



PUBLIC ACCOUNTS AND ESTIMATES COMMITTEE

2017-18 BUDGET ESTIMATES QUESTIONNAIRE

1. Strategic priorities

Question 1

- (a) What are the Department's key strategic priorities underpinning its budget for 2017-18 and over the forward estimates to 2020-21?

Court Services Victoria (CSV) was established by the *Court Services Victoria Act 2014*. Section 4 of the Act provides that the 'object of this Act is to support judicial independence in the administration of justice in Victoria by establishing a body (Court Services Victoria) to provide the administrative services and facilities necessary for the Victorian courts and [the Victorian Civil and Administrative Tribunal VCAT to operate independently of the direction of the executive branch of government]'.

Court Services Victoria's (CSV's) 2015-19 Corporate Plan sets out the following strategic priorities:

1. Secure financial sustainability

To grow and prosper for an enduring organisation

2. Promote the safety and security of people in Victorian courts

The safety and security of all people who use Victorian courts and tribunals is vital

3. Facilitate business transformation to support innovative contemporary courts

Business transformation is critical to supporting innovative and contemporary courts and tribunals

4. Strengthen corporate governance and strategic planning to support judicial independence in the administration of justice

An enduring organisation is essential to supporting judicial independence in the administration of justice for the people of Victoria

5. Foster people, capabilities and service excellence

A culture of service excellence and development of capabilities is fundamental to enabling the people of CSV to deliver our mission

The 2017-18 Budget provides a significant amount of new funding for initiatives in Victoria's courts and tribunals. CSV will review its Corporate Plan in light of these initiatives due to the major impact they will have for courts information technology (IT), infrastructure and workforce profile from 2017-18 onward.

CSV will review its strategic priorities to ensure these adequately reflect CSV's role in providing support to the court jurisdictions as new and expanded initiatives are rolled out and update its Corporate Plan accordingly.

- (b) If applicable, how do these priorities differ from the previous year?

As noted above, CSV intends to update its Corporate Plan to reflect 2017-18 budget initiatives.

- (c) What are the impacts of any differences in the Department's strategic priorities between 2016-17 and 2017-18 on funding and resource allocation in the 2017-18 Budget?

As noted above, CSV intends to update its Corporate Plan to reflect 2017-18 budget initiatives.

- (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 2016-17 and 2017-18. In describing

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

No programs or initiatives (asset or output) over \$2.0 million relevant to CSV have been curtailed, deferred, discontinued or completed as a result of changes in strategic priorities between 2016-17 and 2017-18.

Question 2

Please identify any programs or initiatives (including asset or output initiatives) that have lapsed in 2016-17 (that is, they will not be continued in 2017-18). For each program or initiative, please indicate the expenditure on this program/initiative in 2016-17. 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 2017-18 Budget that replace the lapsing initiative. Please also identify the effect on the community of the lapsing (*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 that there is no effect. 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 2016-17 (\$ million)	If it is to be extended into 2017-18, 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 or actions taken by the Department to ensure there is no effect
N/A – no CSV programs or initiatives are lapsing in 2016-17.			

Question 3

The new *Performance Management Framework* (March 2016) provides guidance for planning requirements for the Department.

- (a) Please provide a copy of the Department's corporate (four-year) plan as described in *Performance Management Framework for Victorian Government Departments* (March 2016) pp.8-9. Please note that plans that are not made public by the Department will not be published on the PAEC's website. If the Department does not supply a corporate plan, please explain why.

A copy of CSV's 2015-19 Corporate Plan has been provided to PAEC.

- (b) Regarding long-term planning for the Department (described in *Performance Management Framework for Victorian Government Departments* p.10), please describe:

- (i) the long-term planning horizon used for the Department's long-term plans, and why this horizon was chosen;

CSV launched its Strategic Asset Plan (SAP) in February 2017. The SAP provides a transformative vision for creating a modern, technology-enabled, 21st century court and tribunal network in Victoria to meet the service needs of the jurisdictions and Victoria's expanding population, now and into the future. It provides a blueprint for investment in courts for the next 15 years to ensure that Victorians have access to justice services.

Based on a robust and evidence-based framework, the SAP enables prioritisation of asset investment with solutions ranging from major developments through to delivery of specialist services, maintenance and upgrade works. It also identifies potential divestment opportunities to ensure that asset planning is efficient and economically responsible.

The SAP focuses on a service-driven strategy that presents a cohesive, interconnected and accessible model to guide asset investment to resolve entrenched and longstanding infrastructure issues facing Victoria's court and tribunal buildings.

- (ii) significant risks and challenges identified by the Department for service delivery over the planning horizon;

The SAP is the blueprint for how CSV will support jurisdictions to transform Victorian courts and tribunals into a modern, technology enabled network that meets the service needs of jurisdictions and Victoria's expanding population.

Court buildings are diverse and geographically spread across the state. Sixteen are heritage listed and 30 per cent are more than 100 years old.

In addition, only 18 per cent of buildings meet or exceed the fitness for purpose benchmark, and only 16 per cent meet the overall benchmark for condition, compliance and functionality. Significant work is required to ensure that court environments are safe, secure, sustainable and, most importantly, fit for the varying needs of our jurisdictions.

The framework provides service planning consistency, informs asset investment, and promotes resource efficiency and integrated and accessible court services.

- (iii) strategies considered by the Department to deal with these identified risks and challenges.

A Service and Infrastructure Study informed the development of the SAP, comprising of a comprehensive audit of current assets, benchmarking of best practice and service trends, and projections of future service demand. The study found that Victoria's courts are not equipped to meet the forecast growth in population and demand, and highlighted dramatic disparities in the

quality of court infrastructure across Victoria. Victorian courts are also beset by ageing infrastructure, with some buildings not adequately equipped to deliver modern court services.

A Court Services Delineation Model provided the framework for identifying service provision requirements for each region. This was further informed by demand modelling for each location to understand the pressure points in the system and areas of priority.

An Asset Management Framework ensures that assets are managed through all life stages from strategic planning and commissioning through to retirement and replacement.

2. Spending

Question 4

Please explain any variations of more than ± 10 per cent (or greater than \$100 million) between the revised estimate for 2016-17 and the budget for 2017-18 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).

	2016-17 (revised estimate) (\$ million)	2017-18 (Budget) (\$ million)	Explanation for any variances greater than $\pm 10\%$ (or greater than \$100 million)
Employee benefits	294.7	317.6	N/A (variance is less than 10 per cent or \$100 million)
Grants and other transfers	1.0	2.3	Variance of \$1.3 million (130 per cent) reflects grants to the Court Network Service and Law Library of Victoria.
Other operating expenses	201.7	212.1	N/A (variance is less than 10 per cent or \$100 million)
Major components of 'other operating expenses' (please supply categories):			
Accommodation/ Occupancy	26.5	32.5	Variance of \$6.0 million (22.6 per cent) is due to initiatives funded in the 2017-18 Budget.
Service Contracts	22.4	26.0	Variance of \$3.6 million (16.1 per cent) is due to initiatives funded in the 2017-18 Budget.
Labour Contractors (excluding consultants)	5.8	1.2	Variance of -\$4.6 million (-79.3 per cent) is due to decreased reliance on contractors, as more permanent appointments are made.
Professional Services	8.2	6.3	Variance of -\$1.9 million (-23.2 per cent) is due to an anticipated decrease in the use of professional services.

Information Communication Technology Supplies and Consumables	11.6	10.1	Variance of -\$1.5 million (-12.9 per cent) is due to anticipated improvements to IT infrastructure, systems and processes, which will enable economic efficiencies.
---	------	------	--

- (e) If the Department is unable to provide estimates for the components of 'other operating expenses' in 2017-18, please explain how the amount of 'other operating expenses' listed for 2017-18 in the budget papers was calculated.

N/A

Question 5

For the line item 'payments for non-financial assets' for 2017-18 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 2016-17.

As at the end of March 2017, CSV's asset carryover is expected to be approximately \$17 million, primarily due to the Shepparton Law Courts Redevelopment (\$13 million) and Court safety and security initiative (\$2 million).

The construction of the Shepparton Law Courts Redevelopment commenced later than originally anticipated, mainly due to the undertaking of a more inclusive project design and development phase to ensure the community receives maximum economic benefit from the project. Project construction is expected to be completed by mid-2018, with financial completion expected in the first quarter of financial year 2018-19.

The implementation of the Court safety and security initiative was delayed during the procurement process due to the refinement of tender requirements.

Question 6

In relation to the break-down of expenses from transactions disaggregated by government purpose classification in the budget papers (if provided in the 2017-18 budget papers – see Note 12(a) to the general government sector consolidated operating statement the 2016-17 Statement of Finances budget paper, p.32), please provide details of the Department's component of the expenses in each category for 2016-17 and 2017-18. Please explain any variations between the years that are greater than ± 10 per cent or greater than \$100 million between 2016-17 and 2017-18 estimates.

Government purpose classification	2015-16 actual (\$ million)	2016-17 revised estimate (\$ million)	2017-18 Budget (\$ million)	Explanation for any variances greater than $\pm 10\%$ (or greater than \$100 million) between 2016-17 and 2017-18 estimates.
General public services				
Public order and safety	458.0	497.5	532.2	N/A (variance is less than 10 per cent or \$100 million)
Education				

Health				
Social security and welfare				
Housing and community amenities				
Recreation and culture				
Fuel and energy				
Agriculture, forestry, fishing and hunting				
Transport and communications				
Other economic affairs				
Other purposes				

3. Expenditure reduction measures

Question 7

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

- (a) what actions the Department will take in 2017-18 to meet the various savings targets
- (b) any impact that these actions will have on the delivery of services during 2017-18
- (c) the Department's savings target for 2017-18, 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 2017-18	Impact of these actions on service delivery in 2017-18	Savings target for 2017-18 (\$ million)	Explanation for variances to the original target
Efficiency and expenditure reduction measures in 2014-15 Budget (2014-15 BP3 p.79)	N/A			
Efficiency and expenditure reduction measures in 2015-16 Budget (2015-16 BP3 pp.105-7)	N/A			
Savings and efficiencies and expenditure reduction measures in 2016-17 Budget (2016-17 BP3 p.118)	CSV will continue to meet its savings target by reducing its operating expenditure, streamlining practices and procedures and reviewing significant purchasing arrangements to deliver additional procurement savings.	CSV does not anticipate that these actions will have any impact on service delivery.	0.1	N/A

Any efficiency and expenditure reduction measures in 2017-18 Budget	N/A
---	-----

Question 8

In relation to any programs or initiatives that have been reprioritised, curtailed or reduced for 2017-18 (including lapsing programs), please identify:

- (a) the amount expected to be spent under the program or initiative during 2017-18 at the time of the 2016-17 Budget
- (b) the amount currently to be spent under the program or initiative during 2017-18
- (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 2017-18:		The use to which the funds will be put
	at the time of the 2016-17 Budget	at the time of the 2017-18 Budget	
N/A – No CSV programs or initiatives have been reprioritised, curtailed or reduced for 2017-18.			

Question 9

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 2017-18 Budget new output initiatives' table.

Amount reprioritised for 2017-18 (\$ million)	Amount reprioritised for 2018-19 (\$ million)	Amount reprioritised for 2019-20 (\$ million)	Amount reprioritised for 2020-21 (\$ million)
0.170	0.000	0.000	0.000

4. Output and asset initiative funding

Question 10

- (a) Please identify the guidance documentation reference that describes the setting of the Departmental budget (previously BFMG-05 and BFMG-06).

The setting of CSV's budget is guided by the following policy frameworks that apply to Victorian government departments: Budget Operations Framework; Financial Reporting Operations Framework; and Performance Management Framework.

- The Budget Operations Framework assists CSV in understanding and applying the financial and legislative framework that underpins budgeting and funding processes.
- The Financial Reporting Operations Framework assists CSV through information and guidance on financial data submission requirements outlined in the Department of Treasury and Finance's information requests and specific technical guidance to assist accounting and reporting practices.
- The Performance Management Framework provides CSV with a structure for government and public sector planning, budgeting, service delivery, performance monitoring, reporting and accountability.

- (b) 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 2016-17. Please include explanations for all items.

	Amount		Explanation
	(per cent)	(\$ million)	
Total income from transactions 2016-17	N/A	497.5	Total income from transactions consists of: <ul style="list-style-type: none"> • annual appropriations - \$325.3 million • special appropriations - \$145.8 million • section 32 carryover - \$9.8 million • trusts - \$16.6 million.

New output initiative funding		29.4	<p>New output initiatives as part of the 2017-18 Budget:</p> <ul style="list-style-type: none"> • Bendigo and Werribee law courts – Planning • *Forensic mental health implementation plan – Priority services reform • *Family Drug Treatment Court • Safe and sustainable Victorian courts • Fast Track Remand Court • Supreme Court of Victoria – IT upgrade • *Specialist Family Violence Integrated Court Response • *Court Integrated Services Program (CISP) and CISP Remand Outreach Pilot <p>*Whole of government initiatives</p>
Inflation adjustment		0.0	
Output resource allocation reviews		0.0	
Base reviews		0.0	
Other (please specify)		6.9	<p>The government increases special appropriations for judicial expenditure by approximately 4.5 per cent each year.</p> <p>Actual changes to salaries of Victoria's judicial officers are consequent upon determination of the Federal Government Judicial Remuneration Tribunal.</p>
Other (please specify)		(1.6)	Various cost reductions.
Total income from transactions 2017-18^	N/A	532.2	

^Note: Marginal variance to total is due to rounding

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

N/A

Question 11

In relation to the asset initiatives released in the 2017-18 Budget for the Department (as detailed in the Service Delivery budget paper), please quantify the amount of funding for those initiatives that is expected to come from the Department's own sources (such as depreciation, applied appropriations which have not been spent or other sources) and the amount of new funding provided specifically for these initiatives in this budget.

	2016-17 (\$ million)	2017-18 (\$ million)	2018-19 (\$ million)	2019-20 (\$ million)	2020-21 (\$ million)	TEI (\$ million)
Funding from the Department's own sources	0.0	0.0	0.0	0.0	0.0	0.0
New funding specifically for these initiatives in 2017-18 Budget	0.0	26.0	23.5	9.3	0.6	59.4
Total asset initiatives (as in Service Delivery budget paper)	0.0	26.0	23.5	9.3	0.6	59.4

Question 12

- (a) Please quantify the Department's balance of applied appropriations unspent as at 30 June 2016 (as defined in the notes to Section 8.2.1 of the 2015-16 Financial Report for the State), along with estimates for the equivalent figures as at 30 June 2017 and 2018.

	2016 (\$ million)	2017 (\$ million)	2018 (\$ million)
Applied appropriations unspent as at 30 June	76.4	80.7	130.8

- (b) Please indicate the intended use of these amounts.

The majority of applied appropriations unspent relates to accrued entitlements for individuals and payable amounts that existed or are forecast to exist at year end. The intention is for these funds to be utilised when the liability materialises.

The growth in the future years reflects an estimated accumulation of unspent depreciation equivalent revenue. CSV intends to use these funds for a minor works capital program (to be developed).

5. Public private partnership expenditure

Question 13

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 2017-18 or across the forward estimates period, please identify:

- (a) the line item
- (b) the value of expenditure (**including staff costs**) on PPP projects included within that line item
- (c) 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	2016-17 revised (\$ million)	2017-18 (\$ million)	2018-19 (\$ million)	2019-20 (\$ million)	2020-21 (\$ million)	Explanation
PPPs under construction (including in planning)						
N/A – No PPPs are planned or under construction in CSV.						
PPPs in operation						
Repayment of finance lease	12.3	12.3	12.7	14.1	15.3	Repayment of principal
Interest and other finance costs paid	7.0	5.9	4.8	3.5	2.1	Finance lease interest payment
Amortisation	5.5	5.7	5.8	6.0	6.1	Amortisation of leased asset
Other operating expenses	12.1	12.1	12.4	13.3	14.1	Lease expenses, management and operating expenses of building facilities

6. Revenue

Question 14

Please disaggregate the Parliamentary Authority for the Department for 2017-18 as in the table below.

	Provision of outputs	Additions to the net asset base	Payments made on behalf of the State	Total
Annual appropriations	296.3 ^(b)	61.6 ^(b)	0.0 ^(b)	357.9 ^(a)
Receipts credited to appropriations	65.4 ^(b)	0.0 ^(b)	0.0 ^(b)	65.4 ^(a)
Unapplied previous years appropriation	0.0 ^(b)	0.0 ^(b)	0.0 ^(b)	0.0 ^(a)
Accumulated surplus – previously applied appropriation	0.0	0.0	0.0	0.0 ^(a)
Gross annual appropriation (sum of previous 4 rows)	361.7	61.6	0.0	423.3 ^(a)
Special appropriations	153.8	0.0	0.0	153.8 ^(a)
Trust funds	16.6	0.0	0.0	16.6 ^(a)
Total parliamentary authority* (sum of previous 3 rows)	532.2	61.6	0.0	593.7 ^(a)

*Note: Marginal variance to totals is due to rounding

- (a) available in the 'Parliamentary authority for resources' table for the Department in Budget Paper No.3.
- (b) available in Appendix A of Budget Paper No.5.

Question 15

In relation to 2017-18, please outline any new revenue-raising initiatives released in the 2017-18 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 – CSV does have any new revenue-raising initiatives in the 2017-18 Budget.					

Question 16

In relation to 2017-18, 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 as are used in the budget papers.

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 – CSV has not made any other major changes to existing revenue initiatives. Supreme Court fee regulation will expire in December 2017. New fees will be subject to a Regulatory Impact Statement.					

Question 17

In relation to 2017-18, 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 – CSV has not introduced or made changes to any tax expenditures or concession/subsidy initiatives.					

Question 18

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 2016-17 and the budget for 2017-18.

Income category	Description of income category	Revised estimate for 2016-17 (\$ million)	Estimate for 2017-18 (\$ million)	Explanation
Output appropriations				
Annual Appropriations	Annual appropriations provided to CSV under the <i>Appropriation Act</i> for the provision of output.	335	362	Variance of \$27 million (8.1 per cent) is due to funding for new initiatives in the 2017-18 Budget, County Court Public Private Partnership and additional judicial resources for the County Court.

Question 19

What impact have developments at the Commonwealth level had on the Department's component of the 2017-18 State Budget?

No developments at the Commonwealth level have had an impact on CSV's component of the 2017-18 State Budget. It is noted that the Commonwealth exposure draft on Family Law might have a financial impact on the Children's and Magistrates' Courts.

7. Performance measures

Question 20

For each quality, quantity or timeliness performance measure newly introduced in the 2017-18 Budget, please attach any supporting documentation the Department has produced in developing the measure, such as:

- (c) a description of the measure, including the data that support it, assumptions made, and how the data are collected and transformed

Two new measures are proposed for the 2017-18 Budget, both of which respond to Recommendation 217 of the Royal Commission into Family Violence, which recommends that “the Victorian Government introduce in the 2017-18 Budget additional output performance measures relating to the prevention of family violence and the assistance provided to victims and perpetrators in order to increase the visibility of family violence in budgetary processes”.

The courts have developed two new measures to support the implementation of this recommendation:

- Case clearance rate – Family violence intervention orders disposed in the Magistrates’ and Children’s Courts (quantity – per cent)
- On-time case processing – Family violence intervention orders resolved or otherwise finalised within established timeframes in the Magistrates’ and Children’s Courts (timeliness – per cent)

These measures align with the Global Measures of Court Performance.

- (d) if the measure is a ratio (including a percentage), please include a description of the numerator and denominator series that provide the ratio

Case clearance rate is measured as the number of finalised cases (i.e. applications for family violence intervention orders that have been finalised) expressed as a percentage of initiated cases.

On-time case processing is measured as the percentage of cases disposed or otherwise resolved (i.e. applications for family violence intervention orders that have been finalised) within the established time reference points in a specified time period.

- (e) how the measure evaluates the performance of the Department or the task faced by the Department

Case clearance rate monitors whether a court is keeping up demands for judicial services in terms of its incoming caseload. Case clearance rate is set at an estimate of 100 per cent, which means the court is clearing as many cases as it receives in a year. Achieving less than 100 per cent would indicate a backlog of cases.

On-time case processing provides information about the length of time it takes to process cases, and is an indicator of a court’s achievement against the objective of providing services in an efficient manner.

- (f) the process the Department employed to set a target or anticipated result for this measure

The case clearance rate is set at an estimate of 100 per cent, in line with the case clearance rate estimate for all other jurisdictions.

The on-time case processing estimate was set by assessing historical data and taking into account the fact that the majority of cases are finalised with two hearings and can be resolved within six months, but allowing for more complex or lengthy cases. As such, an estimate of 90 per cent of cases finalised within six months was set.

- (g) a description of what constitutes good performance and how the performance measure indicates this

A case clearance rate of 100 per cent represents good performance, as achieving any less than that 100 per cent would mean a court is not keeping up with its workload, and a backlog of cases would grow over time if it could not catch up again within the next reporting period. Achieving more than 100 per cent would show a court is clearing a backlog.

On-time case processing: In order to provide timely justice and resolution for parties to a case, courts seek to finalise cases within a specified period, in this case, six months. It is recognised that not all cases can be finalised within this timeframe, as they may be particularly complex or experience delays that are out of the courts control. As such, establishing an estimate of 90 per cent, in this case, provides a meaningful and achievable estimate, reflecting the aim of the courts to resolve as many cases as possible within the specified period, so as not to delay resolution for the parties involved, but allowing for a portion of cases to take longer where this additional time is required to ensure justice is effectively and appropriately delivered.

(h) any shortcomings of the measure

No shortcomings have been identified. Both measures are simple and effective indicators of courts performance and align with the Global Measures of Court Performance, which establish best practice performance monitoring for courts and were developed by the International Consortium for Court Excellence.

(i) how the department intends to estimate the 'expected outcome' of the measure at the time of the 2018-19 Budget

Both measures are routinely monitored throughout the year by and for the Magistrates' Court and the Children's Court. Analysing this data, assessing the trends in the number of cases being initiated, and undertaking some forecasting will provide a strong indication of the expected outcome.

(j) how the department intends to evaluate the effectiveness of the measure in the future

Regular review of the estimate provided for both measures will be conducted by the courts to ensure that the estimates are set at an appropriate level to reflect the expected performance levels.

Question 21

- (a) **Department of Economic Development, Jobs, Transport and Resources only**
- (b) **Department of Health and Human Services only**
- (c) **Department of Justice and Regulation only**
- (d) **Department of Environment, Land, Water and Planning only**
- (e) **Department of Education and Training only**
- (f) **Department of Premier and Cabinet only**
- (g) **Department of Treasury and Finance only**

8. Staffing matters

Question 22

- (a) Please fully complete the table below, providing actual FTE staff numbers at 30 June 2016 and estimates of FTE staff numbers (broken down by the categories listed below) at 30 June 2017 and 30 June 2018 for the Department. Please provide figures consolidated on the same basis (that is, including the same entities) as the employee benefits expenditure for the Department in the budget papers.

Grade	30 June 2016 (Actual FTE number)	30 June 2017 (Expected FTE number)	30 June 2018 (Forecast FTE number)
Secretary	-	-	-
EO-1	1.0	1.0	1.0
EO-2	6.0	7.0	7.0
EO-3	5.0	4.0	5.0
VPS Grade 7 (STS)	6.0	7.0	8.0
VPS Grade 6	125.6	128.7	131.7
VPS Grade 5	173.3	191.1	196.6
VPS Grade 4	213.0	241.3	259.1
VPS Grade 3	465.3	496.7	539.6
VPS Grade 2	640.8	636.4	638.6
VPS Grade 1	-	-	1.0
Government Teaching Service	-	-	-
Health services	-	-	-
Police	-	-	-
Allied health professionals	1.3	1.3	1.3
Child protection	-	-	-
Disability development and support	-	-	-
Custodial officers	-	-	-
Other - Solicitors	2.0	-	1.0
Total	1639.3	1714.5	1789.9

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

The above table includes actual and estimated FTE numbers of VPS employees across the following jurisdictions and business areas of CSV:

- Supreme Court of Victoria
- County Court of Victoria
- Magistrates' Court of Victoria
- Children's Court of Victoria
- Coroners Court of Victoria
- Victorian Civil and Administrative Tribunal
- Judicial College of Victoria
- Jurisdiction Services.

Question 23

Please break down the actual staff numbers in your department as at 30 June 2016 and the estimates as at 30 June 2017 and 2018 according to the number of staff that are ongoing, fixed-term or casual.

	30 June 2016 actual		30 June 2017 expected		30 June 2018 forecast	
	(FTE number)	(head count)	(FTE number)	(head count)	(FTE number)	(head count)
Ongoing	1391.5	1488	1428.9	1514	1478.1	1570
Fixed-term	244.6	256	281.5	297	306.3	322
Casual	3.2	6	4.1	6	5.5	7
Total	1639.3	1750	1714.5	1817	1789.9	1899

Question 24

(a) Please describe how the Department identifies skills areas it is deficient in.

CSV's Capability Framework incorporates the key capabilities and behaviours underpinning CSV's strategic priorities and preferred organisational culture. It is not intended to be an exhaustive list of all relevant capabilities, rather those considered key in supporting CSV to achieve its current strategic priorities. It is used by managers and employees in the Performance Development Planning process to identify employee strengths and development opportunities. This information is recorded within the CSV Performance and Learning Management System and the collective data informs CSV's Learning and Organisational Development offerings.

Over the past two years, CSV has also conducted an extensive 360 feedback process for its senior manager cohort. The collective data from this process has been analysed to identify strengths and inform development needs.

The CSV Culture and Engagement Survey is another tool that has been used to support the identification of employee, in particular managers', strengths and development needs.

The Royal Commission into Family Violence, released in March 2016, included several recommendations that were specific to courts. Implementation of all the recommendations was accepted by the government. The announcement of the 2017-18 Budget brings significant new

initiatives related to family violence to the courts, including: expansion of the Court Integrated Services Program; expansion of the Assessment and Referral Court; continuation of the Family Drug Treatment Court; strategic asset planning and enhanced information technology systems. Implementing these initiatives will further highlight specific skills that CSV will need to introduce to increase its capability and capacity.

(b) Please provide a list of any identified areas of skills shortages for the Department.

As noted above, implementation of the court specific recommendations arising from Royal Commission into Family Violence, and accepted by the government, and funding allocated to family violence initiatives in the 2017-18 Budget has highlighted the need for CSV to significantly introduce and increase capacity and capability in the following areas:

- specialist family violence expertise from multidisciplinary skill sets, such as social workers, psychologists and social science specialists
- information technology
- project management
- change management.

Additionally, through the use of the abovementioned tools, CSV has identified the following developmental needs/skills shortages:

- staff performance/accountability management
- strategic thinking and planning
- self-awareness and influencing.

(c) What actions is the Department taking in order to address identified areas of skills shortages?

CSV will engage in a comprehensive assessment of its workplace and develop a Workforce Planning and Development Strategy to ensure an appropriately skilled workforce is available to provide quality service and support to meet the organisation's strategic direction and deliver on the 2017-18 Budget initiatives.

This strategy will require that CSV engage specialist recruiting and targeted recruitment campaigns to address CSV's identified skills shortages.

The approach will require a cultural change, re-designing of roles and responsibilities, and training to further support the focus on service delivery. This will be enhanced significantly by technology solutions and the potential for some transactional matters to transition online, thereby allowing the workforce to focus on more complex matters.

CSV has also implemented a new Performance and Learning Management System in the past 12 months that reflects current best practice by actively supporting regular ongoing discussions between managers and employees, focusing on leveraging employee strengths, and identifying development needs.

CSV's learning management system provides access to a range of internal, external and online programs and resources to support capability development aligned to the CSV Capability Framework, as well as some technical skills. The learning management system supports the 70/20/10 model of learning.

The CSV learning management system also provides access to Corporate Executive Board resources, tools and webinars, and the SkillSoft suite of learning resources. These are aligned to the CSV Capability Framework and, where appropriate, include guidance on workplace application.

- (d) Please advise how much the Department has spent on labour recruitment firms, including payment to employees.

For financial year 2016-17, as at the end of March 2017, CSV had spent \$4,142,997 on labour recruitment firms, including payment to employees.

9. Managing Telecommunications Usage and Expenditure (follow-up of VAGO report, 2014)

Question 25 *Expenditure on telecommunications*

- (a) Please provide details of telecommunications estimates and actual expenditure for each of the years as presented in the following table:

Year	Data	Fixed voice	Mobile	Internet	Unified communications
	(\$)	(\$)	(\$)	(\$)	(\$)
2014-15*	148,875	1,425,762	117,955	253,315	109,473
2015-16	464,240	1,477,300	413,877	285,628	58,450
2016-17**	386,105	1,398,858	433,584	299,733	19,959

* Low expenditure in 2014-15 is due to the transition of telecommunications services from the Department of Justice and Regulation to the newly established CSV.

** Annualise expenditure based on actual expenditure to March 2017.

Question 26 *Monitoring and review*

- (a) Please describe the management framework in place to ensure a consistent approach to the usage and control of telecommunications expenditure across the department.

CSV has an arrangement with the Department of Justice and Regulation (DJR) (KITS) for purchase and support of mobile and telephony devices. The terms and conditions relating to these devices are as per DJR's policies.

- (b) What processes are in place to assist the department in its monitoring of fixed voice and mobile usage and expenditure across the department/agency?

Each jurisdiction has a member of staff within the finance unit who manages mobile devices. This person has access to a system application that allows them to view the monthly mobile usage by users within their jurisdiction.

CSV also utilises the TPAMS arrangement and when new members of staff are provided with a mobile device, they are allocated a DJR plan.

- (c) Which specific aspects/factors of use are monitored?

Data usage and call totals.

- (d) Does the department/agency use electronic information systems/programs to monitor trends and identify anomalies in telecommunications expenditure?

Refer to the response for question 26(b) above.

- (e) Please describe the reporting regime in place to oversight fixed voice and mobile usage and expenditure across the department/agency.

Every month a journal is produced from the mobile billing system to enable cross charging of usage to each jurisdiction. This is generated by data provided by Telstra on a monthly basis.

- (f) How does the department/agency verify the accuracy of all its fixed voice and mobile telecommunications invoices? What validation processes are in place at a local level to verify accuracy of usage and costs?

Every month, following the production of the journal advising mobile usage, an email is sent to each mobile user for them to validate and reconcile their usage and expenditure. For all staff on DJR plans, anomalies are shown if the monthly bill excessively exceeds the plan.

- (g) Has the department/agency undertaken any reviews of telecommunications usage and expenditure across the organisation in recent years? How have these reviews been used to improve practices?

As noted above, CSV has an arrangement with DJR with regards to the management of telecommunications. Staff have received reminders about mobile data usage and advice on how to ensure that they do not exceed plan limits.

Question 27 **Mobile Phones**

- (a) Does the department/agency have a policy or guidelines in place for the allocation and use of mobile phones, including their use when overseas?

CSV has an arrangement with DJR (KITS) for purchase and support of mobile and telephony devices. The terms and conditions relating to these devices are as per DJR's policies.

- (b) Are User guidelines provided to staff in possession of an agency mobile and are the terms and conditions of use formally agreed to by staff members?

Refer to the response for question 27(a) above.

- (c) How does the department establish limits or thresholds for allowable personal use of mobile phones provided to staff?

If personal use included in a monthly bill is less than \$20, there is no requirement for reimbursement of charges. For amounts over \$20, a form is required to be completed to confirm the amount of personal usage.

- (d) What timeframes have been established by the department for cost recovery for personal use of mobile phones?

Cost recovery occurs through payroll deductions, which are made following receipt of the form noted above.

Question 28 **Identifying cost savings**

- (a) How does the department/agency ensure that any cost savings available through whole-of-government agreements are taken advantage of promptly?

CSV has an arrangement with DJR (KITS) for purchase and support of mobile and telephony devices. The terms and conditions relating to these devices are as per DJR's policies.

- (b) Please provide details of variations/changes made to the department's telecommunications arrangements to take advantage of savings available under the new TPAMS20125 agreements.

CSV is aware of the new TPAMS arrangement recently executed by the Department of Treasury and Finance. However, as CSV has a telecommunications arrangement with DJR, changes will only be implemented in conjunction with DJR.

- (c) How does the department/agency monitor data usage to identify potential savings available in data plans?

CSV is advised by DJR on savings opportunities.

- (d) What processes are in place to enable the department/agency to identify and cancel any fixed voice and/or mobile services which are not being fully utilised?

Each jurisdiction mobile manager advises DJR as and when mobile services are no longer required or if there are changes required to services.

- (e) Has the department/agency undertaken action to remove redundant landlines and replace inefficient analogue lines with ISDN lines?

A future project is planned to consider rationalisation of telecommunication services within CSV.

- (f) Does the department/agency set savings targets for telecommunications expenditure?

No.

- (g) Has the department/agency quantified savings made on telecommunications expenditure over the past 3 years?

No.

10. Implementation of the Government Risk Management Framework

Question 29 *Questions for all Departments/agencies*

- (a) Does the department/agency have a Risk Management Framework (RMF) in place?

CSV's Risk Management Framework was developed and approved by the Audit and Risk Portfolio Committee (ARPC) in February 2015.

The ARPC terms of reference state that '*Each jurisdiction (as independent statutory entities) will maintain their own risk register and actively manage risks, compliance activities and audit processes*'.

CSV's Risk Management Framework is available as a template for each jurisdiction in establishing a Risk Management Framework or as a reference when reviewing and refreshing an existing Risk Management Framework.

Each jurisdiction completes an annual attestation regarding risk management compliance, which supports the accountable officer to meet the requirements of the Standing Directions of the Minister for Finance.

- (b) Does the department's RMF comply with the minimum requirements articulated in the *Victorian Government Risk Management Framework* (released in May 2015)?

CSV's Risk Management Framework was reviewed by the ARPC when assessing CSV's Risk Register, heat map and analysis, and was deemed to comply with the minimum requirements articulated in the *Victorian Government Risk Management Framework*.

- (c) How does the framework link to the department's strategic plan/strategic objectives?

CSV's Risk Management Framework and Risk Register were developed in consideration of CSV's 2014-15 Business Plan and further to substantial consultation with senior management during April 2015.

CSV's corporate plan is currently under review. Once revised, risks specific to the agreed strategic priorities will be profiled and CSV's Risk Register will be updated accordingly.

- (d) In relation to the department's budget across the forward estimates period, how are risks identified across the department/agency?

CSV's Chief Executive Officer and Chief Finance Officer work closely with the Chief Executive Officers of the jurisdictions and relevant committees with finance oversight responsibilities to identify and discuss budget risks as early as possible and plan for these in the forward estimates.

- (e) How are risk treatments/risk mitigation strategies developed?

The risks captured in CSV's Risk Register have been profiled using a risk management process in accordance with the ISO 31000 standard. The register includes the context, potential causes, impacts and compensating controls in identifying and describing each risk. The nature, analysis and evaluation of each risk is determined against criteria to ascertain a risk rating and position on a heat map. Treatment plans are provided against each risk profile, in addition to assessing the control adequacy and developing mitigation strategy to address control weaknesses.

- (f) What processes are in place for identifying and managing interagency and/or state wide risks?

In all foreseeable state significant risks, CSV will, at most, be a support agency led by the Department of Justice and Regulation and other emergency service agencies, and will contribute to the identification and management of these risks in line with lead agency processes. For example, CSV is a member of the State Emergency Management Team and participates in planning meetings and response management as incidents arise.

Interagency risks are managed at an operational level through officer level contact between CSV and relevant agencies such as Corrections Victoria and Victoria Police. These arrangements are linked to the needs of jurisdictions and include resource allocation efficiencies, operational risks such as custody, and statutory obligations, such as those on the Chief Commissioner of Police with respect to the criminal jurisdictions of the Supreme and County Courts.

- (g) Has the Department developed risk performance indicators? If so, how are they used by the organisation?

Risk performance indicators for CSV are currently under development.

- (h) What actions have been taken to improve the risk capability of employees within the department? How are employees made aware of risk management? Please advise the extent of risk management training provided to employees?

Risk training to improve the risk capabilities of CSV employees has largely taken the form of risk workshops facilitated by CSV's Risk & Audit Manager. A network of risk representatives from across the jurisdictions has also been established to better understand the identification and management of risks across CSV.

The Victorian Managed Insurance Authority (VMIA) provides a range of risk management services, including training, which CSV employees have taken advantage of.

CSV is in its third year of operation as an independent entity, hence its capabilities, systems and processes are still maturing. There is strong commitment to improving organisation focus and providing further investment in its management of risk and audit activities.

- (i) What use has the department made of services available through the VMIA to improve risk management (i.e. VMIA training sessions and seminars)?

A number of CSV risk representatives have attended VMIA training sessions and seminars, including on Interagency Risk, Risk and Corporate Planning, and Risk Culture. The CSV Risk & Audit Manager has established a proactive and effective working relationship with VMIA Risk Advisers to facilitate prompt advice and support regarding insurance coverage and claim management.

Question 30 Questions for Department of Treasury and Finance only

Question 31 Questions for Victorian Managed Insurance Authority (VMIA) only