demand.
f) any shortcomings of the measure	The measure does not include how many reports were not investigated or the outcome of investigations, however this data is available through other data sources.
g) the process the Department employed to set	Expected outcome are forecast from historical data.

a target or anticipated result for this measure	
h) how the department intends to evaluate the effectiveness of the measure in the future.	The measure contributes to the programs understanding of demand and internal capacity. The department reviews all measures annually by consulting all relevant program areas regarding the utility and effectiveness of the measure.
Priority and emergency clients treated	
Question part	Response
a) a description of the measure, including the data that support it, assumptions made, and how the data are collected and transformed	<p>Priority and emergency clients make up a significant proportion of all clients in Victoria. Because these clients are not put on waiting lists, the benefit of the dental health program to those clients most in need is not currently reflected in BP3, but directly impacts reported waiting times.</p> <p>This indicator measures the total number of individuals who received priority and/or emergency dental treatment during the counting period.</p> <p>This change is in line with 2016 Victorian Auditor-General's Office Public Dental Services Audit recommendations to review dental measures and provide a more comprehensive picture of how public dental services are delivered.</p>
b) if the measure is a ratio (including a percentage), please include a description of the numerator and denominator series that provide the ratio	N/A
c) how the measure evaluates the performance of the Department or the task faced by the Department	This measure is intended to illustrate that the performance of public dental services achieves the policy intent of treating priority client cohorts.
d) the process the Department employed to set a target or anticipated result for this measure	Targets will be based on previous years' data. Estimates will be projected using available year to date data.
e) a description of what constitutes good performance and how the performance	Good performance is any percentage above the target. Performance down to five per cent below target is

measure indicates this	acceptable.
f) any shortcomings of the measure	The measure indicates the number of priority and emergency clients seen; it does not provide any information on the volume of services provided to priority and emergency clients. Number of priority and emergency clients could fluctuate for a number of reasons such as growth in population, marketing of services, etc.
g) how the department intends to estimate the 'expected outcome' of the measure at the time of the 2018-19 Budget	Estimates will be projected using available year to date data.
h) how the department intends to evaluate the effectiveness of the measure in the future.	Monitoring of performance to ensure the measure effectively illustrates that the public dental system is achieving the policy intent of treating priority clients.
Percentage of Dental Emergency Triage Category 1 clients treated within 24 hours	
Question part	Response
a) a description of the measure, including the data that support it, assumptions made, and how the data are collected and transformed	This indicator measures the proportion of clients triaged as category 1 who commence their course of care within 24 hours, as recorded by individual funded agencies at the time the client presents. This measure evaluates the timeliness of emergency service provision, and would replace the current measure which captures relative proportion of emergency clients. The introduction of this measure is in line with 2016 Victorian Auditor-General's Office Public Dental Services Audit recommendations. Victorian Auditor-General's Office made a specific comment that the current BP3 measures do not show whether emergency care has been timely.
b) if the measure is a ratio (including a percentage), please include a description of the numerator and denominator series that provide the ratio	N/A
c) how the measure evaluates the performance of the Department or the task faced by the	This measure evaluates the timeliness of emergency service provision for category 1 clients.

Department	
d) the process the Department employed to set a target or anticipated result for this measure	This is already measured and data collected in the Dental Health Services Victoria Statement of Priorities, hence targets have already been set for this measure and will remain the same within BP3. Estimates are projected using available year-to-date data.
e) a description of what constitutes good performance and how the performance measure indicates this	Good performance is any percentage above the target. Performance down to five per cent below target is acceptable.
f) any shortcomings of the measure	This measure only includes triage category 1 clients, not all emergency clients, but as category 1 is the most urgent this is considered to be the most important in measuring performance against priorities.
g) how the department intends to estimate the 'expected outcome' of the measure at the time of the 2018-19 Budget	Estimates will be projected using available year-to-date data.
h) how the department intends to evaluate the effectiveness of the measure in the future.	Monitoring of performance to ensure the measure effectively illustrates that the public dental system is achieving the policy intent of treating emergency clients (category 1) in a timely manner.
Percentage of high priority clients assessed within the appropriate time in all settings Percentage of low priority clients assessed within the appropriate time in all settings Percentage of medium priority clients assessed within the appropriate time in all settings	
Question part	Response
a) a description of the measure, including the data that support it, assumptions made, and how the data are collected and transformed	These three measures replace the existing two measures ' <i>percentage of high, medium and low priority clients assessed within the appropriate time – hospital</i> ' and ' <i>percentage of high, medium and low priority clients assessed within the appropriate time – community</i> '. The proposed measures will effectively measure timeliness for all clients accordant to priority of need.
b) if the measure is a ratio (including a percentage), please include a description of the numerator and denominator series that	N/A

provide the ratio	
c) how the measure evaluates the performance of the Department or the task faced by the Department	These measures will effectively measure timeliness for all clients according to priority of need.
d) the process the Department employed to set a target or anticipated result for this measure	This data is measured in the Commonwealth My Aged Care system. The Commonwealth has set targets of 90 per cent of clients seen within the appropriate timeframe, for each priority category.
e) a description of what constitutes good performance and how the performance measure indicates this	Good performance is any percentage above the target. Performance down to five per cent below target is acceptable.
f) any shortcomings of the measure	The measures do not disaggregate timeliness of hospital and community assessments.
g) how the department intends to estimate the 'expected outcome' of the measure at the time of the 2018-19 Budget	The Commonwealth sets estimates and targets under the terms of a Service Agreement.
h) how the department intends to evaluate the effectiveness of the measure in the future.	The department will consult with stakeholders to determine whether the aggregation of assessment waiting times for high, medium and low priority assessments reduces or increases variation in waiting times in a hospital or community settings.
Number of training courses for health professionals in sexual and reproductive health	
Question part	Response
a) a description of the measure, including the data that support it, assumptions made, and how the data are collected and transformed	The measure will be collected from the organisations to be funded by the Department of Health and Human Services to deliver health professional training in sexual and reproductive health.
b) if the measure is a ratio (including a percentage), please include a description of the numerator and denominator series that	N/A

provide the ratio	
c) how the measure evaluates the performance of the Department or the task faced by the Department	Courses are to be delivered by the funded organisations. The measure evaluates the performance of the Department in setting the targets as a condition of funding.
d) the process the Department employed to set a target or anticipated result for this measure	The measure takes into account the number of organisations currently funded by the Department of Health and Human Services to deliver clinical and training services in the area of sexual and reproductive health. Some courses will be delivered by the organisations/associations not funded by the Department of Health and Human Services. These will not be counted in the target/reporting. Duplication of the effort will be discouraged.
e) a description of what constitutes good performance and how the performance measure indicates this	Number of courses/sessions provided is with a 5 per cent variance of the target.
f) any shortcomings of the measure	This is not an outcome measure in terms of clinical practice of health professionals receiving training.
g) how the department intends to estimate the 'expected outcome' of the measure at the time of the 2018-19 Budget	The expected outcome is based on the number of organisations which can be funded by the Department of Health and Human Services to deliver sexual and reproductive health training.
h) how the department intends to evaluate the effectiveness of the measure in the future.	Health professionals' feedback about the training and their uptake will be included in contract management.

8. Staffing matters

Question 18 *FTE by employment category*

- (a) Please fully complete the table below, providing actual FTE staff numbers at 30 June 2017 and estimates of FTE staff numbers (broken down by the categories listed below) at 30 June 2018 and 30 June 2019² for the Department. Please provide figures consolidated on the same basis (that is, including the same entities) as is reported in the Department's most recent annual report.

Department of Health and Human Services	30 June 2017	30 June 2018	30 June 2019
Grade	(Actual FTE number)	(Expected FTE number) ³	(Forecast FTE number)
Secretary	1	1	Not Available
EO-1	4	4	Not Available
EO-2	59.5	60.9	Not Available
EO-3	76.2	82.7	Not Available
VPS Grade 7 (STS)	21.6	18.6	Not Available
VPS Grade 6	912.8	925.9	Not Available
VPS Grade 5	1445.7	1520.5	Not Available
VPS Grade 4	826.7	871.6	Not Available
VPS Grade 3	613.4	627.8	Not Available
VPS Grade 2	351.1	384.4	Not Available
VPS Grade 1	4.3	9.6	Not Available
Allied health professionals	200.8	172.8	Not Available
Child Protection Practitioners	1575.8	1878.2	Not Available
Children Youth and Families officers	185.6	202.5	Not Available
Disability development and support	4312.5	4414.6	Not Available
Housing Services officers	471.4	502.4	Not Available

² FTE staff numbers 2019-forecast data not available

³ FTE staff numbers 2018 based on actual FTE as at 26/03/2018 extracted data date 26/03/2018

Senior Medical Advisors	51.7	49.4	Not Available
Other (Please specify)	133.6	135.2	Not Available
Total	11247.7	11862.1	Not Available

Agency Safer Care Victoria	30 June 2017	30 June 2018	30 June 2019
Grade	(Actual FTE number)	(Expected FTE number) ⁴	(Forecast FTE number)
EO-1	.8	.8	N/A
EO-2			N/A
EO-3		4	N/A
VPS Grade 6		18.6	N/A
VPS Grade 5		34	N/A
VPS Grade 4		12	N/A
VPS Grade 3		5.4	N/A
VPS Grade 2		2	N/A
VPS Grade 1			N/A
Senior Medical Advisors		1.5	N/A
Other (Please specify)		1	N/A
Total	.8	79.3	N/A

Agency Victorian Agency for Health Information	30 June 2017	30 June 2018	30 June 2019
Grade	(Actual FTE number)	(Expected FTE number) ⁵	(Forecast FTE number)
EO-1		1	N/A
EO-2		1	N/A

⁴ FTE staff numbers 2018 based on actual FTE as at 26/03/2018 extracted data date 26/03/2018

⁵ FTE staff numbers 2018 based on actual FTE as at 26/03/2018 extracted data date 26/03/2018

EO-3		4	N/A
VPS Grade 7 (STS)		1	N/A
VPS Grade 6		18.4	N/A
VPS Grade 5		19.6	N/A
VPS Grade 4		3	N/A
VPS Grade 3		1	N/A
VPS Grade 2		1	N/A
Total		50	N/A

Agency Family Safety Victoria	30 June 2017	30 June 2018	30 June 2019
Grade	(Actual FTE number)	(Expected FTE number) ⁶	(Forecast FTE number)
EO-1			N/A
EO-2		5.8	N/A
EO-3		9.3	N/A
VPS Grade 7 (STS)		4	N/A
VPS Grade 6		44.5	N/A
VPS Grade 5		55.4	N/A
VPS Grade 4		22.1	N/A
VPS Grade 3		15.2	N/A
VPS Grade 2		3	N/A
Child Protection		3	N/A
Other (Please Specify)		1	N/A
Total		163.3	N/A

⁶ FTE staff numbers 2018 based on actual FTE as at 26/03/2018 extracted data date 26/03/2018

(b) Please list the entities that contribute to the tables above

Department of Health and Human Services
Safer Care Victoria
Victorian Agency for Health Information
Family Safety Victoria

Question 19 Ongoing, fixed term or casual staff

a) Please break down the actual staff numbers in your department as at 30 June 2017 and the estimates as at 30 June 2018 and 2019 according to the number of staff that are ongoing, fixed-term or casual.

Department of Health and Human Services	30 June 2017 actual		30 June 2018 expected		30 June 2019 forecast	
	(FTE number)	(head count)	(FTE number)	(head count)	(FTE number)	(head count)
Ongoing	9300.5	10189	9518.7	10396	N/A	N/A
Fixed-term	1247.9	1355	1559.9	1696	N/A	N/A
Casual	699.2	1331	782.5	1503	N/A	N/A
Total	11247.7	12875	11861.1	13595	N/A	N/A

- Excludes Safer Care Victoria employee

Agency	30 June 2017 actual		30 June 2018 expected ⁷		30 June 2019 forecast	
	(FTE number)	(head count)	(FTE number)	(head count)	(FTE number)	(head count)
Safer Care Victoria						
Ongoing	.8	1	59.7	66	N/A	N/A
Fixed-term			19.6	21	N/A	N/A
Casual					N/A	N/A
Total	.8	1	79.3	87	N/A	N/A

Agency	30 June 2017 actual		30 June 2018 expected ⁸		30 June 2019 forecast	
	(FTE number)	(head count)	(FTE number)	(head count)	(FTE number)	(head count)
Victorian Agency for Health Information						

⁷ FTE staff numbers 2018 based on actual FTE as at 26/03/2018 extracted data date 26/03/2018

⁸ FTE staff numbers 2018 based on actual FTE as at 26/03/2018 extracted data date 26/03/2018

Ongoing			43.4	45	N/A	N/A
Fixed-term			6.6	7	N/A	N/A
Casual					N/A	N/A
Total			50	52	N/A	N/A

Agency	30 June 2017 actual		30 June 2018 expected ⁹		30 June 2019 forecast	
	(FTE number)	(head count)	(FTE number)	(head count)	(FTE number)	(head count)
Family Safety Victoria						
Ongoing			87.9	93	N/A	N/A
Fixed-term			75.4	79	N/A	N/A
Casual					N/A	N/A
Total			163.3	172	N/A	N/A

- b) Please break down the actual staff numbers in your department as at 30 June 2017 and the estimates as at 30 June 2018 and 2019 according to gender and indicate if the Department has employees identifying as indigenous or having a disability.

Department of Health and Human Services	30 June 2017 actual		30 June 2018 expected		30 June 2019 forecast	
	(FTE number)	(head count)	(FTE number)	(head count)	(FTE number)	(head count)
Male	3568.4	3951	3738.9	4152	N/A	N/A
Female	7679.3	8924	8122.2	9443	N/A	N/A
Self-defined					N/A	N/A
Total	11247.7	12875	11861.1	13595	N/A	N/A

* Excludes Safer Care Victoria employee

⁹ FTE staff numbers 2018 based on actual FTE as at 26/03/2018 extracted data date 26/03/2018

Agency	30 June 2017 actual		30 June 2018 expected ¹⁰		30 June 2019 forecast	
	(FTE number)	(head count)	(FTE number)	(head count)	(FTE number)	(head count)
Male	.8	1	10.8	12	N/A	N/A
Female			68.5	75	N/A	N/A
Self-defined					N/A	N/A
Total	.8	1	79.3	87	N/A	N/A

Agency	30 June 2017 actual		30 June 2018 expected ¹¹		30 June 2019 forecast	
	(FTE number)	(head count)	(FTE number)	(head count)	(FTE number)	(head count)
Male			23.6	24	N/A	N/A
Female			26.4	28	N/A	N/A
Self-defined					N/A	N/A
Total			50	52	N/A	N/A

Agency	30 June 2017 actual		30 June 2018 expected ¹²		30 June 2019 forecast	
	(FTE number)	(head count)	(FTE number)	(head count)	(FTE number)	(head count)
Male			24.8	26	N/A	N/A
Female			139.5	146	N/A	N/A
Self-defined					N/A	N/A
Total			163.3	172	N/A	N/A

¹⁰ FTE staff numbers 2018 based on actual FTE as at 26/03/2018 extracted data date 26/03/2018

¹¹ FTE staff numbers 2018 based on actual FTE as at 26/03/2018 extracted data date 26/03/2018

¹² FTE staff numbers 2018 based on actual FTE as at 26/03/2018 extracted data date 26/03/2018

Department of Health and Human Services	30 June 2017 actual		30 June 2018 expected		30 June 2019 forecast	
	(FTE number)	(head count)	(FTE number)	(head count)	(FTE number)	(head count)
People who identify as having a disability	N/A	515 ¹³	N/A	N/A	N/A	N/A
People who identify as having indigenous status	173	173	240	240	N/A	N/A
Total	173	688¹⁴	240	240	N/A	N/A

Question 20 Use of consultants, contractors and labour hire

- (a) What are the main gaps in the department's capability and capacity identified in 2017-18, 2018-19 and 2019-20?

We have undertaken capability assessments across the department and continue to undertake regular capability assessments as necessary.

The department is continuing to upskill staff and build its capabilities in order to reduce the use of external consultants over time. This includes strengthening our own internal strategy, data analytics and evaluation functions. The department intends that strategic policy development work, data analytics, modelling and forecasting, cost-benefit analysis, research, evaluations and reviews, should generally be conducted by our own staff with additional assistance sought only by exception.

These initiatives are in addition to the initiatives under our People 2020 strategy to arm staff with the mix of general and specialised capabilities needed to deliver our vision and strategic objectives, as well as to position staff for fulfilling careers.

- (b) How does the department define the terms 'contractor', 'consultant' and 'labour hire'?

The department defines the terms 'contractor', 'consultant' in accordance with the Financial Reporting Direction (FRD)22H.

FRDs aim to:

- prescribe the accounting treatment and disclosure of financial transactions in circumstances where there are choices in accounting treatment, or in the absence of guidance and/or requirements in existing accounting pronouncements; and
- achieve consistency and improved disclosure in financial reporting for Victorian public sector entities by eliminating and/or reducing divergence in accounting practices.

The terms Contractor and Consultant are specifically defined in Financial Reporting Direction 22H which prescribes the content of a report of operations to ensure consistency in reporting Standard disclosures in Annual Reports:

¹³ This is an estimation only based on 4% who identified as having a disability in the most recent annual People Matter survey. DHHS has now released a Disability Employment Strategy which identifies a range of initiatives to improve the confidence of people to self-report disabilities and create pathways for new employees with disabilities to join the department.

¹⁴ This is an estimation only based on 4% who identified as having a disability in the most recent annual People Matter survey. DHHS has now released a Disability Employment Strategy which identifies a range of initiatives to improve the confidence of people to self-report disabilities and create pathways for new employees with disabilities to join the department.

Contractor – A contractor is an individual or organisation that is formally engaged to provide works or services for or on behalf of an entity. This definition does not apply to casual, fixed-term or temporary employees directly employed by the entity.

Consultancy – A consultant is a particular type of contractor that is engaged primarily to perform a discrete task for an entity that facilitates decision making through:

- provision of expert analysis and advice; and/or
- development of a written report or other intellectual output.

The department has derived the term ‘Labour Hire’ from the mandatory Staffing Services State Purchase Contract established and managed by the Department of Treasury and Finance which provides for the provision of on-hire staffing services (mandatory) and permanent personnel (optional) under administration, information technology and specialised categories.

Labour Hire (Agency On Hire / Temps) – a private sector individual engaged through the Staffing Services State Purchase Contract to perform a range of office based administrative, management, technical or other services. Such individuals may be required to temporarily fill, backfill or undertake a VPS role; or undertake project or other specific work for which a suitable Victorian Public Sector employee is unavailable.

(c) What are the key drivers for the use of consultants, contractors and labour hire in the department in 2017-18, 2018-19 and 2019-20?

- Lack of availability of suitable (number, skills, expertise, etc) internal resources
- Type of work required is suited to the private sector to best deliver
- The timeline for delivery precludes internal delivery.

The department utilises the different forms of engagement (consultants, contractors and labour hire) to deliver its commitments, as appropriate to each engagement. Consultants and contractors are engaged in accordance with Victorian Government Purchasing Board (VGPB) policies and the department applies all relevant ‘rules of use’ under the Staffing Services State Purchase Contract. The VGPB is established under the *Financial Management Act 1994* to develop and approve policies, provide guidance of strategic procurements, and to discuss procurement policy and practice matters for government departments and specified entities; the Victorian Public Sector Commission; and those offices or bodies specified in section 16(1) of the Public Administration Act 2004.

(d) Please provide a table of consultancy expenditure for contracts over \$10,000 from 1 July 2017 to 31 March 2018, as set out below:

Consultant	Purpose of consultancy	Start date	End date	Total approved project fee (\$ ex GST)	Expenditure 1 July 2017 to 31 March 2018 (\$ excluding GST)	Future expenditure (\$ excluding GST)
<p>As has been the reporting practice in previous years, an approved version of requested information will be available to Parliament under the <i>Other information on request</i> section of the Department’s annual report. This information about consultancies and contractors will include:</p> <ul style="list-style-type: none"> • consultants/contractors engaged • services provided • expenditure committed to for each engagement 						

- (e) Please provide a table of contractor expenditure from 1 July 2017 to 31 March 2018 as set out below:

Contractors engaged	Services provided	Expenditure (\$ excluding GST)	Start date
As has been the reporting practice in previous years, an approved version of requested information will be available to Parliament under the <i>Other information on request</i> section of the Department's annual report. This information about consultancies and contractors will include: <ul style="list-style-type: none"> • consultants/contractors engaged • services provided • expenditure committed to for each engagement 			The department does not capture this information in its Financial system and is therefore unable to provide this level of detail.

- (f) What guidance material and advice does the department utilise in making a decision to use a consultant, contractor or labour hire? How could this guidance and advice be improved to support the decision making of the department?

The department relies on the definition and guidance included in the Financial Reporting Directions (currently FRD 22H) to determine if a particular, planned, procurement process will result in the engagement of a contractor or consultant. The decision to 'use' a contractor or consultant rests with the relevant Financial Delegate. The Delegate is responsible for identifying the need for the external engagement and for compliance with the requirements of the Financial Management Act and related directions, including the policies of the Victorian Government Purchasing Board.

The department's core guidance material and advice is included in internal training. Attendance is mandated for all Financial Delegates. The topics covered in the training include:

- Role and purpose of the Financial Delegate
- Responsibilities, accountabilities and obligations of the role
- When and how to provide approvals
- Identify and use relevant policies, procedures and guidelines
- Find and use available resources (via the department intranet).

The department has implemented the December 2017 request from the Department of Premier and Cabinet that Secretary oversight be applied to all consultancies entered into by the department by requiring that all:

- Consultant engagements be referred to the Secretary for approval prior to commencing the procurement process; and that
- Contractor engagements involving expert analysis and / or advice be referred to the relevant Deputy Secretary for approval prior to commencing the procurement process.

How could this guidance and advice be improved to support the decision making of the department?

The department regularly reviews the content of this course to ensure it is current and reflects the changing needs of Financial Delegates.

- (g) What are the benefits of the use of consultants, contractors and labour hire in delivering outcomes for the department? What impact did contractors, consultants and labour hire have on the capability and capacity of the department in 2017-18?

The department's procurement planning process prompts staff to consider the business case for each procurement costing over \$100,000. The benefits realised from use of consultants, contractors and labour hire engagements differ markedly for each engagement. As such, the realisation of benefits is the responsibility of the relevant business area overseeing the engagement on behalf of the Financial Delegate.

Given the difference in each engagement, the department is not in a position to comment definitively on actual benefits or impacts of the use of consultants, contractors and labour hire. At a high level, however, benefits and impacts include the following:

- underpinning the delivery of project and program outcomes
- supporting the delivery of project or program outcomes within timelines
- supporting quality control and response to changing demands throughout the project or program delivery;
- adding external expertise to the project or program which is not available within the department during the planning, development or delivery phases
- supporting the continuity of project or program delivery during periods when department staff are unavailable due to leave or other demands.

To improve procurement processes, during 2017-18 the department is establishing three, three-year strategic alliances, each with a suitably qualified and experienced provider, or a group of providers working together, to support transformational change for the department and its services. The alliances are for the distinct, but related, domains of organisational improvement, health and community services. The purpose of alliances is to build organisational capabilities, enhance skills transfer and reduce ongoing use of consultants.

(h) What risks have been identified in relation to the use of consultants, contractors and labour hire? How are these risks managed?

The department's procurement planning process and contract management framework prompts staff to consider risks that may arise during a significant procurement and contract (generally over \$100,000). This assists to ensure that associated risks are documented and managed. In addition, the department's contract proforma, developed by Legal Services Branch, supports identification of deliverables and milestones to ensure a sound basis for contract management. Risks are then continually assessed and managed during the procurement / contract management process by the relevant business overseeing the engagement on behalf of the Financial Delegate. Related documentation is filed in the relevant TRIM file.

At a high level, relevant risks to be managed using the frameworks and mechanisms noted above include the following:

- selected consultant or contractor fails to satisfactorily meet required specifications
- contractor experiences financial difficulty/declared insolvent
- scope of requirements change during service delivery.

The department is not aware of any significant, contract-related, risks having arisen over the past 12 months.

For all procurement activities, including low value activities, the department supports staff through the centre-led procurement team as required. The department also provides access to in-house training (contract management is mandated); intranet policy tools such as the Buyers Guide and Procurement Job Management System; advice on access to State and Department Purchase Contracts; and other support including checklists to guide staff through particular types of processes.

(i) How is labour hire reported by the department with reference to the Department of Treasury and Finance's guidance note on FRD 22H?

Labour hire is reported as part of the Contract and Consultants report for FRD 22H.

(j) Please advise, for the entities reported in the Department's most recent annual report:

- (i) the amount spent by the Department on labour hire staff during 2016-17 and amounts expected to be spent during 2017-18 and 2018-19.

Expenditure on labour hire staff	2016-17 (\$ million)	2017-18 (\$ million)	2018-19 (\$ million)
Department of Health and Human Services	32,451,993	40,000,000 Estimate Only. (Based on spend of \$26,196,224 at 28/02/2018)	Unable to estimate

- (ii) the amount of labour hire staff (FTE and headcount) used by the Department on the last working day of 2016-17, and the numbers expected on the last working days of 2017-18 and 2018-19

A FTE or head count of labour hire staff is not available. Labour hire engagements are conducted as a procurement function. The process of engaging labour hire staff is devolved throughout the department consistent with the department's approach to the conduct of procurement processes (which is fully devolved). Individuals engaged through the Staffing Services State Purchase Contract are therefore not recorded in the department's SAP (workforce management) system as they are not employees.

The department plans to centralise the function of engaging labour hire from 1 July 2018. In addition, from that date, individuals engaged through labour hire arrangements will be recorded in the SAP system as non-employees.

The department plans closer scrutiny of labour hire engagements from 1 July 2018, which is likely to have the effect of reducing the use of labour hire in 2018-19.

30 June 2017 actual		30 June 2018 expected		30 June 2019 forecast	
(FTE number)	(head count)	(FTE number)	(head count)	(FTE number)	(head count)
Numbers are not available as discussed above.					

9. Enterprise Bargaining Agreements

Question 21 *EBAs anticipated to be completed during 2018-19*

- (a) Please list EBAs that are expected to be completed during the year that affect the Department, along with an estimate of the proportion of your Department's workforce (EFT) covered by the EBA.

Name of EBA under negotiation	Proportion of Department's EFT covered
Disability Services Enterprise Agreement Victoria 2018-2022	38%*
* FTE levels as at June 2017	

- (b) Please describe the effect the EBAs listed above have had on estimates of 2018-19 employee benefits.

At the time of publication, estimates of the effect of the agreement referred to in (a) above have not yet been finalised.

10. Government actions to combat homelessness (Questions for the Department of Health and Human Services only)

Question 22 *Cost and sources of funds*

- (a) *Victoria's Homelessness and Rough Sleeping Action Plan* contains a series of spending initiatives and programs to prevent homelessness and rough sleeping. This is in addition to a series of output and asset initiatives announced in the 2017-18 Budget for housing support for Victorians in need and people affected by family violence, as well as the Towards Home package announced in January 2017.

Please complete the table below as it relates to people at risk of homelessness, rough sleepers and people fleeing family violence.

Date of announcement	Initiative/output program	Amount allocated	Length of program or initiative	Amount spent (at March 31 2017)	Anticipated expenditure for 2018-19	Details of the asset initiative/output program
2016-17 Budget	Family Violence Housing Blitz	\$152 million	2018-19	78.64	12.07	<p>The \$152 million Family Violence Housing Blitz to expand access to services for people in crisis includes:</p> <ul style="list-style-type: none"> \$25 million over two years for accommodation for the homeless, \$21 million over 2 years to redevelop existing refuges and provide 24 hour staffing at up to six refuges, \$16 million to provide private rental assistance, \$50 million for rapid housing assistance and for the community housing sector to deliver 184 new

						social housing properties and head leasing for up to 124 properties, and \$40 million over 2 years to provide flexible tailored responses that meet individual needs of victims of family violence.
September 2016	Investment to increase the supply of social housing	\$120 million	2020-21	34.43	3.13	Renewal and new build
2016-17 Budget Update	Package to prevent homelessness	\$109 million	2020-21	22.05	16.80	The Government is providing \$109 million for homelessness services, to intervene early and provide targeted services that will help 19,000 people at risk of or experiencing homelessness over the next five years.
	Private rental brokerage to assist people to maintain long term accommodation in the private rental market	\$33.2 million	2018-19	5.40	2.50	Existing private rental access support will be extended to continue to assist people to enter or maintain private rental housing.
	Public Housing Renewal Program (185M+16.25M)	\$201.25 million	2021-22	2.43	23.73	Redevelopment of public housing estate program (capital + headleasing)
January 2017	<i>Towards Home package</i>	\$9.8 million	January 2017 to January 2019	2.38	-	30 Modular units and case management for rough sleepers for two years

2017-18 Budget	Whole of Government <i>Homes for Victorians</i> initiative - <i>Victorians in Need</i>	<i>Rooming house upgrades</i>	\$20 million	2017-18	1.15	9.18	Existing Director of Housing and community housing rooming houses will be renovated to ensure tenants have modern, safe and secure accommodation that meets acceptable standards.
		<i>Victorian property fund</i>	\$12 million	2017-18 to 2020-2021	5.91	2.00	Rooming houses project \$10M
	Whole of Government <i>Homes for Victorians</i> initiative – <i>Increasing and renewing social housing stock</i>	<i>Financial backing for the community housing sector</i>	\$2 million	2016-17	N/A	N/A	Output initiatives – Homes for Victorians, Financial backing for the community housing sector
		<i>Increasing the capacity of the community housing sector</i>	\$3 million	2016-17	-	3.00	The Director of Housing will transfer management responsibility for 4,000 public housing dwellings to community housing agencies on a long-term basis. Management transfers can increase the scale of the community housing sector and lead to more social housing. To ensure a smooth transition, funding is provided to assist housing agencies to establish services and business support systems.
	Whole of Government <i>Family Violence</i>	<i>Head leasing</i>	\$2.0 million	2017-18	2.00	-	The private rental 'headleasing' program will be expanded. This will enable more victim

	initiative – <i>Housing support for family violence victims</i>						survivors and their children to access safe, stable and affordable private rental accommodation, helping them to move out of crisis accommodation and to recover
		<i>Improved crisis accommodation response</i>	\$83.1 million	2017-18 to 2020-21	0.12	31.26	Thirteen family violence refuges will be redeveloped to move to the 'core and cluster' model by 2020. This model moves away from the communal living model and provides individual unit accommodation in a secure setting to victim survivors of family violence. Women's refuges will be assisted to provide support for women with no income. Two new Aboriginal family violence refuges will be constructed and funding will be provided to commence operation of two youth refuges.
		<i>Long term housing</i>	\$48 million	2017-18	15.08	-	FV Asset initiatives, Housing support for family violence victims, Long-term housing
January 2018 <i>Victoria's Homelessness</i>	<i>Supportive Housing Teams</i>		\$9 million	2018-19 to 2019-20	-	4.60	Six multi-disciplinary supportive housing teams to deliver individualised

<i>and Rough Sleeping Action Plan</i>						support to complex clients once housed.
	<i>Accommodation for Homeless</i>	\$8.21 million	2018-19 to 2021-22	-	1.95	Capital grants to fund three community-sector projects. This will deliver 86 additional units of accommodation
	<i>Modular homes</i>	\$4.8 million	2018-19 to 2019-20	-	3.50	An additional 20 modular homes across three locations.
Family Violence headleasing	<i>Family Violence headleasing</i>	\$4.14 million	2018-19	-	2.05	Lapsing headleasing for two years, originally part of WOG FV II initiative
		\$819.51 million		\$ 169.59	\$ 115.77	

Question 23 Measuring the impact of Victoria's Homelessness and Rough Sleeping Action Plan

- (a) In relation to *Victoria's Homelessness and Rough Sleeping Action Plan* and other spending initiatives announced by the Government related to homelessness, please advise of any
- (i) targets associated with the programs
 - (ii) relevant data intended for regular publication (such as in the department's annual report)
 - (iii) performance measures developed to assess the programs' effectiveness.

Victoria's Homelessness and Rough Sleeping Action Plan outlines the targets for a range of initiatives including:

- eight new assertive outreach teams that will each have the capacity to provide assertive outreach to up to 120 people sleeping rough per annum
- establish 30 modular one-bedroom homes in inner Melbourne and a further 20 across three locations
- prioritise 40 transitional housing properties for people sleeping rough
- rapidly rehouse people experiencing homelessness through 124 head leased properties
- expand the Private Rental Assistance Program to provide flexible support to 4,000 clients
- purchase or build up to 20 properties and lease up to 50 properties to provide housing for people experiencing homelessness in the City of Wyndham
- fund three community-sector projects that will deliver 86 units of accommodation
- expand the delivery of the Journey to Social Inclusion program to an additional 180 participants
- provide assistance to more than 3,800 social housing tenants each year through Tenancy Plus.

Targets and performance measures are also included under the Housing Assistance output statement in Budget Paper 3.

Homelessness service system data is collected and reported annually by the Australian Institute of Health and Welfare. The Specialist Homelessness Services Collection annual reports outline comprehensive data on the clients of homelessness funded services. Homelessness data is also regularly published in the Victorian Department of Health and Human Services annual report, and Budget Paper 3.

Whole-of-government questions (Department of Treasury and Finance only)

Question 24 *Alterations to previous estimates for 2018-19*

In relation to the estimated financial statements for the general government sector (estimated operating statement and estimated balance sheet), please explain any variations of more than ± 10 per cent (or greater than \$100 million) between the estimates for 2018-19 published in the 2017-18 budget papers, and the budget forecasts for 2018-19 shown in the 2018-19 budget papers.

Line item	Reason for variation

Question 25 *Changing estimates of PPP and other investment*

In regard to the figure in the 2018-19 budget papers for 'PPP and other investment' (if provided) (see 2017-18 State Capital Program budget paper, p.19), please provide a revised estimate for this figure for 2017-18 and an explanation for the changes between last year's estimates and those for 2018-19:

	2017-18 (\$ million)	2018-19 (\$ million)	2019-20 (\$ million)	2020-21 (\$ million)	2021-22 (\$ million)
2017-18 budget papers	4,196.5	4,925.6	5,518.3	4,557.1	na
2018-19 budget papers					
Explanation					

Question 26 *Other grants for specific purposes*

In the tables relating to grants for specific purposes in the Statement of Finances budget paper, if any line item labelled 'other' has a value exceeding \$10 million in 2018-19, please provide details of the grants which have been included in the line item.

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Question 27 *Changes in general purpose grants estimates*

- (a) Please give reasons for the changes in general purpose grants estimates from the 2017-18 Budget, including those over the forward estimates.

	2018-19 (\$ million)	2019-20 (\$ million)	2020-21 (\$ million)
2017-18 estimates (2017-18 BP5 p.22)	16,142	17,036	18,001
2018-19 estimates (2018-19 budget papers)			
Explanation for variances			

- (b) What has been the impact of these changes to Victoria for 2018-19 and beyond?

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- (c) Please detail any actions that the State Government has taken in response to expected changes in the value of general purpose grants in 2018-19 and the forward estimates period.

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Question 28 *Equity funding from the Commonwealth*

Does the Government expect to receive equity funding as an alternative to traditional grants payments made by the Commonwealth for transport or other projects over 2018-19 and the forwards estimates? If so, which projects will receive this funding and how much?

Question 29 *Net debt by PNFC/PFC entity*

In relation to the net debt projections for the non-financial public sector for 2018-19 and over the forward estimates to 2021-22 (as published in the Statement of Finances budget paper), please provide a break-down of the spread of net debt between the general government sector (GGS) and each of the main public non-financial corporations (PNFCs) concerned.

GGS/PNFC entity	Net debt, 30 June 2018	Net debt, 30 June 2019	Net debt, 30 June 2020	Net debt, 30 June 2021	Net debt, 30 June 2022

Question 30 *Reasons for changes to borrowings / net debt estimates*

What specific factors or assumptions (for example, new or changed major asset or output initiatives) have led to changes to the estimates of borrowings and net debt as at 30 June 2017 and the forward estimates between the 2017-18 Budget and the 2018-19 Budget?

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Question 31 *Investments in financial assets for policy purposes*

Please disaggregate the item ‘net cash flows from investments in financial assets for policy purposes’ (on GGS cash flow statement) showing:

- (a) Net cash flows (other than capital repayments¹⁵) between entities
- (b) Capital repayments received from entities outside the general government sector

Department/entity	Reason for cash flow (including any related projects or entities)	Expected net cash flow 2018-19 (\$ million)
Cash flows other than capital repayments		
Capital repayments		
Total (to equal net cash flows from investments in financial assets for policy purposes in GGS cash flow statement)		

¹⁵ Defined in Department of Treasury and Finance, *Corporate Planning and Performance Reporting Requirements: Government Business Enterprises* (2009), s.7.2.1, p.14

- (c) Please provide a list of major projects that contribute to net cash flows from investments in financial assets for policy purposes for the State of Victoria, including anticipated inflows and outflows for 2018-19.

Project	Expected cash inflow	Expected cash outflow	Expected net cash flow
Total			

11. Corporate planning and performance reporting

Question 32 *Performance measurement and reporting requirements review*

The Committee was informed in the *Government Responses to the Recommendations of the PAEC's Report in the 2016-17 Budget Estimates* that 'the Department of Treasury and Finance is undertaking a holistic review of performance measurement and reporting requirements. This review will result in extensive modifications to the Performance Management Framework and performance measurement in the State Budget, rolling out from Budget 2018-19'.

- (a) What are the recommendations of this review?
- (b) As a result of the review, what modifications have been made to
 - (i) the performance management framework?
 - (ii) reporting of performance measurement by departments and agencies in the State Budget?
- (c) What is the timeframe for the full rollout of the review?

Contact details

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The completed questionnaire must be returned by 5:00 pm, Wednesday 2nd May 2018

Please return the response (in Word format) to paec@parliament.vic.gov.au, and a signed copy to:

Dr Caroline Williams

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Public Accounts and Estimates Committee

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