



PUBLIC ACCOUNTS AND ESTIMATES COMMITTEE

**PUBLIC ACCOUNTS AND ESTIMATES COMMITTEE
2011-12 BUDGET ESTIMATES QUESTIONNAIRE –PART A AND B
DEPARTMENT OF PLANNING AND COMMUNITY DEVELOPMENT**

PART A: Non-Budget-sensitive information

1. Strategic priorities

Question 1.1

What are the Department's key strategic priorities that underpin its budget for 2011-12 and over the forward estimates to 2014-15?

The Department of Planning and Community Development (DPCD)'s role is to plan and invest in communities to manage Victoria's growth and development, and to build stronger communities.

DPCD has four departmental objectives¹ which link and drive the efforts of the Department's portfolios and agencies:

- Planning communities for growth and change.
- Investing in communities.
- Growing regional and rural Victoria.
- Improving organisational performance.

DPCD's key strategic priorities for 2011-12 include:

- Implementing planning and regulatory reforms to assist in the management of population growth and infrastructure planning.
- Developing planning strategies for metropolitan and regional areas experiencing significant growth and change.
- Driving economic growth in regional and rural Victoria.
- Partnering with business, communities, community and sporting organisations and councils to improve the way community and sporting facilities and infrastructure are planned and developed.
- Working with and building the capacity of local governments, community and volunteer organisations in planning, service provision and the recognition and management of cultural heritage.
- Delivering whole of government strategies to close the gap between Indigenous and non-Indigenous Victorians and supporting the needs of Victorian veterans.

Question 1.2

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

Since the machinery-of-government changes (effective 1 January 2011), DPCD now has an expanded role for integrated planning and development across all of Victoria including metropolitan and regional areas.

Regional teams from Regional Development Victoria and DPCD have been combined into one regional network, serving all DPCD portfolios. This means DPCD will have a stronger regional delivery structure and a consolidated presence in the regions.

A particular emphasis of DPCD will be to drive economic growth in regional and rural development, including the administration of the \$500m over four years for the Regional Growth Fund for key projects that will lead to thriving regions.

¹ DPCD is currently reviewing its Corporate Plan (including objectives and goal) to reflect the machinery-of-government changes. These objectives will be revisited as a result of this review.

2. Budget preparation

Question 2.1

- (a) **Does your Department estimate the cost of providing input into the process of developing the State Budget?**

No, budget development is part of the ongoing annual process that involves a significant input from across the Department. As such, budget preparation activities are not specifically costed.

- (b) **If so, what are the cost centres involved e.g. preparation of budget bids; preparation, internal reviews and approvals of business cases; servicing the Budget Expenditure Review Committee?**

Not applicable.

- (c) **If it is possible to do so, what is the Department's estimate of the cost of work undertaken as part of the preparation of the 2011-12 Budget (please provide a breakdown according to key tasks if possible). For the Department of Treasury and Finance, please provide a breakdown that differentiates between the part of the Department that provides input as a department and the part of the Department that manages the budget process as a whole on behalf of the Government.**

Not applicable.

- (d) **What is the estimated expenditure incurred for the engagement of consultants by the Department to assist in the preparation of items considered for the State Budget for 2011-12?**

Not applicable.

Question 2.2 (Department of Treasury and Finance only)

- (a) **What is the cost of the development, preparation and publication of the budget papers? Please also provide the details of the number of resources employed and hours entailed.**

What is the Department of Treasury and Finance's view on publishing in future, as part of the budget papers, the cost of developing, preparing and publishing this key accountability document for the State?

Question 2.3 (Department of Treasury and Finance only)

If not detailed in the budget papers, please indicate the figure for Victoria's estimated GSP for 2011-12 used in the budget papers and how it was calculated.

3. Performance measures

Question 3.1 (Department of Treasury and Finance only)

What proposed training and development initiatives are planned by DTF to update or re-skill the general government sector in the requirements of outcome-based reporting, should the Public Finance and Accountability Bill become legislation?

PART B: Budget-sensitive information

4. Strategic priorities

Question 4.1

- (a) **What are the impacts of any differences in the Department's strategic priorities between 2010-11 and 2011-12 on funding and resource allocation?**

DPCD's total output pricing for 2011-12 is \$576.6m, a rise of \$28.5 from the expected outcome in 2010-11. This is largely due to funding for new initiatives in the 2011-12 State Budget, principally the Regional Growth Fund.

The Regional Growth Fund contributes to DPCD's expanded role for integrated planning and development across all of Victoria, and the priority of driving economic growth in regional and rural Victoria.

- (b) **Please identify any programs or initiatives over \$2 million that have been curtailed, deferred, discontinued or completed as a result of changes in strategic priorities between 2010-11 and 2011-12.**

Ringwood Central Activities District (CAD)

The Ringwood CAD Bus Interchange project has been discontinued due to changing priorities in relation to the Ringwood station precinct. However, the Government has committed to providing modern, integrated transport facilities in Ringwood by upgrading the railway station, the bus interchange and the surrounding area.

Development Assessment Committees (DACs)

The Doncaster Hill DAC is no longer in operation and no new DACs are to be established in the future. This is consistent with Government's commitment to replace DAC's with Planning Application Committees to allow for a more consultative relationship between state and local governments and developers.

Development Facilitation Unit

The Development Facilitation Unit has been discontinued in line with Government's commitment to create a new Urban Planning Unit.

5. Budget preparation

Question 5.1 (Department of Treasury and Finance only)

In relation to the contingency items within the 2011-12 Budget and Appropriation Bill, namely:

- 'output contingencies not allocated to departments',
 - 'capital provision approved but not yet allocated' and
 - 'advance to the Treasurer to meet urgent claims that may arise before Parliamentary sanction',
- (a) please provide a detailed account of the rationale that is applied to ensure the adequacy of these allocations; and
- (b) please comment on the accuracy and utilisation of the contingency items in 2010-11.

Question 5.2 (Department of Treasury and Finance only)

In relation to the Estimated Financial Statements for the Victorian General Government Sector (estimated operating statement and estimated balance sheet), please explain any variations of more than 10 per cent between the 2011 12 estimates published in the 2010 11 budget papers, and the 2011 12 Budget forecasts shown in the 2011-12 budget papers.

Question 5.3 (Department of Treasury and Finance only)

- (a) What new features have been incorporated in the budget papers for 2011-12 and why?
(b) What features have been omitted and why?

6. Spending

Question 6.1

In relation to output costs, please explain any variations of more than 10 per cent between the expected outcome for 2010-11 and the target for 2011-12 for individual outputs.

The Regional Development and Regional Cities output cost rises by \$80.6 million (80.7%) from the 2010-11 expected outcome to the 2011-12 Budget. This is largely due to funding for the Regional Growth Fund provided in the 2011-12 Budget.

The Planning output cost reduces by \$31.0 million (18.8%) from the 2010-11 Expected Outcome to the 2011-12 Budget predominantly due to the finalisation of a number of Central Activity Area programs.

The Community Development output cost reduces by \$12.8 million (18.7%) from the 2010-11 expected outcome to the 2011-12 Budget. This is largely due to the sunsetting of programs funded by the Community Support Fund, such as initial establishment funding for the Victorian Volunteering Portal.

The Indigenous Community and Cultural Development output cost increases by \$2.5 million (11.1%) from the 2010-11 expected outcome to the 2011-12 Budget mainly due to funding for Building Victoria's Indigenous Service Delivery Infrastructure which was announced in the 2010-11 State Budget.

The Veterans Affairs output cost declines by \$1.1 million (25.0%) from the 2010-11 expected outcome to the 2011-12 Budget, reflecting one-off funding in 2010-11 for the Seymour Vietnam Veteran's Walk.

Question 6.2

In relation to expenses from transactions that relate to 'Employee Benefits', please explain any variations of more than 10 per cent between the expected outcome for 2010-11 and the target for 2011-12.

Not applicable – there were no variations of more than 10 per cent.

Question 6.3

- (a) **As 'other operating expenses' constitute around a third of total expenses for the general government sector, please provide a breakdown of the major components of the Department's expected expense for 2010-11 and the Department's target for this item for 2011-12.**

The major components of the Department's expected 'other operating expenses' of \$96 million for 2010-11 are as follows:

- Contractor costs (\$62m) for various programs such as Central Activity Areas, Volunteering, bushfire response, regional blueprint projects and e-planning.
- Shared Services costs (\$8m).
- Accommodation and building-related costs (\$12m).
- Legal fees (\$3m).

Other operating expenses are expected to total \$73 million for the 2011-12 Budget.

- (b) **Please explain any variations of more than 10 per cent between the Expected Outcome for 2010-11 and the target for 2011-12 for these major components.**

These costs are estimated to decline by \$23 million from the 2010-11 Expected Outcome to the 2011-12 target largely as a result of funding sunsetting for some Central Activity Areas.

Note: The 2011-12 Other Operating Expenses was derived from 2010-11 Budget funding with adjustments for machinery-of-government changes and new and lapsing departmental programs.

Question 6.4

(a) For your Department, please provide a breakdown of the expected expenditure for 2010-11 and the target for 2011-12 for the following items:

- (i) entertainment expenses;
- (ii) overseas travel;
- (iii) legal expenses;
- (iv) consultants;
- (v) contractors²; and
- (vi) grants to non-government organisations.

Following are expected outcomes per expense category. Targets for 2011-12 are not developed until post-budget.

	2010-11 Expected Outcome (\$m)
Entertainment expenses	0.1
Overseas travel	0.2
Legal expenses	3.0
Consultants	0.1
Contractors	62.0
Grants to non-government	86.0

(b) Please explain any variations of more than 10 per cent between the expected outcome for 2010-11 and the target for 2011-12 for these expense items.

Not applicable as targets for 2011-12 are not yet set.

Question 6.5

Please complete the following table showing the estimated cost and planned completion timelines for each review, inquiry, study, audit and evaluation specifically requested by the new Government after the 2010 election that the Department will be undertaking during 2011-12.

Review	Estimated cost	Expected completion date
Murray River Communities Energy Feasibility Study	Subject to public tender (Up to \$1 million)	Q2 2011/12
Strengthening of the Victorian Indigenous Affairs Framework	\$200,000	March 2012
Metropolitan Liveability Audit	Currently being scoped	To be determined
Government Owned Land Audit	Currently being scoped	To be determined
Landscape assessment for Windfarm no-go zones	Currently being scoped	To be determined

² For the definitions of 'consultants' and 'contractors', see VGPB's *All Procurement Policies* (Procurement Policies Master Manual), p.105

7. Efficiencies

Question 7.1

Please provide the following details about efficiency targets for 2011-12:

- (a) **the total savings target for 2011-12 for the Department as a result of efficiency initiatives in the 2011-12 Budget; and**

The Department has been allocated savings of \$16.1 million in 2011-12. Savings comprise \$6.2 million relating to savings targets announced as an election commitment in the Better Financial Management policy and \$9.9 million in additional targeted efficiencies.

- (b) **for the efficiency initiatives announced in the 2008-09, 2009-10 and 2010-11 budgets (if applicable) which apply to 2011-12, please provide an update of the savings targets for 2011-12.**

The total savings related to initiatives announced in the 2008-09, 2009-10 and 2010-11 budget increase by \$3.5 million in 2011-12.

8. Asset and output initiative funding

Question 8.1

Please provide the Department's expected total expenditure on asset investment projects in 2011-12 (including both 2011-12 Budget initiatives and initiatives from previous budgets for which expenditure is budgeted in 2011-12).

DPCD expenditure on asset investment projects:

Project Name	2011-12 \$M	TEI \$M
Melbourne and Olympic Parks Redevelopment - Stage 1	91.7	363.0
State Sports Facility project	27.7	66.7
Aboriginal Cultural Heritage Information System	0.2	4.4
Broadmeadows Activities Area	17.6	59.2
Broadmeadows Government Services Building	14.8	17.4
Central Activity Areas and Strategic Sites	5.6	19.7
Footscray Activities Area	0.2	51.4
Geelong Activities Area - Stage 3	4.6	25.0
Melbourne Cricket Ground Southern Stand redevelopment and Yarra Park landscaping	2.0	6.0
Northbank Promenade Access and Safety Improvements	7.9	15.1
Ringwood Activities Area - Stage 1	1.9	18.4
State Multi-Discipline Shooting Centre	12.5	12.5
Statewide Electronic Planning Applications Online	1.8	7.0
Investment in Outdoor Recreation Infrastructure	0.8	1.5
Total	189.3	667.3

Question 8.2

As details of expenditure can change over time, please provide up-to-date details of all output initiatives (both those released in this Budget and those released in previous budgets) for which more than \$10 million of expenditure is budgeted to occur in 2011-12, including each initiative's total funding and the budget allocation for each initiative for 2011-12.

The following table details all output initiatives that for which more than \$10 million of expenditure is budgeted to occur in 2011-12.

Initiative	2011-12 Budget \$M	Total (2011-12 to 2014-15) \$M
Regional Growth Fund	125	500
Skilled Stadium Stage 3 Redevelopment Project	12.5	25
Southern Stand Redevelopment	20	20
Revitalising Central Dandenong	24.5	24.5
Community Support and Recreational Sports Package	10	55
Total	192	624.5

Question 8.3

In relation to any unapplied output and asset funding carried forward to 2011-12, please provide:

(a) a breakdown of the carried forward funding for both output and asset initiatives;

The carry forward funding estimated for 2011-12 totals \$23.6 million. This is broken down into \$15.6 million for outputs and \$8.0 million for assets.

(b) the underlying reasons for the Department's funding carryover for each category; and

The forecast output carry forward predominantly relates to the Regional Blueprint projects delayed due to the State election caretaker period.

In relation to the asset carry forward this is due to the Broadmeadows Government Services Building. Due to the Global Financial Crisis and commercial complexity, additional negotiations were required with the short-listed, and later preferred developer, taking 15 months longer than originally expected.

(c) the intended revised timing for use of the carried forward funds, including project specific details for asset initiatives.

It is intended that carry forward funds will be spent during the 2011-12 financial year.

9. Revenue initiatives, departmental income (fees, fines, taxation measures, concessions and subsidies) and tax expenditures

Question 9.1

In relation to 2011-12, please outline any new revenue-raising initiatives and/or major changes to existing revenue initiatives. For each initiative/change, please explain:

(a) the reason for the initiative/change;

(b) the assumptions underlying the analysis;

(c) alternative scenarios considered;

(d) the impact of any changes on service delivery (i.e. please detail all programs/projects that have been revised as a result of changes to existing revenue initiatives); and

(e) the anticipated total value of revenue gained/foregone as a result of the initiative/change.

Not applicable – there are no new revenue-raising initiatives in 2011-12.

Question 9.2

In relation to 2011-12, 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 reason for the initiative/change;
- (b) the assumptions underlying the analysis;
- (c) alternative scenarios considered;
- (d) the impact of any initiatives/changes on service delivery (i.e. please detail all programs/projects that have been revised as a result of changes to existing revenue initiatives); and
- (e) the anticipated total value of revenue gained/foregone as a result of the initiative/change.

Not applicable – there are no new or changed expenditure, concession or subsidy initiatives in 2011-12.

Question 9.3

- (a) Please provide a list of any revenue measures (taxation, fees, fines etc.) or any concessions (or subsidies) where the rate has been changed for reasons other than keeping up with inflation.
- (b) Please provide an explanation for the changes.

Not applicable – rates have not changed other than for inflation.

Question 9.4

For the Department's income categories shown in its operating statement, please provide an explanation for any items that have a variance of greater than 10 per cent between the revised estimate for 2010-11 and the budget for 2011-12.

Special appropriations of \$8.5 million for the 2011-12 Budget have reduced by \$50.5 million (85.6%) from the 2010-11 Revised Budget. The reduction is predominately due to the transfer of the Community Support Fund to the Department of Treasury and Finance as at 31 December 2010 as part-of-machinery of government changes.

Fair value of assets received free of charge totalled \$218m for 2010-11. This is due to machinery-of-government changes.

10. Grants from the Commonwealth

Question 10.1

- (a) What impact have developments at the Commonwealth level, including initiatives under the COAG Reform Agenda, had on the Department's component of the 2011 12 State Budget?

Developments at the Commonwealth level have not impacted the Departments component of the 2011-12 State Budget.

- (b) In describing the impact of these developments for 2011 12, please outline the Department's progress to date in transitioning to the COAG Reform Council's new performance reporting framework.

The Department of Premier and Cabinet (DPC) is leading the work in transitioning to the COAG Reform Council's (CRC) new performance reporting framework. DPC has been working with government agencies including DPCD.

DPCD continues to provide a range of performance reporting information to the CRC, and where possible is looking to align with other reporting requirements.

Question 10.2

Please supply breakdowns (as indicated in the spreadsheets) for each of the following categories of Commonwealth grants for which the Department received funding in 2011-12:

- (a) Specific Purpose Payments (SPPs);
- (b) Nation Building – Economic Stimulus Plan;
- (c) National Partnership project payments; and
- (d) any other Commonwealth grants pertaining to functions carried out by the Department.

The Department only receives 'other Commonwealth grants' including:

Output/project	Budget 2010-11 ('000)	Revised 2010-11 ('000)	Budget 2011-12 ('000)	Change between 2011-12 Budget and Revised 2010-11 (%)	Reason for change
Regional Development and Regional Cities - Regional Development Australia	2910	2962	2962	0	Note: the 2011-12 budget will increase by a small amount as it is indexed. Indexation is not yet known.
Australian Sports Commission	331	331	195	-41%	Indigeneous component of ASC funding still to be confirmed.
Community Recovery Fund - Bushfire	992	992	0	-100%	Relates to defined funding with a limited life.
Community Recovery Fund - Flood	0	2000	0	0%	
Heritage Victoria	61	61	61	0%	2010-11 is the first year of a three year service level agreement at \$61,000 per annum.

Question 10.3 (Department of Treasury and Finance only)

Please explain how any major changes between financial agreements with the Commonwealth have impacted on the State's budget for 2011-12, e.g. new national health and hospitals reform.

Question 10.4 (Department of Treasury and Finance only)

What has been the impact of changes to Victoria's share of the GST pool for 2011-12 and beyond?

11. Net Debt

Question 11.1 (Department of Treasury and Finance only)

In relation to the net debt projections for the non-financial public sector for the 2011-12 budget year and over the forward estimates to 2014-15, please provide a breakdown of the spread of net debt between the general government sector and each of the public non-financial corporations concerned.

Question 11.2 (Department of Treasury and Finance only)

What plans are in place to reduce Victoria's net debt position over time?

Question 11.3 (Department of Treasury and Finance only)

Does the Government expect to maintain Victoria's AAA credit rating? If so, what strategies have been put in place to achieve this?

12. Environmental Challenges

Question 12.1

- a) **What are the key environmental issues that are predicted to have an impact on services delivered by the Department's portfolios in 2011 12?**

Population growth and changing demographics

Victoria's population is growing. Eighty per cent of Victoria's population growth occurs in Melbourne. Managing future population growth has been recognised as a significant challenge, and good urban planning practices and infrastructure development will be critical to the future of Victoria's prosperity. This growth will also increase demand on key services.

In addition, population ageing has reached a critical point as the leading edge of the baby boomers reach the retirement age of 65. In the future, not only will the demand for age-related services change, but the labour market will have to adjust to a lower proportion of the population being of working age. This will have an impact on how DPCD supports communities, particularly in regional and rural Victoria, in their development.

Natural disasters

Victoria has experienced significant fires and floods in recent years. In addition, the potential of rising sea levels around coastal areas may have an impact on developments and communities in those areas.

- (b) **How have these issues been addressed in the Department's budget for 2011 12 and over the forward estimates to 2014-15?**

The following initiatives have funding in 2011-12 (some till 2014-15) to address key environmental issues:

Planning for Melbourne and Regional Victoria

Funding is provided to deliver a new outcomes-based metropolitan planning strategy for Melbourne, underpinned by substantial community engagement. The new strategy will draw on the findings of a liveability audit, activity area boundary definition, audit of green wedge land and open space and an assessment of the development potential of government owned land. It will also provide for the development of land use adaptation plans for Victoria's coastal settlements.

Transparent and efficient planning system - Regional Victorian visual significance strategic assessment and the identification of suitable sites and 'no go' zones for wind farms

Funding is provided to deliver new guidelines, clearer planning policies and deliver reforms to Victoria's planning system to provide greater fairness and certainty for communities, developers and investors in relation to the applications for new wind farm development.

Regional Land Use Plans (RLUP's)

Regional Land Use Plans (RLUP's) will be developed in partnership with Local Government to address specific change adaption and resilience issues facing regional communities.

Green Light Plan to Save Money and Cut Emissions

Funding is provided for a new program that will support councils to convert existing outmoded mercury vapour streetlamps to energy efficient fluorescent lighting, so as to reduce greenhouse emissions and reduce costs for councils and local ratepayers. In the Government's election commitments, this initiative was called 'Sustainable Street Lights'.

Bushfire Response Planning Unit

Funding is provided to extend the work of the former Bushfire Rebuild Facilitation Unit to support people rebuilding homes in bushfire prone areas. Funding is also provided for a mobile Rebuilding Advisory Service which was previously provided by the Victorian Bushfire Reconstruction and Rebuilding Authority.

Business Flood Recovery Fund

Funding is provided to support regional companies with strong growth or investment potential in areas affected by the flood events of 2010-11. Eligible businesses will be able to access grants to facilitate significant investment or growth opportunities so as to generate sustainable employment in flood-affected areas.

Community Recovery Fund

Funding is provided to assist local councils and community organisations to meet costs associated with repairing or replacing flood-damaged essential community infrastructure and to restore social networks.

Flood recovery officers

Funding is provided to engage provisional flood recovery officers to assist local councils to recover from flood damage and to progress business recovery and community engagement activities.

(c) Please list up to five key projects or programs worth over \$1 million (new and/or existing) where increased funding has been provided in the Budget to address environmental issues (including responding to climate change). Please provide a comparison of funding levels for 2010-11 and 2011-12 for existing projects if applicable.

Project/program	2010-11 Budget \$M	2011-12 Budget \$M
Bushfire Response Planning Unit	1.4	1.4
Planning for Melbourne and Regional Victoria	N/A	5.4
Green Light Plan to Save Money and Cut Emissions	N/A	5.0
Business Flood Recovery Fund	NA	7.0
Flood recovery community infrastructure fund	NA	30.0 ³

³ Funding for DPCD and the Department of Sustainability and Environment together

13. Geographic considerations

Question 13.1

In the following table, please outline the critical issues facing metropolitan, regional and rural communities in 2011-12 that depend on services provided by the Department and how the Department's 2011-12 budget addresses these issues.

Critical issues	Explanation of how these issues are addressed through the 2011-12 Budget
<i>Metropolitan Melbourne, Regional Victoria</i>	
<p>Sustainable planning to address growth and change in metropolitan and regional Victoria</p>	<p>The following initiatives will be delivered to address these issues:</p> <p>Planning for Melbourne and regional Victoria</p> <p>A new outcomes-based metropolitan planning strategy for Melbourne, underpinned by substantial community engagement. The new strategy will draw on the findings of a liveability audit, activity area boundary definition, audit of green wedge land and open space and an assessment of the development potential of government owned land. It will also provide for the development of land use adaptation plans for Victoria's coastal settlements.</p> <p>Transparent and efficient planning system</p> <p>New guidelines and clearer planning policies as well as reforms to Victoria's planning system to provide greater fairness and certainty for communities, developers and investors in relation to the applications for new wind farm development.</p> <p>Changing Places Program</p> <p>Support for physical improvements and planning work to encourage local development and investment in metropolitan and regional activity areas.</p> <p>Frankston Activities Area revitalisation</p> <p>Conceptual designs to upgrade Frankston's railway station and bus interchange areas. This initiative will also support minor works that will improve pedestrian access, security and open up spaces to attract major employers into the central Frankston activity area.</p>
<p>Strong local government and community organisations' support for the community</p>	<p>Green Light Plan to save money and cut emissions</p> <p>Support councils to convert existing outmoded mercury vapour streetlamps to energy efficient fluorescent lighting, so as to reduce greenhouse emissions and reduce costs for councils and local ratepayers.</p> <p>Ministerial-Mayors Advisory Panel</p> <p>A dedicated Ministerial-Mayors Advisory Panel will be established to provide for greater consultation between Government and metropolitan and regional councils, clarify roles and responsibilities and consider the impacts of decisions.</p>

Critical issues	Explanation of how these issues are addressed through the 2011-12 Budget
	<p>Supporting the sustainability of the not-for-profit sector Deliver a range of activities to enhance the capacity of Victoria's not-for-profit sector to meet growing and changing demands of the community.</p> <p>Indigenous governance training Governance and management training tailored to the needs of Indigenous organisations. This will build their capacity to meet their statutory obligations and organisational challenges. The training program includes the delivery of 12 introductory workshops and eight accredited courses, giving priority to Indigenous organisations experiencing governance difficulties.</p> <p>The Premiers' Reading Challenge Book Fund Support for public libraries to purchase books and materials that support the Victorian Premiers' Reading Challenge.</p>
<p>Appropriate investment in community and sporting infrastructure</p>	<p>Skilled Stadium Stage 3 redevelopment A grant to support the third stage of the redevelopment of the Geelong Football Club's stadium at Kardinia Park in Geelong. The redevelopment includes improvements to the Stadium's southern stands, increases in the seating capacity, improved spectator facilities and new facilities for community sports.</p> <p>State Sports Facilities Project Complete the construction of the State Sports Facilities Project, including a new State Athletics Centre and improved sporting facilities at the Lakeside Oval in Albert Park. This initiative also provides funding for the opening of the modernised facility and the costs to the State Sports Centre Trust associated with the facility's management.</p> <p>Community Support and Recreation Sports Package – Sport and Recreation Funding is provided for a package of initiatives to increase participation in sport in targeted locations or targeted community groups. This package replaces the former Active Families Challenge and Physical Activities Grants programs. It also enables the continuation of the Sporting Uniform Grants program, which provides one-off sporting uniform grants of up to \$1 000 to assist grassroots sport and recreation clubs to purchase a wide range of sporting uniforms.</p> <p>Community Support and Recreation Sports Package – Community Development Small scale grants to boost participation in civic activities and contribute to the cost of community infrastructure and amenities, including those in growing areas.</p> <p>Public Libraries Capital Works Program Grants on a contributed basis, and usually to local government, for upgrades to existing libraries, the construction of new libraries and the replacement or refurbishment of mobile libraries.</p> <p>Community Sport and Recreation Infrastructure Minor sport and recreation grants to address the backlog of upgrades at smaller sport and recreation facilities, such as change rooms and</p>

Critical issues	Explanation of how these issues are addressed through the 2011-12 Budget
	<p>lighting improvements.</p> <p>Funding to local councils to upgrade and improve community sporting facilities across Victoria.</p>
<p>Recognised and valued community groups</p>	<p>Honour Roll for Indigenous Victorians</p> <p>Establish an honour roll to recognise Indigenous Victorians who have contributed at the local, state or national level to address Indigenous disadvantage.</p> <p>Reconciliation Victoria</p> <p>Restore Reconciliation Victoria which is a state-based organisation that promotes reconciliation between Indigenous and non-Indigenous Victorians. Working with various local reconciliation groups across Victoria, Reconciliation Victoria will work towards fostering an understanding and appreciation of Indigenous culture and history, developing partnerships and increasing opportunities for Indigenous Victorians</p> <p>Redevelopment of the Shrine of Remembrance website</p> <p>Modernise and update the Shrine of Remembrance website, supporting commemoration and education activities to bring Victoria's rich military history to life.</p> <p>Preparing for the ANZAC Centenary and commemorative grants</p> <p>Support preparations for the commemoration of the Centenary of the First World War from 2014. It will also provide for the ongoing continuation of grants for the restoration of war memorials, commemorative events and educational activities.</p>
<p>Opportunities for community participation</p>	<p>Community Support and Recreation Sports Package – Sport and Recreation</p> <p>Package of initiatives to increase participation in sport in targeted locations or targeted community groups. This package replaces the former Active Families Challenge and Physical Activities Grants programs. It also enables the continuation of the Sporting Uniform Grants program, which provides one-off sporting uniform grants of up to \$1 000 to assist grassroots sport and recreation clubs to purchase a wide range of sporting uniforms.</p> <p>Active Sports Partnership Program</p> <p>Funding is provided to encourage the widest possible participation in sporting activities, including participation by people with a disability and senior Victorians. This program aims to promote a culture of inclusion and assist in building the capacity of sport and recreation organisations.</p> <p>Support for volunteers and coaches</p> <p>Support community sporting clubs attract, retain and build the capacity of volunteers. It will also supplement coach training across Victoria through programs that disseminate information on modern techniques and new developments in sport. Funding will also establish a web-based central source of information for sporting clubs and volunteers.</p> <p>Volunteering portal and grants</p>

Critical issues	Explanation of how these issues are addressed through the 2011-12 Budget
	<p>Ongoing management of Victoria's volunteering portal, the key online community resource since 2010 for matching volunteering interest with opportunities across a range of sectors. The ongoing funding will also provide for the new Multicultural Volunteer Awards and establishment of a Volunteer Coordination Unit in times of crises, both announced in the Government's election commitments.</p> <p>VICSWIM Summer Kidz Learn-to-Swim Program</p> <p>Support Aquatic Recreation Victoria to operate the VICSWIM 'Summer Kidz' learn-to-swim holiday program. This will introduce Victorian children to swimming while improving water safety.</p>
<p>Preservation of Victoria's heritage</p>	<p>Revitalising Victoria's heritage</p> <p>Support Heritage Victoria, the Heritage Council and local governments to meet their regulatory responsibilities on an ongoing basis, in light of increasing demand for heritage services. This initiative includes financial assistance for councils to manage heritage assets.</p> <p>Facilitating planning approvals – Aboriginal cultural heritage issues</p> <p>Support to build the statutory capabilities of key Indigenous organisations to meet their requirements as Registered Aboriginal Parties under the Aboriginal Heritage Act 2006. This will enable effective participation in decision making systems and create positive partnerships with key stakeholders.</p>
<p>Regional and Rural Victoria</p>	
<p>Strong industries and economic growth</p>	<p>Regional Growth Fund</p> <p>Support better infrastructure, facilities and services, strengthen the economic and social base of communities, create jobs and improve career opportunities for regional Victorians and support to local project development and planning.</p> <p>Regional Victoria Living Expo</p> <p>Bring together a variety of exhibitors in an Expo for Victorians to learn about the opportunities to live, work and invest in regional Victoria. The Expo will take place in Melbourne and will also seek to promote lifestyle, employment, education and business opportunities in regional Victoria.</p> <p>Stawell Gift</p> <p>Support the Stawell Gift, a significant event which has been held since 1878 and includes over 1 500 entrants in various footraces. The funding will support the event to 2015.</p> <p>Farmers Markets Support Program</p> <p>Funding is provided for rural, regional and peri-urban councils to undertake feasibility studies into proposed farmers' markets, establish new markets and expand on existing ones. The program will also provide grants to the Victorian Farmers Markets Association to provide advice, training, accreditation, consumer research, consumer information and promotional materials.</p>
<p>Fast recovery and resilience to</p>	<p>Business Flood Recovery Fund</p>

Critical issues	Explanation of how these issues are addressed through the 2011-12 Budget
<p>communities impacts by natural disasters</p>	<p>Funding is provided to support regional companies with strong growth or investment potential in areas affected by the flood events of 2010-11. Eligible businesses will be able to access grants to facilitate significant investment or growth opportunities so as to generate sustainable employment in flood affected areas.</p> <p>Community Recovery Fund</p> <p>Funding is provided to assist local councils and community organisations to meet costs associated with repairing or replacing flood-damaged essential community infrastructure and to restore social networks.</p> <p>Flood recovery community infrastructure fund</p> <p>Funding is provided to develop a program of community asset rebuilding to restore damage resulting from the floods. This includes assets managed by councils and community groups such as public halls, sporting clubrooms, sports grounds, caravan parks, and historic buildings.</p> <p>Flood recovery officers</p> <p>Funding is provided to engage provisional flood recovery officers to assist local councils to recover from flood damage and to progress business recovery and community engagement activities.</p> <p>Local Government Clean Up Fund</p> <p>Funding is provided to assist local councils to meet costs associated with providing first response services to flood-affected communities. This initiative will also support the restoration of streetscapes, tipping and waste disposal, provision of emergency livestock feed, recovery of stray livestock and business and tourism support.</p> <p>Bushfire Response Planning Unit</p> <p>Funding is provided to extend the work of the former Bushfire Rebuild Facilitation Unit to support people rebuilding homes in bushfire prone areas. Funding is also provided for a mobile Rebuilding Advisory Service which was previously provided by the Victorian Bushfire Reconstruction and Rebuilding Authority.</p>

Question 13.2

What general principles does the Department use to determine resource allocation between regional cities compared to rural localities? Please provide two examples, if possible, of programs in regional Victoria and how the breakdown of resource allocation to regional cities and rural areas was determined in those programs.

Regional Development Victoria funding is primarily delivered on a come-forward basis and prioritised based on the extent to which an applicant satisfies the program guidelines and criteria.

For some programs, RDV provides a different funding ratio for regional cities and rural areas. For example, under the Local Skills Partnership Program and the Sustainable Small Towns Development Fund the 38 smaller rural local government areas are funded on a \$3:\$1 basis and the 10 larger rural/greater city councils are funded on a \$2:\$1 basis.

Through Sport and Recreation Victoria facility funding programs, local councils in rural localities receive more favourable funding ratios, compared to regional cities. As an example, under the Strengthening the World Game Program, Regional Cities (Ballarat, Bendigo and Geelong) are subject to a funding ratio of \$1.5:\$1 and rural councils \$2:\$1. These ratios are more favourable than funding for Metropolitan councils, which are subject to a ratio of \$1:\$1. This is mirrored across other facility funding programs delivered by SRV.

The Victorian Community Support Grants (VCSG) program delineates between regions in relation to the requirement of levels of partner contributions for Building Community Infrastructure projects. Under the guidelines (effective to 30 June 2011) the VCSG program requires:

Grant Amount	Region	Funding ratio (DPCD:Other)
Up to \$50,000	Metropolitan	\$1:\$1
	Regional cities: Ballarat, Bendigo, Geelong	\$1.5:\$1
	Outer metro / Interface: Cardinia, Casey, Hume, Melton, Mornington, Nillumbik, Whittlesea, Wyndham, Yarra Ranges	\$1.5 \$1
	Rural	\$2:\$1
Up to \$1,000,000	Metropolitan	\$1:\$3
	Regional cities: Ballarat, Bendigo, Geelong	\$1:\$2
	Outer metro / Interface: Cardinia, Casey, Hume, Melton, Mornington, Nillumbik, Whittlesea, Wyndham, Yarra Ranges	\$1:\$2
	Rural	\$1:\$1

Example:

DPCD \$1: \$2 Other – DPCD will contribute \$1 for every \$2 from other sources. For example, a project in a regional city valued at \$600,000 can request a maximum \$200,000 from DPCD.

Other programs designed to address specific needs, including bushfire and flood recovery responses, identify target areas based on levels of impact and need and are program-specific.

Question 13.3

Please complete the following table for up to five of the Department's projects (in terms of expenditure) benefiting regional and rural Victoria:

Project	Budget allocation for 2011-12 (\$m)	New or existing project?	Purpose of the project	How is the funding to be spent?	What performance measures are in place?	Expected net benefits	Net present value
Regional Growth Fund	125.000	New	A new initiative for Regional Victoria to Provide better infrastructure, facilities or services. Strengthen the economic base of communities. Create jobs and improve career opportunities for regional Victorians.	Grants to local governments and non-government organisations for projects in regional Victoria.	Regional infrastructure projects funded Economic development, service delivery and community capacity projects funded Number of towns included in the Energy for the Regions Program Putting Local First Fund projects recommended by Regional Development Committees approved for funding Local Government Infrastructure Account grants acquitted within specified timelines	Victoria's regional economy is stronger Regional Victorians have more job opportunities and improved career options Regional communities are more sustainable and resilient Local communities lead development in their region	NA
Flood Response Package	37.000 ⁴	New	To support community and business recovery in those parts of regional Victoria impacted by the 2010-11 Floods.	Grants to local governments and non-government organisations for projects in regional Victoria.	Regional infrastructure projects funded	Alleviate immediate flood impacts and address long-term economic and social recovery issues	NA

⁴ Business Flood Recovery Fund \$7m, Flood recovery community infrastructure fund (\$30m, between DPCD and DSE)

Project	Budget allocation for 2011-12 (\$m)	New or existing project?	Purpose of the project	How is the funding to be spent?	What performance measures are in place?	Expected net benefits	Net present value
Skilled Stadium Stage 3 Redevelopment Project	12.500	New	To ensure Skilled Stadium remains a premier regional sporting venue, increase its capacity to host significant sporting events and increase the access and availability of the sporting venue.	The Government's funds for this initiative will be delivered as a grant directly to the Geelong Football Club in response to achievement of project milestones.	Project milestones related to development and construction outcomes.	This initiative will increase the seating capacity of the stadium to 34,500, enhance the spectator facilities and provide community benefits.	NA
Sustainable Small Towns Development Fund	8.000	Existing	Enhance economic growth and the appeal and liveability of rural townships and surrounding areas by developing economic and social infrastructure.	Grants to local governments for projects in regional Victoria.	Regional infrastructure projects funded	Projects will: enhance business competitiveness or economic activity; improve liveability and social cohesion; improve resilience and adaptability to changing circumstances.	NA
Living Regions Living Suburbs	6.074	Existing	Support economic and social renewal in regional, rural and interface communities, with a particular emphasis on recovery.	Grants to local governments and non-government organisations for projects in regional Victoria and interface areas.	Regional infrastructure projects funded. Economic development, service delivery and community capacity projects funded.	Development of a sound economic base through the economic and social revitalisation of individual communities.	NA
Transport Connections	5.800	Existing	Funding to 34 projects to bring	Grants to local governments and non-	Coordination and implementation of	Targeted transport and mobility initiatives that	NA

Project	Budget allocation for 2011-12 (\$m)	New or existing project?	Purpose of the project	How is the funding to be spent?	What performance measures are in place?	Expected net benefits	Net present value
Program			<p>together community and transport providers to develop coordinated ways of using existing transport assets.</p> <p>An Innovation Fund to support local, regional and statewide new local, community and active transport initiatives.</p>	government organisations.	actions within agreed performance targets: Transport Connections Initiatives.	improve rural and regional communities' access to services, jobs and social connection including volunteering.	

14. Performance measures

Question 14.1

Please provide the rationale for any change in performance measures presented in the budget papers for 2011-12 (including new and discontinued measures).

Each year, the Department reviews its output statements to ensure that performance measures and targets are robust, relevant, and accurately reflect the activities of the Department for the coming financial year. This includes introducing new measures in 2011-12 or changing existing targets to reflect new budget initiatives.

Some measures are re-worded to ensure clarity and consistency of measures across the Department, while others are proposed for discontinuation due to the completion of program/service delivery, cessation of funding or a change in government policy.

Refer to the Department's output statements in Budget Paper No. 3 for a detailed explanation of the rationale behind changes to individual performance measures.

Question 14.2

For any performance measures where there is a variance of over 10 per cent between the expected outcome for 2010-11 and the target for 2011-12, please provide the reasons for the variance.

Output	Performance measure	Unit of measure	2011-12 Target	2010-11 Expected Outcome	2010-11 Target	2009-10 Actual	Reason
Planning	Regional Urban Development Program projects completed	number	19	5	5	nm	The 2011-2012 Target is greater than the 2010-2011 Target and Expected Outcome as it reflects two analytical reports that relate to 19 projects completed covering the remaining large cities and approximately 161 small towns across regional Victoria.
Local Government	Grants provided to improve public library services	number	10	15	8	19	The 2011-12 Target is higher than the 2010-11 Target to reflect renewed funding. The 2010-11 Expected Outcome is higher than the 2010-11 Target as a result of greater collaboration between Local Government Victoria and Library Services which allowed for the funding of more projects than previously anticipated. This was also attributed to a decrease in the average amount of funding requested per project.

Question 14.3

For each initiative (asset or output) in the 2011-12 Budget with a total cost over the forward estimates greater than \$20 million (or a TEI over \$20 million), please list all new and existing performance measures in the budget papers related to the initiative.

Asset or output initiative	Performance measure
Skilled Stadium Stage 3 Redevelopment Project	Projects related to state level facilities in progress.
CAA - Broadmeadows	Central Activities Area projects delivered against agreed project implementation plans.
Revitalising Central Dandenong	While Revitalising Central Dandenong isn't a Central Activities Area, the performance of the project is counted under 'Central Activities Area projects delivered against agreed project implementation plans'.
2010-11 Melbourne and Olympic Park Redevelopment Stage 1	Projects related to state level facilities in progress.
Regional Growth Fund	Economic development, service delivery and community capacity projects funded. Energy for the Regions Program: Number of towns included. Regional infrastructure projects funded. Putting Locals First Fund projects recommended by Regional Development Committees approved for funding. Grants acquitted within the timeframe specified in the terms and conditions of the funding agreement: Local Government Infrastructure Account.
Community Support and Recreational Sports Package	Community Support Projects funded through the Community Support and Recreational Sport Package meet agreed project objectives. Sporting uniform grants: number approved.

15. Staffing matters

Question 15.1

Please fully complete the spreadsheet in the accompanying Excel file, providing actual EFT staff numbers at 30 June 2010 and estimates of EFT staff numbers (non-executive officers, executive officers and departmental secretary classifications) at 30 June 2011 and 30 June 2012 for the Department and its major budget funded agencies.

See attachment A

Attachment A – Staffing numbers (Question 15.1)

Please fully complete the table below, providing actual EFT staff numbers at 30 June 2010 and estimates of EFT staff numbers (non-executive officers, executive officers and departmental secretary classifications) at 30 June 2011 and 30 June 2012 for the Department.

Please provide all figures to the nearest 0.1 EFT.

Classification	30 June 2010 (Actual) (EFT)					30 June 2011 (Estimate) (EFT)					30 June 2012 (Estimate) (EFT)				
	Ongoing	Fixed term	Casual	Funded vacancy	Total	Ongoing	Fixed term	Casual	Funded vacancy	Total	Ongoing	Fixed term	Casual	Funded vacancy	Total
Secretary	1	0			1	1				1	1				1
Executive Officer Grade 2	16	0			16	14				14	14				14
Executive Officer Grade 3	20	0			20	22				22	22				22
STS	4	1			5	3				3	3				3
Principal Scientist	1	1			2	2	1.8			3.8	2	1.8			3.8
Grade 6	194.3	28.5			222.8	195.5	26.1			221.6	195.5	23.1			218.6
Grade 5	258.7	76.4			335.1	250.9	55.4			306.3	250.9	49.4			300.3
Grade 4	188.2	61.8			250	173	38.9			211.9	173	33.3			206.3
Grade 3	137.9	30			167.9	131.5	19.2			150.7	131.5	16.7			148.2
Grade 2	37.4	16			53.4	36.4	4.8			41.2	36.4	3.8			40.2
Grade 1	0	0			0	0	0.6			0.6	0	0			0
Ministerial Chauffeurs	4	0			4	3	0			3	3				3
Senior Regulatory Analysts	0	0			0	2	0			2	2				2
Chief Executive	0	0			0	1	0			1	1				1
	862.5	214.7			1077.2	835.3	146.8			982.1	835.3	128.1			963.4

Note: 30 June 2011 estimate EFT is based on initial assessment; EFT will be refined at a later date.

The Department of Planning & Community Development is unable to provide data on 'funded vacancies' as no such category exists. Section 20 of the Public Administrations Act 2004 devolves authority to Secretaries, who may engage staff as required to exercise the Department's functions. A position does not become vacant but rather ceases, with the departure of the incumbent, and the Secretary at his discretion, may choose to engage another person to undertake the same or other duties depending on the needs of the Department.

Contact details

Department: Department of Planning and Community Development

Contact Officer: Simone Reichstein

Position: Director, Corporate Strategy

Contact Numbers: Telephone: 9208 3718

Fax: 9208 3679

E-mail: simone.reichstein@dpcd.vic.gov.au

The completed questionnaire must be returned in two parts:

PART A: by 5:00 pm, Thursday, 28 April 2011

PART B: by 5:00pm, Wednesday, 4 May 2011

Please return the response (including an electronic Word version) of the questionnaire to:

Ms Valerie Cheong

Executive Officer

Public Accounts and Estimates Committee

Level 3, 55 St Andrews Place

EAST MELBOURNE VIC 3002

Telephone: (03) 8682 2863

Fax: (03) 8682 2898

Email: paec@parliament.vic.gov.au

For inquiries on this questionnaire, please contact the Executive Officer or:

Christopher Gribbin Ian Claessen

Senior Research Officer Research Officer

(03) 8682 2865 (03) 8682 2861

10.2(d) - Other Commonwealth grants

Please provide the following details for any other Commonwealth grants pertaining to functions carried out by the Department in 2011-12.

Please provide all figures to the nearest \$0.1 million.

Output/project	Budget 2010-11	Revised 2010-11	Budget 2011-12	Change between 2011-12 Budget and Revised 2010-11 (%)	Reason for change
Regional Development and Regional Cities - Regional Development Australia	2,910	2962	2962	0	Note: the 2011-12 budget will increase by a small amount as it is indexed. Indexation is not yet known.
Australian Sports Commission	331	331	195	-41%	Indigenous component of ASC funding still to be confirmed.
Community Recovery Fund - Bushfire	992	992	0	-100%	Relates to defined funding with a limited life.
Community Recovery Fund - Flood	0	1000	1000	0%	
Heritage Victoria	61	61	61	0%	2010/11 is the first year of a three year service level agreement at \$61,000 per annum.

15 - Staffing matters

Please fully complete the table below, providing actual EFT staff numbers at 30 June 2010 and estimates of EFT staff numbers (non-executive officers, executive officers and departmental secretary classifications) at 30 June 2011 and 30 June 2012 for the Department

Please provide all figures to the nearest 0.1 EFT.

Classification	30 June 2010 (Actual) (EFT)					30 June 2011 (Estimate) (EFT)					30 June 2012 (Estimate) (EFT)				
	Ongoing	Fixed term	Casual	Funded vacancy	Total	Ongoing	Fixed term	Casual	Funded vacancy	Total	Ongoing	Fixed term	Casual	Funded vacancy	Total
Secretary	1	0			1	1				1	1				1
Executive Officer Grade 2	16	0			16	14				14	14				14
Executive Officer Grade 3	20	0			20	22				22	22				22
STS	4	1			5	3				3	3				3
Principal Scientist	1	1			2	2	1.8			3.8	2	1.8			3.8
Grade 6	194.3	28.5			222.8	195.5	26.1			221.6	195.5	23.1			218.6
Grade 5	258.7	76.4			335.1	250.9	55.4			306.3	250.9	49.4			300.3
Grade 4	188.2	61.8			250	173	38.9			211.9	173	33.3			206.3
Grade 3	137.9	30			167.9	131.5	19.2			150.7	131.5	16.7			148.2
Grade 2	37.4	16			53.4	36.4	4.8			41.2	36.4	3.8			40.2
Grade 1	0	0			0	0	0.6			0.6	0	0			0
Ministerial Chauffeurs	4	0			4	3	0			3	3				3
Senior Regulatory Analysts	0	0			0	2	0			2	2				2
Chief Executive	0	0			0	1	0			1	1				1
	862.5	214.7			1077.2	835.3	146.8			982.1	835.3	128.1			963.4

Note: 30 June 2011 estimate EFT is based on initial assessment; EFT will be refined at a later date.

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