

APPENDIX 3: DEPARTMENTAL REVIEWS

3.1 Parliamentary Departments

3.1.1 *Departmental assumptions and performance measures*

3.1.1.1 *Question*

Please list the key assumptions (up to five) that have been used to develop the department's budget projections for 2008-09.

Response

The Premiers commitment to Web Casting Proceedings.

Sustainability initiatives including environmental and IT infrastructure.

Members requests for relocation and refurbishment of Electorate Offices.

Limiting impacts where possible of expenses in excess of DTF funding.

3.1.1.2 *Question*

What have been the key budget themes/issues that have had to be taken into account in framing the department's budget?

Response

Continuing to deliver apolitical, professional and innovative services which will support our elected representatives and the Parliament as an institution.

Providing services that continue to assist members serve their constituents, through efficient and reliable budgets and budgetary procedures.

3.1.1.3 *Question*

What impact have developments at the Commonwealth level had on preparing the department's component of the 2008-09 state budgets?

Response

Minimal (if any) impact has resulted from development at the Commonwealth level.

3.1.1.4 *Question*

Please provide the rationale for any change in performance measures presented in the budget papers for 2008-09 (including new and discontinued measures).

Response

Any changes to performance measures in the 2008-09 budget papers are a direct result of name changes to the measures. The same information will be reported against these new measures.

3.1.1.5 Question

For any performance measures where there is a variance of over 10 per cent between the expected outcome for 2007-08 and the target for 2008-09, please provide the reasons for the variance.

Response

Output Group/Performance Measure	2007-08 Expected Outcome	2008-09 Target	Variance	Explanation
Legislative Assembly Documents Tabled within time Guidelines	99.5%	90%	10.6%	This variance is largely attributable to the dedication and professionalism of the staff who are often working under the pressure of very tight time frames. This excellent result may be impacted in 2008-09 as it is dependent on the complexity of the documents that staff is dealing with.
Parliamentary Services Items processed for retrieval	38,000	27,000	28.9%	The definition of this measure has been redefined to ensure relevant items such as print and electronic media are captured within the performance measure. Other incidental items have been included in previous counts.

3.1.2 Asset Funding

3.1.2.1 Question

Please provide a list of the asset investment projects for which capital expenditure is budgeted to occur in 2008-09.

Response

Parliament House Heritage Asset Management Strategy – Phase one, year three.

Web casting of Parliamentary Proceedings – Funded through ERC process

Main elevator motor upgrade – internally funded by the Parliament

Continuation of CAT - 7 cable installation – internally funded by the Parliament

3.1.2.2 Question

- (a) What are the future infrastructure challenges (immediate and long-term) facing Victoria that relate to the department's responsibilities?

Response

1. Security for the Parliamentary Precinct and Electorate Offices
2. Continuation of the Parliament House Heritage Asset Management Strategy.
3. Development of a Parliamentary Precinct Master Plan.

3.1.2.3 Question

- (b) Has the department undertaken (or plans to undertake) any forward looking assessment of infrastructure demand and future needs as they relate to the department's operations? If so, please provide details of the findings.

Response

Yes. The Parliament is currently undertaking a review of the future infrastructure needs. This review will form the basis of the Parliamentary Precinct Master Plan.

- (c) Please outline any asset investment projects of the department to be undertaken in 2008-09 that are linked to whole of government infrastructure initiatives.

Response

N/A

3.1.2.4 Question

In relation to the unapplied output and asset funding carried forward to 2008-09, please provide:

- (a) a breakdown of the carried forward funding for both output and asset initiatives;
- (b) the underlying reasons for the department's funding carryover for each category; and
- (c) the intended revised timing for use of the carried forward funds.

Response

Asset Initiatives

Parliament House Heritage Asset Management Strategy

An estimated carryover of \$4.5 million is anticipated to occur from the 2007-08 financial year into 2008-09. Significant delays have been experienced in completed the complex elements of this project leading to time delays. Completion of Phase one of the strategy is expected to occur prior to the end of the 2008-09 financial year.

Output Initiatives

Member Electorate Office Budgets and Allowances

An estimated carryover from 2007-08 to 2008-09 of \$2.56 million has been made for the unspent Electorate Office Budgets and Allowances of Members. This funding will be made available to Members in operating their electorate offices during 2008-09.

Relocations and Refurbishment of Electorate Offices

Additional funding was provided in 2007-08 for a number of relocations and refurbishments that were required for Members offices as a result of the November 2006 election. A number of Members have been relocated or had their existing offices refurbished however due to issues in sourcing suitable premises a number of relocations are still to take place. Funding of \$0.5 million is requested for carryover to 2008-09 to allow these relocations and refurbishments to take place.

3.1.3 Efficiencies and savings

3.1.3.1 Question

In relation to the estimated efficiencies to be derived in 2008-09 (including from the various measures that fall under the umbrella of the *Efficient Government* policy and the other targeted initiatives, as initially presented in the 2007-08 State Budget), please provide:

- (a) a breakdown of the planned efficiency savings according to the various measures of efficiency that apply to the department's operations;
- (b) an explanation of:
 - (i) how decisions regarding applicable savings measures are to be made;
 - (ii) the nature of their expected impact on programs such programs accelerated or deferred; and
 - (iii) the basis for estimating the savings target to be achieved for each measure; and
- (c) particulars of any changes to the department's allocated savings for 2008-09 from the data shown in the 2007-08 Budget.

Response

This question does not apply to the Parliamentary Departments. Any efficiencies derived from the Departments budgets are allocated to cover the unfunded component of staff salary increases.

3.1.4 Economic impacts, initiatives and improvements

3.1.4.1 Question

Please explain how the following economic related factors and the impact on departmental initiatives have been addressed in framing the department's budget for 2008-09:

- (a) Interest rates

Response

N/A

- (b) Inflation

Response

This will affect the general procurement process increasing purchasing costs above the indexation factor applied by the DTF funding model. The items likely to have the greatest impact on the Parliamentary Departments include MP's motor vehicle fleet costs such as leasing, maintenance and fuel costs. Additional expenses may also include rental agreements for Members Electorate Offices and maintenance services to these offices. Initiatives have been developed to try and limit the impact of these increases.

- (c) Productivity improvement

Response

Productivity requirements on current enterprise bargaining agreements are in line with the Governments wages policy where a productivity improvement of 0.5% is required. With the electorate officers agreement and the parliamentary officers agreement all due for renegotiation in the next eighteen months, this will place significant stress on the financial resources of the Parliament.

- (d) National Reform Agenda initiatives

Response

N/A

3.1.5 Environmental challenges

3.1.5.1 Question

- (a) What are the key environmental issues that are predicted to have an impact on services delivered by the department's portfolios in 2008-09?

The Parliament of Victoria is currently developing a sustainability framework in conjunction with Sustainability Victoria.

(b) How have these issues been addressed in the department’s budget estimates for 2008-09?

No budget impacts have been identified.

(c) Please list five projects or programs worth over \$1million (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 2007-08 and 2008-09 for existing projects if applicable).

Response

Not applicable to the Parliamentary Departments.

3.1.5.2 Question

What initiatives are planned to be implemented by the department in 2008-09 in order to enhance energy reporting?

Response

Data capture of usage information will continue in 2008-09 to assist with reporting of energy usage. Systems are being developed to assist with enhanced energy reporting.

The Parliament will also move to 100% green energy in the near future as announced in a recent statement by the Minister for Environment and Climate Change at the Victorian Climate Change Summit.

3.1.6 Financial information

3.1.6.1 Question

In relation to output costs, please explain any variations of more than 10 per cent between the expected outcome for 2007-08 and the target for 2008-09 for individual outputs.

Response

Output summary

(\$ million)

	2007-08 Revised^(a)	2008-09 Budget	Variation^(b) %
Legislative Council	8.6	8.8	2.3
Legislative Assembly	17.2	17.8	3.5
Parliamentary Services	62.6	70.6	12.8
Parliamentary Investigatory Committees	6.2	6.2	0.0
Total	94.6	103.4	9.3

Source: Parliament of Victoria

A variation of 12.8% has occurred between the 2008-09 Budget and the 2007-08 Revised budget due mainly to the Carryover of funding for the Members Electorate Office Budget and Allowances. There is also a carryover for a number of electorate office refurbishments or relocations that were scheduled to occur in 2007-08 where completion has been delayed until the 2008-09 financial year.

3.1.6.2 Question

In relation to expenses from transactions that relate to 'Employee Benefits', if a variation of more than 10 per cent arises between the Estimated Actual for 2007-08 and the budget for 2008-09, please provide an explanation.

Response

No variance greater than 10% has arisen.

3.1.6.3 Question

Please provide a tabular dissection of the department's 2008-09 budget and expected expenditure for 2007-08 under the Government's key themes presented annually in the Victorian Budget Overview (see pp.5-7 of 2007-08 document) differentiating between new funding initiatives and ongoing funding.

Response

As this question relates to the Government's key themes, the Parliamentary Departments are not funded on this basis and can not answer this question.

3.1.7 Regional and rural considerations

3.1.7.1 Question

- (a) What are the critical issues facing regional and rural communities in 2008-09 that depend on services provided by the department (please provide comment relating to particular areas of the state where applicable)?

Response

Apart from the provision of electorate offices for Members in rural and regional areas, there are no other services provided by the Parliament that are critical issues for rural and regional communities.

- (b) How does the department's 2008-09 budget address these issues?

Response

N/A

- (c) Please provide a table showing for up to ten of the department's largest projects (in terms of expenditure) the:
- (i) budget allocation for 2008-09 dissected between new and existing projects
 - (ii) the purpose of each project
 - (iii) how the funding is to be spent

- (iv) the performance measures in place to assess performance

Response

This question is not relevant to the Parliamentary Departments.

3.1.8 Communication, advertising, and promotion

3.1.8.1 Question

- (a) What is the communication, advertising and promotion budget for 2008-09? Please also provide the expected actual expenditure for 2007-08.

Response

Expected Communications spend for 07-08 is expected to be around the \$212,000 based on current trend 1% below budget.

	Actual 2006/07	Annualised Actual	Estimated Budget 2007/08
Legislative	\$ 7,529	\$ 17,795	\$10,000
Legislative	-	-	\$12,000
Parliamentary	\$ 23,994	\$ 64,631	\$25,000
Committees	\$ 53,176	\$ 57,406	\$ 60,000
Members	\$ 194,826	\$ 175,718	\$ 190,000
Total	\$ 279,525	\$ 315,551	\$ 297,000

- (b) How does the 2008-09 budget compare with the estimated expenditure to be incurred on communications, advertising and promotion during 2007-08 (due to machinery of government changes relating to the structure of departments, if applicable please break down according to like agencies where possible for comparative purposes)?

Response

The 2008-09 budget estimate is almost 6% lower than the 2007-08 estimated expenditure.

3.1.9 Non government sector

3.1.9.1 Question

- (a) Please provide a summary of the funding provided through the budget that will be disseminated by the department through to the non-government sector in 2008-09
- (b) Please provide a brief description of the performance monitoring framework that will be in place during 2008-09 to enable the department to monitor whether government funding is spent efficiently and effectively by non-government organisations for the intended purpose

Response

This question does not relate to the Parliamentary Departments.

3.1.10 Revenue initiatives/departmental income

3.1.10.1 Question

- (a) In relation to 2008-09, please outline any new revenue raising initiatives and/or major changes to existing revenue initiatives? If applicable, please provide details of these initiatives together with anticipated revenue collections.
- (b) Please outline the actual and expected financial impact in 2008-09 of any revenue foregone initiatives (such as tax relief measures) falling within the responsibility of the department.

Response

This question is not applicable to the Parliamentary Departments as they are not considered revenue generating entities.

3.1.10.2 Question

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 2007-08 and the budget for 2008-09.

Response

This question is not applicable to the Parliamentary Departments as they are not considered revenue generating entities.

3.1.11 Fees, fines, concessions and subsidies

3.1.11.1 Question

Please provide a list of fees, fines, charges etc. administered by the department and the expected revenue from each of these in 2008/09. What is the expected increase for each of these (eg. in dollars and percentage terms), if any?

Response

This question is not applicable to the Parliamentary Departments as they are not considered revenue generating entities.

3.1.11.2 Question

Please provide a detailed list of subsidies and concessions (both direct and indirect) to be provided by the department in 2008/09 (including, for example, estimated number, average subsidy or concession, estimated cost).

Response

This question is not applicable to the Parliamentary Departments as they are not considered revenue generating entities.

3.1.12 Staffing matters

3.1.12.1 Question

Using the format below, please provide actual EFT staff numbers at 30 June 2007 and estimates of EFT staff numbers (non-executive officers, executive officers and departmental secretary classifications) at 30 June 2008 and 30 June 2009 for the department and its major budget funded agencies.

Employment — Equivalent full-time staff

Classification	30-Jun-07					30-Jun-08					30-Jun-09				
	(Actual) (EFT)					(Estimate) (EFT)					(Estimate) (EFT)				
	On-going	Fixed term	Casual	Funded vacancy	Total	On-going	Fixed term	Casual	Funded vacancy	Total	On-going	Fixed term	Casual	Funded vacancy	Total
Legislative Assembly															
Grade 1	0.58				0.58	0.58				0.58	0.58				0.58
Grade 2	17.00			1.00	18.00	17.00			2.00	19.00	17.00			1.00	18.00
Grade 3	5.00				5.00	5.00				5.00	5.00				5.00
Grade 4	1.00	2.00		1.00	4.00	1.00	1.00		1.00	3.00	1.00	1.00		1.00	3.00
Grade 5	1.00				1.00	1.00				1.00	1.00				1.00
Grade 6	2.00	0.80			2.80	2.00				2.00	2.00				2.00
Executive Officer Grade 3	1.00				1.00	1.00				1.00	1.00				1.00
Executive Officer Grade 2	1.00				1.00	1.00				1.00	1.00				1.00
Members of Parliament*	71.00				71.00	71.00				71.00	71.00				71.00
Total Legislative Assembly	99.58	2.80	0.00	2.00	104.38	99.58	1.00	0.00	3.00	103.58	99.58	1.00	0.00	2.00	102.58
Legislative Council															
Grade 1	1.00				1.00	1.00				1.00	1.00				1.00
Grade 2	6.00			3.00	9.00	9.00				9.00	9.00				9.00
Grade 3	5.00				5.00	5.00				5.00	5.00				5.00
Grade 4	1.00				1.00	1.00	1.00			2.00	1.00	1.00			2.00
Grade 5	1.00				1.00	1.00				1.00	1.00				1.00
Grade 6	2.00				2.00	3.00				3.00	3.00				3.00
Executive Officer Grade 3	1.00				1.00	1.00				1.00	1.00				1.00
Executive Officer Grade 2	1.00				1.00	1.00				1.00	1.00				1.00
Members of Parliament*	37.00				37.00	37.00				37.00	37.00				37.00
Total Legislative Council	55.00	0.00	0.00	3.00	58.00	59.00	1.00	0.00	0.00	60.00	59.00	1.00	0.00	0.00	60.00
*Members of Parliament are not considered Employees of the Parliament but are recorded for remuneration purposes															

Report on the 2008-09 Budget Estimates – Part One

Classification	30-Jun-07					30-Jun-08					30-Jun-09				
	(Actual) (EFT)					(Estimate) (EFT)					(Estimate) (EFT)				
	On-going	Fixed term	Casual	Funded vacancy	Total	On-going	Fixed term	Casual	Funded vacancy	Total	On-going	Fixed term	Casual	Funded vacancy	Total
Parliamentary Services															
Grade 1	0.00				0.00	0.00				0.00	0.00				0.00
Grade 2	16.40	2.20		0.00	18.60	15.40	1.60		3.00	20.00	15.40	1.60		3.00	20.00
Grade 3	21.40	2.60		1.00	25.00	22.50	3.60		0.00	26.10	22.50	3.60		0.00	26.10
Grade 4	13.89	1.00		0.11	15.00	19.00	1.00			20.00	19.00	1.00			20.00
Grade 5	24.40	0.60		1.00	26.00	24.80	1.00		2.00	27.80	24.80	1.00		2.00	27.80
Grade 6	14.00			1.00	15.00	15.00				15.00	15.00				15.00
Sessional Staff			5.59		5.59			5.87		5.87			5.87		5.87
Electorate Officers	204.59	7.55		8.86	221.00	245.23	4.01		7.76	257.00	245.23	4.01		7.76	257.00
Executive Officer Grade 3	3.00				3.00	3.00				3.00	3.00				3.00
Executive Officer Grade 2		1.00			1.00		1.00			1.00		1.00			1.00
Total Parliamentary Services	297.67	14.95	5.59	11.97	330.18	344.93	12.21	5.87	12.76	375.77	344.93	12.21	5.87	12.76	375.77
Joint Investigatory Committees															
Grade 1	0.00				0.00	0.00				0.00	0.00				0.00
Grade 2	2.60			1.00	3.60	2.60	0.75		0.25	3.60	2.60	0.75		0.25	3.60
Grade 3	10.00	1.6		4.50	16.10	13.00	0.40		1.20	14.60	13.00	0.40		1.20	14.60
Grade 4	0.00				0.00	1.00				1.00	1.00				1.00
Grade 5	7.40	3		4.60	15.00	9.80	6.85		2.95	19.60	9.80	6.85		2.95	19.60
Grade 6	12.80	0.2			13.00	11.00	1.00			12.00	11.00	1.00			12.00
Total Joint Invest. Committees	32.80	4.80	0.00	10.10	47.70	37.40	9.00	0.00	4.40	50.80	37.40	9.00	0.00	4.40	50.80

Staff increases have occurred in the following areas as a result of additional funding:

Department of Parliamentary Services – Electorate Officers has increase by a maximum of 1 additional Electorate Officer for each of the Legislative Council Members from July 1 2007.

- additional positions were created for the following positions – Budget Analyst, HR Systems Analyst, Security Coordinator and Business Continuity Project Manager

Joint Investigatory Committees – Additional funding has been received for an additional 3 staff to work on the Public Accounts and Estimates Committee Inquiries.