



PUBLIC ACCOUNTS AND ESTIMATES COMMITTEE

2012-13 BUDGET ESTIMATES QUESTIONNAIRE

DEPARTMENT OF JUSTICE

1. Strategic Priorities

Question 1.1

- (a) What are the Department's key strategic priorities underpinning its budget for 2012-13 and over the forward estimates to 2015-16?

DEPARTMENT OF JUSTICE

The key priorities underpinning the 2012-13 Budget and forward estimates to 2015-16 for the department relate to implementation of the government's election commitments, and managing demand pressures in the Justice Portfolio, addressing in particular:

- supporting Victoria Police in the delivery of additional police officers, Protective Service Officers (PSOs), and investment in Victoria Police infrastructure
- taking a comprehensive approach to improving community safety and crime prevention through delivery of:
 - the Community Crime Prevention Program, including anti-graffiti initiatives such as graffiti removal programs and graffiti prevention and removal grants; Community Safety Fund grants; Public Safety Infrastructure Fund grants; and the Reducing Violence Against Women and their Children grants, and
 - Family violence law reform
- strengthening the independence of the Courts system
- wide ranging reforms in sentencing
- enhancing the capacity of Corrections Victoria to effectively manage prisoners and offenders
- taking a comprehensive approach to enhance emergency management through:
 - leading or supporting the implementation of all the Victorian Bushfires Royal Commission recommendations
 - supporting emergency services volunteers
 - investing in emergency management infrastructure and equipment
- leading the development of the government's Emergency Management White Paper
- supporting the establishment and leading the implementation of the Independent Broad-based Anti-corruption Commission (IBAC)
- establishing the independent Freedom of Information (FOI) Commissioner
- ensuring responsible regulation through:
 - supporting operations and policies that protect and promote the interests of consumers
 - supporting operations and policies that regulate the gambling, liquor and racing industries
- fostering responsible gambling, and reducing the prevalence and severity of problem gambling through the establishment of the Victorian Responsible Gambling Foundation, and
- supporting the growth and development of the racing industry.

VICTORIA POLICE

Victoria Police strategic priorities for 2012-13 are currently being finalised and include a review and update of the current strategic plan (The Way Ahead 2013-2018).

Strategic priorities for Victoria Police will focus on key government election commitments including:

- recruitment, training and deployment of 1700 additional frontline police
- recruitment training and deployment of 940 PSOs to train stations, and
- the operational and corporate/admin processes required to support these key initiatives.

Victoria Police's key strategic priorities for 2012-13 continue to be based on the priorities enunciated in *The Way Ahead 2008-2013*. These priorities are:

- A Safer Victoria
- Connecting the Community
- Valuing our People.

Operational priorities are developed each year following a state-wide strategic assessment, which considers emerging risks based on contemporary intelligence and community feedback. These annual operational priorities are closely linked to the strategic priorities outlined in *The Way Ahead 2008-13*.

Ongoing priorities underpinning the budget into 2012-13 and over the forward estimates are:

- Taking a comprehensive approach to tackling crime and crime prevention, including family violence, street crime, drugs and road safety offences
- Accelerating delivery of 1700 additional police
- Delivery of 940 PSOs
- Delivering associated infrastructure for additional Police and PSOs.

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

DEPARTMENT OF JUSTICE

The department's strategic priorities build on those of the previous year. During 2011-12 the integration of the administration of gambling and liquor licensing through the creation of the Victorian Commission of Gambling and Liquor Regulation (VCGLR) was completed.

The VCGLR is an independent statutory authority that administers Victoria's liquor and gambling laws, and is responsible for:

- liquor and gambling licensing
- compliance activities to prevent and detect breaches, and
- industry and public education about regulatory practices and requirements.

The VCGLR became operational on 6 February 2012.

To increase integrity, transparency and accountability in relation to speed and red light cameras, a 2011-12 government priority was to establish an office of the Road Safety Camera Commissioner, and to appoint a Commissioner.

The role of the Road Safety Camera Commissioner is to provide Victorian motorists with an independent avenue to test the validity of the Victoria's road safety camera system by:

- independently monitoring and reviewing current camera operations
- investigating and reviewing: any part of the system at his own choosing, or at the request of the Minister
- managing complaints
- establishing a reference group of external advisors to assist him in his role.

Former County Court Judge Gordon Lewis AM was appointed as Victoria's Road Safety Camera Commissioner. The Office of the Commissioner became operational on 6 February 2012.

Progress in relation to sentencing reforms included the introduction of the new single, flexible Community Correction Order, which commenced on 16 January 2012. To 26 April, over 2,400 new orders have been made. The next phase of sentencing reforms will be rolled out during 2012-13.

VICTORIA POLICE

Pending completion of Victoria Police's strategic plan update, there have been no changes to the strategic priorities for Victoria Police for 2012-13 relative to 2011-12.

- (c) What are the impacts of any differences in the Department's strategic priorities between 2011-12 and 2012-13 on funding and resource allocation in the 2012-13 Budget?

There are no funding and resource allocation impacts on the 2012-13 Budget arising from the minor differences in the department's priorities between 2011-12 and 2012-13.

As there are no differences to date in the strategic priorities for Victoria Police between 2011-12 and 2012-13, there are no impacts on funding and resource allocation in the 2012-13 budget.

- (d) Please identify any programs or initiatives (asset or output) over \$2 million relevant to the Department that have been curtailed, deferred, discontinued or completed as a result of changes in strategic priorities between 2011-12 and 2012-13. In describing the programs or initiatives, please use the same names as are used in the budget papers where applicable.

There are no programs or initiatives (asset or output) over \$2 million relevant to the department or Victoria Police that have been curtailed, deferred, discontinued or completed as a result of changes in strategic priorities between 2011-12 and 2012-13.

Question 1.2

Please identify any programs or initiatives that have lapsed in 2011-12 (i.e. will not be continued in 2012-13). For each program or initiative, please indicate the impact on the community of the lapsing. In describing the programs or initiatives, please use the same names as are used in the budget papers where applicable.

The table identifies programs or initiatives that do not continue in 2012-13. It is often not possible to provide detail as requested in respect of the effect of lapsing programs or initiatives. Programs and initiatives can cease in a variety of circumstances, including that the programs may have been for projects of a fixed duration or for a specific purpose which has been achieved; the programs may have been merged with other continuing programs; the particular function may have been transferred through machinery of government changes; or a program might be worthwhile but cannot be funded this year because of the challenging fiscal environment the Government faces, with lower GST receipts and non-renewing National Partnership payments.

Initiative	Funding	Description	Impact on the Community
Victorian Alcohol Action Plan (VAAP) (Department of Justice component) <i>(ref:2008-09 BP3 p. 290)</i>	\$1.245 million (2011-12)	Funding aimed to reduce alcohol-related harm to individuals, families and the community through law enforcement and health measures targeting awareness, prevention, treatment, enforcement, and safety. <i>(ref 2008-09 BP3 p. 296)</i>	The funded initiative was for a fixed time period and has been completed.
Recruitment of Additional Police – Recruitment Campaign <i>(ref:2010-11 BP3 p.323)</i>	\$1.0 million (2011-12)	Funding was for additional costs associated with the recruitment of 1700 additional police. <i>(ref:2010-11 BP3 p.326)</i>	The funded initiative was for a fixed time period and has been completed and incorporated into ongoing operational activity.

Initiative	Funding	Description	Impact on the Community
Community fire drill pilot program (ref 2011-12 BP3 P54)	\$0.02 million (2011-12)	Funding was provided for community fire drills to equip participating communities with the knowledge and confidence to escape a bushfire safely and effectively. (ref 2011-12 BP3 P55)	The funded initiative has been completed and incorporated into ongoing operational activity.
Community commitments – Community Support Fund (ref 2011-12 BP3 P54)	\$0.2 million (2011-12)	Funding was to assist the Point Lonsdale Surf Life Saving Club to support the provision of life saving services to the community. (ref 2011-12 BP3 P58)	The funded initiative was for a fixed time period and has been completed.
Community commitments – other (ref 2011-12 BP3 P54)	\$0.2 million (2011-12)	Funding enabled works including upgrades to buildings housing local volunteer organisations such as the Country Fire Authority (CFA), Victoria State Emergency Service and Inverloch Surf Life Saving Club, the purchase of an ultra light tanker for Yellingbo (CFA), and a scoping study for the redevelopment of the Shepparton Court Complex. (ref 2011-12 BP3 P58)	The funded initiative was for a fixed time period and has been completed.
Victorian Racing Industry – Regional and Rural Infrastructure Funding (ref:2009-10 BP3 p.333)	\$2.0 million (2011-12)	Funding was provided through the Regional Racing Infrastructure Fund to improve race tracks across Victoria. The infrastructure improvements focused on the areas of occupational health and safety, water saving and racing infrastructure development. 2011/12 was the final year of the 4 year program. (ref:2009-10 BP3 p.337)	The funded initiative has been superseded by the Victorian Racing Industry Fund, through which the government has committed a minimum of \$79.5m over the next four years.

Question 1.3

(a) What are the key sectoral policies applicable to the Department upon which budget allocations to new initiatives are based?

¹The government’s election commitments provide a service delivery and strategic framework for a four-year program that began in 2011-12. The commitments include output and revenue initiatives totalling \$5.21 billion, and a capital investment program totalling \$2.4 billion (2010-11 dollars).

The table below sets out the key broad sectoral policies, along with their corresponding 2012-13 initiatives.

Broad Sectoral Policies	2012-13 Initiatives
Emergency Services and Volunteer Organisations ²	Initiatives in the 2012-13 budget allocation that relate to this policy include:

¹ 2011-12 Budget Paper No.3, Chapter 1, p.13.

Broad Sectoral Policies	2012-13 Initiatives
<p>The government is committed to improving Victoria's emergency management arrangements by focusing on service delivery to Victorians across government and communities, building community resilience, achieving a genuine 'all-hazards, all agencies' approach, and implementing enduring and sustainable change.</p>	<ul style="list-style-type: none"> • Bushfire Response – Emergency Services • Bushfire Response – Retreat and Resettlement Strategy • Community Bushfire Refuges, and • Emergency Services Communications.
<p>Public Safety and Crime Reduction³</p> <p>The key features of the government's public safety and crime reduction policy include law reform (such as the legislation for outlawing of criminal gangs and abolition of suspended sentences), increased prison capacity and a comprehensive community crime prevention program in partnership with local councils.</p>	<p>Initiatives in the 2012-13 budget allocation that relate to this policy include:</p> <ul style="list-style-type: none"> • Increased Prison Capacity • High security prisoners – asset enhancement • Specialist response to the management of serious sex offenders • Peninsula Link fixed digital safety cameras • Police station infrastructure to accommodate 1700 frontline police officers and 940 Protective Services Officers • Registered sex offender management • Upgrade police stations • Improving the response to sexual assault – Multi Disciplinary Centres (part of 'Protecting Victoria's Vulnerable Children' whole of Victorian Government initiative).
<p>Liquor Licensing⁴</p> <p>Policies relating to Liquor Regulation include the five star and demerit points systems providing further incentives for liquor licensees to avoid non-compliance incidents.</p> <p>The Government's liquor policy has also seen the Victorian Commission for Gambling Regulation (VCGR) reconstituted as the Victorian Commission for Gambling and Liquor Regulation, a new body to combine gambling regulatory functions with the functions of the Director of Liquor Licensing, VCAT and the Liquor Licensing Panel.</p>	<p>The initiative in the 2012-13 budget allocation that relates to this policy is:</p> <ul style="list-style-type: none"> • Liquor control reform
<p>Integrity of Government</p> <p>The Independent Broad-based Anti-corruption Commission (IBAC) will investigate serious corrupt conduct and police misconduct.</p> <p>The independent Freedom of Information (FOI) Commissioner will monitor all FOI requests and responses for compliance with the relevant Act⁵.</p>	<p>The initiative in the 2012-13 budget allocation that relates to public sector integrity is:</p> <ul style="list-style-type: none"> • Implementing Victoria's integrity system reforms which include: <ul style="list-style-type: none"> ○ The establishment of an Independent Broad-based Anti-corruption Commission (IBAC). ○ Establishment of the independent (Freedom of Information) FOI

² 2011-12 Budget Paper No.3, Chapter 2, p.125 & Towards a more disaster resilient and safer Victoria: Green Paper, 2011.

³ 'The Coalition's Plan to Make Our Streets Safe Again'

⁴ 'The Victorian Liberal Nationals Coalition Plan for Liquor Licensing'

⁵ 'The Victorian Liberal Nationals Coalition Plan for Freedom of Information'

Broad Sectoral Policies	2012-13 Initiatives
	<p>Commissioner.</p> <ul style="list-style-type: none"> ○ Establishment of the Victorian Inspectorate to oversee the IBAC and other bodies, and ○ Establishment of the Public Interest Monitor to represent the public interests in applications for covert and coercive warrants.
<p>Beyond the policy framework detailed in the government's election commitments, emerging priorities are also funded through the annual budget allocation process.</p>	
<p>Access to the Justice System⁶</p> <p>Continuing improvements are being made to Victoria's court system, among other things, to improve Victorians' access to the justice system. The government's commitment to improving access to the justice system includes court reforms focused on strengthening Courts' independence and reducing court delays.</p>	<p>Initiatives in the 2012-13 budget allocation that relate to this policy include:</p> <ul style="list-style-type: none"> • Improving dispute resolution services for Victorians • Language Services • Reducing Court Delays • Victoria Legal Aid • New Children's Court at Broadmeadows Court (part of 'Protecting Victoria's Vulnerable Children' whole of Victorian Government initiative.) • Expansion of New Model Conferencing (part of 'Protecting Victoria's Vulnerable Children' whole of Victorian Government initiative.) • Legislative amendments to Suppression Orders (part of 'Protecting Victoria's Vulnerable Children' whole of Victorian Government initiative.).

⁶ 2011-12 Budget Paper No.3, Chapter 2, p.126

(b) For the five largest initiatives released for your department in the 2012-13 Budget, please identify:

- (i) to which of the policies detailed above does each initiative relate; and
- (ii) whether linkages are explicitly identifiable in the 2012-13 Budget Papers.

Please ensure that the initiatives are described using the same names as are used in the budget papers.

The table below shows the five largest initiatives in the 2012-13 Budget, the link between the initiative and the broad sectoral policies and details of where the links are specified in the 2012-13 Budget Papers.

DEPARTMENT OF JUSTICE		
Initiative	Related policies	Links in the Budget Papers
1 Increased Prison Capacity	Public Safety and Crime Reduction	There is no link in the Budget Papers between the initiative and the broad sectoral policies. A link between the initiative and the relevant output group is shown as part of the initiative description.
2. Victoria Legal Aid	Access to Justice	There is no link in the Budget Papers between the initiative and the broad sectoral policies. A link between the initiative and the relevant output group is shown as part of the initiative description.
3. Specialist Response to Serious Sex Offender Management	Public Safety and Crime Reduction	There is no link in the Budget Papers between the initiative and the broad sectoral policies. A link between the initiative and the relevant output group is shown as part of the initiative description.
4. Police Station Infrastructure to accommodate 1700 Frontline Police and 940 Protective Services Officers	Public Safety and Crime Reduction	There is no link in the Budget Papers between the initiative and the broad sectoral policies. A link between the initiative and the relevant output group is shown as part of the initiative description.
5. Upgrade Police Stations	Public Safety and Crime Reduction	There is no link in the Budget Papers between the initiative and the broad sectoral policies. A link between the initiative and the relevant output group is shown as part of the initiative description.

2. Budget preparation

Question 2.1

Please identify any reviews, inquiries, studies, audits or evaluations specifically requested by the new Government after the 2010 election relating to your department, indicating for each the impact that it has had on the formulation of the 2012-13 Budget for the Department.

The table below details reviews, inquiries, studies, audits or evaluations specifically requested by the government after the election that relate to the department and also shows the impact of any recommendations on the formulation of the 2012-13 Budget.

DEPARTMENT OF JUSTICE	
Review/Inquiry/study/audit/evaluation	Impact
Protecting Victoria's Vulnerable Children Inquiry	<p>The 'Protecting Victoria's Vulnerable Children Inquiry' had an impact on the department's 2012-13 Budget.</p> <p>In response to the inquiry, the government has funded the following initiatives in the 2012-13 Budget that affect the department:</p> <p>Legislative Amendments to Suppression Orders</p> <p>The initiative includes funding for legislative changes to the <i>Serious Sex Offender (Detention and Supervision) Act 2009</i> on the suppression of information regarding serious sex offenders' identity and whereabouts. The legislative change will contribute to strengthen and improve protection and support of vulnerable young Victorians.</p> <p>* Improving the response to sexual assault - Multi Disciplinary Centres (MDCs)</p> <p>The initiative funds three additional MDCs. The centres will provide an integrated multi-agency response to sexual assault and child sexual abuse</p> <p>New Children's Court at Broadmeadows Court</p> <p>The initiative funds an additional Children's Court room at Broadmeadows Court.</p> <p>* Expansion of New Model Conferencing</p> <p>The initiative funds the expansion of the New Model Conferencing pilot across Victoria. The model provides an effective non-adversarial forum for the resolution of complex disputes relating to child protection matters when a protection application has been issued.</p> <p><i>* Initiative funding is allocated jointly to the Department of Human Services and Department of Justice</i></p>
'Road Safety Camera Program', review by the Victorian Auditor General (August 2011)	There is no impact on the 2012-13 Budget arising from recommendations made in the 'Road Safety Camera Program' review.
Scrutiny of Acts and Regulations Committee (SARC) of Parliament review of the <i>Charter of Human Rights and Responsibilities Act 2006</i>	There is no impact on the 2012-13 Budget arising from recommendations made in SARC's review.
'Inquiry into the functioning of the Office of the Director of Public Prosecutions and Related Offices' by retired Supreme Court judge, Hon Frank Vincent QC	There is no impact on the 2012-13 Budget arising from recommendations made in the 'Inquiry into the Functioning of the Office of the Director of Public Prosecutions and Related Offices'.
'Inquiry into the Command, Management and Functions of the Senior Structure of Victoria Police' – Rush Review	There is no impact on the 2012-13 Budget arising from the recommendations made in the 'Inquiry into the Command, Management and Functions of the Senior Structure of Victoria Police'.
Sentencing Advisory Council – Review of the Adult Parole System	The Adult Parole Board is continuing to give consideration to the recommendations of the Sentencing Advisory Council review.

DEPARTMENT OF JUSTICE	
Review/Inquiry/study/audit/evaluation	Impact
Review of the 2010-11 Flood Warnings and Response	As part of the 2012-13 budget, the Government is investing \$16 million over four years to upgrade the Victorian State Emergency Service's information technology systems to ensure that they can be used in incident control centres, which are operated by the Country Fire Authority.

Question 2.2

Please describe the five most significant projects or programs that the Department considers would have been worthwhile to undertake in 2012-13 but which cannot be undertaken due to resources being allocated elsewhere.

There are no projects or programs scheduled to be undertaken in 2012-13 which are required by the government which will not be undertaken as a consequence of resource re-allocation. Departments do not set work priorities as distinct from that set by the government of the day, consistent with the practice under successive governments.

3. Spending

Question 3.1

For your department, please explain any variations of more than 10 per cent (or greater than \$100 million) between the revised estimate for 2011-12 and the target for 2012-13 for expenses from transactions (as presented in the Department's operating statement in the Statement of Finances budget paper) that relate to the following line items:

- (a) 'Employee benefits';
- (b) 'Grants and other transfers'; and
- (c) Other operating expenses'.

The main drivers underpinning variances in the department's 2012-13 Budget relative to the 2011-12 revised estimate, which may impact on the three expenses items specified are:

- additional sworn police and protective services officers at railway stations
- new policy initiatives
- indexation of the base
- reduction to the department's base due to efficiency and other savings measures, and
- reduced spending related to completed projects.

The table below provides explanations for variations of more than 10 per cent between the revised estimate for 2011-12 and the target for 2012-13 for expenses from transactions that relate to the specified line items.

DEPARTMENT OF JUSTICE and VICTORIA POLICE			
	2011-12 (Revised Estimate) (\$ million)	2012-13 (Budget) (\$ million)	Explanation for any variances (> than ±10% or > than \$100 million)
Employee benefits	2221.3	2330.2	
Grants and other transfers	348.0	349.5	
Other operating expenses	1273.3	1440.4	<p>The increase in 'other operating expenses' is due to new output initiatives announced in the 2012-13 budget including:</p> <ul style="list-style-type: none"> • \$10 million for additional prison beds • \$10 million for Emergency Services Communications. <p>Additional funding for the continued implementation of initiatives commenced in earlier budgets and the carryover and recashflow of funding from 2011-12 into 2012-13 also contributed to other operating expenses growth. Saving measures implemented in both the 2011-12 Budget Update and the 2012-13 Budget partly offset growth in other operating expenses.</p>
TOTAL	3842.6	4120.1	

Question 3.2

As the line item 'other operating expenses' in the Department's operating statement (as presented in the Statement of Finances budget paper) constitutes a large proportion of expenditure, please provide a break-down of the major components of this item, providing for each component:

- (a) the current estimate of expenditure for 2011-12;
- (b) the estimated expenditure for 2012-13; and
- (c) an explanation for any variations greater than ± 10 per cent (or greater than \$100 million) between the estimated expenditure for 2011-12 and the estimated expenditure for 2012-13.

The table below shows a breakdown of major components of the department's other operating expenses, and where appropriate, provides variance commentary.

DEPARTMENT OF JUSTICE			
	2011-12 (\$ million)	2012-13 (\$ million)	Explanation for any variances (> than $\pm 10\%$ or > than \$100 million)
Outsourced contract costs	257.4	266.2	The majority of payments are 'fixed priced' items to sustain the operation and maintenance of the County Court, prisons and traffic cameras contract. The increase in outsourced contract costs reflects the growth in contract payments.
Rent, utilities, maintenance and other property costs	87.3	90.6	n/a
Professional and legal services	60.9	55.4	n/a
Contractor costs	51.7	45.8	The reduction in contractor costs is due to new efficiency and general government savings measures.
Printing, stationary, postage & communications	58.5	53.0	n/a
Information technology	23.0	23.9	n/a
VICTORIA POLICE			
Maintenance	28.7	30.4	n/a
Operating leases	40.1	41.1	n/a
Supplies and services	374.2	373.9	n/a
Other	3.2	2.8	n/a

If the Department is unable to provide estimates for the expenditure on these components in 2012-13, please explain how the amount of 'other operating expenses' listed for 2012-13 in the budget papers was calculated.

n/a

Question 3.3

For each of the items listed in the table below, please provide details of:

- the current estimate of expenditure for 2011-12;
- the estimated expenditure for 2012-13; and
- an explanation for any variations greater than ± 10 per cent (or greater than \$100 million) between the expected outcomes for 2011-12 and the estimated expenditure for 2012-13.

Please provide details on the same basis of consolidation as is used to create the departmental operating statement in the budget papers.

The table below shows estimated expenditure for various operating expense items and where appropriate, provides variance commentary.

DEPARTMENT OF JUSTICE			
	2011-12 (\$ million)	2012-13 (\$ million)	Explanation for any variances ($>$ than $\pm 10\%$ or $>$ than \$100 million)
Entertainment Expenses	1.7	1.5	The reduction in entertainment expenses is due to new efficiency and general government saving measures.
Overseas Travel	0.4	0.3	The reduction in overseas travel is due to new efficiency and general government saving measures.
Legal Expenses (non VGSO)	32.7	30.5	n/a
Legal Expenses provided by VGSO	14.2	12.9	n/a
Consultants	0.3	0.2	The reduction in consultants is due to new efficiency and general government saving measures.
Contractors	51.7	45.8	The reduction in contractor costs is due to new efficiency and general government saving measures.
Grants to Non-Government Organisations	69.2	79.0	The increase in grants to non-government organisations reflects the expected carryover for the Victorian Racing Industry Fund.
VICTORIA POLICE			
Entertainment Expenses	0.3	0.3	n/a
Overseas Travel	0.2	0.2	n/a
Legal Expenses	9.0	9.0	n/a
Consultants*	2.6	2.3	n/a
Contractors*	5.0	1.0	Expenditure in 2011-2012 mainly related to Information Technology projects finishing and Protective Service Officers recruitment.
Grants to Non-Government Organisations	n/a	n/a	n/a

If the Department is unable to provide estimates for the expenditure on any of these items, please explain why.

n/a

Question 3.4

If there are any output or asset initiatives released in the 2012-13 Budget for the Department where less than 20 per cent of the total funding is to be spent in 2012-13, please explain the reasons in each instance. In describing the initiatives, please use the same names as are used in the budget papers.

The table below details the output or asset initiatives announced in the 2012-13 Budget for the department where less than 20 per cent of the total funding is to be spent in 2012-13, and provides commentary to explain the reasons for the expenditure profile.

DEPARTMENT OF JUSTICE	
Initiative	Explanation
Increased Prison Capacity	During 2012-13 scheduled activities in relation to the asset component of this initiative are mostly planning, tender and procurement. These costs are low relative to implementation costs, which involve construction and facility fit out. The implementation stage will occur in out years. Associated output costs follow a similar spending profile. Output costs will increase once the facility becomes operational.
VICTORIA POLICE	
Registered Sex Offender Management	This initiative will require recruitment and training of additional staff to implement. The cost profile for 2012-13 is lower than for out years to reflect the start up phase for this project.

4. Efficiencies and savings**Question 4.1**

Please outline how the concept of 'operational efficiency' has been addressed in formulating the Department's budget for 2012-13.

Operational efficiency is delivered through numerous mechanisms, some centrally controlled, others externally driven. One of the main internal drivers is built into the department's budget in its base funding and in the annual increment.

Efficiency is extracted at the increment as a consequence of:

- funding being approved via a highly competitive annual priority setting process, and demonstrated value for taxpayer money, and
- funding being ordinarily at less than the full ongoing cost of delivery thus requiring a contribution from the department's base.

Operational efficiency is extracted from base funding in numerous ways. One mechanism is related to the department's revenue from the budget. Revenue is indexed by at least 0.75 per cent per annum below growth in departmental costs, thereby driving operational efficiencies. Revenue is also revised and adjusted centrally, to ensure compliance with government savings requirements. These approaches have been applied in formulating the department's 2012-13 Budget.

Periodic base funding reviews for major departmental activities and/or entities conducted by the Department of Treasury and Finance and the Budget and Expenditure and Review Committee of Cabinet ensure 'value for money service delivery' and maximise operational efficiency. Furthermore, service delivery pressures (driven by population, demography and economic conditions) and service complexity (increased resource intensity reflected in rising real output unit

costs) are often funded from within the department's base. Internal funding for demand-pressured outputs is also a major component of departmental operational efficiency.

Non-frontline efficiency is achieved through streamlining business processes in the department through technology. Recent examples include:

- 'Procure to Pay' to streamline the accounts payable and purchase order processes
- 'Project Management Excellence' to standardise and streamline project reporting, and
- 'Business Intelligence' to standardise and streamline a suite of regular, complex reports.

Further business improvement projects that the department has planned to further improve its operational efficiency include:

- Launch of 'New Chart of Accounts' from 15 July 2012
- Improvements to the Human Resources Management System
- Implementing a new Contract and Contractor management System, and
- Streamlining corporate and operational services by introducing shared services reforms with statutory agencies.

Question 4.2

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

- what actions the Department will take in 2012-13 to meet the savings targets;
- any impact that these actions will have on the delivery of services; and
- please identify the savings target for 2012-13, with an explanation for any variances between the current target and what was originally published in the budget papers when the initiative was released.

Initiative	Actions the Department will take in 2012-13	Impact on Service Delivery	Savings Target for 2012-13	Explanation for variances to the original target
General Efficiencies (2009-10 Budget)	The department has reduced the budget available to business units in line with the saving targets (2008-09 to 2012-13) detailed in the 2009-10 Budget.	No material impact on service delivery.	\$15.0 million - Department \$15.0 million - Victoria Police	Nil variance.
	<i>Subtotal</i>		\$30.0 million	
Government Election Commitment Savings (2011-12 Budget)	Savings target departmental administrative costs and include where applicable, reduced use of consultants, and lower growth in supplies and consumables. The department has reduced the budget available to business units in line with the savings targets (2010-11 to 2014-15) detailed in the 2011-12 Budget.	No material impact on service delivery.	\$23.6 million - Department \$16.0 million - Victoria Police	Nil variance.
	<i>Subtotal</i>		\$39.6 million	
Measures to offset the GST reduction (2011-12 Budget)	The department will achieve its savings target through further competitive tendering of contracts and more efficient delivery of corporate services. Victoria Police will achieve its savings target by targeting contractors and consultants costs, and more efficient delivery of corporate services. The department has reduced the budget available to business units in line with the savings targets (2010-11 to 2014-15) detailed in the 2011-12 Budget.	No material impact on service delivery.	\$12.1 million - Department \$ 9.9 million - Victoria Police	Nil variance.
	<i>Subtotal</i>		\$22.0 million	
Capping departmental expenditure growth (2011-12 Budget Update)	Savings target the reduction in the annual escalation for non-wage expenditure such as overheads, grants administration and procurement. The department has reduced the budget available to business units in line with the savings targets. The savings targets translate to reduced revenue relative to what would be available to the department and Victoria Police were their respective funding bases be indexed at the Departmental Funding Model rate.	No material impact on service delivery.	\$8.8 million - Department \$3.4 million - Victoria Police	No change as the measure commences in 2012-13.

Initiative	Actions the Department will take in 2012-13	Impact on Service Delivery	Savings Target for 2012-13	Explanation for variances to the original target
	<i>Subtotal</i>		\$12.2 million	
Maintain a sustainable public service (2011-12 Budget Update)	Savings will be achieved via the reduction in the number of public servants in non-frontline service delivery and back-office roles through recruitment freezes for staff in non priority areas, voluntary redundancies, and non renewal of lapsing fixed term contracts.	No material impact on service delivery.	\$25.6 million - Department \$16.0 million - Victoria Police	No change as the measure commences in 2012-13.
	<i>Subtotal</i>		\$41.6 million	
Any savings or efficiency initiatives in the 2012-13 Budget	Permanently reduced the 2012-13 revenue base of business units.	Minimal impact on service delivery, however, there may be some impacts on internal corporate services and a reduction in policy development and implementation support capability. The department will mitigate any impacts through structural and service delivery redesign.	\$19.9 million - Department \$ 7.5 million - Victoria Police	No change as the measures commence in 2012-13.
	<i>Subtotal</i>		\$27.4 million	
TOTAL			\$172.8 million	

Question 4.3

For each of the expenditure areas targeted for savings in the 'Government election commitment savings' initiative released in the 2011-12 Budget, please detail the actual expenditure for 2009-10 and 2010-11 and the estimated expenditure for each year of 2011-12 to 2014-15. Please provide figures on the same basis of consolidation as the budget papers. Please provide explanations for any category that does not decrease by the savings target over the five-year period.

DEPARTMENT OF JUSTICE							
Area	2009-10⁷ (\$ million)	2010-11⁸ (\$ million)	2011-12 (\$ million)	2012-13 (\$ million)	2013-14 (\$ million)	2014-15 (\$ million)	Explanation for any area which does not decrease by the savings target
Ministerial staff	0.000	0.000	0.000	0.000	-	-	
Media and marketing positions	1.655	1.762	1.302	1.335	-	-	Increase reflects wage indexation.
Consultants	1.242	0.712	0.300	0.200	-	-	
Government advertising	16.931	14.730	13.170	11.075	-	-	
Political opinion polling	0.000	0.000	0.00	0.000	-	-	
External legal advice	46.730	46.852	46.900	43.400	-	-	
Senior public service travel (see note i below)	n/a	n/a	n/a	n/a	-	-	
Government office floor space	31.425	35.490	38.120	40.410	-	-	Increase reflects rise in rental payments.
Supplies and Consumables	522.770	556.743	521.691	531.414	-	-	Reflects increased costs for outsourced contracts, supplies and consumables, with a reduction for new efficiency and savings measures especially vis a vis contractors and procurement.
Shared Services (see note (ii) below)	n/a	20.771	31.709	32.418	-	-	Increase in shared services from 2010-11 to 2011-12 reflects full year impact of transition to CenITex and new shared facilities and library services commencing 2011-12.
Head office Staff (see note (ii) below)	n/a	n/a	n/a	n/a	-	-	

⁷ Ref: 2009-10 and 2010-11 PAEC Financial and Performance Outcomes Questionnaire – Part 1, Question 29

⁸ *ibid*

For any categories for which information is not available, please explain:

- (d) why data are not available; and
- (e) how the Department will monitor whether or not it has achieved its savings target in that category.

The department does not budget to this level of detail across the forward estimates. The level of expenditure against each item across time will vary for a number of reasons. Key reasons for levels of spending against each item varying by more/less than the extent of savings include the allocation of additional funding for new policy initiatives, parameter changes including output price escalation, the ceasing of previously funded programs and any impact due to government directed savings strategies.

Note:

- (i) *The Department does not disaggregate travel by classification of position.*
- (ii) *The expenses relate to an arrangement entered into by the previous government for ICT services with CenITex and DTF for facilities and library services. The 2010-11 expenditure reflects part year costs.*
- (iii) *The data is not currently available in a form that would allow the Department to answer the question accurately, given that a range of service delivery functions operate out of head office and costs are recorded on a business unit basis not on a location basis.*

The Department has shown "0.000" against those areas where there is no relevant expenditure.

5. Asset and output initiative funding

Question 5.1

Please break down the Department's total output funding for 2012-13 (as provided in the Service Delivery budget paper) according to the amounts from:

- output initiatives in the 2012 – 13 Budget;
- non-ongoing initiatives released in previous budgets; and
- base funding/ongoing funding.

DEPARTMENT OF JUSTICE			
Funding for initiatives released in the 2012-13 Budget (\$ million)	Funding for non - ongoing initiatives released in previous budgets (million)	Base funding/ongoing funding (\$ million)	Total output cost (as in Service Delivery Budget Paper) (\$ million)
92.914	67.734	2267.25	2427.90
VICTORIA POLICE			
4.913	0.0	2102.28	2107.20

The figure above will not balance to Budget Paper Number 3 (BP3) Chapter 2 Initiatives table as the figures in BP3 Chapter 2 do not include depreciation and Capital Asset Charge. Output initiatives published in BP3 Chapter 2, are exclusive of reprioritisations to be made by the department.

Question 5.2

If the Department's total output cost (as detailed in the Service Delivery budget paper) differs from the Department's total expenses from transactions (as detailed in the Statement of Finances budget paper), please explain the difference.

There is no difference in the amounts shown as the 'Total' in the Department of Justice 'Output Summary' table for 2012-13 Budget Paper No 3: *Service Delivery* and as 'Total expenses from transactions' in the DOJ 'Operating Statement' in 2012 - 13 BP5 *Statement of Finances*.

Question 5.3

The Department of Treasury and Finance has indicated to the Committee that ‘*the service benefits delivered through the asset investment are reflected in changes to the Budget Paper 3 Performance Measures*’.⁹ Please list all performance measures that have been adjusted in 2012-13 as a result of recent asset investment by the Department.

As discussed in more detail in Question 10, the department has increased the number of performance measures in its output statement in 2012-13 from 121 in 2011-12 to 152, to increase accountability and better inform the public in relation to the department’s level and range of service delivery.

Recent asset initiatives funded through the department are reflected in the expanded suite of performance measures, and through the revised 2012-13 targets of relevant existing performance measures. The relevant initiatives and their impact on the 2012-13 Budget Paper Number 3, performance measures is shown in the table below.

2011-12 Asset Initiatives	Performance Measure	2011-12 Target	2012-13 Target
Upgrade Police Stations ¹⁰ Police Brawler Vans ¹¹ Upgrade to the Victorian Police Academy ¹²	Community calls for assistance to which a Victoria Police response is dispatched	750 000	780 000
Increase Prison Capacity ¹³	Total annual daily average numbers of prisoners	4 500 - 4750	4 950- 5 220
Bushfire Response – Emergency Services ¹⁴ Victoria State Emergency Service command and control and operational capability ¹⁵ Emergency Services communications ¹⁶	Volunteers - Operational	n/a	43 377
	Volunteers - Support	n/a	18 000
	Permanent Operational Staff	nm	2 683
	Permanent Support Staff	nm	1 634
	Level 3 Incident Controller trained staff and volunteers	nm	129
	Structural fire confined to room of origin	nm	80
	Road crash rescue accredited brigades/units	nm	131
	Emergency response times meeting benchmarks - structural fires	nm	90
	Emergency response times meeting benchmarks – road accident rescue response	nm	90
Emergency response times meeting benchmarks – emergency medical response	nm	90	

¹⁰ 2011-12 Budget Paper Number 3, Chapter 1, p.59

¹¹ *ibid*

¹² 2011-12 Budget Paper Number 3, Chapter 2, p.127

¹³ 2011-12 Budget Paper Number 3, Chapter 1, p.59

¹⁴ *ibid*

¹⁵ *ibid*

¹⁶ 2011-12 Budget Paper Number 3, Chapter 2, p.127

Question 5.4

In relation to any unapplied output and asset funding carried forward to 2012 - 13, please provide:

- a break - down of the carried forward funding for both output and asset initiatives;
- the underlying reasons for the Department's funding carryover for each category; and
- the intended revised timing for use of the carried forward funds, including project - specific details for asset initiatives.

DEPARTMENT OF JUSTICE				
Category of funding	Initiatives Affected	Carryover (\$ million)	Underlying Reasons for Carryover	Revised timing for use of the Carried Forward Funds
Output	Emergency Management – Location Based Telephone Solutions	14.250	Protracted contract finalisation resulted in delays to scheduled program payments, and consequent carryover into 2012-13.	All carry forward funding is expected to be fully spent in 2012-13.
	Emergency Management – Neighbourhood Safer Places Program	6.000	Site identification and design issues resulted in delays to scheduled program payments, and consequent carryover into 2012-13.	All carry forward funding is expected to be fully spent in 2012-13.
	Emergency Management – Commonwealth National Disaster Resilience Program	4.200	Delays in executing program resulted in delays to scheduled program payments, and consequent carryover into 2012-13.	All carry forward funding is expected to be fully spent in 2012-13.
	Corrections Victoria Projects	8.000	A number of projects, some involving the private sector, have experienced delays	All carry forward funding is expected to be fully spent in 2012-13.
	Community Crime Prevention Program Public Safety Infrastructure Fund	3.365	Scheduled program payments have been delayed where installation of Closed Circuit Television infrastructure has been protracted and consequently will be carried over into 2012-13.	All carry forward funding is expected to be fully spent in 2012-13.
	Infringement Management and Enforcement Services – ICT Platform	6.600	Delays in finalising system build requirements resulted in delays to scheduled program payments, and consequent carryover into 2012-13.	All carry forward funding is expected to be fully spent in 2012-13.
	Infringement Management and Enforcement Services – Replacement of Fixed Digital Camera Systems	3.500	Delays in the tender process, resulted in delays to scheduled program payments, and consequent carryover into 2012-13.	All carry forward funding is expected to be fully spent in 2012-13.
	Racing grants – Victoria Racing Infrastructure Fund and Regional Racing Infrastructure Fund	12.000	Differences in actual completion of project milestones and acquittal payments have not aligned with scheduled payments resulting in the carryover into 2012-13.	All carry forward funding is expected to be fully spent in 2012-13.
	Victorian Equal Opportunity & Human Rights Commission – education and compliance program	0.200	Delays finalising website redevelopment	All carry forward funding is expected to be fully spent in 1012-13.
	Other – Internally Funded	5.170		All carry forward funding is expected to be fully spent in 2012-13.
OUTPUT SUBTOTAL		63.285		
Asset	n/a	0.000	n/a	n/a
ASSET SUBTOTAL		0.000		
TOTAL		63.285		

NOTE: The total carryover (\$63.285 million) reflects the provisional carryover submitted as part of the February 2012 mid-year update. This is provisional and the final carryover for 2011-12 will be submitted in June 2012.

VICTORIA POLICE				
Category of funding	Initiatives Affected	Carryover (\$ million)	Underlying Reasons for Carryover	Revised timing for use of the Carried Forward Funds
Output	IT refresh	12.00	Victoria Police deferred replacement of existing leased equipment to generate savings which can be committed to a replacement program in 2012-13 -reducing the overall refresh cost to government	All carry forward funding is expected to be fully spent in 2012-13.
Asset	Upgrade Police Stations	18.50	Delays due to site identification, land purchases and town planning have resulted in delays to scheduled program payments, and consequent carryover into 2012-13.	All carry forward funding is expected to be fully spent in 2012-13.
TOTAL		30.50		

NOTE: The total carryover for Victoria Police (\$30.50 million) reflects the estimated carryover to 30 June 2012.

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

Question 6.1

In relation to 2012-13, please outline any new revenue-raising initiatives and/or major changes to existing revenue initiatives. For each initiative/change, please explain:

- the reasons for the initiative/change;
- the assumptions underlying the analysis;
- alternative scenarios considered;
- 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);
- any performance measures or targets altered as a result of the initiative/change; and
- 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.

DEPARTMENT OF JUSTICE						
Initiative/ change	Reasons for the initiative/ change	Underlying assumptions	Alternative scenarios	Impact of changes on service delivery	Performance measures or targets altered	Anticipated total value of revenue gained/foregone
Increased civil court fees	To improve interstate court fee alignment and cost recovery	To recover a certain level of total attributable costs	Higher or lower cost recovery	Departmental service levels/quality not affected as the revenue is kept in the Consolidated Fund and not spent	Not affected	\$7.4m in 2012-13
Increased 'working with children' applications	To ensure revenue recovered reflects the full cost of providing the card and ongoing checking for employees.	Reflect the current volume of applications based on experience.	Other levels and ranges of cost recovery.	Allows the department to maintain a level of service commensurate with demand.	Not affected	\$1.3m in 2012-13
Increase in the value of penalty units	To provide a greater disincentive for offending behaviour.	This is administered revenue collected by the department. Revenue is based on a 12.5 per cent increase on top of the 2.5 per cent annual indexation - an overall increase of 15 per cent.	Consolidated fund revenue initiatives are under DTF direction. It is not known what alternatives were considered as these are a matter for the Treasurer.	Departmental service levels/quality not affected as this is Consolidated Fund Revenue.	Not affected	\$68.9m in 2012-13
VICTORIA POLICE						
n/a	n/a	n/a	n/a	n/a	n/a	n/a

Question 6.2

In relation to 2012-13, 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 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);
- (e) any performance measures or targets altered as a result of the initiative/change; and
- (f) 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.

In 2012-13 the department has no new tax expenditure or concession/subsidy initiatives and/or major changes to existing tax expenditures or concession/subsidy initiatives.

DEPARTMENT OF JUSTICE						
Initiative/ change	Reasons for the initiative/ change	Underlying assumptions	Alternative scenarios	Impact of changes on service delivery	Performance measures or targets altered	Anticipated total value of revenue gained/foregone
n/a	n/a	n/a	n/a	n/a	n/a	n/a
VICTORIA POLICE						
n/a	n/a	n/a	n/a	n/a	n/a	n/a

Question 6.3

- (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.

For each of the revenue initiatives outlined in Question 6.1 above, changes to fee/fine rates in excess of inflation are expected. In relation to civil court fees and 'Working with Children Check' fees the process of change is not yet completed and indeed will still be subject to a regulatory impact statement being undertaken. Therefore, the 2012-13 rate is not yet known other than the increase for the Consumer Price Index. However the estimated revenue increases shown in Question 6.1 reflect current cost estimates of likely revenue in 2012-13 not necessarily on a full year basis.

DEPARTMENT OF JUSTICE			
Revenue measure/ concession/subsidy	2011-12 rate	2012-13 rate	Explanation
Increase in value of penalty units	122.14	140.46	The increase is the amount set in accordance with the <i>Monetary Units Act 2004</i> .
VICTORIA POLICE			
n/a	n/a	n/a	n/a

Question 6.4

For the Department's income categories (as appear in the Department's operating statement in the Statement of Finances budget paper), please provide an explanation for any items that have a variance of greater than 10 per cent between the revised estimate for 2011-12 and the budget for 2012-13.

DEPARTMENT OF JUSTICE	
Income category	Explanation
Output appropriations	<p>The increase of \$212 million (or 10.9%) in the 2012-13 budgeted Output appropriation revenue compared to the 2011-12 Revised Budget is due to new output initiatives announced in the 2012-13 budget including:</p> <ul style="list-style-type: none"> \$10 million for additional prison beds \$10 million for Emergency Services Communications. <p>Additional funding for the continuing implementation of initiatives commenced in earlier budgets and the carryover and recashflow of funding from 2011-12 into 2012-13 also contributed to other operating expenses growth. Saving measures implemented in both the 2011-12 Budget Update and the 2012-13 Budget partly offset growth in other operating expenses.</p>
Special appropriations	<p>The increase of \$20 million (or 15.9%) in the 2012-13 budgeted special appropriations compared to 2011-12 revised budget is due to:</p> <ul style="list-style-type: none"> costs to be incurred by the Victorian Electoral Commission for the Local Government elections in October 2012, Council By-Elections, Fee for service Elections, and State Electoral Districts and Upper House Region Boundaries Review. escalation of Judicial salaries.
VICTORIA POLICE	
n/a	n/a

7. Grants from the Commonwealth

Question 7.1

- (a) What impact have developments at the Commonwealth level, including initiatives under the COAG Reform Agenda, had on the Department's component of the 2012-13 State Budget?

Developments at the Commonwealth level, including initiatives under the COAG Reform Agenda have impacted on the department's 2012-13 State Budget in the following way:

National partnership on legal assistance services

The department's component of the 2012-13 State Budget reflects \$44.4 million of Commonwealth legal aid funding for Commonwealth law related legal assistance provided by Victoria Legal Aid (VLA). Such Commonwealth funding is provided under a four-year National Partnership (NP) agreement that expires on 30 June 2014.

Whereas Commonwealth law related legal assistance funding was provided directly to VLA prior to the NP agreement, reformed COAG arrangements require that such funding is now paid to State and Territory Treasuries as the agreement is now between the Commonwealth and the States and Territories rather than between the Commonwealth Attorney-General's Department and each of the eight Legal Aid Commissions (eg VLA) around Australia.

Commonwealth legal aid funding received by Victoria is appropriated under the department of Justice and passed on by the department as a quarterly grant to VLA.

National Partnership on the National Disaster Resilience Program

Under the program, the Commonwealth will provide \$4.2 million matched funding to Victoria for activities including disaster mitigation works that minimise risks to communities; addressing increased risks resulting from the effects of climate change; and supporting the work of volunteers in emergency management.

- (b) In describing the impact of these developments for 2012 -13, please outline the Department's progress to date in transitioning to the COAG Reform Council's new performance reporting framework.

National partnership on legal assistance services

The NP on legal assistance includes a requirement to review the agreement by June 2013. That requirement is supplemented by periodic reporting of output delivery performance against measures that are specified in the agreement.

8. Net Debt – Department of Treasury and Finance only

9. Geographic considerations

Question 9.1

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

Project	2012-13 Budget (\$million)	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 (in 2012 dollars)
Increased Prison Capacity <i>(asset initiative)</i> <i>*Contributes to metropolitan and regional Victoria</i> <i>This figure is not disaggregated.</i>	60.8	new	Delivery of additional beds in existing prison locations and a new male prison.	Construction of 395 beds including short term contingency capacity (100 beds) and a new 500 bed male prison at Ravenhall.	Assets are not reported as part of the department's output statement. They are reported elsewhere in the State's Budget Papers. When completed, the effect of the new facility will be reported as part of the Prisoner Supervision and Support output. The relevant performance measure in the current suite of performance measures is: <ul style="list-style-type: none"> Average daily prison utilisation rate of total prison capacity. 	The additional prison beds are located across rural and regional Victoria and metropolitan Melbourne. The solution implementation phase of the project is expected to boost local economic activity. Once the additional beds are delivered, job growth in the Correctional Services sector is also anticipated. More broadly, the project will contribute towards community expectations that correctional dispositions of the courts are implemented and prisoners contained and rehabilitated.	n/a
Building Confidence in Corrections Asset Initiative <i>(asset initiative)</i>	21.7	existing	Construction of a new medium security prison at Ararat.	The Ararat Prison Project is the only remaining project of the overall Building Confidence in Corrections Asset Initiative. The Ararat Prison Project is being delivered as a public – private partnership (PPP) in accordance with the Victorian Government's Partnerships Victoria framework and the National Public Private Partnership Guidelines	Assets are not reported as part of the department's output statement. They are reported elsewhere in the State's Budget Papers. When completed they may support or contribute towards activities reported in the department's output statements. The relevant performance measure in the current suite of performance measures is: <ul style="list-style-type: none"> Average daily prison utilisation rate of total prison capacity. 	Project development is located in Ararat in regional Victoria, and is contributing to the local economy and job growth. The Project will deliver an integrated, multi-purpose correctional precinct providing 350 prison beds and provide employment opportunities in Regional Victoria. More broadly, the project will contribute towards community expectations that correctional dispositions of the courts are implemented and prisoners contained and rehabilitated.	n/a

Project	2012-13 Budget (\$million)	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 (in 2012 dollars)
Bushfire Buyback <i>(asset initiative)</i>	20.2	new	Enable those in the community who live in an unacceptably high bushfire risk area to relocate through a sale of their property to the State.	Acquisition of land in areas of unacceptably high bushfire risk as recommended by the 2009 Victorian Bushfires Royal Commission.	Land acquisitions (assets) are not reported as part of the department's output statement. They are reported elsewhere in the State's Budget Papers. This initiative is related to the activities reported in the Emergency Management Capability output but does not have a dedicated performance measure in the department's output statement as its effect on the output budget (Total Output Cost) is minimal at present.	The expected benefit to the community is the reduction in the risk to life and property loss arising from bushfire.	n/a
Police Station Infrastructure to accommodate 1700 Frontline Police and 940 Protective Services Officers (PSOs) <i>(asset initiative)</i>	14.2	new	To accommodate the additional 1700 frontline police and 940 PSOs announced in the 2011-12 Budget.	The capital works program funded aims to provide for accommodation for additional frontline police and PSOs.	Asset programs are not reported as part of the department's output statement. They are reported elsewhere in the State's Budget Papers. When completed the infrastructure delivered will support and contribute towards activities reported in the department's Policing Services output. The initiative will support the full suite of performance measures reported in the 'Policing Services' output once the infrastructure is delivered, and the additional police and PSO's are deployed.	The initiative will optimises the deployment of the 1700 police and 940 protective services officers and contribute towards improving community safety.	n/a
1,700 Additional Frontline Police 940 Protective Service Officers (PSO's) for train stations	16.0 28.3	existing	To increase the number of frontline police by 1700 (by November 2014), and to deploy 940 PSO's to patrol metropolitan train stations and four regional centres.	The funding will facilitate recruitment, training and deploying of the additional frontline police and PSO's.	The delivery of the additional police and PSOs is in progress. Their deployment is reflected in the full suite of performance measures reported in the Policing Services output.	The increase in frontline police numbers and PSOs will improve Victoria Police's capacity to respond and assist in protecting communities in metropolitan and regional Victoria. These additional resources will be deployed based on analysis of crime statistics and other community demand indicators	n/a

Question 9.2

Please complete the following table for up to five of the Department's largest projects (in terms of expenditure) benefiting metropolitan Melbourne:

Project	2012-13 Budget (\$million)	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 (in 2012 dollars)
<p>Increased Prison Capacity (<i>asset initiative</i>)</p> <p><i>*Contributes to metropolitan and regional Victoria</i></p> <p><i>This figure is not disaggregated.</i></p>	60.8	new	Delivery of additional beds in existing prison locations and a new male prison.	Construction of 395 beds including short term contingency capacity (100 beds) and a new 500 bed male prison at Ravenhall.	<p>Assets are not reported as part of the department's output statement. They are reported elsewhere in the State's Budget Papers.</p> <p>When completed, the effect of the new facility will be reported as part of the Prisoner Supervision and Support output.</p> <p>The relevant performance measure in the current suite of performance measures is:</p> <ul style="list-style-type: none"> Average daily prison utilisation rate of total prison capacity. 	<p>The additional prison beds are located across rural and regional Victoria and metropolitan Melbourne.</p> <p>The solution implementation phase of the project is expected to boost local economic activity. Once the additional beds are delivered, job growth in the Correctional Services sector is also anticipated.</p> <p>More broadly, the project will contribute towards community expectations that correctional dispositions of the courts are implemented and prisoners contained and rehabilitated.</p>	n/a
<p>State Coronial Services Redevelopment (<i>asset initiative</i>)</p>	32.2	existing	Redevelopment of the Coronial Services Centre at Southbank.	<p>The project is a complex development within an operational facility consisting of the following main components:</p> <ul style="list-style-type: none"> new central plant building establishment of Victoria's Donor Tissue Bank upgrade to the Coroner's Court <p>Funding during 2012-13 will progress scheduled works.</p>	<p>Assets are not reported as part of the department's output statement. They are reported elsewhere in the State's Budget Papers.</p> <p>When completed, the redevelopment will support and contribute towards activities reported in the department's 'Supporting the Judicial Process' output.</p>	<p>The solution implementation phase of the project is expected to boost local economic activity.</p> <p>Expected benefits to the Victorian community include the provision of :</p> <ul style="list-style-type: none"> upgraded Coroner and Mortuary facilities, and a Donor Tissue Bank based in Victoria. 	n/a

Project	2012-13 Budget (\$million)	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 (in 2012 dollars)
Responding to Increased Demand for Men's Prison Accommodation <i>(asset initiative)</i>	11.5	existing	Construction of an 85 bed accommodation unit additional at the Port Philip Prison	Funding during 2012-13 will progress scheduled works.	Assets are not reported as part of the department's output statement. They are reported elsewhere in the State's Budget Papers. When completed, the effect of the new facility will be reported as part of the Prisoner Supervision and Support output. The relevant performance measure in the current suite of performance measures is: <ul style="list-style-type: none"> Average daily prison utilisation rate of total prison capacity. 	The solution implementation phase of the project is expected to boost local economic activity. Once the additional beds are delivered, job growth in the Correctional Services sector is also anticipated. More broadly, the project will contribute towards community expectations that correctional dispositions of the courts are implemented and prisoners contained and rehabilitated.	
1,700 Additional Frontline Police 940 Protective Service Officers (PSO's) for train stations	16.0 28.3	existing	To increase the number of frontline police by 1700 (by November 2014), and to deploy 940 PSO's to patrol metropolitan train stations and four regional centres.	The funding will facilitate recruitment, training and deploying of the additional frontline police and PSO's.	The delivery of the additional police and PSOs is in progress. Their deployment is reflected in the full suite of performance measures reported in the Policing Services output.	The increase in frontline police numbers and PSOs will improve Victoria Police's capacity to respond and assist in protecting communities in metropolitan and regional Victoria. These additional resources will be deployed based on analysis of crime statistics and other community demand indicators	n/a

10. Performance measures

Question 10.1

For each initiative (asset or output) in the 2012-13 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. In describing initiatives, please use the same names as are used in the budget papers.

Initiative	Output	Related Performance Measures
Increased Prison Capacity New Prison - The initiative will relate to the performance measures listed once the asset is operational.	Prisoner Supervision and Support	Average daily prison utilisation rate of total prison capacity
		Total annual daily average numbers of prisoners
		Total Output Cost
Specialist Response to Serious Sex Offender Management	Community Based Offender Supervision	Total Output Cost
Police Station Infrastructure to accommodate 1700 Frontline Police and 940 protective Services Officers	Policing Services	The initiative will relate to the full suite of current performance measures in the Policing Services output when the assets are operational.
Bushfire Buyback Scheme – Phase 2	Emergency Management Capability	Total Output Cost
Response to Protecting Victoria's Vulnerable Children Inquiry	Court Matters and Dispute Resolution	Child protection matters disposed in the Children's Court
		Child protection matters disposed within agreed timeframes
		Total Output Cost
Victoria Legal Aid	Supporting the Judicial Process	Duty lawyer services
		Grants of legal assistance provided by Victoria Legal Aid
		Legal advice and minor assistance for clients
		Community Legal Education and Information Services
Victoria Police and Victoria State Emergency Service Physical Assets Buildings Program 2012-13 - The initiative will relate to the performance measures as the assets are acquired and built assets become operational.	Policing Services	The initiative will relate to the full suite of current performance measures in the Policing Services output.
	Emergency Management Capability	The initiative will relate to the full suite of current performance measures in the Emergency Management Capability output.
Emergency Services Communications	Emergency Management Capability	Emergency response times meeting benchmarks – structural fires
		Emergency response times meeting benchmarks – road accident rescue response
		Emergency response times meeting benchmarks - emergency medical response
		Total Output Cost

Initiative	Output	Related Performance Measures
Improving Dispute Resolution Services for Victorians	Court Matters and Dispute Resolution	Civil matters disposed in the Dispute Settlement Centre of Victoria
		Civil matters disposed within agreed timeframes in the Dispute Settlement Centre of Victoria
		Total Output Cost

Question 10.2

Please indicate any changes that the Department has made since the 2011-12 Budget to increase the number of its performance measures that are outcomes-based.

The department has increased the number of performance measures from 112 in 2011-12 to 152 in 2012-13. The drivers for the changes were:

- the establishment of the Independent Broad-based Anti-corruption Commission
- the establishment of the Victorian Commission for Gambling and Liquor Regulation
- greater transparency and accountability in relation to the Crime Prevention portfolio, the courts and emergency management.

A summary of changes in the number of performance measures by output is shown in the table below.

Number of 'Budget Paper Number 3' Performance Measures		
Output	Number of Performance Measures in 2011-12	Number of Performance Measures in 2012-13
Policing Services	13	15
Police Integrity	5	0
Anti-Corruption and Public Sector Integrity	0	4
Legal Policy, Advice and Law Reform	8	9
Protecting Community Rights	8	15
Privacy Regulation	5	5
Supporting the Judicial Process	12	13
State Electoral Roll and Elections	4	4
Court Matters and Dispute Resolution	4	26
Public Prosecutions	6	6
Infringement and Orders Management	6	6
Community Safety and Crime Prevention	4	6
Emergency Management Capability	6	11
Prisoner Supervision and Support	6	7
Community Based Offender Supervision	7	7
Promoting and Protecting Consumer Interests	9	6
Gambling Regulation and Racing Industry Development	9	0
Gambling and Liquor Regulation and Racing Industry Development	0	12
TOTAL	112	152

One outcome-based performance measure was introduced into the department's 2012-13 output statement. The new measure is shown in the table below.

Outcome – Based Performance Measures Introduced in 2012-13	
Output – Emergency Management Capability	
Structural fire confined to room of origin	This measure reflects emergency services response strategies to minimise damage to housing and other buildings in the event of a fire ¹⁷ .

It is important to note that the department reports against a number of outcomes-based performance measures as part of its output statements.

¹⁷ Report on Government Services 2012, Chapter 9 – Fire, Road Rescue and Ambulance, p.9.28.

In accordance with the Productivity Commissions 'Report on Government Services' performance indicator framework, the following are existing outcome-based performance measures reported in the department's output statements.

Currently Reported Outcome – Based Performance Measures
Output – Policing Services
Proportion of community satisfied with policing services (general satisfaction)
Proportion of successful prosecution outcomes
Proportion of crimes against the person resolved within 30 days
Proportion of property crimes resolved within 30 days
Proportion of drivers tested who comply with posted speed limits
Proportion of drivers tested who comply with alcohol limits
Proportion of drivers tested who return clear results for prohibited drugs
Output – Prisoner Supervision and Support
Rate of return to prison within two years
Output – Prisoner Supervision and Support
Rate of return to corrective services within two years of discharge from a community corrections order
Offenders with a supervised order that has been successfully completed
Offenders with an unsupervised order that has been successfully completed

11. Staffing Matters

Question 11.1

Please fully complete the table below, providing actual FTE staff numbers at 30 June 2011 and estimates of FTE staff numbers (broken down by the categories listed below) at 30 June 2012 and 30 June 2013 for the Department. Please provide figures consolidated on the same basis as the expenditure for the department in the budget papers.

DEPARTMENT OF JUSTICE			
Grade	30 June 2011 (FTE number)	30 June 2012 (Estimated FTE number)	30 June 2013 (Estimated FTE number)
Secretary	1.0	1.0	-
EO-1	1.0	1.0	-
EO-2	29.0	33.0	-
EO-3	46.5	46.5	-
VPS Grade 7 (STS)	20.0	23.6	-
VPS Grade 6	792.8	791.5	-
VPS Grade 5	991.3	989.9	-
VPS Grade 4	1047.7	1034.8	-
VPS Grade 3	1548.5	1579.2	-
VPS Grade 2	1675.3	1634.1	-
VPS Grade 1	18.9	11.4	-
Government Teaching Service	n/a	n/a	-
Health services	n/a	n/a	-
Police - Separate Response Provided			-
Allied health professionals	91.4	96.7	-
Child protection	n/a	n/a	-

DEPARTMENT OF JUSTICE			
Grade	30 June 2011 (FTE number)	30 June 2012 (Estimated FTE number)	30 June 2013 (Estimated FTE number)
Disability development and support	n/a	n/a	-
Custodial officers	1784.8	1797.8	-
Other	29.1	27.6	-
Total	8077.3	8068.1	-

Notes:

- i. The Department of Justice portfolio (excluding Victoria Police) consists of a complex workforce profile consisting of departmental resources and a large number of statutory entities some of whose employment powers reside with the Secretary DOJ and others with Public Service Body Heads.
- ii. Departmental portfolio numbers include FTEs for the following statutory entities: Victorian State Emergency Services, Victorian Electoral Commission, Office of the Privacy Commissioner, Office of Public Prosecutions, Office of Public Integrity, Victorian Equal Opportunity and Human Rights Commission, Legal Services Commissioner, Victorian Law Reform Commission, Victorian Commission for Gambling and Liquor Regulation, Victorian Responsible Gambling Foundation, Office of the Public Advocate, Board of Examiners, Victorian Institute of Forensic Medicine, Special Investigations Monitor, Victorian Government Solicitors Office and Solicitor Generals Office
- iii. It is not possible to accurately forecast June 2013 staff numbers as this will be dependent on factors such as the implementation of the Government's Sustainable Government initiative relating to non-frontline service delivery staff.
- iv. Current Departmental data include 313 staff on leave without pay.

VICTORIA POLICE			
Grade	30 June 2011 (FTE number)	30 June 2012 (Estimated FTE number)	30 June 2013 (Estimates FTE number)
Secretary	n/a	n/a	-
EO-1	n/a	1.80	-
EO-2	6.00	5.00	-
EO-3	9.00	8.00	-
VPS Grade 7 (STS)	13.60	11.51	-
VPS Grade 6	133.38	135.25	-
VPS Grade 5	190.13	200.82	-
VPS Grade 4	460.27	447.61	-
VPS Grade 3	526.82	575.28	-
VPS Grade 2	1161.38	1092.22	-
VPS Grade 1	31.43	33.94	-
Government Teaching Service	n/a	n/a	-
Health services	n/a	n/a	-
Police	12321.98	12871.21	-
Allied health professionals	n/a	n/a	-
Child protection	n/a	n/a	-
Disability development and support	n/a	n/a	-
Custodial officers	n/a	n/a	-

Other	208.91	211.36	-
Total	15062.90	15594.01	-

Notes:

- FTE numbers as at the end of June 2013 are an estimate only.
- Police includes Recruits, Protective Services Officers and Reservists
- 'Other' includes Forensic Officers
- The EO1 positions are the Office of the Chief Examiner and Commissioner for Law Enforcement Data Security which are administratively funded via Victoria Police.
- It is not possible to accurately forecast June 2013 staff numbers as this will be dependent on factors such as the implementation of the Government's Sustainable Government initiative relating to non-frontline service delivery staff.
- Victoria Police forecasts for 30 June 2012 include 53.9 staff on leave without pay.

Question 11.2

Please break down the actual staff numbers in your department as at 30 June 2011 and the estimates as at 30 June 2012 and 2013 according to the number of staff that are ongoing, fixed-term or casual.

DEPARTMENT OF JUSTICE			
	30 June 2011 (FTE number)	30 June 2012 (Estimated FTE number)	30 June 2013 (Estimated FTE number)
Ongoing	7081.7	7250.2	-
Fixed-term	803.5	615.5	-
Casual	192.1	202.4	-
Total	8077.3	8068.1	-
VICTORIA POLICE			
	30 June 2011 (FTE number)	30 June 2012 (Estimated FTE number)	30 June 2013 (Estimated FTE number)
Ongoing	14726.44	15357.15	-
Fixed-term	336.46	236.86	-
Casual	0.00	0.00	-
Total	15062.90	15594.01	-

Department of Justice Notes:

- Fixed term at 30 June 2012 excludes fixed term contracts not expected to be renewed up to 30 June 2012.
- Casual numbers reflect the FTE equivalent of average hours worked by casuals over a financial year.
- Current Departmental data include 313 staff on leave without pay.
- It is not possible to accurately forecast June 2013 staff numbers as this will be dependent on factors such as the implementation of the Government's Sustainable Government initiative relating to non-frontline service delivery staff.

Victoria Police Notes:

- Victoria Police forecasts for 30 June 2012 include 53.9 staff on leave without pay.

- It is not possible to accurately forecast June 2013 staff numbers as this will be dependent on factors such as the implementation of the Government's Sustainable Government initiative relating to non-frontline service delivery staff.

Question 11.3

Given the Government's 'Maintain a sustainable public service' initiative, which is expected to reduce Victorian public service positions by around 3,600 between 2011-12 and 2014-15,¹⁸ please indicate for each year:

- (a) the number of VPS positions (including VPS Grades 1-6, STS level, EO level and Secretary level) and non-VPS positions that the Department expects to have as at 30 June;

DEPARTMENT OF JUSTICE					
	30 June 2011 (FTE number)	30 June 2012 (Estimated FTE number)	30 June 2013 (Estimated FTE number)	30 June 2014 (FTE number)	30 June 2015 (FTE number)
VPS positions	7999.8	7986.6		-	-
Non-VPS positions	77.5	81.5		-	-
VICTORIA POLICE					
VPS positions	2740.9	2722.8		-	-
Non-VPS positions	12322.0	12871.2		-	-

Notes

- It is not possible to accurately forecast June 2013 staff numbers as this will be dependent on factors such as the implementation of the Government's Sustainable Government initiative relating to non-frontline service delivery staff.
 - Current Departmental data include 313 staff on leave without pay.
 - Victoria Police forecasts for 30 June 2012 include 53.9 staff on leave without pay.
- (b) any strategies other than reducing the number of VPS staff that the Department plans to implement in order to meet the savings target established by this initiative, and the amount of savings for each year anticipated to be achieved by these strategies.

DEPARTMENT OF JUSTICE				
Strategy	Description	Anticipated savings (\$ million)		
		2012-13	2013-14	2014-15
Reduction in spending on contractors and consultants	Aim to reduce use of contractors and consultants.	8.4	8.4	8.4
Procurement efficiencies	Utilise major contract renewal processes and improve procurement practices to obtain better value from current and future purchasing.	8.0	8.0	8.0
Non wage indexation	Spread Non wage indexation reductions across all Divisions	8.3	36.6	67.0
VICTORIA POLICE				
Reduction in spending on contractors and consultants	Aim to reduce use of contractors and consultants.	2.5	2.5	2.5

¹⁸

2011-12 Victorian Budget Update, December 2011, p.114

Procurement efficiencies	Utilise major contract renewal processes and improve procurement practices to obtain better value from current and future purchasing.	8.9	8.9	8.9
Non wage indexation	Spread Non wage indexation reductions across all Divisions	3.4	14.6	26.2

Question 11.4

Please detail the actual amount that the Department spent on contractors and consultants in 2010-11 and the estimated expenditure in 2012-13 and each of the out years (for a definition on the difference between consultants and contractors, see FRD 22B – Standard Disclosures in the Report of Operations). Please provide figures on the same basis of consolidation for the Department as used in the budget papers.

DEPARTMENT OF JUSTICE						
	2010-11 (\$ million)	2011-12 (\$ million)	2012-13 (\$ million)	2013-14 (\$ million)	2014-15 (\$ million)	2015-16 (\$ million)
Consultants	0.7	0.3	0.2	-	-	-
Contractors	57.7	51.7	45.8	-	-	-
VICTORIA POLICE						
Consultants	6.9	2.6	2.3	-	-	-
Contractors	8.8	5.0	2.0	-	-	-

Note: As final budget figures at the detailed account level are not available at this stage, 2013-14 and onwards balances have not been provided.

If the estimates for consultants provided above do not match the estimates provided in response to Question 4.3, please explain why.

The Department does not budget to this level of detail across the forward estimates period.

Therefore it is not possible to provide estimates beyond 30 June 2013.

12. Other

Question 12.1

For any recommendation from the Committee's 2011-12 budget estimates reports where the response was that further action would be considered, investigated or reviewed, please provide an update of the results of the consideration, investigation or review.

PAEC's 2011-12 budget estimates reports contained a total of 123 recommendations. Two recommendations related directly to the department. The table below details the relevant recommendations, the government response, and an update to the initial government response.

2011-12 Budget Estimates Recommendations Update		
Recommendation	Government Response	Update
<p>Recommendation 17</p> <p>The Department of Justice's benefit analysis and evaluation of the deployment of the additional police and protective service officers be undertaken in a timely manner and the results published on the Department's website.</p> <p><i>(Ref: PAEC Report on 2011-12 Budget Estimates – Part 3 p 78)</i></p>	<p>The Department of Justice (DOJ) is working with Victoria Police and the Department of Transport (DOT) to develop an evaluation framework for the Protective Services Officers (PSOs). DOJ is also working with Victoria Police to ensure that mechanisms are in place to evaluate the impact of the 1700 additional police across the state, and to maximise alignment with existing data sets.</p> <p>This evaluation work is in a preliminary phase. The additional Police and PSOs are to be deployed from 2011 - November 2014, and evaluation is expected to take place toward the end of the roll-out when there are sufficient additional numbers deployed to measure the impact. The mode of reporting has not yet been determined.</p> <p><i>(Ref: Government Responses to the recommendations of PAEC's 102nd Report on the 2011-12 Budget Estimates – Part 3 p.11)</i></p>	<p>Victoria Police has developed a Benefits Realisation Plan in relation to the deployment of the additional police and protective service officers. It is to be noted that full evaluation is expected to take place toward the end of the roll-out when there are sufficient additional numbers deployed to measure the impact.</p>
<p>Recommendation 79</p> <p>The Department of Justice reassess the performance measures in its Emergency Management Capability output to reflect the impact of the additional funding provided for this output.</p> <p><i>(Ref: PAEC Report on 2011-12 Budget Estimates – Part 3 p. 228)</i></p>	<p>The department has recently completed a comprehensive desktop review of output measures utilised by all Australian states and territories and is in the process of determining a suitable suite of measures for consideration and endorsement.</p> <p><i>(Ref: Government Responses to the recommendations of PAEC's 102nd Report on the 2011-12 Budget Estimates – Part 3 p.40)</i></p>	<p>The department has introduced a suite of new performance measure in the 2012-13 Budget Papers, increasing the number from 6 to 11. The changes aim to improve accountability and transparency, and better inform the public in relation to the capability of emergency service organisations to respond to emergencies.</p>