PUBLIC ACCOUNTS AND ESTIMATES COMMITTEE

DEPARTMENT OF PREMIER AND CABINET

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?

The Department of Premier and Cabinet's (DPC) key strategic priorities for the 2017–18 Budget are to:

- support the implementation of a range of Whole-of-Victorian-Government initiatives, such as building a strong Aboriginal culture and protecting and maintaining Victorian Aboriginal heritage

- assist the government in supporting and promoting full participation of diverse and vibrant communities

- ensure Victoria's competitiveness and productivity increases

- support delivery of the government's public sector reforms which focus on people, systems and outcomes

- promote integrity, accountability and transparency in an effective, professional public administration

- ensure leadership for the public sector responses to significant state issues and strengthening public policy outcomes.

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

The priorities for the department have remained the same as for the previous year, reflecting only changes that have been made to Whole-of-Victorian-Government 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?

Funding for Whole-of-Victorian-Government initiatives includes the Aboriginal Affairs package initiatives 'Self-determination and community infrastructure', 'Self-determination and strong culture' and 'Self-determination and treaty'.

(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.

Not applicable.

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 (*including rescheduling of service provision or commencement of service provision*) of lapsing or actions taken by the Department to ensure there is no effect
Long Tan Anniversary Parade	0.500	Not applicable	The Long Tan Anniversary Parade was a one-off program.
Public Record Office Victoria Collection Storage	1.600	Not applicable	The funding for Public Record Office Victoria Collection Storage was for a strategic assessment and scoping study, which has been completed.
Victorian Ombudsman Office Relocation	1.500	Not applicable	The Victorian Ombudsman Office Relocation was a one-off initiative.
Victorian Public Sector Commission – Building Public Sector Capability and Integrity	2.400	Not applicable	DPC is working with the Victorian Public Sector Commission to identify alternative options for the ongoing delivery of the program.

*Note: Expenditure is year-to-date for 2016–17, as at 31 March 2017.

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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.

> DPC's corporate plan is provided, but has not been published publicly.

(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;

> Long-term planning is used for areas of policy or service delivery where there are significant or strategic challenges. The time horizon applied to those planning activities varies according to the nature of the opportunities and risks associated with the policy or service delivery area. Long-term plans delivered by DPC are *Victoria's 30-Year Infrastructure Strategy* and the 10-year plan *Ending Family Violence: Victoria's Plan for Change*.

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

> The risks and challenges identified by the department are outlined in *Victoria's 30-Year Infrastructure Strategy* and *Ending Family Violence: Victoria's Plan for Change.*

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

> The strategies considered by the department to deal with the risks and challenges are outlined in *Victoria's 30-Year Infrastructure Strategy* and *Ending Family Violence: Victoria's Plan for Change.*

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 ±10% (or greater than $100 million)
Employee benefits	243.9	268.1	Not Applicable
Grants and other transfers	90.5	86.8	Not Applicable
Other operating expenses	234.7	309.1	The increase is a result of the new initiatives introduced in the 2017-18 budget, including for Aboriginal Affairs, Multicultural Affairs, Veterans Affairs and the integrity agencies.
Major components of 'other operating expenses' (please supply categories):			

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Intra Government Supplies and Consumables	8.0	8.0	Not Applicable
Other Operating Supplies and Consumables	52.2	60.6	The increase is a result of expenditure against new initiatives such as Shrine of Remembrance, War heritage, education and commemoration, Communications Strategy and Multicultural Policy Statement, Migrant Workers' Rights Program, An LGBTI inclusive Victoria that celebrates diversity, Delivering on the Government's commitment to Aboriginal self-determination and Resourcing FOI.
Other Service Charges	83.1	147.7	The increase is the result of funding carry-overs from 2016-17 to 2017-18 in the areas of Office of Multicultural Affairs, Integrity Agencies (predominantly IBAC), Service Victoria and DPC Core, plus new initiatives in the 2017-18 budget.
Consultancy and Professional Services	28.6	22.8	General reduction in consultancy and professional services.
Other	62.8	47.0	Reduction in other general expenses.

(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.

See table above

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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.

Nil

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 ±10% (or greater than $100 million) between 2016-17 and 2017-18 estimates.
General public services	237.1	392.5	425.0	Not Applicable
Public order and safety	59.9	73.0	100.6	The increase is due to spending on new Public Sector Integrity initiatives of Police Oversight Reform (IBAC), Securing Victoria's Data (CPDP), Resourcing the FOIC, and the carry-over of unspent funding to 2017-18.

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Social security and welfare	0.0	0.0	2.5	The 2017-18 expenditure relates to a new initiative on Monitoring and Reporting of Family Violence in 2017-18
Housing and community amenities	53.6	88.5	113.1	The increase in 2017-18 relates to the new initiatives of Delivering on Government's commitment to Aboriginal self-determination, and new initiatives for Multicultural Affairs: Ensuring sustainability and quality of Victoria's language service industry; Communications strategy and multicultural policy statement; and Migrant worker's rights program; and increased funding for Veterans Victoria. There are also carry-overs for Aboriginal Victoria and Multicultural Affairs from 2016-17.
Other economic affairs	23.5	40.6	25.6	The decrease in 2017-18 expenditure relates to a decrease in grant funding from DEDJTR for the output Public sector ICT and digital government.

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)	DPC will undertake a range of measures to constrain expenses by consolidating activities through minimising duplication and waste in administration, corporate and management functions.	There is no anticipated impact on the service delivery.	0.0	Cumulative saving in 2017-18 of $0.15 million, but no incremental saving impact.
Efficiency and expenditure reduction measures in 2015-16 Budget (2015-16 BP3 pp.105-7)	As above	As above	0.0	Cumulative saving in 2017-18 of $0.74 million, but no incremental saving impact.
Savings and efficiencies and expenditure reduction measures in 2016-17 Budget (2016-17 BP3 p.118)	As above	As above	0.0	Cumulative saving in 2017-18 of $1.26 million, but no incremental saving impact.

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| Any efficiency and expenditure reduction measures in 2017-18 Budget | As above | The 2017-18 Budget announced a Whole of Government efficiencies initiative. Allocations for all departments will be formalised over the coming months. These allocations will be applied to appropriate areas, ensuring that there is no impact on service delivery. | 3.2 | Savings in 2017-18 is part of $15.0 million over four years. |

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	
Reprioritised funding sources have not yet been identified. DPC undertakes an internal process between the finalisation of the State Budget and the end of the financial year, to identify funding available for reprioritisation to new initiatives	$0m	$0.3m	Supporting Victoria's Veterans initiative
	$0m	$1.0m	City Deals Seed Funding initiative
Interpreter remuneration	$0m	$2m	Ensuring the Sustainability and Quality of Victoria's Language Services Industry initiative (total of $21.8m)

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)
0.0	0.0	0.0	0.0

Department of Premier and Cabinet

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 Budget Operations Framework – for Victorian Government Departments – updated February 2017.

(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	Not Applicable	579.40	
New output initiative funding	18%	106.00	Additional funding for various initiatives in Multicultural Affairs, Aboriginal Victoria, Veteran's Affairs, the integrity agencies.
Savings and efficiency measures	0%	-2.00	
Other (please specify)			
Reduction in revenue from special appropriations	-4%	-23.60	Due to the transfer of Minister's payroll to DPS.
Released from Contingency	1%	8.40	Funds released from contingency primarily for the Latrobe Valley Authority, Cost Mapping initiative and the Family Violence Implementation Monitor.
Decrease in Grants received	-1%	-9.20	No new grants for 2017-18, with the conclusion of a one-off grant from DEDJTR to Public Sector ICT and Digital Government in 2016-17.
Other	0%	1.70	
Total income from transactions 2017-18	14%	660.70	

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

> Not applicable.

Department of Premier and Cabinet

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	1.0	1.0	1.0	0.0	3.0
New funding specifically for these initiatives in 2017-18 Budget	0.0	3.8	1.5	0.3	0.0	5.6
Total asset initiatives (as in Service Delivery budget paper)	0.0	4.8	2.5	1.3	0.0	8.6

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	Output 31.0 Capital 0.5	Output 94.0 Capital 0.0	0.0

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

Carry-over output appropriation is required to complete initiatives commenced in 2016-17 financial year, to be finalised in 2017-18. The carry-overs from 2016-17 to 2017-18 relate to:

- Public Sector Integrity (IBAC $19.5m, FOI $0.7m, VI $0.4m) - $20.6m
- Service Victoria - $52.0m
- Aboriginal Victoria - $1.5m
- Multicultural Affairs and Social Cohesion - $9.7m
- Victorian Public Sector Commission - $1.0m
- Infrastructure Victoria - $0.2m
- Public Interest Monitor - $0.5m
- DPC Core - $8.5m

Department of Premier and Cabinet

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)						
Not Applicable	Not Applicable	Not Applicable	Not Applicable	Not Applicable	Not Applicable	Not Applicable
PPPs in operation						
Not Applicable	Not Applicable	Not Applicable	Not Applicable	Not Applicable	Not Applicable	Not Applicable

Department of Premier and Cabinet

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	498.0 [b]	0.0 [b]	0.0 [b]	498.0 [a]
Receipts credited to appropriations	0.6 [b]	0.0 [b]	0.0 [b]	0.6 [a]
Unapplied previous years appropriation	94.0 [b]	0.0 [b]	0.0 [b]	94.0 [a]
Accumulated surplus – previously applied appropriation	0.0	0.0	0.0	0.0 [a]
Gross annual appropriation (sum of previous 4 rows)	592.6	0.0	0.0	592.6 [a]
Special appropriations	43.7	0.0	0.0	43.7 [a]
Trust funds	17.3	0.0	0.0	17.3 [a]
Total parliamentary authority (sum of previous 3 rows)	653.6	0.0	0.0	653.6 [a]

(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
Not Applicable	Not Applicable	Not Applicable	Not Applicable	Not Applicable	Not Applicable

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
Not Applicable	Not Applicable	Not Applicable	Not Applicable	Not Applicable	Not Applicable

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
Not Applicable	Not Applicable	Not Applicable	Not Applicable	Not Applicable	Not Applicable

Department of Premier and Cabinet

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	Output appropriations includes funding from all outputs such as Section 29 appropriations, section 32 appropriations, fixed price and constant output price appropriations, plus carry-overs from the prior year.	478.6	592.6	The increase is due to new output initiative funding introduced in the 2017-18 budget in areas including Multicultural Affairs, Aboriginal Victoria, Veterans Affairs, and the integrity agencies such as the Independent Broad-based Anti-corruption Commission, the Commissioner for Privacy and Data Protection, and the Freedom of Information Commissioner.
Special Appropriations	Special appropriation funding is that which is provided by the department for a specific purpose only, and cannot be used for anything other than that purpose	67.3	43.7	The decrease is due to the transfer of Minister's payroll to DPS.
Sale of Goods and Services	Sales of goods, or fees for services	5.6	5.7	Not Applicable
Grants	Grant funding is funding provided by another department for a specific purpose to be used within a DPC output	26.6	17.3	As no new grants were initiated in the budget, and a one-off grant from the Department of Economic Development, Jobs, Transport and Resources to the output Public Sector ICT and Digital Government does not continue in 2017-18, this amount has decreased.
Other Income	Miscellaneous non-operating income.	1.4	1.4	Not Applicable

Question 19

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

Not Applicable

Department of Premier and Cabinet

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:

(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.

There are 16 new DPC performance measures for 2017–18. The considerations used in developing these measures are outlined below.

1.   Victorian Government entities using the Standard User Experience Framework

    DPC will provide a centralised user experience capability across government. This will be measured by adoption rates of the framework by other government entities. It has been assumed that the framework will be implemented within DPC and then rolled out to other departments and entities.

    Data will be gathered through an annual survey of government entities that have used the framework and tools. Targets are based on critical assumptions and the time required to develop and roll-out the framework to other government entities.

    As this is a new measure introduced in 2017–18, a standard review will occur after 12 months as part of the Budget Paper No.3 process.

2.   Average monthly analysis reports generated to guide government decision making

    DPC will produce insight reports and analysis to help guide Victorian Government policy makers. Data will be sourced from Engage Victoria consultations, Victorian Government Contact Centre enquiries, other government-owned channels and public channels. Basic reports will be generated using out-of-the-box capability within the business intelligence (BI) tool. Data Insights Analysts will conduct deeper analysis on data within the BI tool to provide actionable insights reports.

    Good performance for this measure has been identified by the number of reports being produced at 20 per month. Evidence-based decision making requires both relevant raw data and actionable insights derived from expert data analysis. Performance measures based on the frequency of provision are indicators of availability of data for decision makers.

    As this is a new measure introduced in 2017–18, a standard review will occur after 12 months as part of the Budget Paper No.3 process.

3.   Community consultations relating to treaty

    The measure refers to the number of community consultations that will occur as part of the treaty process. Aboriginal Victoria will track and record information about consultations as

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funds are allocated.

The number of community consultations was set at a target of 10, to allow both regional and metropolitan consultations to occur across Victoria. The number of proposed consultations is based on the actual cost of regional and metropolitan community consultations undertaken in 2016–17.

As this is a new measure introduced in 2017–18, a standard review will occur after 12 months as part of the Budget Paper No.3 process.

4. Removal of first mortgages on titles of property owned by Aboriginal Community Controlled Organisations

Victorian Aboriginal Controlled Community Organisations (ACCOs) that own property over which the Minister for Aboriginal Affairs holds a first mortgage are able to apply to have the mortgage removed. The first mortgage will be considered removed once the legal documentation relating to the title has been lodged and assessed. The assumption made is that removing this encumbrance from the title of property will put full decision making about the property back in the hands of ACCOs, which represents a strong shift towards Aboriginal self-determination.

Aboriginal Victoria will keep a database that tracks the number and progress of applications for first mortgage removal. The annual target was set so that the program was staged to allow ACCOs to apply for funding as they become eligible. It is also anticipated that ACCOs will require some time to prepare applications. Land title documents will also need to be prepared and lodged.

As this is a new measure introduced in 2017–18, a standard review will occur after 12 months as part of the Budget Paper No.3 process.

5. Funding payments for Community Capacity and Co-Design made in accordance with milestones

This measure relates to the percentage of funding allocated through the Community Capacity and Co-Design program. It is assumed that the program outcomes will be delivered by allocating 100 per cent of funds to the program. It is anticipated that as self-determination reforms progress, future measures may also focus on broader sector outcomes.

Approved funding and funding payments will be entered into the DPC grants management system database. The department will undertake regular progress check of the system to track payment progress against yearly targets.

As this is a new measure introduced in 2017–18, a standard review will occur after 12 months as part of the Budget Paper No.3 process.

6. Funding payments for the Removal of First Mortgages initiative made in accordance with milestones

This measure relates to the percentage of funding allocated through the Removal of First Mortgages initiative. A target of 100 per cent allocation of program funding has been set to ensure that the department progresses its work to deliver funding to ACCOs for property improvements. When combined with the removal of first mortgages, eligible ACCOs will be in a stronger position to use or leverage their assets.

The first mortgage grants will be entered into the DPC grants management system database. The department will undertake regular progress check of the system to track payment progress against yearly targets.

As this is a new measure introduced in 2017–18, a standard review will occur after 12 months as part of the Budget Paper No.3 process.

7. Funding payments for the Investing in Leadership and Governance initiative made in accordance with milestones

This measure relates to the percentage of funding allocated through the Investing in Leadership and Governance initiative. A target of 100 per cent allocation of program funding has been set to ensure that the department progresses its work to deliver this funding to the Koorie Youth Council, resulting in increased youth leadership and governance capacity. It is anticipated that as self-determination reforms progress, future measures may also focus on broader sector outcomes.

Approved funding and funding payments will be entered into the DPC grants management system database. The department will undertake regular progress check of the system to track

payment progress against yearly targets.

As this is a new measure introduced in 2017–18, a standard review will occur after 12 months as part of the Budget Paper No.3 process.

8. Funding payments for the Cultural Strengthening initiative made in accordance with milestones

This measure relates to the percentage of funding allocated through the Cultural Strengthening initiative. It is assumed that the program outcomes will be delivered by allocating 100 per cent of funds, resulting in increased cultural strengthening. It is anticipated that as self-determination reforms progress, future measures may also focus on broader sector outcomes.

Approved funding and funding payments will be entered into the DPC grants management system database. The department will undertake regular progress check of the system to track payment progress against yearly targets.

As this is a new measure introduced in 2017–18, a standard review will occur after 12 months as part of the Budget Paper No.3 process.

9. Funding payments for the Building Awareness of and Respect for Aboriginal Culture and Strengthen Cultural Heritage Protection and Management initiative made in accordance with milestones

This measure relates to the percentage of funding allocated through the Building Awareness of and Respect for Aboriginal Culture and Strengthen Cultural Heritage Protection and Management initiative. It is assumed that allocating 100 per cent of funding will result in a more effective heritage compliance and enforcement system, as well as greater awareness and respect for Aboriginal culture and heritage. It is anticipated that as self-determination reforms progress, future measures may also focus on broader sector outcomes.

Approved funding and funding payments will be entered into the DPC grants management system database. The department will undertake regular progress check of the system to track payment progress against yearly targets.

As this is a new measure introduced in 2017–18, a standard review will occur after 12 months as part of the Budget Paper No.3 process.

10. Victorian population engaged by multicultural and social cohesion initiatives

This measure has been introduced to quantify the extent to which policy, programs and campaigns are reaching Victorians, as an indicator for influence and impact of these activities. The measure calculates the percentage of Victorians engaged, i.e. the number of Victorians reached divided by the total Victorian population.

The department has set a target of 67 per cent, which represents approximately one standard deviation from a population mean (i.e. 'average' Victorian). Data relating to initiatives implemented directly by DPC is collated internally and advertising reach is collected through DPC's media buying agency.

As this is a new measure introduced in 2017–18, a standard review will occur after 12 months as part of the Budget Paper No.3 process.

11. Community engagement: Shrine ceremonial activities, public and student education programs, tours and general visitation

The Shrine of Remembrance's BP3 measure has been replaced to more accurately reflect the Shrine's programs for engaging the broader community in commemoration, education and learning. The new measure sets an annual target of 750,000 visitors to the Shrine, including participation in the Shrine's ceremonial activities, and public and student education programs. The target was set based on previous years' visitation.

General visitation to the Shrine is tracked through door counters. Public program participation and school visitation is pre-booked and then recorded on the Shrine's Client Relationship Management (CRM) database. Touring exhibition visitation is provided to the Shrine from hosting institutions. Ceremonial attendance is counted manually. This is an indicative count based on figures provided by Victoria Police and further substantiated by the Shrine's Ceremonial Manager, using photography as a reference (i.e. head count per square meter in a sample photo is then multiplied by the square metres of the Shrine of Remembrance Reserve grounds).

As this is a new measure introduced in 2017–18, a standard review will occur after 12 months as part of the Budget Paper No.3 process.

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12. Number of veterans who apply for Victorian Public Sector positions

   In November 2016, the Premier announced that the government has set a target to employ 250 veterans into the Victorian Public Sector (VPS). The new measure will capture the number of veterans who apply for positions in the VPS. The baseline will be established in 2017–18, from which future targets can be considered.

   A new application form has been launched by the Victoria Public Sector Commission to capture de-identified data about veterans who apply for positions via careers.vic.gov.au. Data is captured when applicants apply via the form on the careers.vic.gov.au website.

   As this is a new measure introduced in 2017–18, a standard review will occur after 12 months as part of the Budget Paper No.3 process.

13. Proportion of IBAC investigations into public sector corrupt conduct (excluding police personnel conduct and police personnel corrupt conduct) completed within 12 months

   The 2016–17 measure 'Proportion of Independent Broad-Based Anti-Corruption Commission investigations completed within 12 months' has been discontinued to allow for disaggregation into two measures, for increased clarity. The new measures more accurately reflect the type of investigations undertaken.

   The measures represent the percentage of IBAC own motion and complaint investigations that are open at the end of the reporting period, or were closed during the reporting period.

   As this is a new measure introduced in 2017–18, a standard review will occur after 12 months as part of the Budget Paper No.3 process.

14. Proportion of IBAC investigations into police personnel conduct and police personnel corrupt conduct completed within 12 months

   The 2016–17 measure 'Proportion of Independent Broad-Based Anti-Corruption Commission investigations completed within 12 months' has been discontinued to allow for disaggregation into two measures, for increased clarity. The new measures more accurately reflect the type of investigations undertaken.

   The measures represent the percentage of IBAC own motion and complaint investigations that are open at the end of the reporting period, or were closed during the reporting period.

   As this is a new measure introduced in 2017–18, a standard review will occur after 12 months as part of the Budget Paper No.3 process.

15. Complaints or notifications about public sector corrupt conduct (excluding police personnel conduct and police personnel corrupt conduct) assessed by IBAC within 45 days

   The 2016–17 measure 'Complaints or notifications assessed by IBAC within 45 days' has been discontinued to allow for disaggregation into two measures, for increased clarity. The new measures more accurately reflect the type of complaints or notifications assessed.

   The measure incorporates all cases where the assessment was completed during the period, including cases received in the previous period, but assessed in this period.

   As this is a new measure introduced in 2017–18, a standard review will occur after 12 months as part of the Budget Paper No.3 process.

16. Complaints or notifications about police personnel conduct and police personnel corrupt conduct assessed by IBAC within 45 days

   The 2016–17 measure 'Complaints or notifications assessed by IBAC within 45 days' has been discontinued to allow for disaggregation into two measures, for increased clarity. The new measures more accurately reflect the type of complaints or notifications assessed.

   The measure incorporates all cases where the assessment was completed during the period, including cases received in the previous period, but assessed in this period.

   As this is a new measure introduced in 2017–18, a standard review will occur after 12 months as part of the Budget Paper No.3 process.

Note: Outputs relating to Family Violence are being transferred between departments. Information about new measures is not available at this time and will be provided as soon as possible.

Department of Premier and Cabinet

Question 21

(f)   **Department of Premier and Cabinet only**

Performance measure 'Timely delivery of State events and functions'

(i)   Please list the number of state events and functions the department has undertaken over the last five years.

2015–16	5
2014–15	10
2013–14	8
2012–13	7
2011–12	4

(ii)   Is there a regular calendar of state events and functions the Department delivers each year?

Regular annual state events delivered by the department include Australia Day and associated events, and the ANZAC Day Luncheon. Most state events and functions occur as need arises (for example, state funerals), and are not scheduled. There is not regular calendar of state events and functions.

(iii)   What were the costs of each of these events?

A review of the department's records shows the following annual spend on events and functions. The costs below include event delivery, hospitality, entertainment and advertising/promotion of events, as applicable.

Australia Day celebrations are funded through a combination of Commonwealth, Victorian and Local Government funding, as well as corporate sponsorship.

2015–16	$1.2m
2014–15	$1.2m
2013–14	$1.6m
2012–13	$1.1m
2011–12	$0.8m

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	1.00	1.0	FTE figures for the end of June 2018 cannot be accurately provided at this stage. The 2017–18 figures will be reported to the parliament in the department's annual report.
EO-1	4.00	6.0	
EO-2	26.60	45.5	
EO-3	11.40	38.4	
VPS Grade 7 (STS)	24.70	35.1	
VPS Grade 6	123.62	168.2	
VPS Grade 5	186.66	255.5	
VPS Grade 4	146.03	214.9	
VPS Grade 3	66.91	78.1	
VPS Grade 2	20.10	25.0	
VPS Grade 1	0.00	0.00	
Government Teaching Service	0.00	0.00	
Health services	0.00	0.00	
Police	0.00	0.00	
Allied health professionals	0.00	0.00	
Child protection	0.00	0.00	
Disability development and support	0.00	0.00	
Custodial officers	0.00	0.00	
Other (Please specify)	44.65	45.8	
Total	**655.67**	**913.5**	

Department of Premier and Cabinet

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

Public Interest Monitor (1.2 FTE) is considered as DPC core as the Secretary is responsible for employment matters.

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	508.77	539	685.2	689	FTE and Headcount figures for the end of June 2018 cannot be accurately provided at this stage. The 2017–18 figures will be reported to the parliament in the department's Annual Report.	
Fixed-term	139.3	149	219.4	225		
Casual	7.6	16	8.9	32		
Total	**655.67**	**704**	**913.5**	**946**		

Question 24

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

The Human Resources team engages in workforce planning conversations with senior executives to discuss emerging workforce needs, including new capabilities required to fulfil government commitments.

The department's capability framework and the VPSC's capability dictionary provides a foundation for creating roles, recruiting to roles, managing performance, capability development and career planning.

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

DPC's capability requirements continue to evolve as key government initiatives are assigned to DPC for delivery. New capabilities have been required in the areas of behavioural insights and ICT Procurement.

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

The department is currently undertaking a project to review learning and development (L&D) at DPC and to develop a new L&D strategy to meet business needs and is a key initiative to identify and address skills shortages.

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

DPC has spent $12.944 million for the period July 2016 - March 2017 on labour recruitment firms ($1.303 million) and labour agency staff ($11.641 million).

Department of Premier and Cabinet

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	N/A*	$1,970,433	$459,672	$1,583,710	N/A^
2015-16	N/A*	$2,333,650	$601,629	$3,013,256	N/A^
2016-17~	N/A*	$2,439,644	$482,301	$1,760,739	N/A^

*Data costs are absorbed in the CenITex managed service and are not reported separately.
^DPC does not have any unified communications.
~Part year costs to 31 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.

DPC has a Mobile Phone Standard that defines the protocols for the use and management of devices and the control of telecommunications expenditure.

(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?

DPC utilises the following monitoring tools:

- the Telstra online portal to view live data usage
- Telstra MBRS portal to extract and view monthly bill usage and reports
- NEC online portal to view desk phone extension monthly bill usage and reports.

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

DPC monitors mobile data usage for all users. DPC also monitors monthly spend to ensure that the appropriate plan is allocated to individual staff usage.

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

Yes, DPC uses the following tools to monitor telecommunications expenditure trends and to identify anomalies:

- the Telstra online portal
- Telstra MBRS portal
- NEC online portal.

Department of Premier and Cabinet

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

Monthly usage statements are reviewed and then issued to Branch Executive Assistants for distribution to users for verification.

(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?

Custom monthly mobile reports are generated and sent to each Branch cost centre representative for review. The reports are then distributed to each user to review and verify. The ICT team also reviews each month's invoice for any discrepancies and anomalies.

(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?

DPC HAS conducted a review of mobile carriage providers in 2015, comparing rates between approved providers under the WoVG TPAMS contract. The next review scheduled for Q3 2017-18.

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?

DPC has a Mobile Phone Standard that defines the policies for the allocation and use of mobile phones. DPC has a Travelling Overseas with a Mobile Phone Guide.

(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?

Applicable terms and conditions are included in the application form that the user must agree to before an agency mobile is provided. A link to these conditions is also sent to the user when their device is ready for collection.

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

Thresholds are defined via a review process and defined in DPC's Acceptable Usage Policy.

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

The defined timeframe for cost recovery is 30 days.

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?

DPC ensures that any cost savings available through whole-of-government agreements are taken advantage of by the prompt adoption of new WoVG contracts.

(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.

> DPC is transitioning to the contract, and the transition is scheduled to be completed by Q4 2016-17.

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

> DPC undertakes yearly reviews in order to identify cost saving in mobile plans.

(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?

> DPC uses the MOBIL reporting system and the GIPS off-boarding system to identify and cancel any fixed voice and/or mobile services which are not being fully utilised.

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

> DPC undertakes reviews to identify redundancies on a periodic basis.

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

> DPC routinely reviews telecommunications expenditure.

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

> Yes (relative to the pro rata increase in staff numbers).

Department of Premier and Cabinet

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?

> DPC has a Risk Management Framework in place.

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

> Yes

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

> DPC's risk management strategy integrates risk management with corporate strategy and governance.

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

> Longer term budget risks are considered in the context of strategic and operational risk assessments at the enterprise, project and service delivery levels.

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

> Risk treatments are developed by the subject matter area that relates to each risk after doing a risk assessment on the effectiveness of the current controls.

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

> Annual risk discussions with subject matter areas responsible for delivering DPC's key objectives form the basis of the interagency risk register. Interagency risks are managed at the subject matter area between agencies and discussed by heads of risk and executives across agencies in their normal course of business.
>
> DPC is an active participant in the Interdepartmental Committee on state significant risk including the annual risk scan which is reported into Victorian Secretaries Board and the Minister for Finance.

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

> DPC is in the process of developing key risk indicators and key control indicators.

(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?

> The Risk Management page on the DPC intranet has been enhanced to include many useful risk guides and information. Risk training is available to all staff through the Victorian Managed Insurance Authority. Risk workshops have been conducted by the risk function with some branches. Regular risk conversations occur with many parts of the department. DPC's Risk Appetite has been widely communicated and posters detailing DPC's Risk Appetite are on display around the department.

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

The department has used VMIA services regularly. The Risk Manager is in regular contact with the VMIA about opportunities to enhance DPC's risk management approach.

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