

2019–23
Corporate Plan
Department of Treasury
and Finance

VICTORIA
State
Government

Treasury
and Finance

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Secretary's foreword



The Department of Treasury and Finance (DTF) provides leadership in economic, financial and resource management to help the Victorian Government deliver on its policies. Our analysis supports decisions on the most effective ways government

funding can be used to make Victoria a better place to live, now and into the future.

DTF's *2019–23 Corporate Plan* sets out our short and medium-term priorities that underpin our core measures for success. These measures commit DTF to strengthening Victoria's fiscal and economic position; improving how government manages its balance sheet, commercial activities and public sector infrastructure; and delivering efficient, value-for-money services to whole of government.

To support our staff to be high-performing leaders and achieve our core measures for success, we will continue to develop and implement strategies necessary to attract and retain talented people, and create a flexible, diverse and inclusive workforce.

As a central agency, we aspire to be a responsive and dynamic organisation and a leader in the Victorian public service. I look forward to working with our highly motivated staff, applying our capability and expertise to deliver on our priorities.

A handwritten signature in black ink that reads "D. J. Martine". The signature is fluid and cursive.

David Martine
Secretary

Introduction

DTF is pleased to release its *2019–23 Corporate Plan*. The plan outlines DTF's role in delivering on the Government objectives, priorities and budget decisions.

The *2019–23 Corporate Plan* begins with 'Our commitment,' which sets out the Department's mission, vision and values, and outlines its commitment to creating value through people, technology and communications.

The plan outlines DTF's current operating environment including key challenges. DTF's risk management approach sets out how the Department will address these challenges, supported by a robust governance framework.

The *2019–23 Corporate Plan* provides an overview of the Department's objectives, as presented in Budget Paper No. 3 Service Delivery, and outlines the core functions and medium-term priorities of each DTF group. These priorities position DTF to meet its medium-term objectives in the context of our operating environment.

The priorities reflect the key initiatives that will guide and frame the work of DTF from now to 2023. Achievement against these priorities will be reported in future annual reports.





Our commitment

Our commitment

Our vision

Excellence in financial and economic management.

Our mission

To provide leading financial and economic advice to the Government on the allocation of resources to improve the living standards of all Victorians.

Our role

We provide economic, financial and resource management advice to help the Victorian Government deliver its policies.

We support the ministerial portfolios of the Treasurer, Assistant Treasurer and Minister for Economic Development.

We work with all Victorian departments and agencies to ensure the Government's objectives are achieved.

Our objectives

- / Optimise Victoria's fiscal resources
- / Strengthen Victoria's economic performance
- / Improve how Government manages its balance sheet, commercial activities and public sector infrastructure
- / Deliver efficient whole of government common services





Our values



We are influential

- / We demonstrate leadership in our work
- / We negotiate effectively to get the best outcome for Victorians



We are respectful

- / We treat others fairly and inclusively
- / We cultivate a positive work environment and understand others' priorities and pressures



We are collaborative

- / We engage flexibly and constructively with our colleagues and stakeholders
- / We work together as a team, speaking with one voice



We are creative

- / We foster innovative thinking to create opportunities and solve challenges
- / We value and encourage diverse views and ideas



We are accountable

- / We behave ethically, transparently and with integrity
- / We take responsibility for our work, decisions and actions
- / We work efficiently to achieve value-for-money outcomes



We are responsive

- / We give timely, robust and impartial advice and services to stakeholders
- / We are proactive and solution focused, seeking opportunities to resolve issues and risks

Our commitment

People

DTF is committed to developing the capability of its people to support a high-performing, service-oriented organisation, positioned to improve financial and economic management.

We aspire to excellent leadership that attracts and retains staff.

We understand the value of our people as reflected in our People Strategy, which builds on strong foundations to ensure we remain capable, responsive and agile.

The People Strategy aims to build capability and leadership through several key strategic initiatives, including a centralised learning and development program and capability framework that will position the Department to meet current and future needs, attract great people and support career development.

We have implemented several other strategic initiatives including a tailored Leadership Development Program and a Diversity and Inclusion Framework, which currently includes an Aboriginal Employment Action Plan and an All Abilities Action Plan with additional diversity and inclusion plans to be developed in the future.

To support an inclusive and respectful workplace culture, we have a wide range of initiatives including training in disability awareness, resilience, communication, LGBTIQ awareness, respectful relationships, and managing bullying, harassment and sexual harassment. We also have Aboriginal cultural awareness training, career planning workshops, cadetships, internships, job transfer and graduate programs. We have a target to achieve a 50:50 gender balance in our leadership roles, we offer flexible work practices and have senior executives who champion these initiatives.

We provide and maintain a working environment that is safe. DTF's mental health and wellbeing charter is supported with a Safe People program, mental health first aiders, mental health and wellbeing training for managers, and extended employee assistance services.

In addition, we have robust policies in key areas, including conflict of interest, risk management, procurement and protected disclosure for staff who speak up if they believe something is not right.

All staff understand their obligations under the Victorian Public Sector Code of Conduct. To support the preservation of DTF's integrity, staff attend a face to face corporate induction and complete mandatory compliance training, which aligns with our values, legal requirements and diversity awareness.

Key to the delivery of our objectives for Government is the need for a strong, capable and resilient Department. In order to attract and retain the best people, DTF is committed to maintaining a respectful, diverse and inclusive workplace. To achieve excellence in financial and economic management to improve the lives of all Victorians, we value our people and motivate them to lead, influence, collaborate and innovate.

DTF strives to be an employer of choice, attractive to people from across all sectors.

Information and Communication Technology

DTF's Information and Communication Technology (ICT) Strategy has provided modern and capable tools for sound financial management and advice in a fast-changing operating environment.

The ICT strategy continues to support increasing flexible work practices, ensures the security of data and information, and enhances records management systems.

The benefits delivered by the current ICT strategy will be reviewed in late 2019 with a view to developing a new ICT strategy for 2020-2023.

DTF will continue to develop and support systems and technologies to meet future and emerging challenges, ensuring it remains agile and responsive.

Communications

DTF's updated Communications Strategy is currently being implemented. The strategy aims to identify and respond to DTF's emerging communication needs; identify opportunities to improve current communication with internal and external stakeholders, including the implementation of the recently released Internal Communications Strategic Plan. It will also apply best practice to the way communication is delivered to strengthen DTF's reputation for what it does and why it is an employer of choice.







Our operating environment

Our operating environment

Victoria's economy is strong, with the current expansion resulting in the longest period of above-trend growth in almost two decades. Low interest rates, strong population growth, high labour force participation and a low unemployment rate are supporting growth in Victoria's economy. Importantly, the strength of the current economic cycle continues to deliver strong employment growth and a higher standard of living across Victoria.

Victoria is successfully transitioning towards an agile and dynamic service led economy. Victoria has been a major driver of Australian economic growth over the most recent cycle, outperforming the rest of the nation across a broad range of economic indicators, including growth in public demand, employment and economic activity.

The Victorian Government expects DTF, as one of two central agencies, to lead the public sector to achieve high levels of performance and drive continuous improvements in how it delivers its work.

DTF will continue to build its capabilities and ensure efficient resource allocation, with a focus on evidence-based analysis to underpin our advice. DTF's work program over the medium term will further build on our strong record by focusing on:

- / helping the Victorian public sector deliver better services more efficiently, in the context of strong population growth and increasing demands for services;
- / laying the foundations for a continued strong, sustainable financial position that enables the State to weather unexpected shocks, as well as positioning Victoria to receive a fair share of Commonwealth funding;
- / promoting more competitive, productive and inclusive economic performance for the State; and
- / delivering more efficient and effective commercial activities, public sector infrastructure and whole of government common services for our strong and growing State.



DTF has an expanded role in facilitating investment throughout the State, with the recent addition of Invest Victoria to the Department. This has broadened DTF's operating scope, with an added international focus on economic development.

DTF, like any other organisation, aims to attract and retain the best people. A current challenge for the Department is ensuring it has the capability to meet future needs and deliver on its priorities. To do this, DTF will need to ensure it remains a competitive and well respected employer.

We operate in an age of technological change, and with this comes significant opportunity. We are now more connected than ever before.

This year the Victorian Government launched 'One VPS', with the aim of bringing together people, processes and technology to create a seamless public service. This will create a workplace culture that encourages and enables cross-departmental mobility, collaboration and innovation.

DTF has a strong reputation for providing influential advice to decision makers. This is built on our relationships with stakeholders, including the department's portfolio agencies, portfolio ministers, other departments and the Victorian community. Over time there has been a change to this landscape, with the increased emergence of think-tanks and special interest groups.

This increased competition presents both challenges and opportunities to the environment in which we operate, and makes DTF's role in providing evidence-based, data driven advice to key decision makers ever more critical. DTF's competitive advantage lies in our strong reputation for providing rigorous quantitative and qualitative evidence-based analysis, and the relationships that enable us to provide influential advice.

Strong governance is core to how we operate, and DTF has built up its governance and integrity frameworks over time. A key challenge is ensuring continuous improvement to make sure DTF remains competitive and agile, now and into the future.

The following section of the *2019–23 Corporate Plan* outlines the approach DTF will take to manage key risks in the context of the current and future operating environment.





Our risk management approach

Our risk management approach

DTF complies with and administers the Victorian Government Risk Management Framework (VGRMF). The VGRMF provides a minimum risk management standard for the Victorian public sector and applies to departments and public bodies covered by the *Financial Management Act 1994* (FMA).

Identifying and managing risk is important to provide confidence to Government and the community that risks are being managed. There are three types of risks that can affect DTF:

- / **Agency risk** – risk specific to the operation of DTF;
- / **Interagency risk** – risk shared by two or more agencies; and
- / **State-significant risk** – risks where potential consequences or impacts on the community, the Government and the private sector are so large as to be of state significance.

DTF's risk management policy aims to:

- / integrate risk management into the Department's planning, reporting and performance measurement and day-to-day operations;
- / provide a robust structure and process for the identification, assessment and control of the Department's risks;
- / inform management of the likelihood and impact of risk, including protection against financial loss, fraud, under-delivery of products and services, and damage to reputation;
- / enable DTF to seize new opportunities and challenges, better positioning the organisation to achieve its vision and objectives and in doing so, enhance its reputation and performance;
- / provide formal accountability for risk management that is consistent across DTF; and
- / focus our risk management around DTF's seven strategic risks and one enterprise-wide risk related to: capability, resource allocation, governance, workplace culture, stakeholder relations, ministerial expectation, quality of advice, and fraud and integrity.

Further information about DTF's key strategic risks and risk mitigation strategies are outlined on the following pages.



Risk	How DTF manages this risk
<p>Capability risk</p> <p>There is a risk that DTF does not attract and retain staff with the appropriate capabilities.</p>	<p>To address this, a performance planning and review process enables managers to align the performance of their staff with the organisation's objectives.</p> <p>Furthermore, a broad range of training and development opportunities exist including an internal job transfer program that provides an opportunity for eligible employees to be transferred to another group in DTF on an ongoing basis, enabling employees to increase the breadth of their skills and work experience.</p>
<p>Governance risk</p> <p>Poor organisational design including lack of effective strategic planning can lead to ineffective governance, which results in failures to achieve departmental objectives.</p>	<p>DTF has in place governance bodies including the DTF Board, which is the overarching governance body for the Department and is supported by the Knowledge Management Committee, People Committee, and Remuneration Committee.</p> <p>DTF's Audit and Risk Committee reviews the effectiveness of the Department's internal control environment.</p>
<p>Allocation of resources risk</p> <p>Funding or capacity constraints can result in insufficient and unallocated resource availability, which can reduce DTF's ability to deliver on the Government's objectives.</p>	<p>This risk is managed with a flexible workforce that allows any gaps that arise to be quickly filled.</p> <p>DTF also maintains good relations with ministers and other stakeholders to assist in managing and prioritising the Department's workload.</p>
<p>Culture (how we work) risk</p> <p>There is a risk that DTF staff do not understand how we should work, which can result in underperformance and unproductive and disengaged staff.</p>	<p>DTF is committed to creating and maintaining a workplace environment conducive to productive and engaged staff.</p> <p>This is supported by recent initiatives such as training on respectful workplace culture and mental health.</p> <p>In addition, regular People Matter Surveys are conducted, and actions are taken in response to survey results.</p>

Risk	How DTF manages this risk
<p>Stakeholder relations risk</p> <p>Ineffective engagement with stakeholders can lead to poor stakeholder relations, which diminishes DTF's ability to influence outcomes.</p>	<p>DTF actively manages relationships across departments, portfolio agencies and other stakeholders. DTF seeks to engage early to set and clarify any expectations and works collaboratively to reach shared goals in a positive manner.</p>
<p>Quality of advice risk</p> <p>The Department may place insufficient effort into managing quality, leading to poor advice resulting in damage to DTF's reputation.</p>	<p>DTF is investing in analytical and modelling capabilities, and is building systems to support the delivery of robust advice. Quality of advice is also supported by Executive Officer sign-off.</p> <p>Capability of staff is also built with regular performance development planning and performance reviews.</p>
<p>Ministerial expectations risk</p> <p>Ineffective engagement could lead to expectations of ministers not being well understood, resulting in unsatisfactory outcomes.</p>	<p>Regular engagement with the offices of the Treasurer, Assistant Treasurer, and Minister for Economic Development ensure a strong understanding of ministerial expectations.</p> <p>DTF engages with ministers early on upcoming policy reform to set and clarify expectations and notify of the implications of policy changes.</p>
<p>Fraud and integrity risk</p> <p>Weaknesses in controls can lead to corrupt or fraudulent activity.</p>	<p>DTF's Integrity Framework brings together all measures in place to support the Department in preserving its integrity. This framework includes a fraud, corruption and other losses policy; a gifts, benefits and hospitality policy; and a conflicts of interest policy.</p>

The following section outlines the governance framework that underpins the Department's operations, including our approach to risk management.







Our Governance Framework

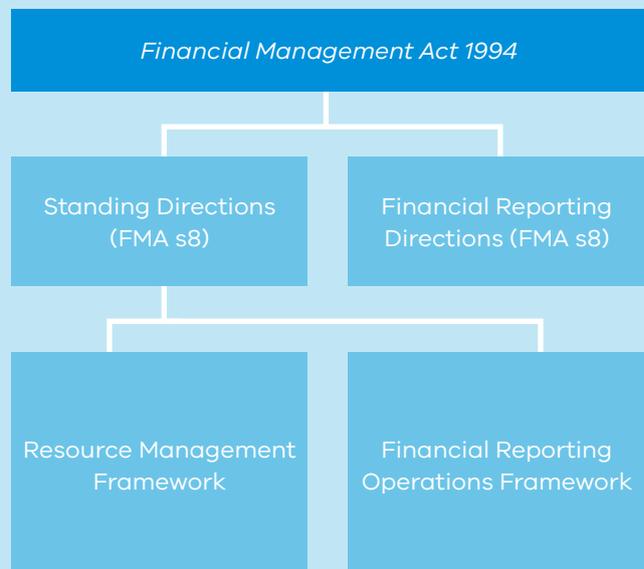
Our governance framework

DTF is responsible for supporting the Treasurer and Assistant Treasurer in discharging their accountability to Parliament for the overall financial management performance of the State and the Victorian Government's obligations under the *Financial Management Act 1994* (FMA).

The FMA sets the financial management accountability, reporting and financial administration obligations of the Government and the Victorian public sector.

The primary source of authority for the collection and use of public resources is the *Constitution Act 1975*, supported by the FMA, the *Audit Act 1994* and the *Public Administration Act 2004*. These Acts and the supporting instruments made under them hold agencies accountable for the use of the resources provided to them.

The diagram below sets out our financial management framework hierarchy. The Secretary of DTF, as the Accountable Officer, is responsible for ensuring the Department is compliant with the financial management framework.





The Treasury and Finance Board and its sub-committees support the Secretary to fulfil our obligations to the Victorian Government and enhance accountability. Each sub committee is represented by

at least one member of the DTF Board and the minutes are submitted for endorsement by the Board.

Treasury and Finance Board

Provides strategic direction and oversight to the Department

Audit and Risk Committee

Provides independent assurance to the DTF Secretary that the Department's risk and control environment is operating efficiently and effectively, consistent with DTF's risk management framework.

Knowledge Management Committee

Advises and makes recommendations to the Treasury and Finance Board on appropriate knowledge management strategies, designed to enhance access to and sharing of business-critical information and knowledge.

People Committee

Advises the Treasury and Finance Board on people, culture, capability and communication matters. It also provides leadership to the Department and supports the delivery of people and culture-related initiatives, which assist in the achievement of DTF's objectives and organisational goals.

Remuneration Committee

Oversees DTF's approach to recruitment and executive remuneration across the Department.





Our measures of success

Our measures of success

Our 2019–23 *Corporate Plan* outlines four departmental objectives that contribute to the Government’s priorities. Headline indicators measure progress in delivering on these objectives.

DTF comprises four divisions, representing 20 business groups, including the Office of Projects Victoria and Invest Victoria.

Each division has responsibility to lead a single objective.

More detailed information on the departmental performance statement (i.e. the measures and targets that are used to help evaluate performance) is published in Budget Paper No. 3 *Service Delivery*, available on our website.

Objective	Headline indicators
<p>Optimise Victoria’s fiscal resources</p>	<ul style="list-style-type: none"> <li data-bbox="576 1048 1294 1106">/ A net operating surplus consistent with maintaining general government net debt at a sustainable level. <li data-bbox="576 1126 1398 1184">/ General government net debt as a percentage of gross state product (GSP) to be maintained at a sustainable level. <li data-bbox="576 1205 1334 1263">/ Agency compliance with the Standing Directions 2018 under the <i>Financial Management Act 1994</i>. <li data-bbox="576 1283 1369 1344">/ Advice contributes to the achievement of Government policies and priorities related to optimising Victoria’s fiscal resources.
<p>Strengthen Victoria’s economic performance</p>	<ul style="list-style-type: none"> <li data-bbox="576 1395 1386 1453">/ Economic growth to exceed population growth as expressed by GSP per capita increasing in real terms (annual percentage change). <li data-bbox="576 1473 1369 1532">/ Total Victorian employment to grow each year (annual percentage change). <li data-bbox="576 1552 1369 1610">/ Advice contributes to the achievement of Government policies and priorities relating to economic and social outcomes.



Objective	Headline indicators
<p>Improve how government manages its balance sheet, commercial activities and public sector infrastructure</p>	<ul style="list-style-type: none"> / High-value high-risk projects have had risks identified and managed through tailored project assurance, policy advice and governance to increase the likelihood that projects are completed within agreed timeframes, budget and scope. / Government business enterprises performing against agreed financial and non-financial indicators. / Advice contributes to the achievement of Government policies and priorities relating to Victoria’s balance sheet, commercial activities and public sector infrastructure.
<p>Deliver efficient whole of government common services</p>	<ul style="list-style-type: none"> / Benefits delivered as a percentage of expenditure by mandated agencies under DTF managed state purchase contracts, including reduced and avoided costs. / Low vacancy rates for government office accommodation maintained. / High-quality whole of government common services provided to Government agencies, as assessed by feedback from key clients.

Our groups and priorities

Information on the core functions and medium-term priorities of DTF’s groups is provided over the following pages. These priorities position DTF to meet its medium-term objectives in the context of our operating environment.

The priorities reflect the key initiatives that will guide and frame the work of DTF from now to 2023.

Optimise Victoria's fiscal resources – Budget and Finance Division

The Budget and Finance Division leads the development of financial policy advice to Government and the Victorian public sector through detailed analysis of key policy priorities including resource allocation, financial risk and government service performance, financial reporting frameworks, and the State's budget position, to inform and support the publication of key whole of State financial reports and the annual State Budget.

Business groups and core responsibilities

Budget strategy

Provides advice on the State's short to medium-term budget outlook and fiscal strategy, its financial and resource management frameworks, and the Government's wages policy.

Financial reporting

Provides advice on the financial reporting framework and accounting issues to support decision making and leads the production of government financial reporting publications including quarterly, mid-year, annual and estimated financial reports.

Portfolio analysis

Provides advice on resource allocation, financial risk and government service performance; and promotes sound financial management of the State's fiscal resources throughout the Victorian public sector.

Key short to medium-term priorities

- / Prepare and deliver the annual State Budget.
- / Prepare advice on the Victorian Government's fiscal strategy.
- / Drive efficiencies and effectiveness of government funding.
- / Strengthen public sector accountability through amendments to the *Financial Management Act 1994*.
- / Review and strengthen the Departmental Funding Model, and associated performance measurement and reporting.
- / Lead Victorian public sector readiness for the implementation of a suite of major upcoming financial reporting changes.
- / Improve demand modelling to support sustainable funding.



Strengthen Victoria's economic performance – Economic Division

The Economic Division leads the development of advice to Government on key economic and other priorities including regulatory reform, housing, government tax policy and intergovernmental financial relations to drive improvements in Victoria's productive and efficient resource allocation, competitiveness and equity across the Victorian economy.

Business groups and core responsibilities

Economic policy

Provides advice on Victoria's economic strategy, macroeconomic conditions and policy; economic reform; energy, resources and environmental policy; and regulation, planning and local government reform.

Service delivery and reform

Provides analysis and policy advice on whole of government risk, transport, justice, outcome-based funding, education, health and human services, demand forecasting and housing.

Revenue

Provides analysis and advice on tax and gambling policy, intergovernmental financial relations and revenue forecasting.

Key short to medium-term priorities

- / Provide advice to Government on the outlook for State revenue, including tax and non-tax sources of revenue and sources of Commonwealth revenue.
- / Further build economic modelling and forecasting capabilities to improve the Department's understanding of the potential impact of major economic events; improve the accuracy of revenue and economic forecasts; improve scenario testing capability and cost benefit analysis; and expand capacity to forecast demand for government services.
- / Enhance the management of state significant risks through cross-agency collaboration and coordination via the whole of Victorian government State Significant Risk Interdepartmental Committee, and provide timely advice to the Assistant Treasurer and Victorian Secretaries' Board.



- / Provide advice to Government on enhancing productivity and protecting the interests of consumers, businesses and citizens through regulation reform, including advice on fees and charges.
- / Through the Commissioner for Better Regulation, enhance regulatory scrutiny, seek to reduce the burden of red tape, and identify opportunities to introduce regulatory offsets to deliver improvements in citizen's wellbeing, the economic performance of the state, and environmental outcomes.
- / Provide reform options across the housing spectrum – including market housing, first home buyers, and affordable and social housing; continuing to implement the Social Housing Growth Fund, low interest loans and guarantees to community housing program, and the HomesVic Shared Equity Scheme.
- / Deliver programs and reform that increase outcomes-based funding in Victoria, including by delivering the Victorian Business Growth Fund with First State Super and VicSuper; and by implementing the Government's Partnerships Addressing Disadvantage initiative, building on the Social Impact Bond Pilot program.

Invest Victoria

Invest Victoria is the Victorian Government's lead investment attraction agency that plans, coordinates, and executes whole of government Foreign Direct Investment strategies and activities for the State.

Invest Victoria aims to ensure the State's investment attraction efforts drive long term economic performance, particularly through innovation and export-led growth. The agency works with government and other stakeholders to ensure that Victoria is a competitive destination for business, innovation and talent globally.

Key short to medium-term priorities

- / Develop and convert a pipeline of investment projects that align with the Government's economic priorities.
- / Develop an investment attraction strategy that contributes to an overarching economic development strategy.
- / Ongoing development of value propositions to provide investment collateral.
- / Develop the Victorian Hydrogen Energy Supply Chain.
- / Provide advice on increasing access to funding for small to medium-sized enterprises and startups.

Improve how Government manages its balance sheet, commercial activities and public sector infrastructure – Commercial Division

The Commercial Division leads the development of strategic commercial and financial advice to Government to support key decisions regarding the State's financial assets and liabilities and infrastructure investment opportunities to drive improvement in public sector commercial and asset management, and the delivery of infrastructure for the State.

Business groups and core responsibilities

Infrastructure policy and assurance

Provides advice to Government and guidance to departments on infrastructure investment, capital funding proposals, high-value high-risk assurance framework, construction procurement and other major commercial projects.

Financial assets and liabilities

Provides advice and reports on the State's financial assets and liabilities and associated financial risks, including the State's investments, debts, unfunded superannuation, insurance claims liabilities, and oversees the registration and regulation of rental housing agencies.

Commercial transactions

Provides transaction advisory services and advice on whole of State negotiations to Government. This includes identifying asset reform opportunities to optimise the State's balance sheet management as well as leading and implementing complex commercial transactions.

Infrastructure delivery

Provides commercial, financial and risk management advice to Government and guidance to departments regarding Partnerships Victoria projects and other complex procurements. This also includes implementation of the Market-led Proposals Guideline to facilitate new and innovative private sector initiatives.

Shareholder advisory services

Provides governance oversight of government business enterprises (GBEs) and advice to Government, departments and agencies relating to GBEs' strategic direction and performance, significant capital expenditure proposals, dividends and capital repatriations.

Facilitates the sale and acquisition of government land, manages more than 200 DTF-owned land and property assets (including government office accommodation), provides policy advice and revenue estimates, and coordinates the Greener Government Buildings program.



Key short to medium-term priorities

- / Provide advice to Government on major infrastructure projects.
- / Manage the Department's contribution to the Suburban Rail Loop.
- / Oversee the commercial structuring of all public private partnership projects, particularly Footscray Hospital and North East Link.
- / Lead reforms to optimise Victoria's infrastructure program.
- / Implement the Market-led Proposals Guideline and lead stage one and two assessments.
- / Continue to improve assurance and policies to support public infrastructure construction.
- / Implement a centralised whole of Government working capital management process.
- / Improve shareholder value from the Government's investment in public non-financial corporations and public financial corporations.
- / Improve government land utilisation and accommodation efficiencies through policy reform opportunities.
- / Identify opportunities to strengthen the State's balance sheet.

Office of Projects Victoria

The Office of Projects Victoria (OPV) is an administrative office of DTF that aims to improve outcomes across Victorian government projects.

OPV is responsible for providing the Victorian Government assurance through project portfolio monitoring and oversight; providing technical and engineering advice to major projects; supporting the coordination between delivery agencies to improve the overall system of project delivery including building capability and skills and engaging the engineering profession to enhance its impact in Victoria.

Key short to medium-term priorities

- / Undertake Project Assurance Reviews to complement the Gateway process.
- / Implement project system-wide improvements including developing the skills and capability that project teams and leaders need to succeed.
- / Improve data efficacy and trend analysis to enhance assurance through project portfolio monitoring and oversight.
- / Strengthen front end engineering and design processes within the Victorian Government's Gateway Project Assurance Framework.



Sheraton



Deliver efficient whole of government common services – Corporate and Government Services Division

The Corporate and Government Services Division leads the delivery of integrated and service-oriented whole of government services, policies and initiatives to achieve value for the Victorian public sector.

Business groups and core responsibilities

Strategic sourcing

Provides whole of government procurement and strategic sourcing solutions to achieve best value for the Victorian Government; procurement policy leadership through the Secretariat of the Victorian Government Purchasing Board; and management of the Standard Motor Vehicle policy, VicFleet operations and the finance lease facility for government departments and agencies.

Shared service provider

Delivers strategic, efficient, fit-for-purpose and effective accommodation management, car pool and government library shared services that deliver value to the Victorian Government and enable Shared Service Provider (SSP) clients to focus on their core business.

Key short to medium-term priorities

- / Expand SSP advisory services to clients and Government including space management, asset management and security services.
- / Implement the centralised accommodation management (CAM) initiative across the existing client base delivering savings and efficiencies across the Victorian Government.
- / Develop a fit-for-purpose relationship framework and customer interface for the management of government shared services.
- / Review SSP's other service lines, library and transport solutions for alignment with SSP's business operating model.
- / Implement the procurement reform program and develop and integrate whole of government policy, systems and capability.
- / Implement a Social Procurement Framework.
- / Increase procurement benefits for Victorian Government departments and agencies.

Supporting our business – Corporate and Government Services Division

The Corporate and Government Services Division leads programs to strengthen corporate governance and risk management, and develops strategies to ensure the provision of integrated and coordinated services, processes and systems. The division works alongside other departmental divisions to promote a high-performance culture based on continuous improvement.

Business groups and core responsibilities

Corporate finance

Provides financial services including statutory and external reporting, management reporting, budgeting, asset management, tax and compliance, accounts payable and receivable as well as electronic procurement support. The group also supports the Treasurer in the management and administration of the Natural Disaster Financial Assistance (NDFA) and the Community Support Fund (CSF) programs.

In addition, the group provides shared transactional services to a number of client agencies including the Department of Premier and Cabinet, Independent Broad-based Anti-corruption Commission and the Essential Services Commission.

Legal services

Provides internal legal and advisory services to the Department and its Ministers. This includes advising on the delivery of State significant projects and transactions, Victoria's financial management framework, public policy and administrative law matters, managing litigation and disputes, preparation of legislation, and supporting the Department's commercial activities. The group also supports the Department in engaging and managing the provision of external legal services.

Corporate delivery services

Ensures the Department has the capability, tools and systems to support a flexible workforce and to effectively service government. The group includes responsibility for the Department's people, accommodation, Information and Communications Technology (ICT), planning, audit and risk, integrity, Cabinet services and freedom of information. The group also manages responses to the Public Accounts and Estimates Committee and other parliamentary inquiries.

Strategic communications

Provides expert communications services, and event and issues management advice to assist DTF to effectively implement its projects and programs. The group manages the Department's various websites, intranet, internal communications and social media channels. The group also provides production, graphic design, multimedia and video production services.

Key short to medium-term priorities

- / Implement the People Strategy.
- / Review the benefits of the Information and Communications Technology (ICT) Strategy 2017-2019 with a view to developing a new strategy for 2020-2023.
- / Review DTF's accommodation needs in the context of supporting a flexible and safe workforce.
- / Enhance delivery of corporate services by reviewing the Corporate Delivery Services operating model.
- / Embed a culture of integrity and ethics in all aspects of the Department.
- / Finalise the implementation of the FinCloud financial system, focusing on improving processes, policies and procedures. Develop new Service Level Agreements for the financial services we provide to DPC and agencies.
- / Develop a transition plan and transfer the Natural Disaster Trust Fund to Emergency Management Victoria.
- / Enhance procurement technology and data solutions to streamline procurement operations and support government procurement policy.
- / Continue to deliver on DTF's Communications Strategy 2017-20, and its Internal Communications Strategic Plan.
- / Continue to improve DTF's digital channels.
- / Continue to build the Department's internal legal capability and breadth of experience.
- / Enhance scrutiny and control over engagements with external legal providers to reduce DTF's external legal spend.



Financial outlook

In addition to the corporate and government business groups that support DTF's business, the forward estimates represent the allocation of resources that also enable the delivery of DTF's key priorities and ongoing delivery of economic, commercial, financial, budget and resource management outputs.

DTF operating statement		estimates (\$ million)			
Net result from continuing operations	2019-20	2020-21	2021-22	2022-23	
Income from transactions					
Output appropriations	493.9	494.6	390.6	374.1	
Sales of goods and services	53.5	56.3	56.3	56.3	
Grants and other transfers	8.1	7.3	7.6	-	
Other income	1.8	0.6	1.1	1.1	
Total income from transactions	557.3	558.8	455.6	431.5	
Expenses from transactions					
Employee benefits	195.4	194.8	192.2	186.2	
Depreciation and amortisation	30.9	30.9	31.1	31.4	
Interest expense	2.1	1.8	1.6	1.3	
Grants and other transfers	149.1	155.8	56.6	40.3	
Capital asset charge	62.9	62.8	62.4	61.1	
Other operating expenses	112.6	108.1	106.7	106.1	
Total expenses from transactions^(a)	553.0	554.2	450.6	426.4	
Net result from transactions (net operating balance)	4.3	4.6	5.0	5.1	

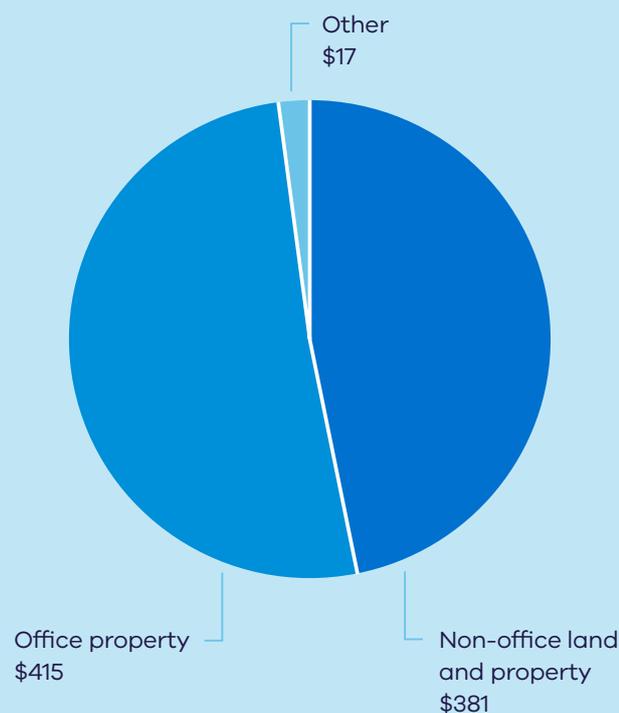
(a) Source: Department of Treasury and Finance, as at 25 May 2019.

This table includes the financial estimates for the State Revenue Office and the Essential Services Commission.

Assets

DTF's Asset Register reflects the enabling assets that support the whole of government, including DTF's business. This register comprises more than 500 assets, with a value of over \$800 million as at 30 June 2019.

Departmental asset value by category (\$ million)



Land and building assets account for 98 per cent of the value of all departmental assets. Half of these (\$415 million) are office buildings on Crown land occupied by government departments (including DTF). The other half (\$381 million) are categorised as non-office land and property, and include the former gasworks sites, land occupied by Crown Casino, and other land transferred to the Department pending future Government decisions.

Other than land and buildings, DTF owns assets under the categories of office tenancy, ICT, and motor vehicles.

DTF acts as the landlord, on behalf of the owner the Assistant Treasurer, for 17 office buildings across metropolitan Melbourne and regional Victoria.

This office space provides 92 847m² of net lettable area and is tenanted by a variety of departments and agencies.

Rental income from these properties is deposited into the Government Accommodation Trust, which is used to fund costs associated with these buildings.

For further information on DTF's approved asset (and output) investment initiatives, please refer to Budget Paper No. 3 *Service Delivery*, available on our website.



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