

DEPARTMENT OF
TREASURY AND FINANCE

**2023
-24
ANNUAL
REPORT**

ACKNOWLEDGEMENT OF COUNTRY

The Victorian Department of Treasury and Finance acknowledges that Aboriginal and Torres Strait Islander peoples are the First Peoples and Traditional Custodians of Australia, and the oldest continuing culture in human history. We proudly acknowledge Victoria's Aboriginal communities and recognise the value and ongoing contribution of Aboriginal people and communities to Victorian life. We pay our respect to Elders past and present and emerging.

As we work to ensure Victorian Aboriginal communities continue to thrive, the Government acknowledges the invaluable contributions of generations that have come before us, who have fought tirelessly for the rights of their people and communities towards self-determination. We reflect on the continuing impact of government policies and practices and recognise our responsibility to work together with and for Aboriginal and Torres Strait Islander peoples towards improved cultural, social and economic outcomes.



'lim-ba nindee thana warn-ga-ilee'
(Preserve our Dreaming Lore) – Gunnai Language

*Bitja (Dixon Patten Jnr) Yorta Yorta, Gunnai,
Gunditjmara and Dhudhuroa of Bayila Creative*

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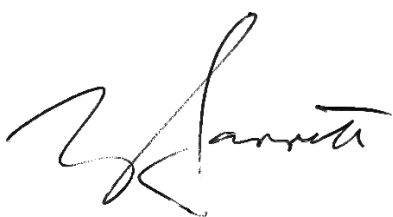
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Responsible Body's declaration

In accordance with the *Financial Management Act 1994*, I am pleased to present the Department of Treasury and Finance Annual Report for the year ended 30 June 2024.



Chris Barrett
Secretary

18 October 2024

About DTF

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

The Department of Treasury and Finance (DTF) provides economic, financial, industrial relations and resource management advice to help the Victorian Government deliver its policies.

DTF supports the ministerial portfolios of the Treasurer, the Assistant Treasurer, Minister for Industrial Relations and the Minister for WorkSafe and the TAC.

Our objectives

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

DTF's objectives are to:

- optimise Victoria's fiscal resources
- strengthen Victoria's economic performance
- improve how the Government manages its balance sheet, commercial activities and public sector infrastructure
- strengthen Victoria's economic performance through fair, equitable and productive workplaces.

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 Ministers

as at 30 June 2024

Treasurer, Minister for Industrial Relations – Tim Pallas MP

Tim Pallas MP commenced as Treasurer of Victoria in 2014.

The Treasurer's responsibilities include:

- preparing and delivering the annual state budget
- promoting economic growth across Victoria
- developing the fiscal objectives and strategy for Victoria
- overseeing the economic policy and economic strategy of the Government
- driving wages policy, which operates in conjunction with industrial relations policies
- overseeing the planning and delivery of major infrastructure projects undertaken across government
- revenue policy and collection for the State of Victoria, including land transfer duty, payroll tax and land tax
- borrowing, investment and financial arrangements to hedge, protect and manage the State's financial interests
- providing investment and fund management services to the State and its statutory authorities.

As Minister for Industrial Relations DTF advises and supports this portfolio, principally through the team at Industrial Relations Victoria, who work towards achieving a positive working environment for all Victorians.

The Treasurer is also Minister for Economic Growth.

Assistant Treasurer, Minister for WorkSafe and the TAC – Danny Pearson MP

The Hon Danny Pearson MP commenced as Assistant Treasurer in June 2020, and as Minister for WorkSafe and TAC in December 2022.

The Minister's primary responsibilities are:

- the State's financial reporting and accountability framework
- whole of Victorian Government financial management and risk management frameworks
- overseeing superannuation policy for the State and oversight of the Emergency Services Superannuation Scheme
- the Essential Services Commission, the independent economic regulator of the State's essential services
- the Registrar of housing agencies, who regulates Victoria's registered community housing agencies
- overseeing regulatory reform across the whole of Victorian Government
- Victoria's workplace safety regulator and workers' compensation scheme as delivered through WorkSafe Victoria
- Victoria's transport accident scheme delivered via the Transport Accident Commission
- the Victorian Managed Insurance Authority, the Victorian Government's insurer and risk adviser.

The Assistant Treasurer is also Minister for Transport Infrastructure, and Minister for Suburban Rail Loop.

Senior Executives

DTF is managed by the DTF Board, which comprises the Senior Executive Group (SEG), Economic Growth and Better Regulation Commissioner, and DTF General Counsel. Collectively, the DTF Board has significant public and private sector management experience in the areas of economics, finance, commercial risk management, infrastructure, people management and technology.

Senior Executive Group

Chris Barrett

Secretary, DTF

Chris leads the Department in its role of providing economic, financial and resource management policy advice to the Government. Chris commenced as DTF Secretary in December 2023.

Chris joined DTF as Deputy Secretary of the Economic Division in January 2021. Chris was responsible for the provision of high-level economic and policy advice to the Government on productivity, taxation and regulation, along with social, environmental, and economic development issues.

Before this, Chris was the CEO of Invest Victoria, and led both the Victorian Government's approach to investment attraction and the Economic Recovery Mission in response to coronavirus (COVID-19).

Chris has more than two decades of experience in public service and public policy, within Australian governments at state and federal level as well as internationally.

Chris Hotham

Deputy Secretary, Budget and Finance Division

Chris commenced as Deputy Secretary of the Budget and Finance Division in January 2024. Prior to joining DTF, Chris was with the Department of Health, where he was Deputy Secretary of the Infrastructure Division responsible for the Victorian Health Building Authority (VHBA).

Prior to this he held senior leadership roles in housing during the early phases of the Big Build.

Before his time at infrastructure-related roles, Chris spent over 10 years with the Department of Premier and Cabinet, where he held several leadership roles, predominantly in climate policy working on emissions trading and the climate legislation. His time in DPC culminated in his role as Executive Director of Economic Strategy in which capacity he led DPC's contribution to the budget process.

Camille Kingston

Deputy Secretary, Commercial Division

Camille commenced as Deputy Secretary of the Commercial Division in January 2024. Prior to joining DTF, Camille was with the Department of Families, Fairness and Housing as Deputy Secretary, System Reform and Workforce. Camille has also spent time in leadership roles with the Australian Federal Police and the Department of Justice and Community Safety, and prior to that was the Executive Director of the Strategy and Reform Group in DTF's Economic Division.

Paul Donegan

Deputy Secretary, Economic Division

Paul first joined DTF in 2016. Before starting as Deputy Secretary of the Economic Division in December 2023, Paul was the Executive Director of DTF's Economic Group, and prior to that was the Director of Portfolio Analysis.

Paul has experience addressing significant economic challenges across a variety of roles, including at the Department of Premier and Cabinet, Department of the Prime Minister and Cabinet, and the Grattan Institute.

Kate O'Sullivan

Deputy Secretary, Infrastructure Division

Kate commenced as Deputy Secretary of the new Infrastructure Division in January 2024. She has experience in public policy and infrastructure procurement and contracting at both state and federal government levels, and is responsible for providing assurance advice on infrastructure projects throughout all phases of development and implementation. This includes leading the division to produce advice on the capital budget, whole of government policy frameworks and guidance relating to infrastructure, data analysis and strategic research and insights relevant to the sector.

Matthew O'Connor

Deputy Secretary, Industrial Relations Victoria

Matt O'Connor was appointed as the Deputy Secretary of Industrial Relations Victoria in April 2015.

Matt has led the implementation of the public sector industrial relations bargaining strategy for several years and, more recently, played a pivotal role in developing enduring flexible working arrangements for the VPS and reviewing the Victorian public sector wages policy.

He has overseen the development of significant industrial relations legislative policy reforms including labour hire licensing, long service leave, child employment, wage theft and more recently the gig economy.

Matt has also overseen the Government's participation in significant legal proceedings in the Fair Work Commission, advocating for increases to the national minimum wage and award rates, the introduction of paid family and domestic violence leave, and a minimum wage floor for the horticultural award. He has also represented the Victorian Government in consultations with the Commonwealth Government on federal industrial relations legislative proposals including amendments to the *Fair Work Act 2009*.

Non-Senior Executive Board Members

Agata Bober

DTF General Counsel

Agata is the Department's most senior lawyer, leading the DTF Legal and FOI teams, as well as DTF's internal audit. Agata was also the Deputy Chief of the Department's Internal Procurement Unit for four years and now represents DTF on the joint Procurement Governance Committee with DPC and DGS.

Agata joined DTF as General Counsel in October 2018. Before commencing at DTF, Agata worked for 12 years at the international commercial law firm, King & Wood Mallesons, in its Mergers & Acquisitions department. Agata has more than 17 years of experience in law, risk and procurement.

Cressida Wall

Economic Growth and Better Regulation Commissioner

Appointed Commissioner for Economic Growth and Better Regulation Victoria commencing in January 2024, Cressida has a deep understanding of government from working across both public and private sector roles for two decades.

In her previous role as Office of Projects Victoria CEO, Cressida oversaw transformative major projects reporting and policy reform. To drive innovation and efficiency, Cressida advocates for strong collaboration between the private and public sectors.

A commercial litigator by trade, Cressida has worked at Minter Ellison and Corrs, Chambers Westgarth and was a Director on the Board of State Trustees Victoria and an OPV Advisory Board Member. She established a private equity company and was the CEO of its property division.

Cressida has also advocated to the Government as the Victorian Executive Director of the Property Council of Australia.

Non-DTF Board Senior Executives

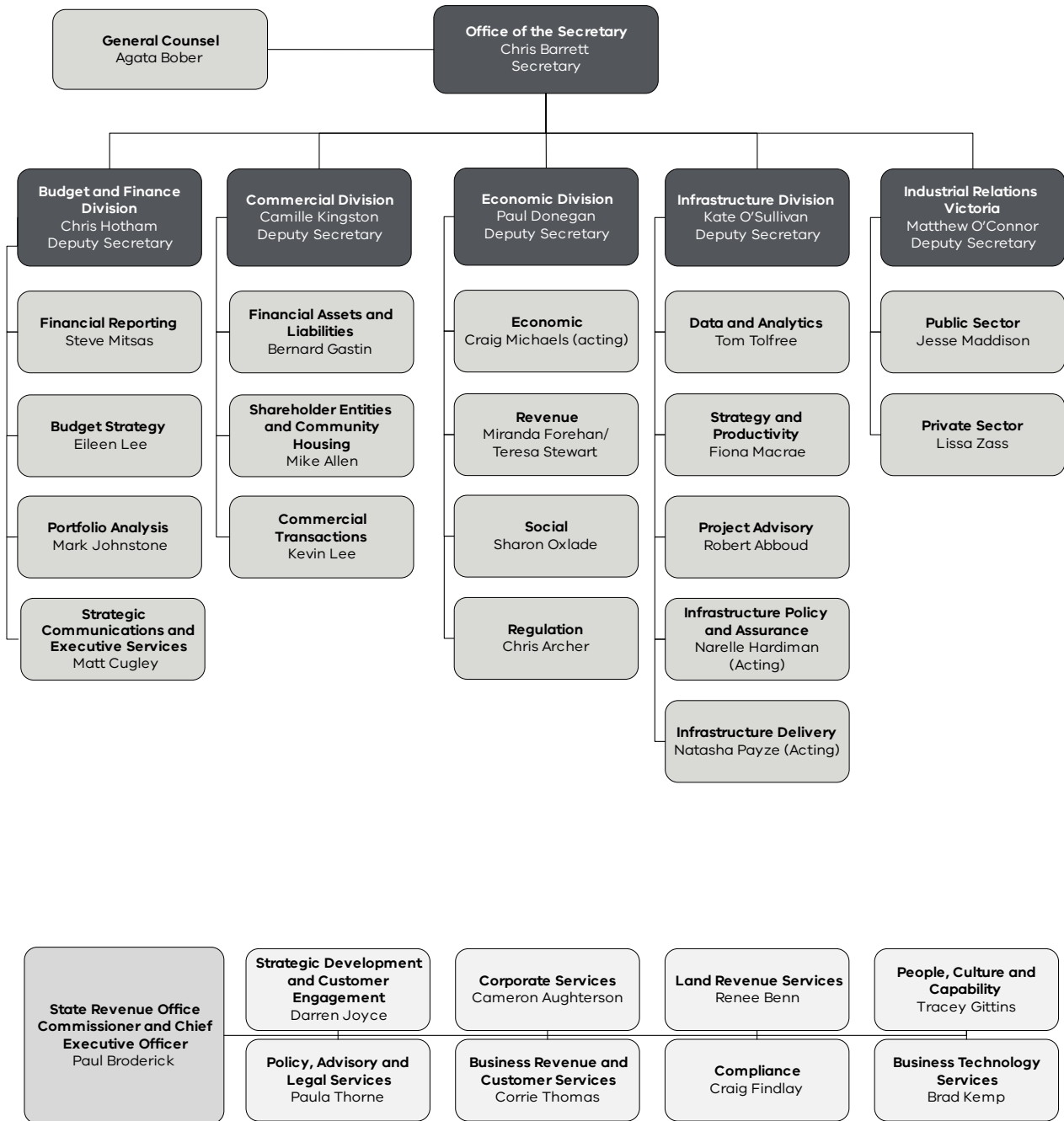
Paul Broderick

Chief Executive Officer and Commissioner of the State Revenue Office

Paul was appointed Chief Executive Officer and Commissioner of the State Revenue Office (SRO) in June 2002. Paul joined the SRO as Executive Director of Operations after holding senior positions with the Australian Securities and Investments Commission (ASIC).

Paul has a Master of Business Administration from the University of New England, is a Fellow of the Institute of Public Administration Australia, is a Committee for Economic Development of Australia Trustee and was recognised with a Public Service Medal for outstanding services to tax administration.

Organisational chart
as at 30 June 2024



Included within the DTF portfolio are:

- Better Regulation Victoria
- Economic Growth Victoria
- Emergency Services and State Super
- Essential Services Commission
- Infrastructure Victoria
- Labour Hire Authority
- Land Tax Hardship Relief Board
- Medical Panels
- Portable Long Service Authority
- Registrar of Housing Agencies
- State Trustees Limited
- Transport Accident Commission
- Treasury Corporation of Victoria
- Victorian Asbestos Eradication Agency
- Victorian Funds Management Corporation
- Victorian Independent Remuneration Tribunal
- Victorian Managed Insurance Authority
- Victorian Plantations Corporation
- Wage Inspectorate Victoria
- Workplace Injury Commission
- WorkSafe Victoria

Functions and services

DTF comprises five core divisions, representing 19 business groups. The State Revenue Office (SRO) is a division of DTF which supports the Government's revenue management functions.

Office of the Secretary

The Office of the Secretary supports the Secretary.

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 and Freedom of Information requests.

Budget and Finance Division

Budget Strategy

Provides advice on the State's short to medium-term budget outlook and fiscal strategy, its financial and resource management frameworks, including the ongoing implementation of Program Budgeting and Gender Responsive Budgeting, and public sector workforce advice and costings, including in relation to 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.

Strategic Communications and Executive Services

Provides expert communications services and issues management advice to DTF projects and programs including media relations, digital channels, internal communications, events and production services.

Executive Services provides liaison support to the Treasurer and Assistant Treasurer and budget operations support, and Cabinet, Parliamentary and Legislative services including support to DTF and DTF's Ministers for all Cabinet, legislation, Executive Council and parliamentary matters.

Commercial Division

Commercial Transactions

Provides transaction advisory services and advice on whole of state negotiations and commercial transactions to the Government. This includes identifying and implementing asset reform opportunities to optimise the State's balance sheet management, leading and advising on complex commercial transactions as well as overseeing the post transaction governance arrangements and associated matters for complex commercial transactions. The group also leads the implementation and delivery of government priorities related to social housing and market housing.

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, and insurance claims liabilities and guarantees associated with State lending programs. The group also provides governance and prudential oversight to the State's public financial corporations, provides analysis and policy advice on workplace safety issues and is responsible for the delivery of the Affordable Housing Investment Partnership scheme.

Shareholder Entities and Community Housing

Oversees a range of commercial government business enterprises (GBEs) and supports the Office of the Housing Registrar to provide regulatory oversight of the community housing sector.

Economic Division

Economic

Supports the Government in growing employment, living standards and economic activity. The group advises on employment policy, productivity growth, energy, climate change and decarbonisation, industry development, business innovation, and land use planning, and provides economic forecasts.

Regulation

Provides analysis and advice on regulation and regulatory reform, risk and insurance policy, and local government issues. Provides governance advice on the Essential Services Commission, Economic Growth Victoria and Better Regulation Victoria.

Revenue

Provides analysis and advice on taxation and gambling policy and reform, supports the Treasurer in intergovernmental financial relations, and forecasts state taxation revenue and the goods and services tax (GST).

Social

Provides economic and policy analysis and advice on education and training, health and human services, justice, First Peoples and Treaty, and housing. The group also implements the Early Intervention Investment Framework and the Partnerships Addressing Disadvantage initiative.

Infrastructure Division

Infrastructure Policy and Assurance

Provides advice to the Government and guidance to departments on infrastructure investment, capital budget funding proposals, high-value high-risk assurance framework, and other major commercial projects. This also includes facilitating advice from Infrastructure Victoria.

Infrastructure Delivery

Develops policy and provides commercial, financial and risk management advice to the Government and guidance to departments regarding Partnerships Victoria projects and other complex procurements. Manages construction policies, supplier registers and standard contracts and implements the Market-led Proposals Guideline to facilitate new and innovative private sector initiatives.

Strategy and Productivity

Delivering policies and strategic initiatives to enable the productive delivery of Victoria's future infrastructure needs, and value for money outcomes for Victorians. Bringing DTF's whole of program perspective to partner and advise across government on areas such as workforce, culture, engineering, innovation, decarbonisation, and material supply chains.

Data and Analytics

Provides advice on infrastructure delivery through data-driven insights and system-wide and whole-of-portfolio analysis including on issues such as escalation, project costs and risk. Leads internal and external reporting on the performance of major infrastructure projects, including publishing dashboards and the Victorian major projects pipeline.

Project Advisory

Provides project and technical advice and assurance and policy advice on systemic improvements to the delivery of Victoria's infrastructure projects.

Industrial Relations Victoria

Private Sector Industrial Relations

Provides expert and strategic advice to the Government on private sector industrial relations matters, workplace relations reforms, emerging issues and risks. Leading submissions to significant reviews and inquiries in support of fair and secure work and gender pay equity. The branch is a key stakeholder and advocate to the Commonwealth regarding the national industrial relations system and current workplace law reforms focussing on matters such as national labour hire, transport reforms and gig worker entitlements.

Public Sector Industrial Relations

Helps the Government to implement its policy objectives while promoting excellence in industrial relations and progressive employment practices.

Provides guidance to public sector employers and unions on industrial relations matters.

Provides enterprise bargaining oversight and support to public sector employers and unions as well as leading the negotiation of the VPS Enterprise Agreement.

State Revenue Office (SRO)

Supports the Victorian Government's revenue management functions. The SRO's role is to administer Victoria's taxation legislation and collect a range of taxes, duties and levies. It also administers the Victorian Homebuyer Fund, the First Home Owner Grant (FHOG), unclaimed money, the growth areas infrastructure contribution (GAIC) and several subsidies and exemptions.

DTF also supports the following portfolio agencies:

- Better Regulation Victoria
- Economic Growth Victoria
- Emergency Services and State Super
- Essential Services Commission
- Infrastructure Victoria
- Labour Hire Authority
- Land Tax Hardship Relief Board
- Medical Panels
- Portable Long Service Authority
- Registrar of Housing Agencies
- State Trustees Limited
- Transport Accident Commission
- Treasury Corporation of Victoria
- Victorian Asbestos Eradication Agency
- Victorian Funds Management Corporation
- Victorian Independent Remuneration Tribunal
- Victorian Managed Insurance Authority
- Victorian Plantations Corporation
- Wage Inspectorate Victoria
- Workplace Injury Commission
- WorkSafe Victoria

Governance of DTF

The overarching governance body for the Department is the Treasury and Finance Board.

The Board's membership comprises the Senior Executive Group (SEG), Economic Growth and Better Regulation Commissioner, and DTF General Counsel.

The Board's primary function is to set and monitor overall strategic direction, provide effective guidance and leadership, and ensure the sound financial management and compliance of the Department. The Board also provides high-level monitoring and oversight of the Department's people management and organisational strategies.

The Board met seven times in 2023-24.

The functions of the Board are supported by subcommittees. The current structure and role of each subcommittee is:

- **Information Management Steering Committee:** guides and monitors information management and technology-enabled activities for DTF
- **People Committee:** provides leadership to the Department and advises the Board on organisational culture, people, capability and communication issues and progresses initiatives defined within the People and Culture Strategy.
- **Remuneration Committee:** reviews and approves all recruitment as well as related remuneration activities.
- **Procurement Governance Committee:** oversees procurement governance across DTF, DPC and DGS
- **Audit and Risk Committee:** see next column.

DTF Audit and Risk Committee membership and roles

The Audit and Risk Committee comprised the following members as at 30 June 2024:

- Mark Toohey – Chair (external)
- Freya Marsden (external)
- Jane Brockington (external)
- Kate O'Sullivan
- Steve Mitsas.

The main responsibilities of the Audit and Risk Committee are to:

- assist the Secretary in reviewing the effectiveness of the Department's internal control environment covering:
 - effectiveness and efficiency of operations
 - reliability of financial reporting
 - compliance with applicable laws and regulations.
- determine the scope of the internal audit function and ensure its resources are adequate and used effectively, including coordination with the external auditors
- maintain effective communication with external auditors
- consider recommendations made by internal and external auditors and review the implementation of actions to resolve issues raised
- oversee the effective operation of the risk management framework.

The Department's internal audit services were provided by KPMG.

Report of operations

Secretary's foreword

I am pleased to present the *2023-24 Annual Report* for the Department of Treasury and Finance (DTF).

DTF has supported the Government's economic agenda in a year challenged by high inflation, rising interest rates and escalating cost-of-living conditions that have been experienced globally.

Despite these challenges, the state's economy remains strong. During 2023-24, Victoria's job creation led the nation, with almost 130 000 more Victorians securing employment – the largest increase of all the states.

The Department will continue to provide robust analysis and advice to inform the Government's agenda.

The Department's major achievements for 2023-24 include:

- providing authoritative advice on the state's economic conditions, outlook, revenue outlook and initiatives
- designing and implementing the commercial and industrial property tax reform, transitioning away from stamp duty for business properties
- providing the largest state budget package to date of Early Intervention Investment Framework initiatives
- helping develop and deliver the Government's *Housing Statement* to improve housing supply, affordability and housing for vulnerable people
- supporting agencies across government to simplify licensing requirements so new businesses could open sooner and established businesses could operate more easily
- preparing and producing key financial publications, including the *2024-25 Budget*, the *2022-23 Financial Report*, and the *2023-24 Budget Update* and the *2023-24 Mid-Year Financial Report*
- developing and approving a tiered financial reporting framework for the Victorian public sector for reporting periods commencing 1 July 2024, reducing complexity and improving clarity of financial reports
- supporting the Government's fiscal strategy and providing comprehensive advice on financial frameworks, the Government's wages policy, and the implementation of Program Budgeting and Gender Responsive Budgeting
- embedding Gender Responsive Budgeting in legislation through amendments to the *Financial Management Act 1994*
- progressing the Government's commitment to self-determination and Truth and Treaty
- establishing a new Infrastructure Division, consolidating our strategic commercial, procurement, technical and financial advice to the Government on state infrastructure investment and improving assurance and risk management of the state capital program
- improving infrastructure policies and procedures to support the state capital program, including new standard contracts, modernised systems for construction supplier registers, and supply chain modelling to inform business cases
- implementing real-time reporting of compliance by community housing agencies with the *Housing Act 1983* to support sustained growth and investment in the sector
- overseeing registration of five new community housing agencies and regulation of 49 agencies
- supporting introduction of the *Workplace Injury Rehabilitation and Compensation Amendment Act 2024*, which will help deliver a more contemporary and sustainable workplace injury compensation scheme
- leading delivery of the Victorian Homebuyer Fund, which has helped more than 10 000 Victorian households to take ownership of their own home
- working with the Victorian Funds Management Corporation and overseeing the investment of the Victorian Future Fund balance
- leading successful negotiation and approval of the Victorian Public Service Enterprise Agreement 2024, delivering fair and sustainable wages and conditions to over 55 000 VPS employees
- providing targeted and intensive support to Departments and agencies to conclude negotiations for a range of key enterprise agreements
- delivering reforms to improve working conditions for Victoria's on-demand workforce and to influence national changes, including establishment of the Gig Worker Support Service and the development and publication of Fair Conduct and Accountability Standards for platform businesses, which operated until superseded by Commonwealth laws
- issuing over 883 licences for the employment of 7 207 children across Victoria and recovering over \$750 000 in unpaid long service leave for Victorian workers.

Future priorities

In 2024-25, the priority for the Department of Treasury and Finance will be supporting the Government to respond to Victoria's economic and financial challenges. The Department's *2024-2028 Corporate Plan* will drive our agenda.

Significant priorities for 2024-25 include:

- supporting the Government in delivering on its five-step fiscal strategy
- strengthening public sector accountability, which will include reviewing and amending the *Financial Management Act 1994*
- developing the necessary guidance and training for the Victorian public sector in tiered financial reporting from reporting periods ending from December 2024
- collaboration with other public sector jurisdictions, influencing the development of appropriate Australian Climate Change Reporting Standards by the Australian Accounting Standards Board for the public sector
- continuing to support procurement and delivery of high-value high-risk infrastructure projects, including the transition to renewable energy and decarbonisation of the economy
- developing workforce and materials analysis modelling, and workforce supply and productivity initiatives, to support the Government's future infrastructure priorities
- developing training to support delivery agencies in capability uplift in key areas such as procurement, project development and management and digital engineering
- advising the Government on the economic and revenue outlook and reform options, in the context of elevated interest rates, and cost pressures
- supporting the Government to deliver an Economic Growth Statement in 2024
- supporting DTF's contribution toward Closing the Gap and Self-Determination for First Peoples
- engaging with the Commonwealth and other states and territories to advance Victoria's financial and service delivery interests
- monitoring the performance of community housing agencies in meeting compliance requirements in support of sustained growth and investment in the sector
- supporting timely and efficient registration of new community housing agencies
- providing governance and commercial oversight of Government Business Enterprises to deliver commercial and financial performance in line with the Government's objectives and priorities
- progressing important occupational health and safety policy initiatives and reforms to support the Victorian Government's commitment to create safer workplaces
- advising the Treasurer on the tri-annual review of investment risk management plans that govern long-term investments of the State's insurance and superannuation agencies
- continuing to manage the Government's investment in the Victorian Homebuyer Fund and future participation in the federal shared equity scheme
- leading delivery of government priorities and programs related to social housing and market housing
- leading the establishment of a national labour hire regulator and nationally harmonised scheme in collaboration with the Commonwealth, states and territories, building on Victoria's successful scheme to prevent exploitation of workers and delivering a level playing field for labour hire providers at a national level
- implementing the Government's Building Equality Policy to ensure a safe and supportive construction industry for women and gender diverse workers and increased participation across the industry
- ensuring recently enacted Commonwealth protections are extended to the widest possible range of Victorian workers and workplaces
- supporting continued progress towards gender equitable workplaces, through national advocacy and research.

Our people

DTF staff can be proud of their efforts to deliver on DTF's objectives in 2023-24, during a time of economic challenge and some internal organisational change.

The Department welcomed five new deputy secretaries – Paul Donegan, Kate O'Sullivan, Chris Hotham, Matthew O'Connor and Camille Kingston, as well as myself as Secretary, while Cressida Wall took on the role of Economic Growth and Better Regulation Commissioner.

Machinery of government (MoG) changes brought transformation. We welcomed teams from Industrial Relations Victoria and the Victorian Independent Remuneration Tribunal from the Department of Premier and Cabinet.

In June, the annual People Matter survey for 2024 saw a record 81 per cent completion rate.

In addition, results for engagement (74 per cent), satisfaction (73 per cent) and inclusion (86 per cent) were higher than the public sector comparator group.

DTF was this year named 'Host Employer of the Year for Traineeships' at the National Electrical and Communications Association (NECA) Education and Careers Awards.

Over the past 23 years, DTF has hosted more than 50 trainees, kickstarting many careers in the process. It's a valuable program and the recognition is well-deserved.

DTF recently launched a new Parental Leave Transition Support Program, designed to support staff through the journey from being a 'worker' to a 'parent' to a 'working parent'. Our free program, available to all parents who are a primary or secondary carer, involves tailored coaching sessions and online support.

We launched the DTF Improvement Initiative (DTFii) which aims to improve wellbeing and job satisfaction for staff in the Department, and increase the influence of the Department among its key internal and external stakeholders.

A new VPS-wide enterprise agreement was voted in towards the end of the financial year.

The leadership, integrity and expertise that DTF provides are essential resources for the Victorian Government and key components of our financial and economic framework.

I thank all DTF staff for their warm welcome to me as their new Secretary and their hard work and dedication in 2023-24.

I'd like to close by paying tribute to my predecessor, David Martine PSM, for a decade of service to DTF and to the Victorian Government. David is a fine public servant and leader who left a huge legacy to all of us at DTF.



Chris Barrett
Secretary

18 October 2024

2023-24 performance

DTF continues to perform strongly, delivering its core business objectives as a provider of advice and services to Government. DTF also performed well in achieving its outputs as specified in the State's 2023-24 Budget Paper No. 3 *Service Delivery*. Of the Department's 73 quantity, quality and timeliness output performance targets that are available, 84 per cent were met or exceeded.

Departmental objectives, indicators and outputs

The Department's objectives, associated indicators and linked outputs as set out in the 2023-24 Budget Paper No. 3 *Service Delivery* are shown below.

Departmental objective	Indicators	Outputs
<p>Optimise Victoria's fiscal resources</p> <p>The Department of Treasury and Finance has a central role in providing high-quality advice to Government on sustainable financial, resource and performance management policy and other key policy priorities; overseeing related frameworks; as well as leading the production of the State budget papers and reports of both financial and non-financial performance in the Victorian public sector.</p> <p>The Budget and Financial Advice output contributes to this objective by providing strategic, timely and comprehensive analysis and information to Government to support decision-making and reporting.</p> <p>The Revenue Management and Administrative Services to Government output contributes to this objective by providing revenue management and administration services across the various state-based taxes for the benefit of all Victorians.</p>	<p>General government net debt as a percentage of gross state product (GSP) to stabilise in the medium term.</p> <p>Fully fund the unfunded superannuation liability by 2035.</p> <p>A net operating cash surplus consistent with maintaining general government net debt at a sustainable level.</p> <p>General government interest expense as a percentage of revenue to stabilise in the medium term.</p> <p>Agency compliance with the Standing Directions under the <i>Financial Management Act 1994</i>.</p> <p>Advice contributes to the achievement of Government policies and priorities relating to optimising Victoria's fiscal resources.</p>	<p>Budget and Financial Advice</p> <p>Revenue Management and Administrative Services</p>
<p>Strengthen Victoria's economic performance</p> <p>The Department of Treasury and Finance provides Government with advice on key economic matters and policies to increase economic productivity, competitiveness and equity across the Victorian economy.</p> <p>The Economic and Policy Advice output contributes to this objective by providing strategic, timely and comprehensive analysis and information to Government to support decision-making and reporting.</p> <p>The Economic Regulatory Services output contributes to this objective by providing economic regulation of utilities and other specified markets in Victoria to protect the long-term interests of Victorian consumers with regard to price, quality and reliability of essential services.</p>	<p>Economic growth to exceed population growth as expressed by GSP per capita increasing in real terms (annual percentage change).</p> <p>Total Victorian employment to grow each year (annual percentage change).</p> <p>Advice contributes to the achievement of Government policies and priorities relating to economic and social outcomes.</p>	<p>Economic and Policy Advice</p> <p>Economic Regulatory Services</p>

Departmental objective

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

The Department of Treasury and Finance develops and applies prudent financial and commercial principles and practices to influence and help deliver government policies focused on overseeing the State's balance sheet, major infrastructure and government business enterprises (in the public non-financial corporations (PNFC) sector and public financial corporations (PFC) sector). The Commercial and Infrastructure Advice output contributes to this objective by providing strategic, timely and comprehensive analysis and information to Government to support decision-making and reporting.

Indicators

High-Value High-Risk (HVHR) projects have had risks identified and managed through tailored project assurance, policy advice, governance and oversight 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.

Quality infrastructure drives economic growth activity in Victoria.

Outputs

Commercial and Infrastructure Advice

Infrastructure Victoria

Changes to the Department during 2023-24

Objectives

Changes to departmental objectives for 2023-24 are reflected in the table below.

2023-24 departmental objective	2022-23 departmental objective	Reason for change
n/a		

Output structure

Changes to the Department's output structure for 2023-24 are reflected in the table below.

2023-24 outputs	2022-23 outputs	Reason for change
Industrial Relations	Industrial Relations	Due to machinery of government changes effective 1 February 2024, the output was transferred from Department of Premier and Cabinet to Department of Treasury and Finance.
Public sector administration advice and support	Public sector administration advice and support	Due to machinery of government changes effective 1 February 2024, the Victorian Independent Remuneration Tribunal component of this output was transferred from the Department of Premier and Cabinet to Department of Treasury and Finance and aggregated into the Economic and Policy advice output.

Reporting progress towards achieving Departmental objectives and indicators

DTF's objectives, indicators, and progress on those indicators are outlined below.

Objective 1: Optimise Victoria's fiscal resources

Objective indicators

1. General government net debt as a percentage of GSP to stabilise in the medium term.
2. Fully fund the unfunded superannuation liability by 2035.
3. A net operating cash surplus consistent with maintaining general government net debt at a sustainable level.
4. General government interest expense as a percentage of revenue to stabilise in the medium term.
5. Agency compliance with the Standing Directions under the *Financial Management Act 1994*.
6. Advice contributes to the achievement of Government policies and priorities relating to optimising Victoria's fiscal resources.

Objective Indicator 1: General government net debt as a percentage of GSP to stabilise in the medium term.

This indicator will be assessed over the medium term.

As outlined in the *2024-25 Budget*, the net debt to GSP ratio is estimated to stabilise and then reduce within the forward estimates, from 25.2 per cent in 2026-27 down to 25.1 per cent in 2027-28.

Objective Indicator 2: Fully fund the unfunded superannuation liability by 2035.

This indicator will not be fully assessed until 2035.

As outlined in the *2024-25 Budget*, the Government is on track to fully fund the unfunded superannuation liability by 2035.

Objective Indicator 3: A net operating cash surplus consistent with maintaining general government net debt at a sustainable level.

As outlined in the *2024-25 Budget*, the Government forecast an operating cash surplus in 2023-24 and beyond. The Government first achieved an operating cash surplus in 2022-23.

Objective Indicator 4: General government interest expense as a percentage of revenue to stabilise in the medium term.

This indicator assesses the Government’s ability to service its debt relative to its revenue and the indicator will be assessed over the medium term.

As outlined in the *2024-25 Budget*, interest expense as a share of total revenue is expected to average 7.8 per cent a year over the budget and forward estimates.

Objective Indicator 5: Agency compliance with the Standing Directions under the *Financial Management Act 1994*.

DTF continued to provide ongoing oversight and support to public sector agencies in maintaining robust financial management governance in line with the Standing Directions 2018.

The Assistant Treasurer was briefed on trends in agency compliance on 13 February 2024.

The 2022-23 financial management compliance reporting process indicated that Portfolio departments and agencies have continued a positive downward trend in the reporting of material compliance deficiencies with none being reported, for the first time, this financial year, down from 19 reported five years ago in 2018-19. This positive trend is in line with the expectation that departments and agencies focus on rectifying material compliance issues as quickly as possible.

Overall reported non-material compliance deficiencies have increased from >500 for the previous four years (2018-19 to 2021-22) to >600 in 2022-23.

Objective Indicator 6: Advice contributes to the achievement of Government policies and priorities relating to optimising Victoria’s fiscal resources.

DTF has provided high quality and timely advice to the Government throughout the year to support the achievement of government policies and priorities relating to optimising Victoria’s fiscal resources.

The Department supported the *2024-25 Budget* process by providing advice on budget bids, as well as highlighting accounting and financial reporting implications as relevant.

The Department continued to advise on several projects across the sector, with the Financial Reporting Group contributing to the development of proposals, specifically relating to the financial accounting implications of these projects. In addition, advice was provided on the year-end forecasting process in advance of the 2023-24 Annual Financial Report, especially in relation to meeting the objective of step 2 of the government’s fiscal strategy of an operating cash surplus in 2023-24.

Table 1 – Progress towards objective – Sound financial management of Victoria’s fiscal resources

Indicator	Unit of measure	2020-21 actual	2021-22 actual	2022-23 actual	2023-24 actual
A net operating cash surplus consistent with maintaining general government net debt at a sustainable level	\$ billion	(12.96)	(8.86)	4.25	2.62
General government net debt as a percentage of GSP to stabilise in the medium term ^(a)	per cent	15.2	19.2	20.2	21.9
General government interest expense as a percentage of revenue to stabilise in the medium term	per cent	3.6	3.5	4.7	6.1

Note:

(a) The ratio to GSP may vary from publications year to year due to revisions to the Australian Bureau of Statistics (ABS) data.

Objective 2: Strengthen Victoria’s economic performance

Objective indicators

1. Economic growth to exceed population growth as expressed by GSP per capita increasing in real terms (annual percentage change).
2. Total Victorian employment to grow each year (annual percentage change).
3. Advice contributes to the achievement of Government policies and priorities relating to economic and social outcomes.

Objective Indicator 1: Economic growth to exceed population growth as expressed by GSP per capita increasing in real terms (annual percentage change).

Gross state product data is scheduled to be received from the Australian Bureau of Statistics in November 2024.

Objective Indicator 2: Total Victorian employment to grow each year (annual percentage change).

Employment growth was 3.6 per cent in 2023-24, higher than forecast in the *2023-24 Budget*, reflecting resilient labour demand, and stronger than expected population growth.

Objective Indicator 3: Advice contributes to the achievement of Government policies and priorities relating to economic and social outcomes.

In 2023-24, the Department supported the Treasurer and Assistant Treasurer by providing advice that helped shape decisions about economic and social priorities.

DTF provided advice to the Government on key areas such as implementation of commercial and industrial property tax reform and other measures agreed as part of the *2024-25 Budget* and *Victoria’s Housing Statement*, including development of the Institutional Investment Framework.

DTF provided advice to the Treasurer on participation in the Commonwealth Grants Commission 2025 Methodology Review and Intergovernmental negotiations, including for housing, health and schools. It additionally provided support for the Treasurer at Yoorrook Justice Commission.

DTF provided advice to the Treasurer and Assistant Treasurer to make it easier to do business supporting a whole of government work program across regulators and councils to reform regulations for the benefit of Victorian businesses and customers.

Table 2 – Progress towards objective – Strengthen Victoria’s economic performance

Indicator	Unit of measure	2020-21 actual	2021-22 actual	2022-23 actual	2023-24 actual
Economic growth to exceed population growth as expressed by GSP per capita increasing in real terms (annual percentage change) ^(b)	per cent	0.0	5.7	0.3	n/a ^(a)
Total Victorian employment to grow each year (annual percentage change) ^(b)	per cent	(1.5)	3.9	4.0	3.6

Note:

(a) GSP per capita for 2023-24 will be published by the Australian Bureau of Statistics (ABS) in November 2024.

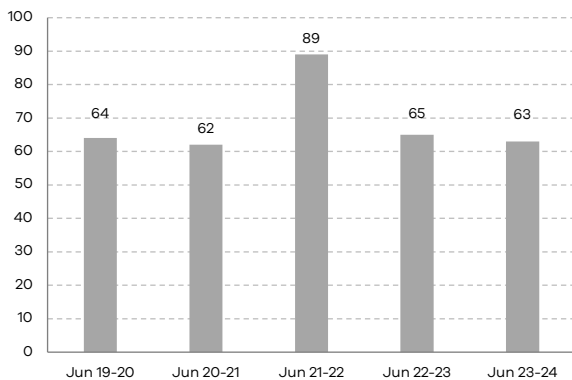
(b) Reported actuals may differ from previous annual reports due to data revisions by the ABS.

Objective 3: Improve how Government manages its balance sheet, commercial activities and public sector infrastructure

Objective indicators

1. High Value High Risk (HVHR) projects have had risks identified and managed through tailored project assurance, policy advice, governance and oversight to increase the likelihood that projects are completed within agreed timeframes, budget and scope.
2. Government Business Enterprises performing against agreed financial and non-financial indicators.
3. Advice contributes to the achievement of Government policies and priorities relating to Victoria’s balance sheet, commercial activities and public sector infrastructure.
4. Quality infrastructure drives economic growth activity in Victoria.

Number of major capital projects monitored by DTF



Objective Indicator 1: HVHR projects have had risks identified and managed through tailored project assurance, policy advice, governance and oversight to increase the likelihood that projects are completed within agreed timeframes, budget and scope.

There is ongoing assurance of HVHR projects across departments. This has included milestone briefing advice on Melbourne Arts Precinct Transformation, Barwon Heads Road Upgrade Stage 2, Level Crossing Removal Program, and Melbourne Tram Franchising.

DTF regularly delivers Gateway Reviews and undertakes Project Assurance Reviews.

Objective Indicator 2: Government Business Enterprises performing against agreed financial and non-financial indicators.

As part of its oversight of Government Business Enterprises (GBEs) in 2023-24, the Department provided advice to the Government, departments and agencies relating to GBEs’ strategic direction and performance, significant capital expenditure proposals, dividends and capital repatriations.

The Department regularly reviews, analyses, and provides feedback to GBEs through the annual corporate planning cycle. The Treasurer and Assistant Treasurer are formally briefed and approve relevant GBE corporate plans.

All GBEs’ corporate plans and quarterly performance reports are reviewed and analysed against key financial and performance indicators to ensure that there are no unexpected financial losses. GBEs remain financially viable and are achieving the objectives set by shareholder Ministers on behalf of the State as owner of these entities. Shareholder Ministers are also briefed on key risks and their management.

As of June 2024, all Public Financial Corporations (PFC) quarterly reports to end of March have been reviewed. The Corporate plans of Victorian Fund Management Corporation and Treasury Corporation Victoria have been finalised, and draft corporate plans have been received from Breakthrough Victoria, Transport Accident Commission, WorkSafe and Victorian Managed Insurance Authority.

Objective Indicator 3: Advice contributes to the achievement of Government policies and priorities relating to Victoria’s balance sheet, commercial activities and public sector infrastructure.

DTF continues to provide advice to the Treasurer and Assistant Treasurer relating to balance sheet management, commercial activities and public sector infrastructure, and activities undertaken by Victorian public non-financial corporations for which the Treasurer is the shareholder. Key credit exposures are reviewed monthly by taking into consideration the terms of the different loan schemes.

The Victorian Future Fund (VFF) supports the State’s debt stabilisation strategy and the Government’s COVID Debt Repayment Plan. The performance of VFF is monitored by the Department and the Victorian Managed Fund Corporation to inform future advice to government.

Objective Indicator 4: Quality infrastructure drives economic growth activity in Victoria.

Infrastructure Victoria continues to improve long-term infrastructure planning through research that uses a strong evidence base coupled with extensive consultation. Infrastructure Victoria's work spans all sectors including culture, sport and community, digital connectivity, education, energy, environment, health and human services, justice and emergency services and water, plus land use planning.

During 2023-24, Infrastructure Victoria published several reports and discussion papers. In the first quarter of 2023-24, Infrastructure Victoria published its *Strategy engagement objectives* report documenting consultation with stakeholders and the community on the objectives for the strategy to be released in 2025. In the second quarter, Infrastructure Victoria published *Fast, frequent, fair: how buses can better connect Melbourne* providing recommendations to the Victorian Government prioritising actions and investments for reforming the city's bus network. Another report that was published in the same quarter, *Choosing Victoria's future: 5 urban development scenarios* which finds more Victorians will benefit from living closer together and nearer existing jobs, services and infrastructure in our capital and regional cities.

In the third quarter of 2023-24, Infrastructure Victoria published *Opportunities to reduce greenhouse gas emissions of infrastructure* making recommendations to limit carbon emissions across Victorian government schools, hospitals, transport projects and other infrastructure. In the last quarter of 2023-24, Infrastructure Victoria released its report on *Weathering the storm: adapting Victoria's infrastructure to climate change* making recommendations to the Victorian Government to better embed adaptation action across departments and agencies.

Performance against output performance measures

The following sections outline details of the outputs provided by the Department to the Government, including performance measures and costs for each output, and the actual performance results against budgeted targets by output for the Department over the full year ended 30 June 2024.

Legend of symbols

The following symbols are used to indicate the type of variance in performance against output performance measures:

- ✓ Performance target achieved
- Performance target not achieved – within 5 per cent or \$50 million (cost measures only) variance.
- Performance target not achieved – exceeds 5 per cent or \$50 million (cost measures only) variance.

Style conventions

Figures in the tables and in the text have been rounded. Discrepancies in tables between totals and sums of components reflect rounding. Percentage variations in all tables are based on the underlying unrounded amounts.

The notation used in the tables is as follows:

–	zero, or rounded to zero
1 billion	1 000 million
202x	year period
202x-2x	year period
n/a	not available or not applicable
(x.x)	negative numbers

Optimise Victoria's fiscal resources

Under this objective, the Department provides analysis and advice to Government on the management of Victoria's fiscal resources to support decision-making and reporting for the benefit of all Victorians.

The Department 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.

The departmental objective indicators that support the Government to achieve its fiscal objectives are:

- general government net debt as a percentage of gross state product (GSP) to stabilise in the medium term
- fully fund the unfunded superannuation liability by 2035
- a net operating cash surplus consistent with maintaining general government net debt at a sustainable level
- general government interest expense as a percentage of revenue to stabilise in the medium term
- agency compliance with the Standing Directions under the *Financial Management Act 1994*
- advice contributes to the achievement of Government policies and priorities relating to optimising Victoria's fiscal resources.

Budget and financial advice

This output contributes to the provision of strategic, timely and comprehensive analysis and advice to Ministers, Cabinet and Cabinet Sub-Committees on:

- Victorian public sector resource allocation
- departmental financial, output and asset delivery performance to support government in making decisions on the allocation of the State's fiscal resources
- departmental and agency funding reviews.

This output maintains the integrity of systems and information for financial planning, management, monitoring and reporting of the State of Victoria via:

- a best practice financial reporting framework, and whole of state management information systems, supporting financial reporting across the Victorian public sector
- publication of the State budget and financial reports, including quarterly, mid-year, annual and estimated financial reports
- publication of non-financial performance in the Victorian public sector.

This output develops and maintains cohesive financial and resource management frameworks that drive sound financial and resource management practices in the Victorian public sector by:

- enhancing key frameworks to drive performance
- monitoring Victorian Public Sector (VPS) agencies' compliance
- advising government and key stakeholders on financial and resource management and compliance issues
- ensuring that financial and resource management frameworks are established and complied with
- promoting continuous improvement in VPS resource allocation and management through regular reviews and updates to ensure the frameworks represent good practice
- promoting awareness of financial management accountabilities and roles.

This output contributes to the Department's objective to optimise Victoria's fiscal resources.

Key initiatives and projects

- The annual State Budget 2024-25 was delivered and tabled in Parliament on 7 May 2024.
- Gender Responsive Budgeting (GRB) has been embedded in legislation through amendments to the *Financial Management Act 1994* that came into effect on 6 June 2024.
- The amendments embed GRB by adding a new principle of sound financial management to the existing five, requiring governments to consider and promote gender equality and inclusivity in their spending and revenue policies, mandating that the annual Budget include a statement of the impact of the Budget on gender equality, and giving the Treasurer the power to request a gender impact assessment in relation to any matter or matters in relation to the *Financial Management Act 1994*.

Performance measures	Unit of measure	2023-24 actual	2023-24 target	Performance variation (%)	Result
Quantity					
Number of funding reviews contributed to by DTF	number	3	3	–	✓
Quality					
Percentage of GRB/GIA information session attendees who indicated the session helped improve their understanding of the GIA requirements	per cent	81	75	8	✓
The higher 2023-24 actual is due to this being a new measure, and the target was estimated without a baseline. The actual result exceeded the target indicating better performance than forecast.					
Recommendations on financial management framework matters made by PAEC and VAGO and supported by Government are actioned	per cent	100	100	–	✓
Unqualified audit reports/reviews for the State of Victoria Financial Report and Estimated Financial Statements	number	2	2	–	✓
VPS stakeholder feedback indicates delivery of advice and information sessions supported the financial reporting framework across the VPS and supported the VPS to understand the financial management framework	per cent	86	80	8	✓
The higher 2023-24 actual reflects greater than expected satisfaction from stakeholders across the Victorian Public Sector measured through stakeholder survey.					
Variance of the revised estimate of general government budget expenditure	per cent	≤5.0	≤5.0	–	✓
Timeliness					
Annual Budget published by date agreed by Treasurer	date	May 2024	May 2024	–	✓
Annual financial management compliance report for the previous financial year is submitted to the Assistant Treasurer	date	13 Feb 2024	By 15 Feb 2024	–	✓
Budget Update, Financial Report for the State of Victoria, Mid-Year Financial Report, and Quarterly Financial Reports are transmitted by legislated timelines	per cent	100	100	–	✓
Delivery of advice to Government on portfolio performance within agreed timeframes	per cent	100	100	–	✓
Cost					
Total output cost	\$ million	37.6	25.6	47	■
The higher 2023-24 result primarily reflects the reallocation of budgets between outputs to better align to the new organisational structure.					

Revenue management and administrative services to government

This output provides revenue management and administrative services across the various state-based taxes in a fair and efficient manner for the benefit of all Victorians. By administering Victoria's taxation legislation and collecting a range of taxes, duties and levies, this output contributes to the Department's objective to optimise Victoria's fiscal resources.

Key initiatives and projects

- State Revenue Office (SRO) is continuing to enhance compliance through new technologies. Platform setup for the Informatica cloud-based service was completed on 13 June 2024. The migration of the Informatica toolset to a cloud-based services is on track for completion in Quarter 1, 2024-25. The Oracle cloud tenancy, required to build the Data Lakehouse, is on track for completion in Quarter 1, 2024-25 and a draft data migration plan has been established.
- The modernisation of the SRO's aged system is underway with more focus on the Oracle technology platform. A full solution architecture, a detailed Change Impact analysis and Change Management Plan, and a Program Roadmap have been completed.

Performance measures	Unit of measure	2023-24 actual	2023-24 target	Performance variation (%)	Result
Quantity					
Compliance revenue assessed meets target The higher 2023-24 actual is due to higher than forecasted land tax and payroll tax assessments, and up-front compliance activities.	per cent	105	≥95	–	✓
Cost to collect \$100 of tax revenue raised is less than the average of State and Territory Revenue Offices Data for this measure is unavailable for 2023-24. This measure has been discontinued after a paper was presented at the Commissioners' meeting highlighting the problems with this comparison between jurisdictions and within individual jurisdictions over time. It was unanimously agreed that the measure was too unreliable to use which was further supported by the most recent OECD report on tax administration pointing out the deficiencies in this measure.	achieved/ not achieved	n/a	achieved	n/a	n/a
Revenue collected as a percentage of State budget target The higher 2023-24 actual is due to stronger than forecasted results in payroll tax, mental health and wellbeing surcharge and payroll tax COVID debt levy receipts.	per cent	104	≥99	–	✓
Quality					
Average debt over 12 months overdue as a percentage of overdue debt The 2023-24 actual is higher than the 2023-24 target due to aged debts from both the COVID-19 pandemic and the post pandemic period, especially in relation to 2022 and 2023 Land Tax assessment debts. The higher level of aged 2022 and 2023 Land Tax debt is related to the increase in tax assessed and customer base in these years. Aged debt levels are being addressed by allocation of additional resourcing and targeted debt reduction activities..	per cent	33.45	<25	34	■
Business processes maintained to retain ISO 9001 (Quality Management Systems) Certification	per cent	100	100	–	✓

Performance measures	Unit of measure	2023-24 actual	2023-24 target	Performance variation (%)	Result
Customer satisfaction level The 2023-24 actual is lower than the 2023-24 target. The introduction of a significant number of first time land tax customers due to the lowering of the land tax threshold from \$300 000 to \$50 000 and the implementation of the \$975 COVID levy had a negative effect on customer satisfaction.	per cent	81	≥85	(5)	○
Objections received to assessments issued as a result of compliance projects The lower 2023-24 actual reflects an effective targeting process including data analytics and data matching, resulting in consistently high strike rates.	per cent	0.8	3	–	✓
Ratio of outstanding debt to total revenue (monthly average)	per cent	1.97	2	–	✓
Timeliness					
Achievement of scheduled milestones in the Advanced Revenue Management Program The higher 2023-24 actual is due to improvements in revenue post Q3. The commercial and industrial property tax reform and current economic environment continued to influence the property market and landholder revenue, however land tax and payroll tax revenue has remained strong.	per cent	95	>85	–	✓
Revenue banked on day of receipt	per cent	100	≥99	–	✓
Timely handling of objections (within 90 days)	per cent	81	≥80	–	✓
Timely handling of private rulings (within 90 days)	per cent	81	≥80	–	✓
Cost					
Total output cost	\$ million	219.7	217.6	1	○

Strengthen Victoria's economic performance

Under this objective, the Department delivers advice on economic policy, forecasts, legislation and frameworks. It also supports Government by administering economic regulation of utilities and other specified markets in Victoria to protect the long-term interests of Victorian consumers with regard to price, quality, efficiency and reliability of essential services.

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

The departmental objective indicators are:

- economic growth to exceed population growth as expressed by GSP per capita increasing in real terms (annual percentage change)
- total Victorian employment to grow each year (annual percentage change)
- advice contributes to the achievement of Government policies and priorities relating to economic and social outcomes.

Economic and policy advice

This output contributes to the Department's objective to strengthen Victoria's economic performance through increased productive and efficient resource allocation, competitiveness and equity by providing evidence, advice and engagement on:

- medium and longer-term strategies to strengthen productivity, participation and the State's overall competitiveness
- State tax and revenue policy
- intergovernmental relations, including the distribution of Commonwealth funding to Australian states and territories (including representation on various inter-jurisdictional fora)
- production of the economic and revenue forecasts that underpin the State budget
- economic cost benefit analysis, demand forecasting and evaluation of best practice regulatory frameworks
- approaches for innovative, effective and efficient delivery of government services, including social services.

This output also provides advice on ways the Government can improve the business environment by the Commissioner for Economic Growth and Better Regulation:

- reviewing Regulatory Impact Statements, Legislative Impact Assessments, and providing advice for Regulatory Change Measurements
- assisting agencies to improve the quality of regulation in Victoria and undertaking research into matters referred to it by the Government
- operating Victoria's competitive neutrality unit
- working with businesses and not-for-profit organisations to identify and solve red tape issues.

Key initiatives and projects

- The *2024-25 Budget* included \$1.1 billion in early intervention initiatives funding 28 initiatives, bringing total investment over the last four years to \$3 billion. This is expected to deliver \$3 billion in benefits over the next decade. This investment is the culmination of extensive collaboration between DTF and service delivery departments to specify and track the impact of government's social investments. A key innovation in the *2024-25 Budget* was publishing the cost and expected benefits of each early intervention initiatives. This is the first time DTF has shared expected economic and fiscal benefits at this level, improving the transparency and accountability of government investment.
- The Victorian Business Growth Fund (VBGF) with Aware Super and Spirit Super is making progress against its financial and social objectives. As of Q4 2023-24, VBGF has invested 65% of the overall \$250 million into Victorian SMEs. This has created hundreds of jobs in regional and priority areas, such as health care and education. The fund is currently achieving ~10 per cent return for equity partners Aware Super and Spirit Super.

- WorkSafe will be commencing the bargaining process for the new Enterprise Agreement and intends to recruit inspectors in the 2024-25 financial year.
- The Whole of Victorian Government (WoVG) Regulatory Reform Program implementation is in progress with 26 initiatives underway with departments, regulators and councils, along with a further 13 initiatives funded through the Business Acceleration Fund. The program is also supporting capability uplift across regulators, development of local laws assessment guide, and expanding the digitally ready regulators program which is currently underway with three regulators.
- The Commissioner for Economic Growth and Better Regulation commenced in January 2024. Further, Economic Growth Victoria has received terms of reference for an inquiry into artificial intelligence in Victoria.
- The Commissioner and Better Regulation Victoria have continued to deliver on enhancing regulatory scrutiny, reducing the burden of red tape and identifying opportunities to introduce regulatory offsets to deliver improvements in the wellbeing of citizens, the economic performance of the State, and environmental outcomes. Better Regulation Victoria signed off on twenty-eight Regulatory Impact Statements and Legislative Impact Assessments and managed several red tape inquiries in financial year 2023-24.
- The *Commercial and Industrial Property Tax Reform Act 2024* received Royal Assent in May 2024 and commenced on 1 July 2024. The reforms, developed in consultation with key stakeholders, transition Victoria away from stamp duty for commercial and industrial properties, replacing it with a more efficient Commercial and Industrial Property Tax. To help businesses transition, eligible purchasers will have the option of accessing a government transition loan for the final stamp duty payment, issued by the Treasury Corporation of Victoria.

Performance measures	Unit of measure	2023-24 actual	2023-24 target	Performance variation (%)	Result
Quantity					
Dwellings facilitated by the Financing Social and Affordable Housing Program <small>The higher 2023-24 actual is attributed to continued robust demand for concessional rate finance from the community housing sector as well as delayed approvals of loan applications from 2022-23. Several additional credit assessments are currently underway and will likely be approved in Q1 2024-25.</small>	number	1 080	500	116	✓
Economic research projects and papers completed that contribute to deeper understanding of economic issues and development of government policy <small>The lower 2023-24 actual is due to some projects being delayed and expected to be finalised in early 2024-25.</small>	number	6	8	(25)	■
High-level engagement with non-Victorian Public Service stakeholder groups that contributes to public policy debate <small>The higher 2023-24 actual is due to the implementation of commercial and industrial property tax reform, other tax initiatives that involved significant stakeholder engagement and consultation relating to housing and Early Intervention Investment Framework program implementation.</small>	number	98	35	180	✓
Home purchases settled through the Victorian Homebuyer Fund <small>The higher 2023-24 actual is due to consistently strong demand for the scheme.</small>	number	6 364	600	961	✓
Regulation reviews completed <small>The higher 2023-24 actual is due to an additional regulatory reform review being completed.</small>	number	7	6	17	✓
Social Housing dwellings committed by the Social Housing Growth Fund Grants Program <small>The lower 2023-24 actual is due to number of projects being close to contract execution in early 2024-25.</small>	number	388	500	(22)	■

Performance measures	Unit of measure	2023-24 actual	2023-24 target	Performance variation (%)	Result
Quality					
Accuracy of estimating State taxation revenue in the State budget The higher 2023-24 actual was primarily driven by higher-than-expected payroll taxes and land transfer duty revenue, supported by stronger than expected labour market outcomes and transfer volumes respectively.	percentage variance	5.73%	≤5.0	15	■
Accuracy of estimating the employment growth rate in the State budget The higher 2023-24 actual (3.6 per cent compared with a forecast of 0.75 per cent) is due to high employment growth reflecting resilient labour demand and stronger than expected population and economic growth.	percentage point variance	2.85	≤1.0	185	■
Accuracy of estimating the gross state product growth rate in the State budget The gross state product growth estimate will be available when the ABS State Accounts are released in November 2024.	percentage point variance	n/a	≤1	n/a	n/a
Benefit to business as a ratio of red tape savings delivered by the Business Acceleration Fund The higher 2023-24 actual is due to a number of higher impact initiatives being implemented.	ratio	4:1	2:1	100	✓
Better Regulation Victoria's support for preparing Regulatory Impact Statements or Legislative Impact Assessments was valuable overall, as assessed by departments The higher 2023-24 actual reflects a survey of all departments preparing Regulatory Impact Statements and Legislative Impact Assessments signed off in 2023-24. All respondents agreed that Better Regulation Victoria's support was valuable overall.	per cent	100	90	11	✓
Conduct an annual survey to assess the impact of changes to Victorian regulations on business	number	1	1	-	✓
Proportion of people making inquiries to the Red Tape Unit who found it responsive to issues raised The higher 2023-24 actual is due to all surveyed respondents finding Better Regulation Victoria's advice responsive.	per cent	100	80	25	✓
Satisfaction of key stakeholders, including Members of Parliament, public sector employers and elected local government officials, with the Remuneration Tribunal's process regarding determinations, reviews and advice The higher 2023-24 actual is due to positive stakeholder feedback regarding the Tribunal's processes for determining and advising on remuneration of specified occupational groups. This reflects the additional stakeholder engagement activities undertaken by the Tribunal in 2023-24 which was transferred from the Department of Premier and Cabinet as part of machinery of government change effective 1 February 2024.	per cent	84	80	5	✓

Performance measures	Unit of measure	2023-24 actual	2023-24 target	Performance variation (%)	Result
Timeliness					
Better Regulation Victoria's advice on Regulatory Impact Statements or Legislative Impact Assessments was timely, as assessed by departments	per cent	96	90	7	✓
The 2023-24 actual is higher than the 2023-24 target. All departments except one preparing Regulatory Impact Statements and Legislative Impact Assessments signed off responding that Better Regulation Victoria's advice was timely.					
Briefings on key Australian Bureau of Statistics economic data on the day of release	per cent	100	100	–	✓
Regulation reviews completed by scheduled date	per cent	100	100	–	✓
Renumeration Tribunal's legislated work program delivered within established timeframes	per cent	98	85	15	✓
The higher 2023-24 actual is due to improvements in the Remuneration Tribunal's internal processes. This measure was transferred from the Department of Premier and Cabinet as part of machinery of government change effective 1 February 2024.					
Cost					
Total output cost	\$ million	54	97.9	(45)	■
The lower 2023-24 actual is mainly due to the reallocation of budgets from this output to Commercial and Infrastructure output under the new organisational structure, and implementation delays in the progress of existing projects. This requires the underspent budget to be carried over and rephased into 2024-25. There is no significant impact on service delivery and outcomes of 2023-24 and 2024-25 as majority of performance targets have been exceeded.					

Economic Regulatory Services

This output provides economic regulation of utilities and other specified markets in Victoria to protect the long-term interests of Victorian consumers with regard to price, quality, reliability and efficiency of essential services. By providing these services, this output contributes to the Departmental objective to strengthen Victoria's economic performance.

Performance measures	Unit of measure	2023-24 actual	2023-24 target	Performance variation (%)	Result
Quantity					
Compliance and enforcement activities – Energy	number	172	150	15	✓
The higher 2023-24 actual is primarily due to enforcement activity in relation to the regulated sector of energy.					
Performance reports for regulated industries	number	12	12	–	✓
Performance reviews and compliance audits of regulated businesses	number	118	150	(21)	■
The lower 2023-24 actual is due to the implementation of Victorian Energy Efficient Target (VEET) Act reforms impacting on the delivery of the audit program. Matters previously dealt through audits are being addressed through alternative tools as provided by the legislation.					
Price determinations of regulated businesses	number	19	19	–	✓
Registration, project-based activity, product and accreditation decisions/approvals in relation to the Victorian Energy Upgrades program	number	9 813	6 000	64	✓
The higher 2023-24 actual reflects changes arising from implementation of Victorian Energy Efficient Target (VEET) Act reforms. Additionally, an increase in number of active accredited persons and changes to activities resulted in an increase in product applications contributing to this variance.					
Reviews, investigations or advisory projects	number	5	2	150	✓
The higher 2023-24 actual is due to an additional request for advice from the Minister and an additional compliance project undertaken in the Energy division's work program.					
Setting of regulated price and tariffs in the energy sector	number	16	15	7	✓
The higher 2023-24 actual is due to the delivery of the feed-in tariff price determination.					
Quality					
Stakeholder satisfaction survey result	per cent	63	≥65	(3)	○
Timeliness					
Delivery of major milestones within agreed timelines	per cent	100	100	–	✓
Cost					
Total output cost	\$ million	9.8	37.9	(74)	■
The lower 2023-24 result primarily reflects the reclassification of the Essential Services Commission (ESC) as a 'regulatory body and other part funded agency' from 1 July 2023 for financial reporting purposes.					

Improve how government manages its balance sheet, commercial activities and public sector infrastructure

Under this objective, the Department delivers Government policies focused on overseeing the State's balance sheet, major infrastructure and Government Business Enterprises by the delivery and application of prudent financial and commercial principles and practices.

The Department 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 to drive improvement in public sector commercial and asset management and the delivery of infrastructure for the State of Victoria.

The departmental objective indicators are:

- High Value High Risk (HVHR) projects have had risks identified and managed through tailored project assurance, policy advice, governance and oversight 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
- quality infrastructure drives economic growth activity in Victoria.

Commercial and Infrastructure Advice

This output contributes to the Department's objective to improve how Government manages its balance sheet, commercial activities and public sector infrastructure by:

- providing advice to Government and guidance to departments on infrastructure investment and other major commercial projects
- providing 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
- providing commercial, financial and risk management advice to Government and guidance to departments regarding infrastructure projects including Partnerships Victoria projects, administration of the Market-led Proposals Guidelines and managing major commercial activities on behalf of Government
- providing project advice on technical, scope, cost and scheduling matters at key milestones in a project's lifecycle to complement the economic, financial, contractual and risk advice provided by the Department
- management of Public Account operations
- producing budget and financial reporting data for Government Business Enterprise sectors.

Key initiatives and projects

- The Victorian Future Fund (the Fund) was announced in the 2022-23 Budget as part of the Government's debt stabilisation strategy. The purpose of the Fund is to help manage the fiscal impact of the COVID-19 pandemic and deliver positive outcomes for Victorians by reducing the debt burden on future generations. Since its inception in September 2023, the Fund delivered a total investment return of \$577 million. Further details regarding the Fund can be found on page 38 of this annual report.
- The Victorian Homebuyer Fund has committed over \$2.1 billion in shared equity contributions, supporting thousands of Victorians achieve their dream of owning a home. Since the scheme launched, over 10 000 Victorian households have settled on properties.
- With the Commonwealth Government establishing *Help to Buy*, a nationwide shared equity scheme, the Victorian Government announced a final investment of \$700 million in the Victorian Homebuyer Fund from 1 June 2024 and will transition to the national scheme once it's established. Staggered allocations will ensure funding is available until the establishment of *Help to Buy* and the state scheme will close to new applicants in June 2025.
- Between 1 April and 30 June 2024, the Affordable Housing Investment Partnership (AHIP) supported the development of 68 new social housing dwellings through credit applications. This included an application for finance supporting the Social Housing Growth Fund (SHGF) Build and Operate Program Round two. Several other AHIP credit assessments are currently underway and are expected to be completed in Q1 2024-25.

- On 21 May 2024, the AHIP Project Team presented to the Australasian Housing Institute to continue to build awareness of the AHIP offering to the community housing sector.
- The SHGF continues to contract successful projects under past grant funding rounds including the Build and Operate Program Round Two, Homes for Aboriginal Victorians Round and Mental Health Supported Housing Round. The SHGF team is also currently assessing project applications under the Big Housing Build and Build and Operate Program and accepting applications for the Affordable Housing Partnership Program.
- DTF led the development and implementation of a Bill to amend legislation to modernise the WorkCover Scheme as announced by the Government in May 2023. DTF also led whole of government policy implementation and coordination efforts ahead of the ban on engineered stone, which came into effect 1 July 2024.
- The Australian Major Projects Leadership Academy (AMPLA) 2024 program was launched in Q3 2023-24 with a welcoming address from the Treasurer. This launch marks a significant milestone in welcoming the private sector to the program to enhance cross sector collaboration in major infrastructure projects.
- The Capital Investment Dashboard was published with the release of the 2024-25 Budget on 7 May 2024 giving an overview of major capital projects in Victoria, as reported in Budget Paper 4: State Capital Program (BP4) from 2015-16 to 2024-25.
- Publishing improved infrastructure policies and procedures to support the state capital program, including new standard contracts, modernised systems for construction supplier registers, and supply chain modelling to inform business cases.

Performance measures	Unit of measure	2023-24 actual	2023-24 target	Performance variation (%)	Result
Quantity					
Develop and implement policy guidance and infrastructure investment frameworks to govern and build capability to deliver infrastructure	number	59	58	2	✓
Develop and implement training to build capability to deliver infrastructure The lower 2023-24 actual is due to slightly lower than expected uptake of training opportunities in programs such as the Australian Major Projects Leadership Academy and bespoke training across the Victorian Government.	number	53	56	(5)	■
Gateway reviews undertaken The lower 2023-24 actual is due to more HVHR projects moving into delivery stage.	number	53	70	(24)	■
Number of HVHR project assurance plans in place The higher 2023-24 actual is due to additional project assurance plans being updated and completed for High Value High Risk (HVHR) projects.	number	12	6	100	✓
Percentage of registered housing agencies assessed annually against performance standards The higher 2023-24 actual is due to the implementation of a new regulatory reporting framework which enables the Registrar to assess the performance of all active registered agencies on a real-time basis.	per cent	100	90	11	✓
Provision of PNFC/PFC financial estimates and actuals, along with commentary and analysis, for the State budget papers and financial reports	number	6	6	–	✓

Performance measures	Unit of measure	2023-24 actual	2023-24 target	Performance variation (%)	Result
Undertake project reviews to support the Government's program in the delivery of public infrastructure projects The slightly lower 2023-24 actual is due to changes in project milestones resulting in the postponement of three planned Project Assurance Reviews to 2024-25. Additionally, technical reviews supporting budget processes (23 conducted in 2023-24), may diminish the need for some Project Assurance Reviews, where agencies are implementing improvements and risk mitigation at an earlier point in the lifecycle.	number	10	12	(17)	■
Quality					
Conduct surveys on the stakeholder experiences of OPV initiatives to determine the effectiveness of project system initiatives, technical advice and trainings provided to internal government clients	grading	satisfactory	satisfactory	-	✓
Credit agencies agree that the presentation and information provided support annual assessment The higher 2023-24 actual is due to rating agencies indicating they were 98 per cent satisfied with the target ratings presentation and explanations provided to their questions.	per cent	98	80	23	✓
Senior responsible owner agrees Gateway review was beneficial and would impact positively on project outcomes	per cent	92	90	2	✓
Timeliness					
Advice provided to Government on board appointments at least three months prior to upcoming board vacancies	per cent	100	100	-	✓
Analysis and review of corporate plans within two months of receipt The higher 2023-24 actual reflects all corporate plans reviews being completed and presented to the Treasurer in line with required timelines.	per cent	100	95	5	✓
Develop and implement reporting to ensure the effective monitoring of the delivery of HVHR public infrastructure commitments	per cent	100	100	-	✓
Dividend collection in accordance with budget decisions	per cent	-	100	-	✓
Cost					
Total output cost The higher 2023-24 result primarily reflects the recognition of resources provided free of charge by the Department of Government Services and new funding received for various projects.	\$ million	53.7	48.5	11	■

Infrastructure Victoria

This output provides independent and transparent advice to government on infrastructure priorities and sets a long-term strategy for infrastructure investment.

Performance measures	Unit of measure	2023-24 actual	2023-24 target	Performance variation (%)	Result
Quantity					
Number of publications or discussion papers released	number	6	6	–	✓
Quality					
Stakeholder satisfaction with consultation process	per cent	89	75	19	✓
The higher 2023-24 actual reflects effective stakeholder engagement and consultation activities.					
Timeliness					
Delivery of research, advisory or infrastructure strategies within agreed timelines	per cent	100	100	–	✓
Cost					
Total output cost	\$ million	9.4	9.3	1	○

Industrial Relations

This output contributes to the promotion of fair jobs and a positive industrial relations environment through sound industrial relations policy and advice to government. This includes oversight of enterprise bargaining across the Victorian public sector and support for Victoria's participation in the national workplace relations system.^(a)

Wage Inspectorate Victoria

Wage Inspectorate Victoria (the Wage Inspectorate) supported this output by assisting Victorian workplaces to achieve enduring compliance with Victorian law covering child employment, child safe standards, wage theft, long service leave and contractors in transport and forestry. The Wage Inspectorate's compliance and enforcement work creates strong general deterrence to employer contravention of the laws within its remit. In 2023-24, the Wage Inspectorate delivered the following outcomes to promote fair, equitable and productive workplaces for all Victorians:

- protected the safety and welfare of children working in Victoria by administering child employment laws, including assessing and granting 883 child employment licences for the employment of over 7 000 children, and conducting 458 child employment investigations and compliance monitoring activities across the state
- Answered 10 127 calls to its helpline from people seeking information about rights and obligations under laws within the Wage Inspectorate's remit, and responded to 1 860 written enquiries
- Finalised over 100 long service leave investigations, helping to recover over \$750 000 in outstanding long service leave entitlements
- Completed 17 prosecutions resulting in more than \$2.1 million in fines and costs orders
- Undertook regulatory responsibilities under the Owner Drive and Forestry Contractors Act, including auditing over 650 engagements to ensure hirers of owner drivers were complying with the law
- Continued implementing its three-year education strategy to raise awareness of workplace rights and obligations in Victoria and ran two major educational videos and e-learning modules, engaged more than 200 stakeholders and translated information into 6 languages.

Note:

(a) As outlined in the 2024-25 Budget, this output has been transferred from the Department of Premier and Cabinet due to machinery of government changes effective 1 February 2024 and is associated with the newly defined objective 'Strengthen Victoria's economic performance through fair, equitable and productive workplaces'

Performance measures	Unit of measure	2023-24 actual	2023-24 target	Performance variation (%)	Result
Quantity					
Employers informed of OH&S obligations under both State and Commonwealth, legislation and regulations <small>The higher 2023-24 actual is due to increased use of digital platforms resulting in greater reach.</small>	number	13 570	>3 500	288	✓
Wage Inspectorate Victoria: Child employment compliance activities completed <small>The higher 2023-24 actual is due to improved processes and a revised regulatory approach implemented throughout the year.</small>	number	458	200	129	✓
Workers informed of OH&S obligations under both State and Commonwealth legislation and regulations <small>The higher 2023-24 actual is due to increased use of digital platforms resulting in greater reach.</small>	number	65 455	>40 000	64	✓
Quality					
Public sector agreements renewed and approved within current enterprise bargaining framework	per cent	100	100	–	✓
Victoria represented in major industrial relations cases and injuries	per cent	100	100	–	✓

Performance measures	Unit of measure	2023-24 actual	2023-24 target	Performance variation (%)	Result
Timeliness					
On-demand matters resolved or referred to a more suitable body within 180 days <small>The higher 2023-24 actual is due to average matters being resolved in 16.5 days. The Gig Worker Support Service ceased operation on 30 June 2024.</small>	per cent	100	50	100	✓
Review and assessment of submitted public sector enterprise bargaining costings and proposed agreements completed and submitted for approval within four weeks <small>The higher 2023-24 actual is due to the Government Wages Policy that was approved in mid-2023 enabling the progress of a number of agreements for 2023-24.</small>	per cent	100	90	11	✓
Wage Inspectorate Victoria: Long Service leave investigations completed within 90 days of lodgement <small>The lower 2023-24 actual is due to the introduction of a new stream of work (proactive compliance investigations) which has resulted in larger and more complex investigations, which take longer to complete on average. This work has enabled the Wage Inspectorate to help a greater number of Victorian employees recover their correct LSL entitlements. It is anticipated this result is a once-off return, given the growing experience and reformed processes involved in proactive compliance work and the balancing of complaint driven investigation.</small>	per cent	47	50	(6)	■
Wage Inspectorate Victoria: Wage Theft reports closed within 90 days of lodgement <small>The Government intends to repeal Wage Theft Offences as the Federal Government has introduced Federal Wage Theft Offences. The Wage Inspector Victoria has ceased receiving Wage Theft reports.</small>	per cent	33	30	10	✓
Cost					
Total output cost <small>The lower 2023-24 actual primarily reflects implementation delays in the progress of existing projects and the timing of the finalisation of the VPS Enterprise Bargaining Agreement. Funds from 2023-24 are required to be carried over into 2024-25 to complete these projects and to pay for the cost associated with approved initiatives from the agreement. There is no significant impact on service delivery and outcomes of 2023-24 and 2024-25 as majority of performance targets have been exceeded.</small>	\$ million	28.4	36.2	(22)	■

Discontinued operations

There were no discontinued operations in 2023-24.

Capital projects/asset investment programs

Information on the new and existing capital projects for Departments and the broader Victorian public sector is contained in Budget Paper No. 4 *State Capital Program*, which is available on DTF's website.

No major projects with a total estimated investment of \$10 million or greater were completed during the year.

Disclosure of grants and transfer payments (other than contributions by owners)

The Department of Treasury and Finance provided grants to various Departments, Councils and organisations in 2023-24. The grants provided were as follows, including GST where applicable. Noting that the Industrial Relations Victoria was transferred from the Department of Premier and Cabinet (DPC) to DTF following the machinery of government change effective 1 February 2024, the grants disclosed under Industrial Relations Output also included the grants provided by DPC in 2023-24.

Commercial and Infrastructure Advice

Program – Office of the Victorian Government Architect (OVGA) Strategic Plan 2021–2024

Grant – Annual Contributions for OVGA Strategic Plan 2021–2024

Department of Treasury and Finance support and input into the OVGA's Strategic Plan.

Organisation	Payment (\$)
Department of Transport and Planning	50 000

Economic and Financial Policy

Program – Regulatory Reform Package Program

Grant – Better Approvals for Business

This grant focused on improving planning and other business approvals processes to support economic recovery.

Organisation	Payment (\$)
Department of Jobs, Skills, Industry and Regions	1 874 000

Program – Regulatory Reform Package Program

Grant – Regulation Reform Incentive Fund

Grant to reduce regulatory burden, including streamlined applications and approvals, improved access to information and faster operational licensing registrations and renewals.

Organisation	Payment (\$)
Darebin City Council	60 000

Program – Business Acceleration Fund (BAF)

Grant – BAF Round 2022-23

Grant to support projects that modernise and streamline regulatory processes across the State's regulators and local councils.

Organisation	Payment (\$)
Mansfield Shire Council	638 000
Department of Transport and Planning	615 000
The Greater Geelong City Council	261 000

Program – Making Victoria An Easy Place to do Business through Regulatory Reform

Grant – BAF Round 2023-24 to 2026-27

Grant to save Victorians time and money by streamlining regulatory processes across the State's regulators and local councils.

Organisation	Payment (\$)
Department of Energy Environment and Climate Action	520 000
Department of Transport and Planning	450 000
Department of Justice and Community Safety	70 000
Department of Health	75 000
Veterinary Practitioners Registration Board of Victoria	50 000
Department of Government Services	44 000
Department of Premier and Cabinet	40 000
Department of Jobs, Skills, Industry and Regions	22 000

Industrial Relations

Program – Building Equality Policy

Grant – Building Equity Onsite project

Grant to create training and employment opportunities for women through government procurement on building, infrastructure, civil engineering and other capital works projects. The Women Onsite project supports women entering an apprenticeship or traineeship.

Organisation	Payment (\$)
Victorian Trades Hall Council	39 600

Program – Women in Construction 2020-24

Grant – Women in Construction Strategy

Grants to support the implementation of the Women in Construction Strategy 2020–24. The strategy seeks to increase the number of women undertaking a trade or semi-skilled role in the construction industry.

Organisation	Payment (\$)
Blue Glass House Pty Ltd	165 000
Incolink Redundancy Payment Fund Ltd	297 440
Northern College of the Arts and Technology	77 000

Program – Construction Industry Safety

Grant – Construction Industry Safety 2022-2023

Grants to employer and employee organisations to support occupational health and safety training in the construction industry.

Organisation	Payment (\$)
Incolink Redundancy Payment Fund Ltd	1100 000

Program – Construction Industry Safety

Grant – Incolink Grants 2024

Grants to employer and employee organisations to support occupational health and safety training in the construction industry.

Organisation	Payment (\$)
Incolink Redundancy Payment Fund Ltd	1100 000

Program – Gig Worker Support Service

Grant – Gig Worker Support Service Grants Program

Grants to employer and employee organisations to support occupational health and safety training in the construction industry.

Organisation	Payment (\$)
Incolink Redundancy Payment Fund Ltd	1100 000

Program – Gig Worker Support Service

Grant – Gig Worker Support Service Grants Program

Grants to support workers, such as young workers, migrant workers, women, disabled workers and First Nations workers, to access support and advocacy and dispute resolution services, including litigation.

Organisation	Payment (\$)
Job Watch Inc	11 000
Migrant Workers Centre Incorporated	19 800
South-East Monash Legal Service Inc	49 088
Transport Workers Union of Australia Victorian Branch	43 175
Victorian Trades Hall Council	38 500
Victorian Transport Association	9 350
Western Community Legal Centre Ltd	49 088
Victorian Small Business Commission (via Department of Jobs, Skills, Industry and Regions)	90 000

Victorian Future Fund

Overview

The Victorian Future Fund (the Fund, or 'VFF') was announced in the *2022-23 Budget* as part of the Government's debt stabilisation strategy. The purpose of the Fund is to help manage the fiscal impact of the COVID-19 pandemic and deliver positive outcomes for Victorians by reducing the debt burden on future generations.

The Fund was established as a notional allocation within the Consolidated Fund using proceeds from the VicRoads Modernisation Joint Venture. Further investments will continue to be allocated to the Fund in the future through proceeds from designated government land sales and a proportion of future budget surpluses once net debt stabilises.

Structure and governance

The Treasurer is responsible for administering the Fund and has appointed the Victorian Funds Management Corporation (VFMC) as fund manager to invest the assets of the Fund in accordance with section 9A(3) of the *Victorian Funds Management Corporation Act 1994*.

DTF supports the Treasurer in administering the Fund from a whole of State balance sheet and risk management perspective, and monitoring and reporting on the balance and performance of the Fund.

The *Victorian Future Fund Act 2023* (VFF Act) received Royal Assent in June 2023 and came into operation on 22 August 2023. The VFF Act established the VFF as a dedicated account in the Public Account as part of the Trust Fund and sets out the purpose of the Fund, its administration and payments into and from the Fund. In particular, the VFF Act prescribes that funds can only be used to reduce the State's debt or for costs and expenses incurred in administering the Fund.

Investment approach

The balance of the Fund was held in the State's Central Banking System (CBS) prior to the VFF Act coming into operation in August 2023.

Since that time, the balance of the Fund has been transferred to the VFMC for investment in the VFF's strategic asset allocation. The VFMC has adopted a phased approach to deploying the Fund to manage risk and optimise the Fund's performance. It is anticipated that the final tranche will be invested in the first half of the 2024-25 financial year. Funds that are awaiting deployment are earning interest and quarantined in the VFMC's CBS account.

The Fund is being invested by VFMC in a long-term, growth-oriented, and diversified portfolio. VFMC is managing the Fund in line with environmental, social and governance (ESG) principles consistent with

VFMC's Investment Stewardship Policy. VFMC proactively engages on a range of ESG matters and ensures relevant ESG factors are integrated into the selection, management and monitoring of the Fund's investments.

Investment objective and performance

The investment return objective of the Fund is to achieve CPI + 4.0 per cent a year over rolling 10-year periods.

The Fund's actual performance since inception to 30 June 2024 is provided below:

Fund performance

	(%)
Net return (after fees)	8.4

Notes:

(a) This net return reflects the actual performance of the Fund balance deployed to the long-term portfolio.

Since its inception in September 2023, the Fund delivered a total investment return of \$577 million. This reflects the combined total of interest earned whilst held in the State's CBS prior to the VFMC commencing investment, as well as investment returns generated by the VFMC since that time.

The Fund has performed strongly since inception and the investment returns from the financial year have been quarantined and reinvested within the Fund, supporting its balance to grow over time.

Over the long term, the Fund's investment return is expected to exceed the State's cost of borrowing, meaning it improves the State's overall fiscal position more than simply paying down debt would.

Contributions and redemptions

During 2023-24 proceeds from departmental land sales of \$142 million were contributed to the Fund.

There were no withdrawals from the Fund in 2023-24, and the value of the Fund as at 30 June 2024 was \$8.8 billion.

Reconciliation of Fund balance

	2023-24 actual \$m
Opening balance	8 061
Contributions from Government Land Sales	142
Investment returns (net of fees)	577
Closing balance	8 780

Victorian Transport Fund^(a)

	2023-24 actual
	\$m
Opening cash balance	248
Receipts into the trust	
Interest revenue	10
Commonwealth funding ^(b)	287
State Appropriations ^(c)	4 327
Total funding available	4 872
Payments from the trust	
Level Crossing Removal Program	1 518
North East Link (including State Tolling Corporation)	2 915
Airport Rail Link	375
Regional Rail Revival	48
Caulfield to Dandenong Signalling Upgrade Works	6
Regional Rolling Stock	1
Wyndham Vale Stabling Yard	1
Movement in accounts payable and provisions	(14)
Total payments from the trust	4 850
Closing balance^(d)	23

Notes:

(a) Reflects trust fund movements at a general government level.

(b) Reflects the Commonwealth's contribution to Regional Rail Revival and North East Link.

(c) Reflects the State Appropriations relating to Level Crossing Removal Project, North East Link, and Airport Rail Link.

(d) Closing balance reflects State Appropriations and Commonwealth funding, with all Port of Melbourne lease proceeds fully exhausted in 2023-24.

Budget portfolio outcomes

The budget portfolio outcomes statements provide a comparison between the actual financial information of all general government entities within the portfolio and the forecasted financial information published in the budget papers. The budget portfolio outcomes comprise the comprehensive operating statement, balance sheet, statement of changes in equity, cash flow statement, and administered items statement.

The budget portfolio outcomes have been prepared on a consolidated basis and include all general government entities within the portfolio. Financial transactions and balances are classified into either controlled or administered consistent with the published statements in the budget papers.

The following budget portfolio outcomes statements are not subject to audit by the Victorian Auditor-General's Office. They are not prepared on the same basis as the Department's financial statements as they include the consolidated financial information of Infrastructure Victoria in addition to that of the Department. Infrastructure Victoria is not consolidated in the Department's audited financial statements enclosed within this annual report, as it prepares a separate annual report for tabling in Parliament. Further, the Department's audited financial statements include certain whole of government transactions, as referred to in note 4.3. Otherwise, albeit in a different format, the following statements are reflective of the audited financial statements.

Budget portfolio outcomes

Comprehensive operating statement for the year ended 30 June 2024

Controlled	2023-24 budget	2023-24 actual	Variance
	\$m	\$m	\$m
Income from transactions			
Output appropriations ^(a)	409	388	(21)
Sale of goods and services ^(b)	28	2	(26)
Other revenue and income	2	8	6
Total revenue and income from transactions	439	398	(41)
Expenses from transactions			
Employee benefits ^(b)	235	218	(17)
Depreciation	10	8	(2)
Grants expense	29	23	(6)
Other operating expenses ^(b)	162	149	(13)
Total expenses from transactions	437	398	(39)
Net result from transactions (net operating balance)	2	-	(2)
Other economic flows included in net result			
Other gains/(losses) from other economic flows	-	1	1
Total other economic flows included in net result	-	1	1
Net result	2	1	(1)
Other economic flows – other comprehensive income ^(c)	-	(57)	(57)
Comprehensive result	2	(56)	(58)

Notes:

(a) The lower actuals primarily reflect variations to the timing of the delivery for various programs compared to the published budget. This has been partly offset by funding approved for other programs during the year.

(b) The lower actuals primarily reflect the reclassification of the Essential Services Commission (ESC) as a regulatory body for financial reporting purposes.

(c) This reflects the transfer of accumulated surpluses associated with the reclassification of the ESC as a regulatory body for financial reporting purposes.

Budget portfolio outcomes

Balance sheet as at 30 June 2024

Controlled	2023-24 budget	2023-24 actual	Variance
	\$m	\$m	\$m
Financial assets			
Cash and deposits ^(a)	41	12	(29)
Receivables from government	177	164	(13)
Other receivables	21	6	(15)
Other financial assets	1	–	(1)
Total financial assets	240	182	(58)
Non-financial assets			
Property, plant, and equipment	6	4	(2)
Intangible assets	38	45	7
Other	–	4	4
Total non-financial assets	45	53	9
Total assets	284	235	(49)
Liabilities			
Payables ^(b)	47	93	46
Borrowings	5	4	(1)
Provisions	71	62	(9)
Total liabilities	123	159	36
Net assets	161	76	(85)
Equity			
Accumulated surplus ^(c)	2	55	53
Contributed capital ^(d)	160	21	(139)
Total equity	161	76	(86)

Notes:

(a) The lower actuals primarily reflect the reclassification of the ESC as a regulatory body for financial reporting purposes. ESC's trust fund cash balances are no longer included in DTF's Budget portfolio outcomes.

(b) The higher actuals primarily reflect accrued contractual services and accrued municipal valuations from the State Revenue Office (SRO).

(c) Higher than expected residual balance following the machinery of government changes from 1 January 2023, which has been partly offset by the reclassification of ESC as a regulatory body for financial reporting purposes.

(d) Lower than expected residual balance following the machinery of government changes from 1 January 2023.

Budget portfolio outcomes

Cash flow statement for the year ended 30 June 2024

	2023-24 budget	2023-24 actual	Variance
	\$m	\$m	\$m
Cash flows from operating activities			
Receipts			
Receipts from government ^(a)	398	361	(37)
Other receipts ^(b)	28	14	(14)
Total receipts	426	375	(51)
Payments			
Payments of grants and other transfers	(27)	(26)	1
Payments to suppliers and employees ^(c)	(392)	(335)	57
Total payments	(419)	(361)	58
Net cash flows from/(used in) operating activities	6	14	7
Cash flows from investing activities			
Payments for non-financial assets	(15)	(15)	–
Proceeds from sale of non-financial assets	–	1	1
Net cash flows from/(used in) investing activities	(15)	(14)	1
Cash flows from financing activities			
Cash transferred to regulatory body ^(b)	–	(37)	(37)
Owner contributions by State government ^(d)	10	(9)	(19)
Repayment of leases and service concession liabilities	–	(1)	(1)
Net cash flows from/(used in) financing activities	10	(47)	(57)
Net increase/(decrease) in cash and cash equivalents	1	(47)	(49)
Cash and cash equivalents at the beginning of the financial year	40	59	19
Cash and cash equivalents at the end of the financial year	41	12	(30)

Notes:

(a) The variance is primarily due to the timing of the delivery for various programs compared to the published budget. This has been partly offset by funding approved for other programs during the year.

(b) The lower actuals primarily reflect the reclassification of the ESC as a regulatory body for financial reporting purposes.

(c) The lower actuals primarily reflect reclassification of the ESC as a regulatory body post-budget for financial reporting purposes. Also contributing to the lower actuals are variations to the timing of the delivery for various programs compared to the published budget and higher accrued payments relating to contractual services and accrued municipal valuations from the SRO. These decreases have been partly offset by funding approved for other programs during the year.

(d) Actuals is lower primarily due to transfer of the State Administration Unit (SAU) balances to the Department of Government Services (DGS) and Essential Service Commission.

Budget portfolio outcomes

Statement of changes in equity for the year ended 30 June 2024

Controlled	Accumulated surplus	Contributions by owner	Total equity
	\$m	\$m	\$m
2023-24 actuals			
Balance at 1 July 2023	111	31	142
Comprehensive result	(56)	–	(56)
Transactions with owners in their capacity as owners	–	2	2
Machinery of government and other transfers	–	(12)	(12)
Balance at 30 June 2024	55	21	76
2023-24 original budget			
Balance at 1 July 2023	–	151	151
Comprehensive result	2	–	2
Transactions with owners in their capacity as owners	–	9	9
Balance at 30 June 2024	2	160	161
Variance			
Balance at 1 July 2023	111	(120)	(9)
Comprehensive result ^(a)	(58)	–	(58)
Transactions with owners in their capacity as owners	–	(7)	(7)
Machinery of government and other transfers	–	(12)	(12)
Balance at 30 June 2024	53	(139)	(86)

Note:

(a) This reflects the transfer of accumulated surpluses associated with the reclassification of the ESC as a regulatory body for financial reporting purposes.

Budget portfolio outcomes

Administered items statement for the year ended 30 June 2024

	2023–24 budget	2023–24 actual	Variance
	\$m	\$m	\$m
Administered income			
Appropriations – payments made on behalf of the State ^(a)	23 887	7 272	(16 615)
Special appropriations ^(b)	10 038	8 789	(1 249)
Sales of goods and services	45	6	(39)
Grants ^(c)	30 865	32 099	1 234
Interest income ^(d)	766	322	(444)
Other revenue and income ^(e)	30 590	33 931	3 341
Total administered income	96 191	82 419	(13 772)
Administered expenses			
Expenses on behalf of the State ^(a)	1 892	637	(1 255)
Grants expense ^(a)	7 109	5 795	(1 314)
Employee benefits ^(a)	3 241	1 219	(2 022)
Payments into Consolidated Fund ^(f)	67 757	93 192	25 435
Interest expense	4 628	4 761	133
Total administered expenses	84 627	105 604	20 977
Income less expenses	11 563	(23 185)	(34 749)
Other economic flows included in net result			
Net gain/(loss) on non-financial assets	39	–	(39)
Other gains/(losses) from other economic flows ^(g)	–	313	313
Total other economic flows included in net result	39	313	274
Net result	11 602	(22 872)	(34 475)
Other economic flows – other comprehensive income			
Remeasurement of superannuation defined benefit plans ^(h)	852	1 661	809
Total other economic flows – other comprehensive income	852	1 661	809
Comprehensive result	12 455	(21 211)	(33 666)
Administered assets			
Cash and deposits ⁽ⁱ⁾	10 317	1 284	(9 033)
Receivables ^(j)	46 763	6 473	(40 290)
Other financial assets	11 902	12 561	659
Property, plant and equipment ^(a)	3 959	–	(3 959)
Total administered assets	72 941	20 318	(52 623)

	2023–24 budget	2023–24 actual	Variance
	\$m	\$m	\$m
Administered liabilities			
Payables	407	602	195
Borrowings	147 363	146 586	(777)
Other ⁽ⁱ⁾	21 867	18 229	(3 638)
Total administered liabilities	169 636	165 417	(4 220)
Net assets	(96 696)	(145 099)	(48 403)

Notes:

(a) The budget for the Department includes the estimates for Treasurer's Advances which may be provided during the year to all departments. This includes both the appropriation revenue and the underlying expenditure.

(b) The lower actual result reflects a lower than budgeted debt retirement during 2023–24 (under *Treasury Corporation of Victoria Act No. 80 of 1992*, Section 38 - Debt Retirement).

(c) The variance is mainly due to higher-than-expected Commonwealth grants for GST and road investments.

(d) The variance is mainly due to lower than budgeted interest revenue from central banking system deposits.

(e) The variance is mainly due to higher-than-expected dividends, income tax equivalent revenues and unclaimed monies.

(f) Higher actuals mainly driven by the year-on-year increase in borrowings paid into the Consolidated Fund during 2023–24. The budget does not account for the increase in borrowings being paid into the Consolidated Fund in the same manner, but rather as an increase in State Administration Unit Public Account Investments (and identified as receivables in the balance sheet).

(g) The variance is driven by holding gains on financial assets related to the Victorian Future Fund, which was not budgeted for.

(h) The variance mainly reflects an increase in the bond yield that underlies the superannuation discount rate.

(i) The lower cash balance compared to budget is mainly due to cash held for the Victorian Future Fund that was subsequently drawn down for investment purposes.

(j) Lower than budgeted receivables are mainly due to inter-entity receivables from other departments.

Financial performance

Overview

The Department recorded a surplus on its net result from transactions of \$0.2 million in 2023-24 compared to \$12.8 million in 2022-23.

The 2022-23 surplus resulted from trust funds recording one-off surpluses, that have since been transferred to other departments as part of machinery of government changes. The 2023-24 surplus reflects effectively a balanced budget.

Total assets of the Department are \$232 million in 2023-24, which are comprised primarily of receivables from government into the SAU, and intangible assets with the State Revenue Office such as the Advanced Revenue Management Program. Total liabilities in 2023-24 are \$156 million, primarily comprising amounts owing as at the end of the financial year for supplies and services, and employee benefits provisions.

While there has been an increase in both assets and liabilities driven by the main balances described above, net assets have not materially changed since 2022-23.

Core operations

Total revenue paid by Government for DTF outputs has decreased this year to \$388 million, from \$428 million in 2022-23. The decrease is mainly due to machinery of government changes, which resulted in a number of functions, including Invest Victoria, transferring from the Department to other departments from 1 January 2023.

The following table details operational revenue by output group.

Revenue from the provision of outputs^(a)

Output group	2023-24 \$m	2022-23 \$m	Change \$m
Optimise Victoria's fiscal resources	253	208	45
Strengthen Victoria's economic performance	61	105	(44)
Improve how Government manages its balance sheet, commercial activities and public sector infrastructure	59	93	(34)
Strengthen Victoria's economic performance through fair, equitable and productive workplaces ^(b)	14	–	14
Deliver strategic and efficient whole of government common services ^(c)	–	22	(22)
Total	388	428	(40)

Notes:

(a) Includes only Parliamentary appropriations.

(b) This new output group was created in 2023-24 following the transfer of Industrial Relations Victoria and Wage Inspectorate Victoria from the Department of Premier and Cabinet to the department as part of the machinery of government change on 1 February 2024.

(c) This output group ceases to exist following the transfer of Corporate Government Services (except for Legal, Cabinet and Parliamentary Services, and Strategic Communications) to the Department of Government Services from the department as part of the machinery of government change on 1 January 2023.

Five-year financial summary: departmental (controlled) activities

	2023-24 \$m	2022-23 \$m	2021-22 \$m	2020-21 \$m	2019-20 \$m
Government output appropriations income	388	428	516	506	441
Other income	11	58	91	98	70
Total income from transactions	399	486	607	604	511
Total expenses from transactions	(398)	(473)	(585)	(570)	(505)
Net result from transactions	–	13	22	34	6
Total other economic flows included in net result	1	1	4	4	(1)
Net result	1	14	26	38	5
Net cash flow from operations	21	30	19	34	24
Total assets	232	218	1 676	1 392	1 291
Total liabilities	156	135	195	151	201

Financial statements

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Accountable Officer's and Chief Financial Officer's declaration

The attached financial statements for the Department of Treasury and Finance have been prepared in accordance with Direction 5.2 of the Standing Directions of the Assistant Treasurer under the *Financial Management Act 1994*, applicable Financial Reporting Directions, Australian Accounting Standards including interpretations and other mandatory professional reporting requirements.

We further state that, in our opinion, the information set out in the comprehensive operating statement, balance sheet, statement of changes in equity, cash flow statement and notes forming part of the financial statements, are a fair presentation of the financial transactions during the financial year ended 30 June 2024 and financial position of the Department as at 30 June 2024.

At the time of signing, we are not aware of any circumstances which would render any particulars included in the financial statements to be misleading or inaccurate.

We authorise the attached financial statements for issue on 23 September 2024.



Julio Labrin
Acting Chief Finance Officer
Department of Treasury and Finance

Melbourne
23 September 2024



Chris Hotham
Acting Secretary
Department of Treasury and Finance

Melbourne
23 September 2024

Independent Auditor's Report

To the Secretary of the Department of Treasury and Finance

Opinion	<p>I have audited the financial report of the Department of Treasury and Finance (the Department) which comprises the:</p> <ul style="list-style-type: none">• balance sheet as at 30 June 2024• comprehensive operating statement for the year then ended• statement of changes in equity for the year then ended• cash flow statement for the year then ended• notes to the financial statements, including material accounting policy information• Accountable Officer's and Chief Financial Officer's declaration. <p>In my opinion the financial report presents fairly, in all material respects, the financial position of the Department as at 30 June 2024 and its financial performance and cash flows for the year then ended in accordance with the financial reporting requirements of Part 7 of the <i>Financial Management Act 1994</i> and applicable Australian Accounting Standards.</p>
Basis for opinion	<p>I have conducted my audit in accordance with the <i>Audit Act 1994</i> which incorporates the Australian Auditing Standards. I further describe my responsibilities under that Act and those standards in the <i>Auditor's Responsibilities for the Audit of the Financial Report</i> section of my report.</p> <p>My independence is established by the <i>Constitution Act 1975</i>. My staff and I are independent of the Department in accordance with the ethical requirements of the Accounting Professional and Ethical Standards Board's <i>APES 110 Code of Ethics for Professional Accountants</i> (the Code) that are relevant to my audit of the financial report in Victoria. My staff and I have also fulfilled our other ethical responsibilities in accordance with the Code.</p> <p>I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my opinion.</p>
Key audit matter	<p>A key audit matter is a matter that, in my professional judgement, is of most significance in my audit of the financial report of the current period. This matter was addressed in the context of my audit of the financial report as a whole, and in forming my opinion thereon, and I do not provide a separate opinion on this matter.</p>

Independent auditor's report (continued)

Key audit matter	How I addressed the matter
<p>Valuation of defined benefit superannuation liability <i>Refer to Note 4.3.5 of the financial report - Administered superannuation liability</i></p>	
<p>Defined benefit superannuation liability: \$18.23 billion</p> <p>The Emergency Services and State Super funds account for \$17.35 billion (95.2 per cent) of the State's defined benefit superannuation liability (the liability). The Emergency Services Superannuation Board (ESSB) manages these funds.</p> <p>I considered this to be a key audit matter because:</p> <ul style="list-style-type: none"> the liability is financially significant the underlying model used to value the liability is complex a significant degree of management judgement is required to determine the method, the model and key assumptions used in valuing the liability a small adjustment to an assumption may have a significant effect on the total value of the liability ESSB has outsourced core member administration and fund accounting to an outsourced service provider. An independent assurance auditor was engaged by ESSB to report on the design, implementation and operating effectiveness of controls at the outsourced service provider extensive disclosures are required by Australian Accounting Standards which are critical to the users understanding of the valuation of the liability each year, the Department engage an actuary to value the liability as at 30 April, then adjust the value of the liability to account for actual market performance and movements in key assumptions up to 30 June. 	<p>My key procedures included:</p> <ul style="list-style-type: none"> gaining an understanding of the design and implementation of key controls over the outsourced arrangement, and then testing their operating effectiveness, including those: <ul style="list-style-type: none"> supporting the completeness and accuracy of membership data assisting with the management and oversight of the arrangement obtaining the independent assurance auditor's report over the outsourced service provider's controls and: <ul style="list-style-type: none"> assessing the adequacy of the scope of work agreed between management and the assurance auditor assessing the professional competence and independence of the assurance auditor considering the relevance of the stated control objectives and controls covered by the assurance report assessing the testing performed by the assurance auditor and the results of the tests assessing the sufficiency and appropriateness of the audit evidence provided by the assurance report assessing the professional competence and independence of the Department's actuary obtaining the Department's actuarial report and year-end adjustments, and engaging an appropriately qualified independent actuary to assist in obtaining sufficient appropriate audit evidence for the liability and disclosures, including to: <ul style="list-style-type: none"> assess the appropriateness of the model used to value the liability review the reasonableness of membership data in the model by comparing it to the data in the service providers system assess the appropriateness of the Department's selection and application of the method, significant assumptions and data used to value the liability challenge the reasonableness of key assumptions by comparing against accepted industry benchmarks assess the reasonableness of the reported liability value assessing the adequacy of financial report disclosures against the requirements of Australian Accounting Standards.

Independent auditor's report (*continued*)

The Secretary's responsibilities for the financial report The Secretary is responsible for the preparation and fair presentation of the financial report in accordance with Australian Accounting Standards and the *Financial Management Act 1994*, and for such internal control as the Secretary determines is necessary to enable the preparation and fair presentation of a financial report that is free from material misstatement, whether due to fraud or error.

In preparing the financial report, the Secretary is responsible for assessing the Department's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless it is inappropriate to do so.

Auditor's responsibilities for the audit of the financial report As required by the *Audit Act 1994*, my responsibility is to express an opinion on the financial report based on the audit. My objectives for the audit are to obtain reasonable assurance about whether the financial report as a whole is free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes my opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with the Australian Auditing Standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of this financial report.

As part of an audit in accordance with the Australian Auditing Standards, I exercise professional judgement and maintain professional scepticism throughout the audit. I also:


- identify and assess the risks of material misstatement of the financial report, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Department's internal control.
- evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Secretary.
- conclude on the appropriateness of the Secretary's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Department's ability to continue as a going concern. If I conclude that a material uncertainty exists, I am required to draw attention in my auditor's report to the related disclosures in the financial report or, if such disclosures are inadequate, to modify my opinion. My conclusions are based on the audit evidence obtained up to the date of my auditor's report. However, future events or conditions may cause the Department to cease to continue as a going concern.
- evaluate the overall presentation, structure and content of the financial report, including the disclosures, and whether the financial report represents the underlying transactions and events in a manner that achieves fair presentation.

I communicate with the Secretary regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that I identify during my audit.

Independent auditor's report *(continued)*

Auditor's responsibilities for the audit of the financial report (continued)	From the matters communicated with the Secretary, I determine those matters that were of most significance in the audit of the financial report of the current period and are therefore key audit matters. I describe these matters in the auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, I determine that a matter should not be communicated in the auditor's report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.
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MELBOURNE
30 September 2024



Andrew Greaves
Auditor-General

Comprehensive operating statement

for the financial year ended 30 June 2024

		2024	2023
	Notes	\$'000	\$'000
Income from transactions			
Output appropriations	2.2	387 796	427 793
Other income	2.5	10 851	57 704
Total income from transactions		398 647	485 497
Expenses from transactions			
Employee benefit expense	3.2.1	(210 569)	(213 489)
Depreciation and amortisation	5.2.2	(7 744)	(14 181)
Interest expense		(28)	(48)
Grant expense	3.3	(32 762)	(47 789)
Supplies and services	3.4	(147 321)	(197 199)
Total expenses from transactions		(398 424)	(472 706)
Net result from transactions (net operating balance)		223	12 791
Other economic flows included in net result			
Net gain/(loss) on non-financial assets		227	951
Net gain/(loss) on financial instruments		(22)	–
Other gains/(losses) from other economic flows		533	(131)
Total other economic flows included in net result		738	820
Net result		961	13 611
Comprehensive result		961	13 611

The above comprehensive operating statement should be read in conjunction with the notes to the financial statements.

Balance sheet

as at 30 June 2024

	Notes	2024 \$'000	2023 \$'000
Assets			
Financial assets			
Cash	7.2	11 549	14 863
Receivables	6.2	168 289	156 783
Total financial assets		179 838	171 646
Non-financial assets			
Prepayments		4 018	5 618
Non-financial assets classified as held for sale		12	50
Property, plant and equipment	5.2	2 456	3 575
Intangible assets	5.3	45 260	36 766
Total non-financial assets		51 746	46 009
Total assets		231 584	217 655
Liabilities			
Payables	6.3	88 174	73 793
Contract liabilities		4 888	5 080
Borrowings		2 306	3 134
Employee benefit provisions	3.2.2	61 043	52 812
Total liabilities		156 411	134 819
Net assets		75 173	82 836
Equity			
Accumulated surplus		53 703	52 742
Contributed capital		21 470	30 094
Net worth		75 173	82 836

The above balance sheet should be read in conjunction with the notes to the financial statements.

Statement of changes in equity

for the financial year ended 30 June 2024

	Notes	Accumulated surplus \$'000	Physical asset revaluation surplus \$'000	Contributed capital \$'000	Total \$'000
Balance at 1 July 2022		269 965	894 970	315 875	1 480 810
Net result for year		13 611	–	–	13 611
Capital appropriations	2.2	–	–	4 420	4 420
Transfer to accumulated surplus ^(a)		894 970	(894 970)	–	–
Transfer to contributed capital ^(b)		(1125 804)	–	1125 804	–
Capital contribution received from machinery of government changes	4.4.2	–	–	457	457
Capital contribution transferred from machinery of government changes	4.4.2	–	–	(1 416 462)	(1 416 462)
Balance at 30 June 2023		52 742	–	30 094	82 836
Balance at 1 July 2023		52 742	–	30 094	82 836
Net result for year		961	–	–	961
Capital appropriations	2.2	–	–	1 974	1 974
Capital contribution received from machinery of government changes	4.4.1	–	–	105	105
Capital contribution transferred to Department of Government Services ^(c)		–	–	(9 000)	(9 000)
Capital contribution transferred to Essential Services Commission ^(c)		–	–	(1 703)	(1 703)
Balance at 30 June 2024		53 703	–	21 470	75 173

The above statement of changes in equity should be read in conjunction with the notes to the financial statements.

Notes:

(a) In 2022-23, the physical asset revaluation surplus was transferred to accumulated surplus as a result of the transfer of the Department's land and building assets to the Department of Transport and Planning as part of the machinery of government change on 1 January 2023. This was in accordance with the Financial Reporting Direction (FRD) 103 *Non-financial physical assets* and FRD 119 *Transfers through contributed capital*.

(b) The reclassification from accumulated surplus to contributed capital, that occurred in 2022-23, was to facilitate the net assets distribution through contributed capital as part of the machinery of government change on 1 January 2023. This was in accordance with FRD 119.

(c) A portion of the Department's unallocated prior year surplus State Administration Unit (SAU) was transferred to the Department of Government Services and Essential Services Commission using contributed capital in accordance with FRD 119 in 2023-24.

Cash flow statement

for the financial year ended 30 June 2024

	Notes	2024 \$'000	2023 \$'000
Cash flows from operating activities			
Receipts			
Receipts from government		363 106	494 253
Receipts from other entities		10 723	12 413
Goods and services tax recovered from Australian Tax Office ^(a)		9 938	6 939
Total receipts		383 767	513 605
Payments			
Payments to suppliers and employees ^(b)		(329 984)	(414 131)
Payments of grant expenses ^(b)		(32 762)	(69 518)
Interest and other costs of finance paid		(28)	(48)
Total payments		(362 774)	(483 697)
Net cash flows from/(used in) operating activities		20 993	29 908
Cash flows from investing activities			
Purchases of non-financial assets ^(c)		(15 251)	(20 576)
Sales of non-financial assets		664	1 864
Net cash flows from/(used in) investing activities		(14 587)	(18 712)
Cash flows from financing activities			
Cash received from machinery of government changes	4.4	104	4 687
Cash transferred from machinery of government changes	4.4	–	(92 488)
Cash transferred to Department of Government Services ^(d)		(9 000)	–
Cash transferred to Essential Services Commission ^(d)		(1 703)	–
Cash received from capital appropriations	2.2	1 974	4 420
Repayment of borrowings		(1 095)	(1 612)
Net cash flows from/(used in) financing activities		(9 720)	(84 993)
Net increase/(decrease) in cash and cash equivalents		(3 314)	(73 797)
Cash and cash equivalents at beginning of financial year		14 863	88 660
Cash and cash equivalents at end of financial year		11 549	14 863

The above cash flow statement should be read in conjunction with the notes to the financial statements.

Notes:

(a) Goods and services tax recovered from the Australian Tax Office is presented on a net basis.

(b) The 2022-23 comparative figure has been adjusted due to the reclassification of expenditure totalling \$0.1 million from payments to suppliers and employees to payments of grant expenses. This relates to funding provided to other government entities for various programs.

(c) The 2022-23 comparative figure includes payments for property, plant and equipment of \$3.9 million and payments for intangible assets of \$16.7 million, which were previously presented as separate line items in the cash flow statement.

(d) A portion of the Department's unallocated prior year surplus State Administration Unit (SAU) was transferred to the Department of Government Services and Essential Services Commission using contributed capital in accordance with the Financial Reporting Direction (FRD) 119 *Transfers through contributed capital* in 2023-24.

1 About this report

The Department of Treasury and Finance (department) is a government department of the State of Victoria, established pursuant to an order made by the Premier under the *Public Administration Act 2004*. It is an administrative agency acting on behalf of the Crown.

A description of the nature of its operations and its principal activities is included in the report of operations, which does not form part of these financial statements.

Its principal address is: 1 Treasury Place
Melbourne VIC 3002

Basis of preparation

These financial statements have been prepared on an accruals basis, whereby assets, liabilities, equity, income and expenses are recognised in the reporting period to which they relate, regardless of when cash is received or paid.

Transactions and balances are based on historical costs unless a different measurement basis is specifically disclosed in the note associated with the item measured on a different basis.

The functional and presentation currency is the Australian dollar. Amounts have been rounded to the nearest thousand dollars unless otherwise stated.

Judgements, estimates and assumptions are made in applying Australian Accounting Standards. The estimates and associated assumptions are based on historical experience and various other factors that are believed to be reasonable under the circumstances. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised and also in future periods that are affected by the revision.

Judgements, assumptions and estimates that have significant effects on the financial statements are disclosed in the notes under the heading 'significant judgements or estimates'.

Consistent with the requirements of AASB 1004 *Contributions*, contributions by owners (that is, contributed capital and its repayment) are treated as equity transactions and, therefore, do not form part of the income and expenses of the Department.

Additions to net assets which have been designated as contributions by owners are recognised as contributed capital. Other transfers that are in the nature of contributions to or distributions by owners have also been designated as contributions by owners.

These financial statements cover the Department of Treasury and Finance as an individual reporting entity and include all the controlled activities of the Department. Administered items are disclosed in note 4.3 and where clearly identified in other notes such as in notes 2.3 and 7.3.

Machinery of government changes in 2023-24 and 2022-23 have impacted the Department's financial statements. The transactions post the effective dates of these changes have been reflected in these financial statements. Refer to note 4.4 for further information on these machinery of government changes in 2023-24 and 2022-23.

The following agencies have been aggregated into the Department's financial statements under section 53(1)(b) of the *Financial Management Act 1994*. These agencies are reported in aggregate and are not controlled by the Department:

- Registrar of Housing Agencies, established under the *Housing Act 1983*.
- Wage Inspectorate Victoria, established under the *Wage Theft Act 2020* and transferred to the Department under a machinery of government change on 1 February 2024. Refer to note 4.4 for further information on this machinery of government change.
- Victorian Independent Remuneration Tribunal, established under the *Victorian Independent Remuneration Tribunal and Improving Parliamentary Standards Act 2019* and transferred to the Department under a machinery of government change on 1 February 2024. Refer to note 4.4 for further information on this machinery of government change.

In preparing these financial statements, all material transactions and balances between aggregated entities are eliminated.

1. About this report

Compliance information

These general purpose financial statements have been prepared in accordance with the *Financial Management Act 1994* and applicable Australian Accounting Standards, including Interpretations, issued by the Australian Accounting Standards Board. In particular, they are presented in a manner consistent with the requirements of AASB 1049 *Whole of Government and General Government Sector Financial Reporting*.

Where appropriate, those Australian Accounting Standards' paragraphs applicable to not-for-profit entities have been applied. Accounting policies selected and applied in these financial statements ensure that the resulting financial information satisfies the concepts of relevance and reliability, thereby ensuring that the substance of the underlying transactions or other events is reported.

2 Funding delivery of services

2.1 Introduction

The Department's overall objective is to pursue its mission of providing economic, commercial, financial and resource management advice to help the Victorian Government deliver its policies. Its key objectives are:

- Optimise Victoria's fiscal resources
- Strengthen Victoria's economic performance
- Improve how Government manages its balance sheet, commercial activities and public sector infrastructure
- Strengthen Victoria's economic performance through fair, equitable and productive workplaces.

To enable the Department to fulfil its objectives and provide outputs as described in note 4, it receives income (predominantly accrual based parliamentary appropriations). Income that funds the delivery of the Department's services are accounted for consistently with the requirements of the relevant accounting standards disclosed in the following notes.

2.2 Summary of compliance with annual parliamentary appropriations

Appropriation is an authority given by the Victorian State Parliament to draw certain sums out of the State's Consolidated Fund, now or at some future point in time, for the purposes stated, up to the limit of the amount in a particular Act.

Annual appropriations are set out in the annual Appropriation Act and provide for the ordinary annual services of the State Government for a specific financial year. The Act outlines the amount of public money appropriated to each department for the 'provision of outputs', 'additions to net asset base', 'payments made on behalf of the State' and other appropriations specified in the Act for a given financial year.

Output appropriations, as shown in the comprehensive operating statement, are the appropriations recognised for the 'provision of outputs' delivered by the Department in a particular financial year, and are recognised under AASB 1058 *Income of not-for-profit entities*.

Capital appropriations, as shown in the statement of changes in equity, are the appropriations recognised for 'additions to net asset base' of the Department in a particular financial year, and are recognised under AASB 1004 *Contributions*.

Appropriations for payments made on behalf of the State, as shown in note 4.3, are the appropriations recognised for payments made on behalf of the State in a particular financial year, and are recognised under AASB 1058.

The amount of appropriation recognised each year depends on the Department's performance in delivering its provision of outputs and additions to net asset base against agreed performance criteria, and the activity in relation to payments on behalf of the State. The amount of appropriation recognised is formally applied and certified by the Treasurer.

In accordance with accrual output-based management procedures, 'provision of outputs' and 'additions to net asset base' are disclosed as 'controlled' activities of the Department. 'Payments made on behalf of the State' are undertaken on behalf of the State over which the Department has no control or discretion and are therefore disclosed as an 'administered' activity of the Department.

The following table discloses the details of the various annual parliamentary appropriations received by the Department for the year.

	Appropriation Act		Financial Management Act 1994			Machinery of government changes \$'000	Total parliamentary authority \$'000	Appropriations applied \$'000	Variance \$'000
	Annual appropriations \$'000	Advance from Treasurer \$'000	Section 29 ^(a) \$'000	Section 30 \$'000	Section 32 \$'000				
	2024								
Controlled									
Provision of outputs	403 019	16 994	5 790	–	14 944	14 822	455 569	387 796	67 773
Additions to net asset base	10 286	–	–	–	504	–	10 790	1 974	8 816
Administered									
Payments made on behalf of State	10 151 154	380 000	–	–	–	–	10 531 154	7 271 761	3 259 393
Total	10 564 459	396 994	5 790	–	15 448	14 822	10 997 513	7 661 531	3 335 982
2023									
Controlled									
Provision of outputs	555 941	62 089	6 407	–	25 486	(118 128)	531 795	427 793	104 002
Additions to net asset base	172 403	–	–	–	–	(151 393)	21 010	4 420	16 590
Administered									
Payments made on behalf of State	3 655 059	1 556 585	–	–	–	–	5 211 644	5 209 776	1 868
Total	4 383 403	1 618 674	6 407	–	25 486	(269 521)	5 764 449	5 641 989	122 460

Note:

(a) Refer to note 2.4 for further information on the income retained by the Department under section 29 of the *Financial Management Act 1994*.

Explanation of key variances between total parliamentary authority and appropriations applied for the year ended 30 June 2024:

- **Provision of outputs:** Unapplied funding is mainly due to underspends in various projects and rephasing of expenditure into future years.
- **Additions to net asset base:** Unapplied funding is mainly due to changes in project scheduling, including for the State Revenue Office's Advanced Revenue Management Program, which has led to a lower additions to net asset base requirement in 2023-24. Cash flows have been revised in line with the revised project schedules.
- **Payments made on behalf of State:** Unapplied funding is mainly driven by a provision for repayment of a portion of the Centralised Banking System (CBS) overdraft (borrowings) in the event departments and agencies withdraw their deposits, or if interest rates warranted borrowing funds off Treasury Corporation Victoria (TCV) rather than use the overdraft, which was unutilised by the Department for this purpose in 2023-24.

2.3 Summary of compliance with special appropriations

A special appropriation is a provision within an Act that provides authority to spend money for a particular purpose. Special appropriations represent a standing authority and remain in force until the relevant legislation providing for the special appropriation is amended or repealed by Parliament.

Income is recognised when the amount appropriated for a specific purpose is due and payable by the Department.

The following table discloses the summary of compliance with special appropriations.

Authority	Purpose	Appropriations applied	
		2024 \$'000	2023 \$'000
<i>Constitution Act, No. 8750 of 1975</i>	Governors' pensions	1 663	1 642
<i>Constitution Act, No. 8750 of 1975</i>	Judges' pensions	18 939	19 056
<i>County Court Act, No. 6230 of 1958</i>	Judges' pensions	24 635	22 784
<i>Financial Management Act, No. 18 of 1994, section 10^(a)</i>	Appropriation of Commonwealth grants	8 459	54 361
<i>Gambling Regulation Act, No. 114 of 2003, section 3.6.12</i>	Payments to Community Support Fund	166 052	166 945
<i>Gambling Taxation Act, No. 14 of 2023, section 33^(b)</i>	Payments to Victorian Racing Industry	85 105	88 581
<i>Gambling Taxation Act, No. 14 of 2023, section 34^{(b)(c)}</i>	Payments to Anzac Day Proceeds Fund	–	722
<i>Liquor Control Reform Act, No. 94 of 1998, section 177</i>	Safety net payments	5 339	5 689
<i>State Owned Enterprises Act No. 90 of 1992, section 88</i>	State equivalent tax refunds	1 655	–
<i>State Superannuation Act, No. 50 of 1988, section 90</i>	Superannuation contributions	180 943	646 602
<i>Taxation (Interest on Overpayments) Act, No. 35 of 1986, section 11</i>	Interest on overpayments of tax	–	670
<i>Taxation Administration Act, No. 40 of 1997, section 121</i>	Tax waivers, refunds and court costs	3 841	9 827
<i>Treasury Corporation of Victoria Act, No. 80 of 1992, section 38^(d)</i>	Budget sector debt retirement	26 168	28 712
<i>Victorian Future Fund Act, No. 19 of 2023, section 8^(e)</i>	Payments to Victorian Future Fund	8 266 287	–
Total special appropriations		8 789 086	1 045 591

Notes:

(a) Appropriation of Commonwealth grants to Victoria to deliver the HomeBuilder grant scheme.

(b) The *Gambling Taxation Amendment Act 2023* received royal assent on 6 June 2023 and became effective from 1 July 2023. This amended the legislation enabling the payment to the Victorian Racing Industry and ANZAC Day Proceeds Fund from *Gambling Regulation Act No. 114/2003* and *Gambling Regulation Amendment (Wagering and Betting) Act 2018* to *Gambling Taxation Act No. 14/2023*.

(c) Payment for 2023-24 has been made in August 2024.

(d) Based on future funding requirements and the State's liquidity position at a given point in time, decisions are taken by the Department and the Treasury Corporation of Victoria to retire maturing debt. These decisions are part of broader decisions taken in terms of managing the budget sector debt portfolio in the most efficient manner (reduce debt and interest expenses even at shorter time frames) and maximising the available liquidity.

(e) The *Victorian Future Fund Act 2023* became effective on 22 August 2023.

2. Funding delivery of services

2.4 Annotated income agreements

The department is permitted under section 29 of the *Financial Management Act 1994* to have certain income annotated to the annual appropriation. The income, which forms part of a section 29 agreement, is recognised by the department as an administered item and includes the receipts paid into the consolidated fund. At the point of income recognition, section 29 provides for an equivalent amount to be added to the annual appropriation. The following is a list of annotated income agreements approved by the Treasurer under section 29 of the *Financial Management Act 1994*.

	2024	2023
	\$'000	\$'000
User charges		
Land tax certificates	5 269	4 375
Property Exchange Australia	–	498
Receipts from other departments, agencies and municipal councils		
Collaborative inter-governmental projects ^(a)	47	699
Construction supplier register	424	375
Government business enterprise performance monitoring and financial risk management ^(b)	50	75
Asset sales cost recovery		
Government land and property (land sales) ^(c)	–	385
Total annotated income agreements	5 790	6 407

Notes:

(a) Previously known as 'building reform review secretariat'.

(b) Previously known as 'public financial corporations' risk prudential supervision'.

(c) This function, and related section 29 agreement, transferred to another department as part of the machinery of government change on 1 January 2023.

2.5 Other income

	2024	2023
	\$'000	\$'000
Rental accommodation income ^(a)	–	22 270
Provision of services income ^(a)	2 674	16 116
Grant income ^{(a)(b)}	477	10 457
Resources received free of charge ^(a)	7 700	5 104
Other income ^{(a)(b)}	–	3 757
Total other income ^(a)	10 851	57 704

Notes:

(a) The 2022-23 comparative figures include income totalling \$39.4 million recognised for various activities prior to their transfer to other departments as part of the machinery of government change on 1 January 2023.

(b) The 2022-23 comparative figures have been adjusted to separate out grant income from other income.

Rental accommodation income received by this department in 2022-23 related to the provision of rental accommodation to government departments and agencies and was recognised on a straight-line basis over the lease. The activities relating to this income transferred to the Department of Transport and Planning as part of the machinery of government change on 1 January 2023.

Provision of services income is recognised under AASB 15 *Revenue from contracts with customers* and is measured based on the consideration specified in the contract with the customer. The revenue is recognised when the department transfers control of a service to the customer, i.e. when the performance obligations for the sale of the services to the customer are satisfied. Revenue from the rendering of services is recognised at a point in time when the performance obligation is satisfied when the service is completed, and over time when the customer simultaneously receives and consumes the services as it is provided.

Grant income received by this department relates to arrangements that are either not enforceable and/or do not contain sufficiently specific performance obligations. Therefore grant income is recognised under AASB 1058 when the department has an unconditional right to receive cash, which usually coincides with the receipt of cash.

Resources received free of charge or for nominal consideration by this department mainly relate to corporate shared services provided by the Department of Government Services. These resources are recognised under AASB 1058 at their fair value when the department obtains control over the resources, irrespective of whether restrictions or conditions are imposed over the use of the contributions. The exception to this would be when the resource is received from another government department (or agency) as a consequence of a restructuring of administrative arrangements, in which case such a transfer will be recognised at its carrying value from the transferring department or agency as a capital contribution transfer.

3 Cost of delivering services

3.1 Introduction

This note provides an account of the expenses incurred by the department in delivering services and outputs. In note 2 the funds that enable the provision of services were disclosed and in this note the costs associated with the provision of services are recorded. Note 4 discloses information in relation to the income and expenses by output.

3.2 Employee benefits

3.2.1 Employee benefit expense in the comprehensive operating statement

	2024	2023
	\$'000	\$'000
Salaries and wages ^(a)	156 417	162 966
Annual leave and long service leave ^(a)	21 821	19 482
Defined contribution superannuation ^(a)	18 135	17 922
Defined benefit superannuation ^(a)	773	910
On-costs ^(a)	13 286	12 208
Termination benefits	137	1
Total employee expenses ^(a)	210 569	213 489

Note:

(a) The 2022-23 comparative figures include employee benefit expenses totalling \$31.3 million recognised for various employees prior to their transfer to other departments as part of the machinery of government change on 1 January 2023.

Employee benefit expense includes all costs related to employment including wages and salaries, superannuation, fringe benefits tax, leave entitlements, termination payments and WorkCover premiums.

Superannuation expenses represent the employer contributions for members of both defined benefit and defined contribution superannuation plans that are paid or payable during the reporting period. The department does not recognise any defined benefit liabilities because it has no legal or constructive obligation to pay future benefits relating to its employees. Instead, the department discloses, on behalf of the State as the sponsoring employer, the net defined benefit cost related to the members of these plans as an administered item in note 4.3.

Termination benefits are payable when employment is terminated before the normal retirement date, or when an employee accepts an offer of benefits in exchange for the termination of employment. Termination benefits are recognised when the department is demonstrably committed to terminating the employment of current employees according to a detailed formal plan without possibility of withdrawal or providing termination benefits as a result of an offer made to encourage voluntary redundancy.

3.2.2 Employee benefit provisions in the balance sheet

Provision is made for benefits accruing to employees in respect of annual leave and long service leave for services rendered to the reporting date and recorded as an expense during the period the services are delivered.

	2024	2023
	\$'000	\$'000
Current provisions		
Annual leave		
• unconditional and expected to be settled within 12 months	11 514	9 889
• unconditional and expected to be settled after 12 months	6 862	6 396
Long service leave		
• unconditional and expected to be settled within 12 months	2 404	1 660
• unconditional and expected to be settled after 12 months	26 128	22 500
On-costs	7 662	6 144
Other employee related provisions	333	319
Total current provisions for employee benefits	54 903	46 908
Non-current provisions		
Long service leave	5 368	5 198
On-costs	772	706
Total non-current provisions for employee benefits	6 140	5 904
Total provisions for employee benefits	61 043	52 812

3.2.3 Reconciliation of movement in on-costs provisions

	2024	2023
	\$'000	\$'000
Opening balance	6 850	8 613
Additional provisions recognised	3 796	1 916
Reductions arising from payments/other sacrifices of future economic benefits	(2 138)	(1 630)
Unwind of discount and effect of changes in discount rate	(74)	14
Reductions due to transfers out	–	(2 063)
Closing balance	8 434	6 850
Current	7 662	6 144
Non-current	772	706

3. Cost of delivering services

Annual leave liabilities are recognised in the provision for employee benefits as current liabilities because the department does not have the unconditional right to defer settlement of these liabilities. Those liabilities that are expected to be settled within 12 months of the reporting period are measured at nominal values. Those liabilities that are not expected to be settled within 12 months are also recognised in the provision for employee benefits as current liabilities, but are measured at present value of the amounts expected to be paid when the liabilities are settled using the remuneration rate expected to apply at the time of settlement.

Long service leave liabilities are recognised in the provision for employee benefits.

Unconditional long service leave is disclosed as a current liability, even where the department does not expect to settle the liability within 12 months because it will not have the unconditional right to defer the settlement of the entitlement should an employee take leave within 12 months.

The components of this current long service leave liability are measured at:

- undiscounted value if the department expects to wholly settle within 12 months or
- present value if the department does not expect to wholly settle within 12 months.

Conditional long service leave is disclosed as a non-current liability. There is a conditional right to defer the settlement of the entitlement until the employee has completed the requisite years of service. This non-current long service leave is measured at present value.

Any gain or loss following revaluation of the present value of non-current long service leave liability is recognised as a transaction, except to the extent that a gain or loss arises due to changes in bond rates for which it is then recognised as an 'other economic flow' in the net result.

Employee on-costs such as payroll tax, superannuation and workers compensation are not employee benefits. They are disclosed separately as a component of the provision for employee benefits when the employment to which they relate has occurred.

No provision has been made for sick leave as all sick leave is non-vesting and it is not considered probable that the average sick leave taken in the future will be greater than the benefits accrued in the future. As sick leave is non-vesting, an expense is recognised in the comprehensive operating statement as it is taken.

Wages and salaries liabilities are in payables (note 6.3).

3.3 Grant expenses

	2024	2023
	\$'000	\$'000
Victorian government entities ^{(a)(b)(c)}	29 061	32 671
Other government entities ^(b)	1 336	12 113
Other organisations ^(c)	2 365	3 005
Total grant expenses ^{(a)(b)(c)}	32 762	47 789

Notes:

(a) The 2022-23 comparative figure has been adjusted due to the reclassification of expenditure totalling \$19.8 million from grant expense to supplies and services. This relates to payments to other government entities to collect revenue on behalf of the department.

(b) The 2022-23 comparative figure has been adjusted due to the reclassification of expenditure totalling \$0.1 million from supplies and services to grant expense. This relates to funding provided to other government entities for various programs.

(c) The 2022-23 comparative figures include grant expenses totalling \$8.0 million recognised by various areas prior to their transfer to other departments as part of the machinery of government change on 1 January 2023.

Grant expenses are contributions of the department's resources to another party for specific or general purposes where there is no expectation that the amount will be repaid in equal value (either by money, goods or services). Grant expenses are recognised in the reporting period in which they are paid or payable.

3.4 Supplies and services

	2024	2023
	\$'000	\$'000
Contractors, professional services and consultants ^{(a)(b)}	96 432	132 265
Accommodation and property services ^(b)	19 242	27 418
Information and communication technology services ^(b)	15 526	21 146
Ex-gratia expense ^(c)	155	–
Other ^{(b)(d)(e)}	15 966	16 370
Total supplies and services ^{(a)(b)(d)(e)}	147 321	197 199

Notes:

(a) The 2022-23 comparative figure has been adjusted due to the reclassification of expenditure totalling \$19.8 million from grant expense to supplies and services. This relates to payments to other government entities to collect revenue on behalf of the department.

(b) The 2022-23 comparative figures include supplies and services totalling \$43.9 million recognised by various areas prior to their transfer to other departments as part of the machinery of government change on 1 January 2023.

(c) The ex-gratia employee expense relates to compensation for economic loss.

(d) The 2022-23 comparative figure has been adjusted due to the reclassification of expenditure totalling \$0.1 million from supplies and services to grant expense. This relates to funding provided to other government entities for various programs.

(e) The 2022-23 comparative figure includes land remediation costs of \$0.23 million and payments into the consolidated fund of \$0.34 million, which were previously presented as separate line items in the comprehensive operating statement. No expense for these activities has been recognised in 2023-24.

Supplies and services generally represent the day-to-day running costs incurred in normal operations, and are recognised as an expense in the reporting period in which they are incurred.

4 Disaggregated financial information by output

4.1 Introduction

This note provides a description of the departmental outputs delivered during the year ended 30 June 2024 along with the objectives of those outputs.

This note disaggregates income that enables the delivery of services (described in note 2) by output group and records the allocation of expenses incurred (described in note 3) also by output group, which form part of the controlled balances of the department.

It also provides information on items administered in connection with these output groups.

The distinction between controlled and administered items is drawn based on whether the department has the ability to deploy the resources in question for its own benefit (controlled items) or whether it does so on behalf of the State (administered). The department remains accountable for transactions involving administered items, but it does not recognise these items in its financial statements.

4.2 Departmental outputs

4.2.1 Department outputs – descriptions and objectives

Optimise Victoria’s fiscal resources

Description of objective and output group:

This objective and output group relates to the provision of high-quality advice to Government on sustainable financial, resource and performance management policy and other key policy priorities; overseeing related frameworks; as well as leading the production of the State budget papers and reports of both financial and non-financial performance in the Victorian public sector. It relates to the provision of strategic, timely and comprehensive analysis and information to Government to support decision-making and reporting. It also relates to the provision of revenue management and administrative services across the various state-based taxes for the benefit of all Victorians.

Strengthen Victoria’s economic performance

Description of objective and output group:

This objective and output group relates to the provision of advice to Government on key economic matters and policies to increase economic productivity, competitiveness and equity across the Victorian economy. It relates to the provision of strategic, timely and comprehensive analysis and information to Government to support decision-making and reporting. It also relates to the provision of economic regulation of utilities and other specified markets in Victoria to protect the long-term interests of Victorian consumers with regard to price, quality and reliability of essential services.

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

Description of objective and output group:

This objective and output group relates to the development and application of prudent financial and commercial principles and practices to influence and help deliver government policies focused on overseeing the State's balance sheet, major infrastructure and government business enterprises (in the public non-financial corporations (PNFC) sector and public financial corporations (PFC) sector). It relates to the provision of strategic, timely and comprehensive analysis and information to Government to support decision-making and reporting.

Change in output groups

Industrial Relations Victoria and Wage Inspectorate Victoria, which transferred from the Department of Premier and Cabinet to the Department as part of a machinery of government change on 1 February 2024, has been aggregated into a new output group and objective of 'Strengthen Victoria's economic performance through fair, equitable and productive workplaces'.

The Victorian Independent Remuneration Tribunal, which also transferred from the Department of Premier and Cabinet to the department as part of a machinery of government change on 1 February 2024, has been aggregated into the output group and objective of 'Strengthen Victoria's economic performance'.

The Land and Property Group, which was previously aggregated into the output group and objective of 'Improve how Government manages its balance sheet, commercial activities and public sector infrastructure', transferred from the department to the Department of Transport and Planning as part of a machinery of government change on 1 January 2023.

Corporate Government Services (except for Legal, Cabinet and Parliamentary Services, and Strategic Communications), which was previously under the output group and objective of 'Deliver strategic and efficient whole of government common services', transferred from the Department to the Department of Government Services as part of a machinery of government change on 1 January 2023.

Invest Victoria, which was previously aggregated into the output group and objective of 'Strengthen Victoria's economic performance', transferred from the department to the Department of Jobs, Skills, Industry and Regions as part of a machinery of government change on 1 January 2023.

Workplace Safety, which transferred from the Department of Justice and Community Safety to the Department as part of a machinery of government change on 1 January 2023, has been aggregated into the output group and objective of 'Strengthen Victoria's economic performance'.

Refer to note 4.4 for further information on these machinery of government changes in 2023-24 and 2022-23.

4. Disaggregated financial information by output

4.2.2 Departmental outputs – controlled

	Notes	Optimise Victoria's fiscal resources		Strengthen Victoria's economic performance	
		2024	2023	2024	2023
		\$'000	\$'000	\$'000	\$'000
Controlled income and expenses for year ended 30 June 2024					
Income from transactions					
Output appropriations	2.2	253 410	208 086	61 032	104 575
Other income	2.5	3 909	2 873	2 848	1 695
Total income from transactions		257 319	210 959	63 880	106 270
Expenses from transactions					
Employee benefit expense	3.2.1	(132 402)	(113 265)	(36 256)	(43 592)
Depreciation and amortisation	5.2.2	(7 600)	(5 660)	(34)	(76)
Interest expense		(23)	(47)	(1)	1
Grant expense	3.3	(131)	(145)	(14 994)	(37 707)
Supplies and services	3.4	(116 941)	(88 706)	(12 594)	(22 473)
Total expenses from transactions		(257 097)	(207 823)	(63 879)	(103 847)
Net result from transactions (net operating balance)		222	3 136	1	2 423
Other economic flows included in net result					
Net gain/(loss) on non-financial assets		148	58	11	62
Net gain/(loss) on financial instruments		(22)	–	–	–
Other gains/(losses) from other economic flows		334	(258)	56	42
Total other economic flows included in net result		460	(200)	67	104
Net result		682	2 936	68	2 527
Comprehensive result		682	2 936	68	2 527
Controlled assets and liabilities at 30 June 2024					
Assets					
Financial assets ^(c)		72 758	31 369	51 205	66 189
Non-financial assets		49 454	44 807	543	151
Total assets ^(c)		122 212	76 176	51 748	66 340
Liabilities					
Total liabilities		95 573	69 721	34 595	45 594
Net assets ^(c)		26 639	6 455	17 153	20 746

Notes:

(a) This new output group was created in 2023-24 following the transfer of Industrial Relations Victoria and Wage Inspectorate Victoria from the Department of Premier and Cabinet to the Department as part of the machinery of government change on 1 February 2024. Refer to note 4.4.1 for further information on the machinery of government changes in 2023-24.

(b) This output group ceases to exist following the transfer of Corporate Government Services (except for Legal, Cabinet and Parliamentary Services, and Strategic Communications) to the Department of Government Services from the Department as part of the machinery of government change on 1 January 2023. Refer to note 4.4.2 for further information on the machinery of government changes in 2022-23.

(c) The 2022-23 comparative figures have been adjusted due to the reallocation of the State Administrative Unit across all the output groups.

4. Disaggregated financial information by output

Improve how Government manages its balance sheet, commercial activities and public sector infrastructure		Strengthen Victoria's economic performance through fair, equitable and productive workplaces ^(a)		Deliver strategic and efficient whole of government common services ^(b)		Departmental total	
2024	2023	2024	2023	2024	2023	2024	2023
\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
59 114	93 444	14 240	–	–	21 688	387 796	427 793
4 094	14 999	–	–	–	38 137	10 851	57 704
63 208	108 443	14 240	–	–	59 825	398 647	485 497
(35 997)	(39 500)	(5 914)	–	–	(17 132)	(210 569)	(213 489)
(102)	(152)	(8)	–	–	(8 293)	(7 744)	(14 181)
(3)	(7)	(1)	–	–	5	(28)	(48)
(11 784)	(9 928)	(5 853)	–	–	(9)	(32 762)	(47 789)
(15 322)	(55 460)	(2 464)	–	–	(30 560)	(147 321)	(197 199)
(63 208)	(105 047)	(14 240)	–	–	(55 989)	(398 424)	(472 706)
–	3 396	–	–	–	3 836	223	12 791
68	32	–	–	–	799	227	951
–	–	–	–	–	–	(22)	–
85	(29)	58	–	–	114	533	(131)
153	3	58	–	–	913	738	820
153	3 399	58	–	–	4 749	961	13 611
153	3 399	58	–	–	4 749	961	13 611
52 483	41 057	3 392	–	–	33 031	179 838	171 646
1 669	873	80	–	–	178	51 746	46 009
54 152	41 930	3 472	–	–	33 209	231 584	217 655
21 553	18 825	4 690	–	–	679	156 411	134 819
32 599	23 105	(1 218)	–	–	32 530	75 173	82 836

4.3 Administered items

In addition to the specific departmental operations which are controlled and included in the financial statements (comprehensive operating statement, balance sheet, cash flow statement and statement of changes in equity), the Department administers or manages, but does not control, certain resources and activities on behalf of the State. The Department is accountable for the transactions involving those administered resources, but does not have the discretion to deploy the resources for its own benefit or for the achievement of its objectives. Accordingly, transactions and balances relating to these administered resources are not recognised as

departmental income, expenses, assets or liabilities within the body of the financial statements, but are disclosed separately in this note.

Both the controlled and administered items of the Department are consolidated into the financial statements of the State.

Except as otherwise disclosed, administered transactions are accounted for on an accrual basis using the same accounting policies adopted for recognition of the departmental items in the financial statements.

4. Disaggregated financial information by output

	Notes	Optimise Victoria's fiscal resources		Strengthen Victoria's economic performance	
		2024	2023	2024	2023
		\$'000	\$'000	\$'000	\$'000
Administered income and expenses for year ended 30 June 2024					
Administered income from transactions					
Payments on behalf of the State appropriations	2.2	682 533	301 694	1 575 692	1 664 871
Special appropriations	2.3	175 233	326 795	93 564	–
Grant income	4.3.1	–	(653)	20 162 007	19 207 075
Taxation income	4.3.2	31 396 041	26 936 526	–	–
Other income ^(b)		184 384	134 937	28 290	35 107
State revenues received into Consolidated Fund, net of appropriations applied within government departments		–	–	–	–
Total administered income from transactions		32 438 191	27 699 299	21 859 553	20 907 053
Administered expenses from transactions					
Payments to Consolidated Fund ^(c)		(30 621 774)	(26 529 280)	(20 247 174)	(19 226 429)
Grant expense ^(d)		(396 926)	(438 856)	(283 803)	(543 540)
Interest expense		(938)	(670)	–	–
Superannuation expense (non-departmental)		–	–	–	–
Other expenses ^{(c)(e)(f)}		(454 188)	(31 433)	(164 041)	(169 099)
Total administered expenses from transactions		(31 473 826)	(27 000 239)	(20 695 018)	(19 939 068)
Administered net result from transactions		964 365	699 060	1 164 535	967 985
Other economic flows included in net result					
Net gain/(loss) on financial instruments		(107 315)	(68 108)	132 907	50 496
Total other economic flows included in net result		(107 315)	(68 108)	132 907	50 496
Administered net result		857 050	630 952	1 297 442	1 018 481
Other economic flows – other comprehensive income					
Items that will not be reclassified to net result					
Remeasurement of superannuation defined benefit plans		–	–	–	–
Items that may be reclassified subsequently to net result					
Changes to debt instruments measured at fair value through other comprehensive income revaluation reserve		–	–	–	61 822
Total other economic flows – other comprehensive income		–	–	–	61 822
Administered comprehensive result		857 050	630 952	1 297 442	1 080 303

Notes:

(a) This output group ceases to exist following the transfer of Corporate Government Services (except for Legal, Cabinet and Parliamentary Services, and Strategic Communications) to the Department of Government Services from the Department as part of the machinery of government change on 1 January 2023. Refer to note 4.4.2 for further information on the machinery of government changes in 2022-23.

(b) The 2022-23 comparative figure includes dividend income of \$144.8 million and interest income of \$433.1 million, which were previously presented as separate line items.

(c) The 2022-23 comparative figure has been adjusted due to the reclassification of a negative miscellaneous expense of \$1.2 million from payments to Consolidated Fund to other expenses.

(d) Grant expense mainly relates to the Commonwealth grant income that is on-passed to other entities as disclosed in note 4.3.1.

(e) The 2022-23 comparative figure includes contribution to GST administration costs of \$164.7 million, depreciation and amortisation expense of \$116.4 million, and ex-gratia expenses of \$21.7 million, which were previously presented as separate line items.

(f) Other expenses includes ex-gratia expenses of \$62.3 million (\$21.7 million in 2022-23) that mainly represent tax relief provided by the State in various circumstances including financial hardship.

4. Disaggregated financial information by output

Improve how Government manages its balance sheet, commercial activities and public sector infrastructure		Deliver strategic and efficient whole of government common services ^(a)		Other		Departmental total	
2024	2023	2024	2023	2024	2023	2024	2023
\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
5 003 152	3 232 087	–	124	10 384	11 000	7 271 761	5 209 776
8 294 109	28 712	–	–	226 180	690 084	8 789 086	1 045 591
1 798	–	–	–	11 935 630	11 266 630	32 099 435	30 473 052
790 162	792 593	–	–	–	–	32 186 203	27 729 119
1 920 740	548 263	–	214 778	–	–	2 133 414	933 085
–	–	–	–	19 063 510	12 222 561	19 063 510	12 222 561
16 009 961	4 601 655	–	214 902	31 235 704	24 190 275	101 543 409	77 613 184
(35 440 704)	(17 299 124)	–	1 117	(6 882 404)	(6 565 643)	(93 192 056)	(69 619 359)
(61 459)	(3 931)	–	–	(5 053 226)	(4 700 987)	(5 795 414)	(5 687 314)
(4 820 823)	(3 200 043)	–	(26 689)	–	–	(4 821 761)	(3 227 402)
–	–	–	–	(1 218 940)	(1 205 488)	(1 218 940)	(1 205 488)
(18 828)	(8 053)	–	(202 692)	–	–	(637 057)	(411 277)
(40 341 814)	(20 511 151)	–	(228 264)	(13 154 570)	(12 472 118)	(105 665 228)	(80 150 840)
(24 331 853)	(15 909 496)	–	(13 362)	18 081 134	11 718 157	(4 121 819)	(2 537 656)
287 416	–	–	–	–	–	313 008	(17 612)
287 416	–	–	–	–	–	313 008	(17 612)
(24 044 437)	(15 909 496)	–	(13 362)	18 081 134	11 718 157	(3 808 811)	(2 555 268)
–	–	–	–	1 660 670	1 355 731	1 660 670	1 355 731
–	–	–	–	–	–	–	61 822
–	–	–	–	1 660 670	1 355 731	1 660 670	1 417 553
(24 044 437)	(15 909 496)	–	(13 362)	19 741 804	13 073 888	(2 148 141)	(1 137 715)

4. Disaggregated financial information by output

	Notes	Optimise Victoria's fiscal resources		Strengthen Victoria's economic performance	
		2024	2023	2024	2023
		\$'000	\$'000	\$'000	\$'000
Administered assets and liabilities at 30 June 2024					
Administered assets					
Financial assets					
Cash and deposits ^{(b)(c)}		275 514	127 356	1 008 793	1 438 928
Receivables ^{(b)(d)}		5 980 852	4 825 737	192 299	129 703
Advances paid		–	–	–	–
Investments in controlled entities ^(e)		–	–	–	–
Other financial assets ^(b)	4.3.3	1 585 809	643 775	2 195 578	1 458 774
Total financial assets ^(b)		7 842 175	5 596 868	3 396 670	3 027 405
Total administered assets ^(b)		7 842 175	5 596 868	3 396 670	3 027 405
Administered liabilities					
Payables ^(f)		156 824	(3 058)	147 215	124 357
Advances received		–	–	–	–
Public Account State Administration Unit liability ^{(b)(g)}		–	–	–	–
Borrowings	4.3.4	–	–	–	158 796
Superannuation liability	4.3.5	–	–	–	–
Total administered liabilities ^(b)		156 824	(3 058)	147 215	283 153
Net administered assets ^(b)		7 685 351	5 599 926	3 249 455	2 744 252

Notes:

(a) This output group ceases to exist following the transfer of Corporate Government Services (except for Legal, Cabinet and Parliamentary Services, and Strategic Communications) to the Department of Government Services from the Department as part of the machinery of government change on 1 January 2023. Refer to note 4.4.2 for further information on the machinery of government changes in 2022-23.

(b) The 2022-23 comparative figures have been adjusted due to the reclassification of a portion of the State Administration Unit from being under the Public Account State Administration Unit liability to cash and deposits of \$1.6 billion and receivables of \$0.3 billion.

(c) Cash and deposits decreased by \$5.3 billion since 30 June 2023, predominantly due to the investment of \$8.1 billion of cash in the managed investments schemes that are disclosed under other financial assets in 2023-24.

(d) Receivables mainly comprises of taxes receivable totalling \$5.7 billion (\$5.1 billion in 2022-23).

(e) Investments in controlled entities represents the State's equity investment in entities controlled by the State, in its capacity as owner and is carried at cost.

(f) The 2022-23 comparative figure includes contract liabilities of \$38.8 million, which were previously presented as a separate line item.

(g) Public Account State Administration Unit liability is the outstanding liabilities to other departments in respect of (a) amounts appropriated from the Consolidated Fund but are undrawn at year end, net of Public Account advances to other departments, and (b) Trust Account funds held on their behalf within the Public Account.

4. Disaggregated financial information by output

Improve how Government manages its balance sheet, commercial activities and public sector infrastructure		Deliver strategic and efficient whole of government common services ^(a)		Other		Departmental total	
2024	2023	2024	2023	2024	2023	2024	2023
\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
2	8 134 965	–	142	5 317 759	2 157 545	6 602 068	11 858 936
301 133	595 728	–	56 730	–	–	6 474 284	5 607 898
–	227 662	–	–	–	–	–	227 662
–	–	–	–	227 793 130	211 472 503	227 793 130	211 472 503
8 779 742	15	–	–	–	–	12 561 129	2 102 564
9 080 877	8 958 370	–	56 872	233 110 889	213 630 048	253 430 611	231 269 563
9 080 877	8 958 370	–	56 872	233 110 889	213 630 048	253 430 611	231 269 563
298 687	225 379	–	(481)	58 085	(4 052)	660 811	342 145
–	227 662	–	–	–	–	–	227 662
–	–	–	–	21 394 769	19 439 494	21 394 769	19 439 494
146 586 537	121 639 873	–	–	–	–	146 586 537	121 798 669
–	–	–	–	18 229 437	18 907 731	18 229 437	18 907 731
146 885 224	122 092 914	–	(481)	39 682 291	38 343 173	186 871 554	160 715 701
(137 804 347)	(113 134 544)	–	57 353	193 428 598	175 286 875	66 559 057	70 553 862

4. Disaggregated financial information by output

4.3.1 Administered grant income

	2024 \$'000	2023 \$'000
Commonwealth grants		
General purpose grants – Victoria’s share of goods and services tax pool	20 161 959	19 152 014
Specific purpose grants for on-passing	5 053 226	4 661 601
Other specific purpose grants	6 882 405	6 659 390
Other grants		
Other grants	1 845	47
Total administered grant income	32 099 435	30 473 052

The Department’s **administered grant income** predominantly comprises of contributions from the Commonwealth Government to assist the State Government in meeting general or specific service delivery obligations.

The general purpose grants received from the Commonwealth Government relate to the State’s share of the goods and services tax (GST). GST is collected by the Commonwealth Government and paid to the states and territories in the form of general purpose grants. Funds are typically remitted by the Commonwealth Government monthly throughout the financial year based on estimates of each state’s relative share of the GST pool for that financial year. The Commonwealth subsequently updates each state’s relative share of the GST pool when the final aggregate GST pool is known and adjusts any over or under payment during the year through the remittance of funds in the subsequent year. The State has made the significant judgement that the legislation, operation and objectives of the GST arrangements are such that its entitlement to the annual GST pool forms the basis for GST income recognition, rather than the funding progressively received from the Commonwealth Government across the financial year. As a result, the State monitors and tracks its share of the GST pool progressively to determine if a receivable or payable needs to be recognised at the end of each reporting period.

Income received for specific purpose grants for on-passing is recognised simultaneously with the grant expense as the funds are immediately on-passed to the relevant recipient entities on behalf of the Commonwealth Government.

Income from grants to construct capital assets that are controlled by the State is recognised progressively as the assets are constructed. The progressive percentage costs incurred are used to recognise income because this most closely reflects the progress to completion.

Income from grants without any sufficiently specific performance obligations, or that are not enforceable, is recognised using AASB 1058, when the Department has an unconditional right to receive cash which usually coincides with receipt of cash.

4.3.2 Administered taxation income

	2024	2023
	\$'000	\$'000
Land transfer duty	8 427 276	8 738 077
Payroll tax	9 643 104	8 331 721
Land tax	5 933 008	5 372 466
Taxes on insurance	2 075 820	1 875 467
Mental health and wellbeing levy	1 200 575	1 087 625
COVID-19 debt temporary payroll tax surcharge ^(a)	1 110 047	–
COVID-19 debt temporary land tax surcharge ^(b)	1 164 231	–
Fire services property levy	839 496	791 858
Income tax and rate equivalents	618 206	636 932
Growth areas infrastructure contribution	254 711	259 581
Other taxes	919 729	635 392
Total administered taxation income	32 186 203	27 729 119

Notes:

(a) From 1 July 2023, a new COVID-19 debt temporary payroll tax surcharge applied to wages paid in Victoria by businesses with national payrolls over \$10 million a year. This surcharge will apply for 10 years.

(b) From 1 January 2024, a new COVID-19 debt temporary land tax surcharge applied in addition to existing land tax. This surcharge will apply for 10 years.

State taxation income is recognised by the State on receipt of a taxpayer's self-assessment, or the time the taxpayer's obligation to pay arises pursuant to the issue of an assessment, whichever is earlier. The fire services property levy income is recognised on receipt from a municipal council of an annual estimate of liability, a payment or an annual reconciliation. Income tax and rate equivalent income are recognised when the right to receive the payment is established. The growth area infrastructure contribution (GAIC) is recognised on the occurrence of the first GAIC taxable event.

4. Disaggregated financial information by output

4.3.3 Administered other financial assets

	2024	2023
	\$'000	\$'000
Non-current administered other financial assets		
Victorian future fund's investments	8 779 726	–
Victorian social housing growth fund's investments	2 195 495	1 425 137
Victorian homebuyer scheme	1 585 892	677 412
Other	16	15
Total non-current administered other financial assets	12 561 129	2 102 564
Total administered other financial assets	12 561 129	2 102 564

The Victorian Future Fund, Victorian Social Housing Growth Fund, and Victorian Homebuyer Scheme were established under legislation as noted in note 7.3. The Victorian Future Fund and Victorian Social Housing Growth Fund hold managed investment schemes through the Victorian Funds Management Corporation (VFMC). The VFMC investments and Victorian Homebuyer Scheme are classified as financial assets at fair value through net result. Financial assets at fair value through net result are initially measured at fair value and any subsequent changes in fair values are recognised in the net result as other economic flows. The VFMC investments are measured based on the unit price of the investments. The Homebuyer Scheme is measured based on the market value of the properties purchased under the Scheme.

4.3.4 Administered borrowings

	2024	2023
	\$'000	\$'000
Current administered borrowings	18 925 680	17 878 621
Non-current administered borrowings	127 660 857	103 920 048
Total administered borrowings	146 586 537	121 798 669

Administered borrowings are interest bearing liabilities and are predominantly raised through the Treasury Corporation of Victoria (TCV).

Borrowings are initially measured at fair value, being the cost of the borrowings net of transaction costs, and are subsequently measured at amortised cost. Any difference between the initial recognised amount and the redemption value is recognised in the net result over the period of the borrowings using the effective interest rate method.

The borrowings are primarily composed of fixed rate facilities that have an even maturity profile. This ensures that a relatively small proportion of the borrowings are subject to repricing in any one period, with the effect that the interest costs are not subject to large fluctuations as a result of movements in market interest rates.

The borrowings are managed based on the key objectives of achieving relative certainty of interest cost over the budgeting period while minimising net borrowing costs, and conservatively managing the financial and operational risks of the budget sector treasury operations.

4.3.5 Administered superannuation liability

The administered superannuation liability represents the States' share of the net liability of the State's general government sector defined benefit superannuation plans.

The administered superannuation liability is measured, in accordance with AASB 119 *Employee Benefits* and actuarial valuations carried out at each reporting date, as the present value of the defined benefit obligation, adjusted for unrecognised past service costs, and net of the fair value of plan assets.

Accrued benefits are measured as the net present value of estimated future benefit payments to members arising from their membership of the superannuation plans up to the end of the reporting period. Past service cost is recognised immediately to the extent that the benefits are already vested, and otherwise is amortised on a straight-line basis over the average period until the benefits become vested. Remeasurements of the liability are recognised as administered income and expenses in the period in which they occur.

AASB 119 requires the defined benefit obligation to include an assumed value of contributions tax relating to service before the reporting date or on benefits resulting from that service. The contributions tax component is calculated as the present value of the tax that is estimated to be paid on contributions that are expected to be made to fund the past service liability. These tax payments have been determined based on the deficit (if any) valued using the funding valuation assumptions, which is smaller than the deficit shown in these statements valued using the AASB 119 assumptions. The expected payments are then discounted to the reporting date using the AASB 119 discount rate.

The department manages the State's superannuation liability by:

- conducting regular actuarial valuations of the State's public sector superannuation plans
- monitoring the performance of the associated superannuation assets, the majority of which are required to be invested through the VFMC.
- prudentially supervising the State's public sector superannuation plans and VFMC
- providing advice to government on a wide range of superannuation issues.

In addition, the State also recognises a liability for accrued benefits arising from constitutionally protected pension entitlements principally in respect of judges and other judicial office holders. No assets are held in respect of these liabilities and pensions are paid from the Consolidated Fund.

Administered superannuation liability

	2024	2023
	\$'000	\$'000
Emergency Services and State Super	17 349 410	17 906 558
Other funds ^(a)	880 027	1 001 173
Total administered superannuation liability	18 229 437	18 907 731

Note:

(a) Other funds include constitutionally protected schemes and the Health Super Fund.

In accordance with the *State Superannuation Act 1988*, the Government, through the Consolidated Fund, is primarily responsible for meeting the employer's share of the superannuation liability of the State Superannuation Fund section of the Emergency Services Superannuation Scheme. However, under the terms of that Act, the responsible Minister can effectively pass this liability to individual authorities.

4. Disaggregated financial information by output

Reconciliation of defined benefit obligation

	2024	2023
	\$'000	\$'000
Opening balance of defined benefit obligation	44 540 748	44 147 922
Current service cost	933 231	976 518
Interest cost	1 804 741	1 629 724
Contributions by plan participants	233 233	241 181
Remeasurement actuarial (gains)/losses	(685 831)	408 208
Benefits paid	(3 165 381)	(2 862 805)
Closing balance of defined benefit obligation	43 660 741	44 540 748

Reconciliation of fair value of plan assets

	2024	2023
	\$'000	\$'000
Opening balance of plan assets	25 633 017	24 388 806
Interest income	1 031 078	910 381
Remeasurement:		
• Expected return on plan assets excluding interest income	721 973	836 229
• Actuarial gains/(losses) relative to expected return	252 867	927 711
Employer contributions	724 517	1 191 514
Contributions by plan participants	233 233	241 181
Benefits paid (including tax paid)	(3 165 381)	(2 862 805)
Closing balance of plan assets	25 431 304	25 633 017

Actuarial assumptions

	2024	2023
	%	%
Emergency Services and State Super		
• Expected return on assets	7.0	7.0
• Discount rate	4.5	4.2
• Wages growth	3.3	3.3
• Inflation rate	2.5	2.5
Constitutionally Protected Pensions		
• Discount rate	4.5	4.2
• Wages growth	3.3	3.3
• Inflation rate	n/a	n/a
Health Super Fund		
• Expected return on assets	5.0	5.0
• Discount rate	4.5	4.2
• Wages growth	3.3	3.3
• Inflation rate	2.5	2.5

Sensitivity analysis

The key risks associated with the State's defined benefit superannuation plans are:

- investment risk - the risk that investment returns will be lower than assumed and that state contributions will need to increase to offset the shortfall
- wages growth risk - the risk that wages or salaries (on which future benefits are based) will rise more rapidly than assumed, thereby increasing defined benefits and requiring additional employer contributions
- pension growth risk - the risk that CPI and therefore pension increases will be higher than assumed, thereby increasing defined benefit pension payments and requiring additional employer contributions
- longevity risk - the risk that pensioners will live longer than expected, thereby increasing defined benefit pension payments and requiring additional employer contributions.

To illustrate the impact that movements in these assumptions can have on the State's superannuation liability, the defined benefit obligation has been remeasured under the scenarios below. The assumptions below have been adjusted while maintaining all other assumptions. There have been no changes to the methods and assumptions used to prepare this sensitivity analysis since the prior period.

These scenarios are expected to have the following impact on the State's defined benefit obligation:

	Base case	Discount rate plus 0.25 per cent	Wage growth plus 0.25 per cent	Inflation rate plus 0.25 per cent
Sensitivity analysis				
Discount rate (% per annum)	4.5	4.7	4.5	4.5
Salary growth (% per annum)	3.3	3.3	3.5	3.3
Inflation rate (% per annum)	2.5	2.5	2.5	2.8
Estimated increase/(decrease) in defined benefit obligation (%)	n/a	(2.6)	0.4	1.8
Estimated increase/(decrease) in defined benefit obligation (\$ million)	n/a	(1 135.2)	174.6	785.9

Target asset allocation

Asset class	2024 %	2023 %
Domestic equity	20.7	20.9
International equity	28.5	28.8
Domestic debt assets	15.8	16.4
International debt assets	3.4	3.8
Property	9.2	7.8
Cash	6.3	7.2
Other (including private equity, hedge funds and infrastructure)	16.1	15.1
Total	100	100

The assets are invested in the asset classes shown above. The chosen assets are not designed to match the liabilities exactly. However, the nature of the liabilities is considered in setting the investment strategy.

4. Disaggregated financial information by output

4.3.6 Administered contingent assets and contingent liabilities

Administered contingent assets and contingent liabilities are not recognised in the administered balance sheet, but are disclosed in this note and, if quantifiable, are measured at nominal value. Administered contingent assets and contingent liabilities are presented inclusive of GST.

Administered contingent assets

Contingent assets are possible assets that arise from past events, whose existence will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the entity. Contingent assets are classified as either quantifiable, where the potential economic benefit is known, or non-quantifiable. There were no administered contingent assets as at 30 June 2024 and 30 June 2023.

Quantifiable administered contingent liabilities

Specific guarantees and indemnities under statute
Guarantees for loans to water industry entities
Guarantees for loans to other entities
Legal proceedings and disputes
Total

Non-quantifiable administered contingent liabilities

A number of potential obligations are non-quantifiable at this time arising from:

- indemnities provided in relation to transactions, including financial arrangements and consultancy services, as well as for directors and administrators
- performance guarantees, warranties, letters of comfort and the like
- deeds in respect of certain obligations
- unclaimed monies, which may be subject to future claims by the general public against the State.

A more significant non-quantifiable administered contingent liability is as follows.

Administered contingent liabilities

Contingent liabilities are:

- possible obligations that arise from past events, whose existence will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the department, or
- present obligations that arise from past events but are not recognised because: it is not probable that an outflow of resources embodying economic benefits will be required to settle the obligations, or the amount of the obligations cannot be measured with sufficient reliability.

Contingent liabilities are also classified as either quantifiable or non-quantifiable.

	2024	2023
	\$m	\$m
	1 481	977
	15 812	14 027
	1 838	1 663
	144	121
Total	19 275	16 788

Victorian Managed Insurance Authority - insurance cover

The Victorian Managed Insurance Authority (VMIA) was established in 1996 as an insurer for state government departments, participating bodies as defined under the Victorian Managed Insurance Authority Act 1996 and other entities as declared by the Minister. The VMIA insures its clients for property, public and products liability, professional indemnity, medical indemnity, contract works and a range of other insurances. The VMIA also provides domestic building insurance to Victorian residential builders.

The VMIA reinsures in the private market based on the likelihood and impact of events as well as the cost and availability of such cover. The risk of losses above what the VMIA reinsures in the private market is borne by the State.

The State, under separate deeds of indemnity, has agreed to reimburse the VMIA:

- if the costs of public sector medical indemnity claims for a policy year exceed the initial estimate, on which the risk premium was based by more than 20 per cent
- for losses above a certain limit that the VMIA may incur due to changes in the availability of reinsurance.

4.4 Restructuring of administrative arrangements

4.4.1 Transfers of net assets from machinery of government change in 2023-24

On 10 October 2023, the Government issued an administrative order restructuring some of its activities via machinery of government changes, taking effect from 1 February 2024. As part of the machinery of government restructure, the Department of Premier and Cabinet (as transferor) relinquished its responsibilities relating to Industrial Relations Victoria, Wage Inspectorate Victoria, and the Victorian Independent Remuneration Tribunal to the Department (as transferee).

The combined income and expenses for these assumed responsibilities for the entire reporting period were as follows.

	Department of Premier and Cabinet (from 1 July 2023 to 31 January 2024)	Department of Treasury and Finance (from 1 February 2024 to 30 June 2024)	Total
Controlled			
Income	14 973	14 969	29 942
Expense	15 007	14 905	29 912

The net assets received by the Department as a result of the administrative restructure were recognised at the carrying amount of those assets in the balance sheet immediately prior to the transfer. The net assets assumed were treated as a contribution of capital by the State in compliance with the accounting requirements of the Financial Reporting Direction (FRD) 119 *Transfers through contributed capital*. The net assets assumed at the date of transfer were as follows.

	Net assets assumed as at 1 February 2024 (\$'000)
Controlled	
Assets	
Cash	104
Receivables	4 976
Prepayments	77
Property, plant and equipment	76
Total assets	5 233
Liabilities	
Payables	671
Borrowings	75
Employee benefit provisions	4 382
Total liabilities	5 128
Controlled net assets transferred	105
Net capital contribution	105

4.4.2 Transfers of net assets from machinery of government change in 2022-23

In December 2022, the Government issued an administrative order restructuring some of its activities via machinery of government changes, taking effect from 1 January 2023. As part of the machinery of government restructure, the Department (as transferor) relinquished its responsibilities relating to:

- Land and Property Group to the Department of Transport and Planning (as transferee)
- Corporate and Government Services (except for Legal, Cabinet and Parliamentary Services, and Strategic Communications) to the Department of Government Services (as transferee)
- Invest Victoria to the Department of Jobs, Skills, Industry and Regions (as transferee).

In addition, the Department of Justice and Community Safety (as transferor) relinquished its responsibilities relating to Workplace Safety to the Department (as transferee).

4. Disaggregated financial information by output

The combined income and expenses for the transferred responsibilities for the entire reporting period were reported by the above receiving departments. Whereas the combined income and expenses for the assumed responsibilities relating to Workplace Safety for the entire reporting period were as follows.

	Department of Justice and Community Safety (from 1 July 2022 to 31 December 2022)	Department of Treasury and Finance (from 1 January 2023 to 30 June 2023)	Total
	(\$'000)	(\$'000)	(\$'000)
Controlled			
Income	308 493	6 842	315 335
Expense	308 493	6 464	314 957

The net assets transferred and received by the department as a result of the administrative restructure were recognised at the carrying amount of those assets in the balance sheet immediately prior to the transfer.

The net assets transferred and assumed were treated as a contribution of capital by the State in compliance with the accounting requirements of FRD 119. The net assets transferred and assumed at the date of transfer were as follows.

	Net assets transferred out as at 1 January 2023 to:			Net assets assumed as at 1 January 2023 from Department of Justice and Community Safety		Total
	Department of Transport and Planning	Department of Government Services	Department of Jobs, Skills, Industry and Regions	Department of Justice and Community Safety		
Controlled						
Assets						
Cash (including trust fund state administration unit)	(11 264)	(67 384)	(13 840)	4 687		(87 801)
Receivables (including other state administration unit)	(159 508)	(29 845)	(18 912)	137		(208 128)
Investments and other financial assets	–	–	(1 000)	–		(1 000)
Prepayments	(5 426)	(1 194)	–	–		(6 620)
Non-financial assets classified as held for sale	(15 527)	–	–	–		(15 527)
Property, plant and equipment	(1 134 801)	(3 194)	(6)	–		(1 138 001)
Intangible assets	–	(337)	–	–		(337)
Total assets	(1 326 526)	(101 954)	(33 758)	4 824		(1 457 414)
Liabilities						
Payables	(3 395)	(1 418)	(601)	–		(5 414)
Contract liabilities	(3 267)	(12 700)	–	4 212		(11 755)
Borrowings	(53)	(2 604)	(6)	–		(2 663)
Employee benefit provisions	(1 031)	(11 115)	(3 982)	155		(15 973)
Provision for land remediation	(5 604)	–	–	–		(5 604)
Total liabilities	(13 350)	(27 837)	(4 589)	4 367		(41 409)
Controlled net assets transferred	(1 313 176)	(74 117)	(29 169)	457		(1 416 005)
Net capital contribution	(1 313 176)	(74 117)	(29 169)	457		(1 416 005)

4. Disaggregated financial information by output

	Net assets transferred out as at 1 January 2023 to:			Net assets assumed as at 1 January 2023 from Department of Justice and Community Safety	
	Department of Transport and Planning	Department of Government Services	Department of Jobs, Skills, Industry and Regions		Total
Administered					
Assets					
Cash and deposits	(22 469)	(296 923)	–	–	(319 392)
Receivables (including other state administration unit)	(9 563)	(896 579)	–	–	(906 142)
Prepayments	(5 235)	(44 545)	–	–	(49 780)
Property, plant and equipment	–	(1 575 998)	–	–	(1 575 998)
Total assets	(37 267)	(2 814 045)	–	–	(2 851 312)
Liabilities					
Payables	(13 350)	(27 905)	–	–	(41 255)
Contract liabilities	(8 308)	(345 902)	–	–	(354 210)
Borrowings	–	(2 417 347)	–	–	(2 417 347)
Provisions	–	(12 706)	–	–	(12 706)
Total liabilities	(21 658)	(2 803 860)	–	–	(2 825 518)
Administered net assets transferred	(15 609)	(10 185)	–	–	(25 794)
Net capital contribution	(15 609)	(10 185)	–	–	(25 794)

5 Key assets available to support output delivery

5.1 Introduction

The Department controls assets that are utilised in fulfilling its objectives and conducting its activities. They represent the resources that have been entrusted to the department to be utilised for delivery of these outputs.

5.2 Property, plant and equipment

	Gross carrying amount		Accumulated depreciation		Net carrying amount	
	2024	2023	2024	2023	2024	2023
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
Plant, equipment and vehicles at fair value	6 875	8 354	(4 419)	(4 779)	2 456	3 575
Total	6 875	8 354	(4 419)	(4 779)	2 456	3 575

5.2.1 Reconciliation of movements in carrying amount of property, plant and equipment

	Land at fair value		Buildings at fair value		Plant, equipment and vehicles at fair value		Assets under construction		Total	
	2024	2023	2024	2023	2024	2023	2024	2023	2024	2023
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
Opening balance	–	846 469	–	292 872	3 575	7 671	–	1 632	3 575	1148 644
Additions	–	–	–	–	712	1 503	–	1 732	712	3 235
Disposals	–	–	–	–	(605)	(909)	–	–	(605)	(909)
Transfers between classes	–	–	–	(20)	–	20	–	–	–	–
Machinery of government transfer in ^(a)	–	–	–	–	76	–	–	–	76	–
Machinery of government transfer out ^(a)	–	(846 469)	–	(284 873)	–	(3 295)	–	(3 364)	–	(1 138 001)
Other transfers free of charge	–	–	–	–	(61)	–	–	–	(61)	–
Depreciation	–	–	–	(7 979)	(1 279)	(1 761)	–	–	(1 279)	(9 740)
Net transfers from/(to) held for sale	–	–	–	–	38	346	–	–	38	346
Closing balance	–	–	–	–	2 456	3 575	–	–	2 456	3 575

Note:

(a) Refer to note 4.4 for further information on the machinery of government changes that occurred in 2023-24 and 2022-23.

5. Key assets available to support output delivery

Initial recognition: Items of property, plant and equipment are measured initially at cost. Where an asset is acquired for no or nominal cost, the cost is its fair value at the date of acquisition. Assets transferred as part of a machinery of government change are transferred at their carrying amount.

The costs of property, plant and equipment under construction includes the cost of all materials used in construction, direct labour on the project and an appropriate proportion of variable and fixed overheads.

The initial cost of property, plant and equipment under a lease that is recognised as a right-of-use asset is measured at amounts equal to the present value of the lease payments at the commencement date, adjusted for any lease payments made at or before the commencement date less any lease incentive received.

Subsequent measurement: Property, plant and equipment (including right-of-use assets) are subsequently measured at fair value less accumulated depreciation and impairment. Fair value is determined with regard to the asset's highest and best use (considering legal or physical restrictions imposed on the asset, public announcements or commitments made in relation to the intended use of the asset).

Impairment: The recoverable amount of primarily non-cash-generating assets of not-for-profit entities, which are typically specialised in nature and held for continuing use of their service capacity, is expected to be materially the same as fair value determined under AASB 13 *Fair value measurement*, with the consequence that AASB 136 *Impairment of assets* does not apply to such assets that are regularly revalued.

5.2.2 Depreciation and amortisation

	2024 \$'000	2023 \$'000
Buildings	–	7 979
Plant, equipment and vehicles	1 279	1 761
Intangible assets	6 465	4 441
Total	7 744	14 181

All property, plant and equipment and intangible assets that have finite useful lives are depreciated or amortised. Exceptions to this rule include assets held for sale and land.

Depreciation and amortisation is calculated on a straight line basis, at rates that allocate the asset's value, less any estimated residual value, over its estimated useful life. Typical estimated useful lives for the different asset classes for current and prior years are included in the table below.

	Nominal useful life	
	2024 (years)	2023 (years)
Buildings (including heritage buildings)	n/a	4 to 220
Plant, equipment and vehicles	2 to 10	2 to 10
Intangible assets	3 to 7	3 to 7

The estimated useful lives, residual values and depreciation method are reviewed at the end of each annual reporting period, and adjustments made where appropriate.

Right-of-use assets are generally depreciated over the shorter of the asset's useful life and the lease term. Where the Department obtains ownership of the underlying leased asset or if the cost of the right-of-use asset reflects that the Department will exercise a purchase option, the department depreciates the right-of-use asset over its useful life.

Leasehold improvements, which are included under plant, equipment and vehicles, are depreciated over the shorter of the lease term and their useful lives.

Land and other assets with an indefinite useful life are not depreciated. Depreciation is not recognised in respect of these assets because their service potential has not, in any material sense, been consumed during the reporting period.

5. Key assets available to support output delivery

5.3 Intangible assets

	2024	2023
	\$'000	\$'000
Gross carrying amount		
Opening balance	88 693	75 205
Additions ^(a)	14 959	17 354
Disposals	–	–
Machinery of government transfer in/out ^(b)	–	(3866)
Closing balance	103 652	88 693
Accumulated amortisation		
Opening balance	(51 927)	(51 015)
Amortisation	(6 465)	(4 441)
Disposals	–	–
Machinery of government transfer in/out ^(b)	–	3 529
Closing balance	(58 392)	(51 927)
Net book value at end of financial year	45 260	36 766

Notes:

(a) Intangible assets include both intangible assets under construction and capitalised intangible assets.

(b) Refer to note 4.4.2 for further information on the machinery of government changes in 2022-23.

Initial recognition

Purchased intangible assets are initially recognised at cost.

An internally generated intangible asset arising from development is recognised if, and only if, all of the following are demonstrated:

- the technical feasibility of completing the intangible asset so that it will be available for use or sale
- an intention to complete the intangible asset and use or sell it
- the ability to use or sell the intangible asset
- the intangible asset will generate probable future economic benefits
- the availability of adequate technical, financial and other resources to complete the development and to use or sell the intangible asset
- the ability to measure reliably the expenditure attributable to the intangible asset during its development.

Subsequent measurement

Intangible assets with finite useful lives are carried at cost less accumulated amortisation and impairment.

Impairment

Intangible assets not yet available for use are tested annually for impairment and whenever there is an indication that the asset may be impaired. Intangible assets with finite useful lives are tested for impairment whenever an indication of impairment is identified.

6 Other assets and liabilities

6.1 Introduction

This note sets out those assets and liabilities that arose from the Department's controlled operations.

6.2 Receivables

	2024	2023
	\$'000	\$'000
Contractual		
Debtors	3 415	3 891
Total contractual receivables	3 415	3 891
Statutory		
Amounts owing from Victorian Government	162 013	140 093
GST recoverable	2 861	12 799
Total statutory receivables	164 874	152 892
Total receivables	168 289	156 783
Represented by:		
Current receivables ^(a)	158 320	146 929
Non-current receivables ^(a)	9 969	9 854

Note:

(a) The 2022-23 comparative figures have been adjusted to reclassify an immaterial amount of receivables from current to non-current.

Contractual receivables arise from an agreement between the Department and another party. They are classified as financial instruments and categorised as 'financial assets at amortised costs'. They are initially recognised at fair value plus any directly attributable transaction costs, and are subsequently measured at amortised cost using the effective interest method, less any impairment.

Statutory receivables do not arise from contracts and are recognised and measured similarly to contractual receivables, but are not classified as financial instruments for disclosure purposes. Amounts owing from the Victorian Government represent funding for all commitments incurred and are drawn from the Consolidated Fund as the commitments fall due.

Details about the Department's exposure to credit risk are set out in note 8.2.3.

6. Other assets and liabilities

6.3 Payables

	2024	2023
	\$'000	\$'000
Contractual		
Creditors and accruals ^(a)	63 234	40 654
Total contractual payables ^(a)	63 234	40 654
Statutory		
Amounts payable to government agencies	23 607	31 353
Other taxes payable ^(a)	1 333	1 786
Total statutory payables ^(a)	24 940	33 139
Total payables	88 174	73 793
Represented by		
Current payables ^(b)	87 218	72 415
Non-current payables ^(b)	956	1 378

Notes:

(a) The 2022-23 comparative figure has been adjusted due to the reclassification of payroll tax of \$1.0 million and fringe benefit tax of \$0.8 million from contractual to statutory payables.

(b) The 2022-23 comparative figures have been adjusted to reclassify a payable to the Department's portfolio agencies from current to non-current.

Contractual payables arise from an agreement between the Department and another party. They represent liabilities for goods and services provided to the Department prior to the end of the financial year that are unpaid. They are classified as financial instruments and measured at amortised cost.

The average credit period for trade creditors under the Government's fair payments policy of settling financial obligations is 10 business days for invoices with a contract value of less than \$3 million and 30 business days for invoices with a contract value over \$3 million. The 10 business days commences from the date of receipt of a correct and complete invoice. The payment terms do not apply to an invoice which is incorrect, incomplete or under dispute. An invoice must also be received by the department with correct address and recipient details for the payment terms to apply. In the event of a dispute, the Department makes payments within 10 to 30 business days from the date of resolution based on the value of the invoice.

Statutory payables do not arise from contracts and are recognised and measured similarly to contractual payables, but are not classified as financial instruments.

7 Financing operations

7.1 Introduction

This note provides information on the sources of finance utilised by the Department during its operations and other information related to financing activities of the Department.

7.2 Cash flow information and balances

For the purposes of the cash flow statement and balance sheet, cash includes cash in banks net of outstanding bank overdrafts, and cash equivalents held in trust. Most of this cash is held in trusts as shown below.

	2024	2023
	\$'000	\$'000
Cash	948	1 528
Cash held in trust		
• Inter-departmental transfer trust	668	3 371
• Treasury trust fund	9 579	9 817
• Vehicle lease trust	108	91
• Victorian social housing growth fund	246	56
Balance as per cash flow statement and balance sheet	11 549	14 863

Due to the State's investment policy and funding arrangements, government departments generally do not hold a large cash reserve in their bank accounts. Cash received by a department from the generation of income is generally paid into the State's bank account, known as the Public Account. Similarly, cash paid by a department to its suppliers and creditors are made via the Public Account. The Public Account remits to the department the cash as required.

7.2.1 Reconciliation of net result for the year to cash flows from operating activities

	2024	2023
	\$'000	\$'000
Net result for the period	961	13 611
Non-cash movements		
Depreciation and amortisation	7 744	14 181
Net (gain)/loss on non-financial assets	(227)	(951)
Movement in operating assets and liabilities, net of effects of machinery of government changes		
Decrease/(increase) in receivables	(6 529)	28 390
Decrease/(increase) in prepayments	1 677	(7 434)
Increase/(decrease) in payables	13 710	(22 264)
Increase/(decrease) in contract liabilities	(192)	10 675
Increase/(decrease) in provisions	3 849	(6 300)
Net cash flows from/(used in) operating activities	20 993	29 908

7.3 Trust account balances

Trust account balances relating to trust accounts controlled and/or administered by the department

Cash	2024					2023				
	Opening balance as at 1 July 2023 \$'000	Total receipts \$'000	Total payments \$'000	Machinery of government transfer in \$'000	Closing balance as at 30 June 2024 \$'000	Opening balance as at 1 July 2022 \$'000	Total receipts \$'000	Total payments \$'000	Machinery of government transfer out \$'000	Closing balance as at 30 June 2023 \$'000
Controlled trusts										
Inter-departmental transfer trust ^(a)	3 371	2 258	(4 961)	–	668	27 361	14 624	(16 533)	(22 081)	3 371
Treasury trust ^{(b)(c)}	9 817	1 855	(2 197)	104	9 579	4 238	10 448	(8 672)	3 803	9 817
Vehicle lease trust ^(d)	91	21	(4)	–	108	8 044	20 541	(10 621)	(17 873)	91
Victorian social housing growth fund ^(e)	56	718	(528)	–	246	1 468	994	(2 416)	10	56
Finance agency trust ^(f)	–	–	–	–	–	8 352	7 667	(9 143)	(6 876)	–
Government accommodation trust ^(g)	–	–	–	–	–	953	62 697	(54 610)	(9 040)	–
Master agency media services (MAMS) trust ^(h)	–	–	–	–	–	1 723	5 314	(1 998)	(5 039)	–
Shared corporate services trust ⁽ⁱ⁾	–	–	–	–	–	36 131	47 534	(52 960)	(30 705)	–
Total controlled trusts	13 335	4 852	(7 690)	104	10 601	88 270	169 819	(156 953)	(87 801)	13 335

Notes:

(a) Established under the *Financial Management Act 1994* to hold funds in relation to inter-departmental transfers.

(b) Established under the *Financial Management Act 1994* for the receipt and disbursement of unclaimed monies and other funds held in trust.

(c) The 2022-23 comparative figures have been adjusted to correct the movements between the total receipts, total payments and machinery of government transfer out amounts. The opening and closing balances remain unchanged.

(d) Established under the *Financial Management Act 1994* to process the sales of VicFleet motor vehicles.

(e) Established under the *Financial Management Act 1994* to facilitate the secretariat that supports the review of the Social Housing Regulation panel.

(f) Established under the *Financial Management Act 1994* to receive funds pending disbursement for projects undertaken on the department's buildings and tenancies. The trust was transferred to the Department of Government Services as part of a machinery of government change on 1 January 2023.

(g) Established under the *Financial Management Act 1994* to receive rent and pay outgoings associated with the management of certain government owned properties, to fund minor capital works, and to issue loans and receive loan repayments related to the Greener Government Buildings Fund. The trust was transferred to the Department of Transport and Planning as part of a machinery of government change on 1 January 2023.

(h) Established under the *Financial Management Act 1994* to receive service fees and disburse media-related expenses under the MAMS contract. The trust was transferred to the Department of Government Services as part of a machinery of government change on 1 January 2023.

(i) Established under the *Financial Management Act 1994* to receive and disburse funds for shared corporate services. The trust was transferred to the Department of Government Services as part of a machinery of government change on 1 January 2023.

7. Financing operations

	2024				2023					
	Opening balance as at 1 July 2023	Total receipts	Total payments	Machinery of government transfer in	Closing balance as at 30 June 2024	Opening balance as at 1 July 2022	Total receipts	Total payments	Machinery of government transfer out	Closing balance as at 30 June 2023
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
Cash and investments										
Administered trusts										
Cattle compensation fund ^(a)	–	4 890	(4 890)	–	–	–	5 835	(5 835)	–	–
Community support fund ^{(b)(c)}	187 447	175 176	(95 797)	–	266 826	119 341	166 969	(98 863)	–	187 447
Debt portfolio trust ^(d)	1 363	–	–	–	1 363	1 363	–	–	–	1 363
Inter-departmental transfer trust ^(e)	8 547	40	(67)	–	8 520	26 960	44 158	(61 517)	(1 054)	8 547
Public service commuter club trust ^(f)	151	57	(53)	–	155	154	40	(43)	–	151
Sheep and goat compensation fund ^(g)	–	4 258	(4 258)	–	–	–	3 169	(3 169)	–	–
Swine compensation fund ^(g)	–	218	(218)	–	–	–	194	(194)	–	–
Treasury trust ^(h)	–	5 056 336	(5 056 336)	–	–	729	4 681 857	(4 682 586)	–	–
Victorian future fund ⁽ⁱ⁾	–	8 789 708	(9 982)	–	8 779 726	–	–	–	–	–
Victorian homebuyer fund ^(j)	657 447	767 205	(1 012 769)	–	411 883	228 971	1 288 411	(859 935)	–	657 447
Victorian social housing growth fund ^{(k)(l)}	2 162 613	847 183	(218 726)	–	2 791 070	1 753 525	786 162	(377 074)	–	2 162 613
Victorian transport fund ^{(c)(m)}	9 230	237 353	(246 583)	–	–	9 230	258 800	(258 800)	–	9 230
Asset sales deposit trust ⁽ⁿ⁾	–	–	–	–	–	7 551	–	1	(7 552)	–
Finance agency trust ^(o)	–	–	–	–	–	146 811	100 632	(113 664)	(133 779)	–
Security trust ^(p)	–	–	–	–	–	20 645	13 390	(20 172)	(13 863)	–
Shared corporate services trust ^(q)	–	–	–	–	–	223 156	592 321	(672 390)	(143 087)	–
Vehicle lease trust ^(r)	–	–	–	–	–	9 673	243 214	(232 830)	(20 057)	–
Total administered trusts	3 026 798	15 882 424	(6 649 679)	–	12 259 543	2 548 109	8 185 152	(7 387 071)	(319 392)	3 026 798

Notes:

(a) Established under the *Livestock Disease Control Act 1994* to receive and disburse funds in accordance with that Act.

(b) Established under the superseded *Gaming Machine Control Act 1991* and continued under the *Gambling Regulation Act 2003* to receive and disburse funds in accordance with that Act.

(c) The 2022-23 comparative figures have been adjusted to correct the movements between the total receipts and total payments. The opening and closing balances remain unchanged.

(d) Established under the *Financial Management Act 1994* to facilitate the recording of cash transactions associated with Public Account borrowings.

(e) Established under the *Financial Management Act 1994* to hold funds in relation to inter-departmental transfers.

(f) Established under the *Financial Management Act 1994* to purchase rail tickets and receive associated reimbursement from club members.

(g) Established under the *Livestock Disease Control Act 1994* to receive and disburse funds in accordance with that Act.

(h) Established under the *Financial Management Act 1994* for the receipt and disbursement of unclaimed monies and other funds held in trust.

(i) Established under the *Victorian Future Fund Act 2023* to receive and disburse funds in accordance with that Act.

(j) Established under the *Financial Management Act 1994* to receive and disburse funds relating to the State's shared equity scheme to support lower to moderate income first home buyers enter into home ownership.

(k) Established under the *Financial Management Act 1994* to receive funds pending disbursement to increase the supply of social housing either directly through dedicated construction of social and affordable housing or by subsidising rental properties in the private market.

(l) The 2022-23 comparative figures have been adjusted to include investments as well as cash as required by the 2023-24 Model Report for Victorian Government Departments.

Notes (continued)

(m) Established under the *Delivering Victorian Infrastructure (Port of Melbourne Lease Transaction) Act 2016* to receive and disburse funds in accordance with that Act.

(n) Established under the *Financial Management Act 1994* to receive deposits lodged in connection with asset sales and their disbursement in accordance with the terms of settlement. The trust was transferred to the Department of Transport and Planning as part of a machinery of government change on 1 January 2023.

(o) Established under the *Financial Management Act 1994* to receive funds from client departments and agencies pending disbursement for projects undertaken on their behalf. The trust was transferred to the Department of Government Services as part of a machinery of government change on 1 January 2023.

(p) Established under the *Financial Management Act 1994* to hold securities lodged by contractors to various departments as a guarantee of satisfactorily fulfilling contractual obligations. The trust was transferred to the Department of Transport and Planning as part of a machinery of government change on 1 January 2023.

(q) Established under the *Financial Management Act 1994* to receive funds and pay for shared corporate services. The trust was transferred to the Department of Government Services as part of a machinery of government change on 1 January 2023.

(r) Established under the *Financial Management Act 1994* to record transactions relating to the government's vehicle pool and fleet management operations. The trust was transferred to the Department of Government Services as part of a machinery of government change on 1 January 2023.

7.4 Commitments for expenditure

Commitments for future expenditure include operating commitments arising from contracts. These commitments are disclosed at their nominal value and inclusive of GST. These future expenditures cease to be disclosed as commitments once the related liabilities are recognised in the balance sheet.

Nominal values	Less than	1 to 5 years	More than	Total
	1 year		5 years	
	\$'000	\$'000	\$'000	\$'000
2024				
Operating commitments	47 519	14 761	–	62 280
Total commitments (inclusive of GST)	47 519	14 761	–	62 280
2023				
Operating commitments ^(a)	44 628	14 615	7	59 250
Total commitments (inclusive of GST) ^(a)	44 628	14 615	7	59 250

Note:

(a) The 2022-23 comparative figures have been updated to include an additional \$56.5 million in commitments not previously disclosed.

8 Risks and valuation judgements

8.1 Introduction

This note sets out financial instrument specific information (including exposures to financial risks) and their fair values.

8.2 Financial instrument specific disclosures

Financial instruments arise out of contractual agreements that give rise to a financial asset of one entity and a financial liability or equity instrument of another entity. Due to the nature of the Department's activities, certain financial assets and financial liabilities arise under statute rather than a contract (for example taxes, fines and penalties). Such assets and liabilities do not meet the definition of financial instruments in AASB 132 *Financial Instruments: Presentation*.

8.2.1 Categories of financial instruments held by the department

Financial assets at amortised cost

Financial assets are measured at amortised cost if both of the following criteria are met and the assets are not designated as fair value through net result:

- the assets are held by the department to collect the contractual cash flows
- the assets' contractual terms give rise to cash flows that are solely payments of principal and interest.

These assets are initially recognised at fair value plus any directly attributable transaction costs and subsequently measured at amortised cost using the effective interest method less any impairment.

The department recognises the following assets in this category:

- cash
- receivables (excluding statutory receivables)

Financial liabilities at amortised cost

Financial liabilities at amortised cost are initially recognised on the date they are originated and are initially measured at fair value minus any directly attributable transaction costs. Subsequent to initial recognition, these financial instruments are measured at amortised cost with any difference between the initial recognised amount and the redemption value being recognised in profit and loss over the period of the interest bearing liability, using the effective interest rate method.

The Department recognises the following liabilities in this category:

- payables (excluding statutory payables)
- borrowings (including lease liabilities)

Carrying amount of financial instruments by category

	Notes	2024 \$'000	2023 \$'000
Financial assets at amortised cost			
Cash	7.2	11 549	14 863
Contractual receivables	6.2	3 415	3 891
Total		14 964	18 754
Financial liabilities at amortised cost			
Contractual payables	6.3	63 234	40 654
Borrowings		2 306	3 134
Total		65 540	43 788

Derecognition of financial assets: A financial asset (or, where applicable, a part of a financial asset or part of a group of similar financial assets) is derecognised when:

- the rights to receive cash flows from the asset have expired, or
- the Department retains the right to receive cash flows from the asset, but has assumed an obligation to pay them in full without material delay to a third party under a 'pass through' arrangement, or
- the Department has transferred its rights to receive cash flows from the asset and either: has transferred substantially all the risks and rewards of the asset; or has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset.

Where the Department has neither transferred nor retained substantially all the risks and rewards nor transferred control, the asset is recognised to the extent of the department's continuing involvement in the asset.

Derecognition of financial liabilities: A financial liability is derecognised when the obligation under the liability is discharged, cancelled or expired.

When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as a derecognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognised as an 'other economic flow' in the comprehensive operating statement.

8.2.2 Net holding gains/(losses) on financial instruments

The Department's net holding gains or losses on its financial instruments are insignificant, and are mainly through the impairment of its contractual receivables and interest on its borrowings.

8.2.3 Financial risk management objective and policies

The Department's main financial risks include credit risk, liquidity risk and market risk such as interest rate risk, equity price risk and foreign currency risk. The department manages these financial risks in accordance with its financial risk management policy.

Financial instruments: credit risk

Credit risks arise from the contractual financial assets of the Department, which comprises cash and contractual receivables. The Department's exposure to credit risk arises from the potential default of a counterparty on their contractual obligations resulting in financial loss to the Department. Credit risk is measured at fair value and is monitored on a regular basis.

Credit risk associated with the department's contractual financial assets is minimal because its cash is with financial institutions and the majority of its contractual receivables are with government agencies.

The carrying amount of contractual financial assets recorded in the financial statements, net of any provision for expected credit losses, represents the department's maximum exposure to credit risk without taking account of the value of any collateral obtained.

There has been no material change to the department's credit risk profile in 2023-24.

Financial instruments: liquidity risk

Liquidity risk arises when the Department is unable to meet its financial obligations as they fall due. Refer to note 6.3 for the Department's policy for settling financial obligations under the Government's fair payments policy.

The Department's maximum exposure to liquidity risk is the carrying amounts of its financial liabilities as disclosed in the balance sheet. The exposure to liquidity risk is deemed insignificant based on prior periods' data and current assessment of risk.

Financial instruments: market risk

Market risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market prices. The department's exposures to market risk through interest rate risk, foreign currency risk and equity price risk are insignificant.

8. Risks and valuation judgements

Interest rate risk

Fair value interest rate risk is the risk that the fair value of a financial instrument will fluctuate because of changes in market interest rates. The Department does not hold any interest bearing financial instruments that are measured at fair value, and therefore has no exposure to fair value interest rate risk.

Cash flow interest rate risk is the risk that future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Department's cash, contractual receivables and contractual payables are non-interest bearing, and its borrowings have fixed interest rates. Therefore the Department has no exposure to cash flow interest rate risk.

Foreign currency risk

The Department's exposure to foreign currency risk through its payables relating to purchases of supplies and services from overseas is insignificant. This is because of a limited amount of purchases denominated in foreign currencies and a short timeframe between commitment and settlement.

Equity price risk

The Department is not exposed to equity price risk.

8.3 Fair value of financial assets and liabilities

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date.

The carrying amounts of the Department's cash, contractual receivables, contractual payables and borrowings are reasonable approximations of their fair values.

9 Other disclosures

9.1 Introduction

This note includes additional material disclosures required by accounting standards or otherwise for the understanding of this financial report.

9.2 Responsible persons

In accordance with the Ministerial Directions issued by the Assistant Treasurer under the *Financial Management Act 1994*, the following disclosures are made regarding responsible persons for the reporting period.

Names

The people who held the positions of Ministers and Accountable Officers in the Department (from 1 July 2023 to 30 June 2024 unless otherwise stated) were as follows.

Treasurer and Minister for Industrial Relations	Tim Pallas MP	1 July 2023 to 30 June 2024
Acting Treasurer and Acting Minister for Industrial Relations	The Hon. Danny Pearson MP	10 July 2023 to 23 July 2023 4 November 2023 to 21 November 2023 16 December 2023 to 7 January 2024 9 February 2024 to 19 February 2024 29 June 2024 to 30 June 2024
Assistant Treasurer and Minister for WorkSafe and the Transport Accident Commission	The Hon. Danny Pearson MP	1 July 2023 to 30 June 2024
Acting Assistant Treasurer and Acting Minister for WorkSafe and the Transport Accident Commission	Tim Pallas MP	1 July 2023 to 9 July 2023 8 January 2024 to 28 January 2024
Secretary	Mr David Martine Mr Chris Barrett	1 July 2023 to 10 December 2023 11 December 2023 to 30 June 2024

Remuneration

Remuneration received or receivable by the Accountable Officer (Secretary) in connection with the management of the Department during the reporting period was in the range: \$720 000 – \$730 000 (\$690 000– \$700 000 in 2022-23).

9. Other disclosures

9.3 Remuneration of executives

The number of executive officers, other than Ministers and the Accountable Officer, and their total remuneration during the reporting period are shown in the table below. Total annualised employee equivalents provides a measure of full time equivalent executive officers over the reporting period.

Remuneration comprises employee benefits in all forms of consideration paid, payable or provided by the department, or on behalf of the Department, in exchange for services rendered, and is disclosed in the following categories.

Short-term employee benefits include amounts such as wages, salaries, annual leave, sick leave and non-monetary benefits such as motor vehicle allowances.

Post-employment benefits include superannuation entitlements.

Other long-term benefits include long service leave and other long term benefits.

Termination benefits include termination of employment payments, such as severance packages.

Several factors have affected total remuneration payable to executives, and total number of executives, over the year including the renegotiation, conclusion of some employment contracts and transfers due to machinery of government changes. Other variations have been driven by executive officers retiring, resigning, or having their employment contract ceased by the Department.

	2024 \$'000	2023 \$'000
Remuneration of executive officers ^{(a)(b)}		
Short-term employee benefits	18 968	23 113
Post-employment benefits	2 206	2 400
Other long-term benefits	683	1 335
Termination benefits	712	127
Total remuneration	22 569	26 975
Total number of executives	109	132
Total annualised employee equivalents ^(c)	102	129

Notes:

(a) Includes key management personnel (KMP) disclosed in note 9.4, who also meet the definition of executives under FRD 21 *Disclosures of responsible persons and executive officers in the financial report*.

(b) The total number of executives include the nine departmental Chief Financial Officers (CFOs) employed by the Secretary. The total remuneration excludes the nine CFOs remuneration as the expenses are recouped from the other departments.

(c) The total annualised employee equivalent is based on the time fraction worked over the reporting period.

9.4 Related parties

Related parties of the department include:

- all key management personnel and their close family members and personal business interests (controlled entities, joint ventures and entities they have significant influence over)
- all cabinet ministers and their close family members
- all departments and public sector entities that are controlled and consolidated into the whole of state consolidated financial statements.

All related party transactions have been entered into on an arm's length basis.

Key management personnel

Key management personnel of the Department include the following people.

Portfolio Ministers (refer to note 9.2)

Secretary (refer to note 9.2)

Deputy Secretary Budget and Finance Division	Jamie Driscoll	1 July 2023 to 8 September 2023
	Chris Hotham	29 January 2024 to 30 June 2024
Acting Deputy Secretary Budget and Finance Division	Mark Johnstone	1 July 2023 to 17 July 2023
	Mark Johnstone	9 September 2023 to 15 September 2023
	Eileen Lee	18 September 2023 to 20 October 2023
	Mark Johnstone	23 October 2023 to 26 January 2024
Deputy Secretary Economic Division	Chris Barrett	1 July 2023 to 18 August 2023
	Paul Donegan	11 December 2023 to 30 June 2024
Acting Deputy Secretary Economic Division	Chris Archer	1 July 2023 to 4 July 2023
	Paul Donegan	21 August 2023 to 8 December 2023
	Chris Archer	20 December 2023 to 9 January 2024
	Miranda Forehan	10 June 2024 to 30 June 2024
	Teresa Stewart	10 June 2024 to 30 June 2024
Deputy Secretary Commercial Division	Camille Kingston	16 January 2024 to 30 June 2024
Acting Deputy Secretary Commercial Division	Kate O'Sullivan	1 July 2023 to 15 January 2024
	Bernard Gastin	18 September 2023 to 29 September 2023
	Bernard Gastin	27 December 2023 to 5 January 2024
Deputy Secretary Infrastructure Division	Kate O'Sullivan	16 January 2024 to 30 June 2024
Deputy Secretary Industrial Relations Victoria	Matthew O'Connor	1 February 2024 to 30 June 2024
General Counsel, Legal	Agata Bober	1 July 2023 to 30 June 2024
Acting General Counsel	Alex Price	25 September 2023 to 2 October 2023
Chief Executive Officer Office of Projects Victoria	Cressida Wall	1 July 2023 to 31 December 2023
Commissioner Economic Growth and Better Regulation	Cressida Wall	1 January 2024 to 30 June 2024
Acting Better Regulation Commissioner	Rebecca Billings	1 July 2023 to 29 December 2023
Commissioner State Revenue Office	Paul Broderick	1 July 2023 to 30 June 2024

9. Other disclosures

The compensation detailed below excludes the salaries and benefits of the Portfolio Ministers. The Ministers' remuneration and allowances are set by the *Parliamentary Salaries and Superannuation Act 1968* and are reported within the *2023-24 Financial Report for the State of Victoria*.

	2024 \$'000	2023 \$'000
Remuneration of key management personnel ^(a)		
Short-term employee benefits	3 518	3 038
Post-employment benefits	218	202
Other long-term benefits	261	152
Termination benefits	69	–
Total remuneration	4 066	3 392

Note:

(a) Key management personnel, excluding the Ministers and Accountable Officer, that also meet the definition of executive officers under FRD 21 are also included in note 9.3.

Transactions and balances with key management personnel and other related parties

Given the breadth and depth of State Government activities, related parties transact with the Victorian public sector in a manner consistent with other members of the public e.g. stamp duty and other government fees and charges. Further employment of processes within the Victorian public sector occur on terms and conditions consistent with the *Public Administration Act 2004* and Codes of Conduct and Standards issued by the Victorian Public Sector Commission. Procurement processes occur on terms and conditions consistent with the Victorian Government Purchasing Board requirements.

Outside of normal citizen type transactions with the Department, there were no related party transactions that involved key management personnel, their close family members and their personal business interests. No provision has been required, nor any expense recognised, for impairment of receivables from related parties.

The Department receives income from government such as the appropriations shown in note 2.2, and income from government related entities such as the grant income shown in note 2.5. The Department pays government related entities grants as shown in note 3.3, and for some of the accommodation and property services, information and communication technology services, and other supplies and services as shown in note 3.4.

9.5 Remuneration of auditors

	2024 \$'000	2023 \$'000
Victorian Auditor-General's Office		
Audit of annual financial statements of the Department	352	339
Audit of annual financial report for the State of Victoria	423	406
Review of annual budget for the State of Victoria	438	411
Total remuneration of auditors	1 213	1 156

9.6 Australian Accounting Standards issued that are not yet effective

Certain new and revised accounting standards have been issued but are not effective for the 2023-24 reporting period. These accounting standards have not been applied to these financial statements. The State is reviewing its existing policies and assessing the potential implications of these accounting standards which include:

- AASB 2022-10 *Amendments to Australian Accounting Standards - Fair Value Measurement of Non-Financial Assets of Not-for-Profit Public Sector Entities*. AASB 2022-10 amends AASB 13 *Fair Value Measurement* by adding authoritative implementation guidance and illustrative examples for fair value measurements of non-financial assets of not-for-profit public sector entities not held primarily for their ability to generate net cash inflows.
- AASB 18 *Presentation and Disclosure in Financial Statements*. AASB 18 will replace AASB 101 *Presentation of Financial Statements* and aims to improve how entities communicate in their financial statements, with a particular focus on information about financial performance in the statement of profit or loss.

A number of other standards and amendments have also been issued that apply to future reporting periods, however they are not expected to have any significant impact on the financial statements in the period of initial application.

9.7 Subsequent events

A new Victorian Public Service Enterprise Agreement 2024 was approved by the Fair Work Commission on 12 August 2024 and came into effect on 19 August 2024. The new agreement entitles all Victorian Public Service staff employed at the Department to:

- 3 per cent salary increase back-dated to 1 May 2024 with an estimated cost of \$1.1 million for the period from 1 May 2024 to 30 June 2024.
- Once-off lump sum payment of \$5 600 per employee (pro-rated for part-time employees) in the Victorian Public Service on 28 June 2024, with an estimated cost of \$10.3 million.

This is a non-adjusting subsequent event and as such these amounts will be recognised in the 2024-25 reporting period.

9.8 Glossary of technical terms

The following is a summary of the major technical terms used in these financial statements.

Actuarial gains or losses on superannuation defined benefit plans are changes in the present value of the superannuation defined benefit liability resulting from:

- experience adjustments (the effects of differences between the previous actuarial assumptions and what has actually occurred).
- the effects of changes in actuarial assumptions.

Administered item generally refers to a department lacking the capacity to benefit from that item in the pursuit of the entity's objectives and to deny or regulate the access of others to that benefit.

Amortisation is the expense that arises from the consumption or use over time of a produced intangible asset. This expense is classified as a transaction.

Annualised employee equivalent is based on paid working hours of 38 ordinary hours per week over 52 weeks for a reporting period.

Borrowings refer to interest-bearing liabilities mainly from public borrowings raised through the Treasury Corporation of Victoria, right of use leases and other interest-bearing arrangements. Borrowings also include non-interest bearing advances from government that are incurred for policy purposes.

Commitments include those operating, capital and other outsourcing commitments arising from non-cancellable contractual or statutory sources.

Comprehensive result is the amount included in the operating statement representing total change in net worth other than transactions with owners as owners.

Controlled item generally refers to the capacity of a department to benefit from that item in the pursuit of the department's objectives and to deny or regulate the access of others to that benefit.

Depreciation is an expense that arises from the consumption through wear or time of a produced physical asset. This expense is classified as a transaction and so reduces the net result from transactions.

Employee benefit expenses include all costs related to employment including wages and salaries, fringe benefits tax, leave entitlements, redundancy payments, defined benefits superannuation plans and defined contribution superannuation plans.

9. Other disclosures

Ex-gratia expenses mean the voluntary payment of money or other non-monetary benefit (e.g. a write off) that is not made either to acquire goods, services or other benefits for the entity or to meet a legal liability, or to settle or resolve a possible legal liability or claim against the entity.

Financial asset is any asset that is:

- cash
- an equity instrument of another entity
- a contractual right:
 - to receive cash or another financial asset from another entity or
 - to exchange financial assets or financial liabilities with another entity under conditions that are potentially favourable to the entity or
- a contract that will or may be settled in the entity's own equity instruments and is:
 - a non-derivative for which the entity is or may be obliged to receive a variable number of the entity's own equity instruments or
 - a derivative that will or may be settled other than by the exchange of a fixed amount of cash or another financial asset for a fixed number of the entity's own equity instruments.

Financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity.

Financial liability is any liability that is:

- a contractual obligation:
 - to deliver cash or another financial asset to another entity or
 - to exchange financial assets or financial liabilities with another entity under conditions that are potentially unfavourable to the entity or
- a contract that will or may be settled in the entity's own equity instruments and is:
 - a non-derivative for which the entity is or may be obliged to deliver a variable number of the entity's own equity instruments or
 - a derivative that will or may be settled other than by the exchange of a fixed amount of cash or another financial asset for a fixed number of the entity's own equity instruments. For this purpose, the entity's own equity instruments do not include instruments that are themselves contracts for the future receipt or delivery of the entity's own equity instruments.

Financial statements comprises:

- a comprehensive operating statement for the period
- a balance sheet as at the end of the period
- a statement of changes in equity for the period
- a cash flow statement for the period
- notes, comprising a summary of significant accounting policies and other explanatory information
- comparative information in respect of the preceding period as specified in paragraph 38 of AASB 101 *Presentation of financial statements*
- a balance sheet as at the beginning of the preceding period when an entity applies an accounting policy retrospectively or makes a retrospective restatement of items in its financial statements, or when it reclassifies items in the financial statements in accordance with paragraph 41 of AASB 101.

Grant expenses are transactions in which one unit provides goods, services, assets (or extinguishes a liability) or labour to another unit without receiving approximately equal value in return. Grants can either be operating or capital in nature. While grants to governments may result in the provision of some goods or services to the transferor, they do not give the transferor a claim to receive directly benefits of approximately equal value. For this reason, grants are referred to by the AASB as involuntary transfers and are termed non-reciprocal transfers. Receipt and sacrifice of approximately equal value may occur, but only by coincidence. For example, governments are not obliged to provide commensurate benefits, in the form of goods or services, to particular taxpayers in return for their taxes.

Grants can be paid as general-purpose grants which refer to grants that are not subject to conditions regarding their use. Alternatively, they may be paid as specific purpose grants which are paid for a particular purpose and/or have conditions attached regarding their use.

Grants for on-passing are grants paid to one institutional sector (e.g. a state general government) to be passed on to another institutional sector (e.g. local government or a private non-profit institution).

Intangible assets represent identifiable non-monetary assets without physical substance.

Interest expense represents costs incurred in connection with the borrowing of funds. It includes interest on advances, loans, bank overdrafts and short-term and long-term borrowings, amortisation of discounts or premiums relating to borrowings, interest components of lease repayments and the increase in financial liabilities and non-employee provisions due to the unwinding of discounts to reflect the passage of time.

Interest income includes interest received on bank term deposits, interest from investments, and other interest received.

Leases are rights conveyed in a contract, or part of a contract, the right to use an asset (the underlying asset) for a period of time in exchange for consideration.

Net result is a measure of financial performance of the operations for the period. It is the net result of items of income, gains and expenses (including losses) recognised for the period, excluding those that are classified as 'other economic flows - other comprehensive income'.

Net result from transactions/net operating balance is a key fiscal aggregate and is income from transactions minus expenses from transactions. It is a summary measure of the ongoing sustainability of operations. It excludes gains and losses resulting from changes in price levels and other changes in the volume of assets. It is the component of the change in net worth that is due to transaction and can be attributed directly to government policies.

Non-financial assets are all assets that are not 'financial assets'. It includes plant, equipment and vehicles, and intangible assets.

Other economic flows included in net result are changes in the volume or value of an asset or liability that do not result from transactions. They include gains and losses from disposal or derecognition or reclassification, revaluation and impairment of non-financial physical and intangible assets, and fair value changes of financial instruments. It also includes revaluation of the present value of leave liabilities due to changes in bond interest rates.

Other economic flows - other comprehensive income comprises items (including reclassification adjustments) that are not recognised in net result. The components of other economic flows - other comprehensive income include changes in physical asset revaluation surplus and changes arising from the remeasurement of defined benefit superannuation liabilities.

Payables include short and long-term trade debt and accounts payable, grants and interest payable.

Receivables includes short and long-term trade credit and accounts receivable, grants taxes and interest receivable.

Supplies and services generally represent cost of goods sold and the day to day running costs, including maintenance costs, incurred in the normal operations of the department.

Transactions are those economic flows that are considered to arise as a result of policy decisions, usually an interaction between two entities by mutual agreement. They also include flows within an entity such as depreciation where the owner is simultaneously acting as the owner of the depreciating asset and as the consumer of the service provided by the asset. Taxation is regarded as mutually agreed interactions between the government and taxpayers. Transactions can be in kind (e.g. assets provided/given free of charge or for nominal consideration) or where the final consideration is cash. In simple terms, transactions arise from the policy decisions of the government.

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Appendix 1 Workforce data

Public sector values and employment principles

The *Public Administration Act 2004* established the Victorian Public Sector Commission (VPSC). The VPSC's role is to strengthen public sector efficiency, effectiveness and capability, and advocate for public sector professionalism and integrity.

The Department's policies and practices are consistent with the VPSC's employment standards, and provide for fair treatment, career development opportunities and the early resolution of workplace issues. The Department advises its employees on how to avoid conflicts of interest, how to respond to offers of gifts, benefits and hospitality and how to deal with misconduct.

Developing capability

Learning and development

The Department continues to efficiently manage compliance training, external courses, and workshops while also developing learning modules requested by the business, including the DTF: Leading Teams and Making Hybrid Teams Work training modules.

A centralised Learning Management System (LMS) empowers employees to monitor their training progress and access the latest courses on a range of topics. In the last 12 months the most popular courses advertised via the LMS included:

- Disability Awareness Essentials: Workplace Adjustments
- Aboriginal and Torres Strait Islander Cultural Appreciation
- Managing for Team Wellbeing (for People Leaders)
- Making Hybrid Work
- Human Rights Charter Training.

To enhance employees' capability and foster professional growth in a collaborative and engaging manner, the Department continues to use the LinkedIn Learning Hub and has now developed ten learning segments, addressing learning needs across the following themes: diversity and inclusion, wellbeing and workload, individual contributors, emerging leaders, people leaders, career progression, career conversations, change management, HybriDTF and effective goal setting. The Department actively promotes this valuable resource by sharing testimonials from stakeholders across the business on the LinkedIn Learning Hub page and supplementing internal posts with recommended courses.

Since July 2022, 6 746 courses and 22 354 LinkedIn Learning videos have been viewed by employees. Particularly, courses on Power BI, Workplace Social Skills, Excel and SharePoint generated significant interest. The strategic grouping of courses into segments has led to increased engagement, with career progression courses becoming more popular. During 2023-24, DTF had 85 per cent of LinkedIn Learning licences activated, indicating widespread adoption of this learning resource.

Leadership

The Department supports its people leaders by offering Leadership Programs such as Victorian Leadership Academy short courses, Executive Induction Program and Change Leadership program.

During 2023-24, a total of 60 employees (VPSG5 and above) participated in Victorian Leadership Academy short courses delivered by the Victorian Public Sector Commission.

Additionally, 17 employees participated in the Change Leadership program in 2023-24. This program was tailored to focus on supporting immediate needs and provide opportunities for employees to network and learn from peers across departments. Furthermore, the program provided access to expert coaching that is adaptable to the particular challenges people leaders across the VPS are facing.

New Victorian Public Service executives were invited to attend the Executive Induction Program facilitated by the Victorian Public Sector Commission. The induction is designed to provide new executives with critical knowledge, insights, networks and support for successful transition. A total of 12 new executives at the Department participated in this program during 2023-24.

Employee experience

The Department continues to focus on improving the employee experience through the DTF ongoing People Matter Survey Action Plan. Key focus areas for the Department include Psychological Safety, Leadership – Change Management, Diversity and Inclusion, Gender Equality, and Learning, Development and Career Progression. The DTF Board continue to review and provide input to support the delivery of people and culture related initiatives.

Human Rights Charter

Throughout 2023-24, DTF employees continued to consider human rights in the course of their work, including submissions to Cabinet on matters that affect members of the public. Commitment to the *Charter of Human Rights and Responsibilities Act 2006* (Charter) forms part of the Victorian Public Sector values and is highlighted for all new staff during the Department's corporate induction.

Charter training is available online for all employees, in addition to bespoke modules for leaders. The online Charter training is mandatory for new starters, and refresher training is required every two years for all employees. During 2023-24, a total of 266 employees participated in the online training.

Given the nature of its portfolio, the Department's interactions with the public tend to focus on individuals who are currently engaged, or seeking to be engaged, by the Department for a specific purpose. These include individuals who are job applicants, employees, tenderers, contractors and board appointees. To guide interactions with these individuals, the Department has various policies and processes in place to protect their rights. These include privacy, equal opportunity, occupational health and safety (OHS), protected disclosure and employment policies.

Mental health and wellbeing

The VPS Mental Health and Wellbeing Charter commits to a holistic and inclusive approach to health and safety, promoting positive mental health and wellbeing and preventing and responding to occupational violence and aggression. The DTF Wellbeing and Resilience Framework reflects the Department's commitment to promoting and protecting the mental health of all DTF employees.

The Department's Employee Assistance Program (EAP) provider, PeopleSense by Altius Group, provides confidential professional counselling services for employees. This includes tailored support for Aboriginal and Torres Strait Islanders, employees with disability, LGBTIQ+ employees and employees experiencing family violence. A specific hotline is also available for managers who require assistance with complex employee issues and a supportive check-in service where there is concern for their psychological safety and/or wellbeing.

DTF is continuing to progress the initiatives of the OHS Action Plan 2022-24, which aligns with the Department's Wellbeing and Resilience Framework. This plan outlines DTF's plan to prevent mental injury and ensure a safe return to the office.

DTF has implemented several new wellbeing related initiatives which address specific focus areas, in line with the 2023-24 People Matter Action Plan. This includes continuing to use insights from the Quarterly Wellbeing and Workload Management Indicators Board report to identify opportunities for improving ways of working, the development and launch of the 'Preventing sexual harassment in the workplace' e-learning module and the roll out of staff training including 'Creating a respectful and safe workplace culture' and 'Foundations of Workplace Behaviour' for employees and managers across the Department.

Monthly wellbeing articles were published focusing on themes such as mindfulness, hybrid work and physical wellbeing, to continue to raise awareness. This also includes celebrating days of significance such as Women's Health Week, Men's Health Week, RU OK Day, Mindful in May, Mental Health Month and Safe Work Month.

The Department has continued the Peer Support program, where each Division has specific individuals who are trained to support employees with a range of sensitive issues. Additionally, the Department continues to train mental health first aid officers to ensure they are specifically equipped in mental health acute response.

Delivering diversity and inclusion strategy and action plans

Diversity and inclusion framework and action plan

DTF is entering the final year of implementing its Diversity Inclusion Framework 2021-25, which includes a range of initiatives to ensure that employees are treated fairly and respectfully, and a positive workplace culture can continue to thrive. The framework is designed to improve diversity across all functional areas of the Department, from leadership to policies and metrics.

An executive Diversity and Inclusion champion will support the delivery and promotion of the framework by attending high profile key events.

The framework complements a broad range of whole of Victorian Government initiatives, such as the Getting to Work Disability Employment Plan and Barring Djinang Aboriginal Employment Plan and the DTF Gender Equality Action Plan.

The Department continues to be committed to improving attraction and recruitment, creating a culturally safe workplace, enhanced support and career experiences for Aboriginal staff.

The *Advancing Self-Determination in DTF* plan outlines the Department's commitment to progressing self-determination and working towards reconciliation. The Plan presents DTF's initial actions on how the Department will deliver against commitments in the Victorian Aboriginal Affairs Framework and the Self-Determination Reform Framework.

DTF hosted an event in July 2023 to celebrate NAIDOC week.

The Department continued its membership of the Australian Network on Disability. During 2023-24, a total of 38 employees attended Disability Awareness Essentials: Workplace Adjustments sessions.

The Department participated in the Stepping Into Internship program for people with disability, appointing five interns in a diverse range of positions. Additionally, the Department participated in the Australian Network on Disability's Positive Action towards Career Engagement mentoring program. The program matches jobseekers with disability with experienced mentors.

The Department supports participation in Victorian Public Service employee-led networks to provide employees the opportunity to connect with peers and improve outcomes.

In August 2023, a combined Enablers Network including staff from DTF, DPC and DGS was established. The Enablers Network is a well-established employee-led association for people with lived experience of disability and their allies. The role of the Enablers Network is to represent the needs, interests, and concerns of employees with disability to ensure fair and equitable treatment. The Enablers Network champions inclusion and job access and organises inclusive and accessible social and professional development events for members.

The Department supports the LGBTIQ+ Pride Network and uses its membership with Pride in Diversity to support LGBTIQ+ employees. The Department has an internal LGBTIQ+ Pride Network that champions days of significance and provides a safe space for LGBTIQ+ employees.

In addition to the DTF LGBTIQ+ Pride Network, employees may also join the Victorian Public Service Pride Network to connect with colleagues and allies across the service to encourage an LGBTIQ+ inclusive culture.

In 2023-24, several significant events were celebrated including National Reconciliation Week, NAIDOC week, International Women's Day and International Day of People with Disability.

Gender equality

DTF's Gender Equality Action Plan 2021-25 reflects the Department's commitment to improving gender equality within the workplace and community to help the department better serve and support the Government and Victorian community.

An executive Gender Equality champion will support the delivery and promotion of gender equality by attending high profile gender equality events.

The Plan includes a range of strategies and measures to improve gender equality and diversity across DTF and recognises that gender inequality may be compounded by other forms of disadvantage or discrimination that women may experience based on other attributes.

The Department facilitates a Mentoring Women in Economics program annually to increase women's participation in economics.

To better support all Victorians, the Department's Gender Responsive Budgeting continues to ensure that all policies, programs and services are developed with a gender lens to enable a more inclusive design of budget initiatives.

DTF submitted its first Gender Equality Progress Report to the Public Sector Gender Equality Commission in February 2024. The report includes:

- policies, programs and services that were subject to a gender impact assessment
- actions taken as a result of each gender impact assessment
- progress in relation to the measures and strategies set out in Department Gender Equality Action Plans
- progress in relation to the workplace gender equality indicators
- relevant targets or quotas met by the Department.

Attracting and retaining talented people

The Department is committed to ensuring the best people are attracted and selected through robust recruitment practices. These practices ensure applicants are assessed fairly and equitably based on key selection criteria and other role accountabilities, without discrimination.

During 2023-24, the Department prioritised enhancing the skills and capability of hiring managers and interview panellists. Online learning modules and support material were made available, ensuring they were well-equipped with the latest assessment techniques and skills to run a merit-based process and select the most suitable applicant.

Building a pipeline of high potential talent through early career programs

The Department continues to support the recruitment and development of early career talent by participating in a range of employment programs. During 2023-24, the Department recruited 41 graduates from varied streams including 16 from economic, 10 from accounting and finance, 10 generalist graduates, four from data analytics and one from legal. The Department continues to lead the economic and accounting and finance graduate streams, offering technical and stream-specific training to graduates across the Victorian Government graduate program. Additionally, the Department recruited 27 penultimate year university students from varied study disciplines including economics, legal, engineering and accounting and finance to participate in an internship placement.

The Department placed one trainee through the Youth Employment Scheme (YES). YES offers a 12-month entry level traineeship position and accredited training for young people who may experience barriers to employment.

Employee relations

During 2023-24, there were no industrial disputes lodged with the Fair Work Commission. The Department has a comprehensive review of actions process to ensure employee concerns are dealt with fairly and promptly. Through the review of actions process, two formal reviews of actions were received in the reporting period.

The Department has a full suite of policies to support all employees in the workplace, including recruitment and selection, issue resolution and grievance review, redeployment, unsatisfactory work, misconduct, probation and fair treatment. These policies are regularly reviewed and updated.

Notes for all tables in Appendix 1

1. All figures reflect employment levels during the last pay period of June of each year unless otherwise stated.
2. Ongoing employees means people engaged on an open-ended contract of employment and executives engaged on a standard executive contract who were active in the last pay period of June.
3. FTE means fulltime equivalent.
4. Excluded are those on leave without pay or absent on secondment, external contractors/consultants and temporary staff employed by employment agencies.
5. STS means senior technical specialist.
6. Employees have been correctly classified in workforce data collections by the VPSC, which have been used to prepare this workforce data disclosure.
7. The following portfolio entities sit within DTF's portfolio. The heads of these entities are public service body heads who employ public service employees independent of the DTF Secretary. These entities are required to produce their own annual reports, therefore employee numbers are published in their annual reports:
 - (a) Essential Services Commission
 - (b) Infrastructure Victoria
 - (c) Labour Hire Licensing Authority
 - (d) Portable Long Service Benefits Authority

Comparative workforce data

The following table discloses the head count and full-time staff equivalent (FTE) of all active public service employees of the Department, employed in the last full pay period in June of the current reporting period (2024), and in the last full pay period in June of the previous reporting period (2023).

Profile of Department of Treasury and Finance's workforce: June 2024

	June 2024							June 2023						
	All employees ^(a)		Ongoing		Fixed term and casual			All employees ^(a)		Ongoing		Fixed term and casual		
	Number (headcount)	FTE	Full-time (headcount)	Part-time (headcount)	FTE	Number (headcount)	FTE	Number (headcount)	FTE	Full-time (headcount)	Part-time (headcount)	FTE	Number (headcount)	FTE
Gender														
Male	331	324	301	8	307	22	17	305	300	273	8	279	24	21
Female	351	330	246	63	293	42	36	297	281	222	50	258	25	23
Self-described	1	1	1	–	1	–	–	–	–	–	–	–	–	–
Age														
15–24	69	62	46	1	47	22	15	52	48	43	–	43	9	5
25–34	231	228	203	8	209	20	19	207	205	183	7	188	17	17
35–44	202	191	149	39	178	14	14	190	180	145	30	166	15	14
45–54	124	118	98	20	113	6	4	106	100	82	19	96	5	4
55–64	48	47	45	2	46	1	1	39	38	36	2	37	1	1
65+	9	8	7	1	8	1	–	8	8	6	–	6	2	2
VPS1–6 Grades	583	559	458	64	507	61	52	510	492	413	51	451	46	42
Grade 1	–	–	–	–	–	–	–	–	–	–	–	–	–	–
Grade 2	45	37	24	1	25	20	12	32	28	21	1	22	10	6
Grade 3	42	41	39	2	40	1	1	34	33	29	2	30	3	3
Grade 4	119	117	100	8	107	11	11	110	109	97	5	101	8	8
Grade 5	171	168	146	15	158	10	10	155	151	124	16	136	15	15
Grade 6	206 ^(b)	195	149	38	177	19	18	179 ^(b)	171	142	27	162	10	10

	June 2024								June 2023						
	All employees ^(a)			Ongoing		Fixed term and casual			All employees ^(a)		Ongoing			Fixed term and casual	
	Number (headcount)	FTE	Full-time (headcount)	Part-time (headcount)	FTE	Number (headcount)	FTE	Number (headcount)	FTE	Number (headcount)	Full-time (headcount)	Part-time (headcount)	FTE	Number (headcount)	FTE
Senior employees	99	95	90	7	94	3	2	92	88	82	7	86	3	2	
STS	13	11	9	1	10	3	2	9	8	6	–	6	3	2	
Executives ^(c)	86	83	80	6	83	–	–	82	79	75	7	79	–	–	
Secretary	1	1	1	–	1	–	–	1	1	1	–	1	–	–	
Total employees ^(d)	683	654	548	71	601	64	53	602	581	495	58	537	49	44	

Table excludes State Revenue Office (SRO). The SRO is staffed by departmental employees and is presented separately in this report.

Notes:

(a) DTF's ongoing and fixed-term employment levels increased over the reporting period due to:

- transfer of Industrial Relations Victoria (IRV) and the Victorian Independent Remuneration Tribunal (VIRT) from Department of Premier and Cabinet to the Department of Treasury and Finance, due to a machinery of government change effective 1 February 2024, and
- employment of ongoing graduate employees participating in the Victorian Government graduate program and fixed-term interns participating in the DTF's internship program.

(b) There were three VPS Grade 6 employees acting as senior employees under long-term acting arrangements at the end of June 2024 and four VPS Grade 6 at the end of June 2023.

(c) The executive figures for June 2023 include one Administrative office head who was the Accountable Officer for Office of Projects Victoria. This employee is reported as an executive for the purposes of this disclosure.

(d) Some FTE figures may not total due to rounding.

The following table discloses the annualised total salary for senior employees of the Department, categorised by classification. The salary amount is reported as the full-time annualised salary.

Annualised total salary, by \$20 000 bands, for executives and other senior non-executive staff – DTF

Income band (salary)	Executives ^(a)	STS	PS	SMA	SRA	Other
<\$160 000						
\$160 000–\$179 999						
\$180 000–\$199 999	12	10				
\$200 000–\$219 999	19	1				
\$220 000–\$239 999	21					
\$240 000–\$259 999	5	1				
\$260 000–\$279 999	12					
\$280 000–\$299 999	5					
\$300 000–\$319 999	3					
\$320 000–\$339 999	2					
\$340 000–\$359 999	1					
\$360 000–\$379 999	2					
\$380 000–\$399 999	2					
\$400 000–\$419 999						
\$420 000–\$439 999	2					
\$440 000–\$459 999						
\$460 000–\$479 999						
\$480 000–\$499 999						
>\$500 000	1					
Total	87	12				

The salaries reported above are for the full financial year, at a 1-FTE rate, and exclude superannuation.

The DTF Secretary has been reported in the Executives column for this table.

Note:

(a) There is one employee employed on a part-time basis at a 0.3 FTE rate, four at a 0.6 rate and one at a 0.8 FTE rate.

Profile of State Revenue Office's workforce: June 2024

	June 2024							June 2023 ^(a)						
	All employees ^{(a)(b)}		Ongoing			Fixed term and casual		All employees ^{(a)(b)}		Ongoing			Fixed term and casual	
	Number (headcount)	FTE	Full-time (headcount)	Part-time (headcount)	FTE	Number (headcount)	FTE	Number (headcount)	FTE	Full-time (headcount)	Part-time (headcount)	FTE	Number (headcount)	FTE
Gender														
Male	414	409	366	16	377	32	32	350	346	327	15	338	8	8
Female	515	483	377	106	452	32	31	431	401	327	97	395	7	6
Self-described	–	–	–	–	–	–	–	–	–	–	–	–	–	–
Age														
15–24	36	36	24	–	24	12	12	25	25	24	–	24	1	1
25–34	238	232	188	18	201	32	31	177	169	149	21	163	7	6
35–44	251	239	205	39	232	7	7	222	210	184	35	207	3	3
45–54	223	213	180	33	203	10	10	198	190	167	29	188	2	2
55–64	143	137	117	23	134	3	3	118	112	94	22	110	2	2
65+	38	35	29	9	35	–	–	41	40	36	5	40	–	–
VPS1–6 Grades	895	859	714	117	796	64	63	750	717	628	107	702	15	14
Grade 1	–	–	–	–	–	–	–	–	–	–	–	–	1	–
Grade 2	72	66	17	15	27	40	40	48	43	26	16	37	6	6
Grade 3	345	332	284	44	315	17	17	283	271	237	39	264	7	7
Grade 4	183	174	154	27	172	2	2	158	150	135	23	150	–	–
Grade 5	215	209	188	23	205	4	4	188	183	166	22	183	–	–
Grade 6	80 ^(c)	78	71	8	77	1	1	72	70	64	7	69	1	1
Senior employees								10	10	8	2	10	–	–
STS	2	2	2	–	2	–	–	2	2	2	–	2	–	–
Executives	9	9	7	2	9	–	–	8	8	6	2	8	–	–
Other	23	22	20	3	22	–	–	21	20	18	3	20	–	–
Legal Officers	23	22	20	3	22	–	–	21	20	18	3	20	–	–
Total employees ^(d)	929	893	743	122	829	64	63	781	747	654	112	732	15	14

Notes:

(a) State Revenue Office's (SRO) employment levels increased over the reporting period primarily to deliver tax reforms and the State Revenue Office Compliance Program (2023–24). Tax reforms and associated staff increases include: Changes to the *Land Tax Act 2005* requiring fixed-term staff to deliver increased data maintenance tasks and support to first-time land taxpayers through email and phone; conversion of fixed term staff to ongoing staff to support the continued administration of the Windfall Gains Tax and changes to the Point of Consumption; Improvements to SRO operations, including modernisation of revenue management software, improved cyber-security and data management across multiple revenue lines.; Additional corporate support in the areas of finance, marketing/communications, and policy across multiple revenue lines.

(b) Funding was provided to the SRO in the 2023–24 *Budget* for the State Revenue Office Compliance Program, which continues to expand the administration of the SRO's compliance programs, including the implementation of new technologies to enhance compliance. Additional SRO resourcing was provided to deliver this expanded compliance program, with key areas of growth including the compliance and investigations branch, land acquisition and information management branches, and corporate support branches.

(c) There was one VPS Grade 6 employee acting as a senior employee under long-term acting arrangements at the end of June 2024.

(d) Some FTE figures may not total due to rounding.

Annualised total salary, by \$20 000 bands, for executives and other senior non-executive staff – State Revenue Office

Income band (salary)	Executives ^(a)	STS	PS	SMA	SRA	Other
<\$160 000						
\$160 000–\$179 999						
\$180 000–\$199 999		1				
\$200 000–\$219 999	1	1				
\$220 000–\$239 999						
\$240 000–\$259 999	1					
\$260 000–\$279 999	2					
\$280 000–\$299 999	3					
\$300 000–\$319 999	1					
\$320 000–\$339 999						
\$340 000–\$359 999						
\$360 000–\$379 999						
\$380 000–\$399 999						
\$400 000–\$419 999						
\$420 000–\$439 999	1					
\$440 000–\$459 999						
\$460 000–\$479 999						
\$480 000–\$499 999						
Total	9	2				

The salaries reported above are for the full financial year, at a 1-FTE rate, and exclude superannuation.

Note:

(a) There are two employees employed on a part-time basis at 0.9 FTE.

Profile of Wage Inspectorate Victoria's workforce: June 2024

	June 2024						June 2023 ^(a)											
	All employees		Ongoing		Fixed term and casual	All employees		Ongoing		Fixed term and casual	All employees		Ongoing		Fixed term and casual			
	Number (headcount)	FTE	Full-time (headcount)	Part-time (headcount)	FTE	Number (headcount)	FTE	Number (headcount)	FTE	Full-time (headcount)	Part-time (headcount)	FTE	Number (headcount)	FTE	Full-time (headcount)	Part-time (headcount)	FTE	
Gender																		
Male	21	21	17	–	17	4	4	23	23	19	–	19	4	4				
Female	37	36	30	2	31	5	5	53	52	41	4	44	8	8				
Self-described	–	–	–	–	–	–	–	–	–	–	–	–	–	–				
Age																		
15–24	1	1	1	–	1	–	–	1	1	–	–	–	1	1				
25–34	18	18	16	1	17	1	1	26	26	21	2	23	3	3				
35–44	19	19	14	1	15	4	4	26	25	20	2	22	4	4				
45–54	11	11	9	–	9	2	2	13	13	11	–	11	2	2				
55–64	6	6	5	–	5	1	1	7	7	6	–	6	1	1				
65+	3	3	2	–	2	1	1	3	3	2	–	2	1	1				
VPS1–6 Grades	54	53	44	2	45	8	8	72	71	57	4	60	11	11				
Grade 1	–	–	–	–	–	–	–	–	–	–	–	–	–	–				
Grade 2	–	–	–	–	–	–	–	–	–	–	–	–	–	–				
Grade 3	12	12	9	–	9	3	3	19	19	13	–	13	6	6				
Grade 4	21	20	16	2	17	3	3	28	27	24	4	27	–	–				
Grade 5	14	14	12	–	12	2	2	17	17	14	–	14	3	3				
Grade 6	7	7	7	–	7	–	–	8	8	6	–	6	2	2				
Senior employees	4	4	3	–	3	1	1	4	4	3	–	3	1	1				
STS	2	2	1	–	1	1	1	2	2	2	–	2	–	–				
Executives	2	2	2	–	2	–	–	2	2	1	–	1	1	1				
Total employees ^(b)	58	57	47	2	48	9	9	76	75	60	4	63	12	12				

Notes:

- (a) The Wage Inspectorate's ongoing and fixed-term employment levels decreased over the reporting period due to:
- The conclusion of fixed term contracts associated with Child Employment Licensing Establishment projects.
 - Natural attrition in preparation for a reduced work program following the passage of Commonwealth workplace laws in wage theft.
- (b) Some FTE figures may not total due to rounding.

**Annualised total salary, by \$20 000 bands, for executives and other senior non-executive staff –
Wage Inspectorate Victoria**

Income band (salary)	Executives	STS	PS	SMA	SRA	Other
<\$160 000						
\$160 000–\$179 999						
\$180 000–\$199 999						
\$200 000–\$219 999	2	2				
\$220 000–\$239 999						
\$240 000–\$259 999						
\$260 000–\$279 999						
\$280 000–\$299 999						
\$300 000–\$319 999						
\$320 000–\$339 999						
\$340 000–\$359 999						
\$360 000–\$379 999						
\$380 000–\$399 999						
\$400 000–\$419 999						
\$420 000–\$439 999						
\$440 000–\$459 999						
\$460 000–\$479 999						
\$480 000–\$499 999						
Total	2	2				

The salaries reported above are for the full financial year, at a 1-FTE rate, and exclude superannuation.
There are no senior employees employed on a part-time basis.

Workforce inclusion policy

The Department is working towards creating a balanced working environment where equal opportunity and diversity are valued. As part of our Gender Equality Action Plan, DTF has a 50/50 target for the executive gender profile. The following table outlines the Department's progress against this target for 2023-24.

Workforce inclusion policy initiative	Target	Actual progress in 2023-24	Actual progress in 2022-23
Gender diversity at executive levels	Executives: 50 per cent male 50 per cent female	Executives: 55 per cent male 45 per cent female	Executives: 56 per cent male 44 per cent female

The actual gender diversity reported excludes the Departmental Secretary (one male) for both years. The 2023 figures include the CEO of Office of Projects Victoria (one female).

Executive data

For a department, a member of the Senior Executive Service (SES) is defined as a person employed as an executive under Part 3 of the *Public Administration Act 2004* (PAA). For a public body, an executive is defined as a person employed as an executive under Part 3 of the PAA or a person to whom the Victorian Government's Public Entity Executive Remuneration Policy applies. All figures reflect employment levels at the last full pay period in June of the current and corresponding previous reporting year.

The definition of an SES and public entity executive does not include a statutory office holder or an Accountable Officer.

The following tables disclose executive employment levels of the Department and its portfolio agencies as at the last full pay period in June for stated reporting periods:

- Tables 1-3 disclose the total numbers of SES staff for the Department and the SRO, broken down by gender
- Table 4 provides a reconciliation of executive numbers presented between the report of operations and note 9.3 Remuneration of executives in the financial statements
- Table 5 provides the total executive numbers for public entities in the Department's portfolio
- Tables 1-3 and Table 4 also disclose the variations, denoted by 'var', between the current and previous reporting periods.

Table 1 – Total number of executives for the Department, broken down into gender

Class	Men			Women			Self-described			All		
	2024	2023	Var	2024	2023	Var	2024	2023	Var	2024	2023	Var
SES-3	3	2	1	2	–	2	–	–	–	5	2	3
SES-2	14	13	1	12	13	(1)	–	–	–	26	26	–
SES-1	30	31	(1)	25	22	3	–	–	–	55	53	2
Total	47	46	1	39	35	4	–	–	–	86	81	5

Table excludes the Secretary (Accountable Officer).

Table excludes the CEO of Office of Projects Victoria who is included in the 2023 figures reported in previous pages.

Var column indicates the variation between the current and previous reporting periods.

Table includes the VPS departmental Chief Financial Officers who are employed by the DTF Secretary.

Table 2 – Total number of executives for SRO, broken down into gender

Class	Men			Women			Self-described			All		
	2024	2023	Var	2024	2023	Var	2024	2023	Var	2024	2023	Var
SES-3	1	1	–	–	–	–	–	–	–	1	1	–
SES-2	4	4	–	3	3	–	–	–	–	7	7	–
SES-1	–	–	–	1	–	1	–	–	–	1	–	1
Total	5	5	–	4	3	1	–	–	–	9	8	1

Table 3 – Total number of executives for Wage Inspectorate Victoria, broken down into gender

Class	Men			Women			Self-described			All		
	2024	2023	Var	2024	2023	Var	2024	2023	Var	2024	2023	Var
SES-3	–	–	–	–	–	–	–	–	–	–	–	–
SES-2	–	–	–	–	–	–	–	–	–	–	–	–
SES-1	1	1	–	1	1	–	–	–	–	2	2	–
Total	1	1	–	1	1	–	–	–	–	2	2	–

Reconciliation of executive numbers

The number of executives shown in Table 1 above is based on the number of active executive staff at the end of the financial year. An active executive is defined as an SES officer who attends work and is paid, or who is on paid leave during the last full pay period in June of the relevant year. Note 9.3 in the financial statements lists the actual number of executive staff and the total remuneration paid to those staff over the course of the reporting period.

Note 9.3 in the financial statements excludes the Accountable Officer and does not:

- distinguish between executive levels and non-SES executives (Administrative Office Heads)
- distinguish between executives employed by the State Revenue Office or Wage Inspectorate Victoria and executives employed by the Department
- disclose the number of separations for the financial year
- disclose inactive executives as at the end of June.

Separations include executives disclosed in note 9.3 in the financial statements who were no longer employed an executive at the end of the reporting period by the Department, the State Revenue Office or Wage Inspectorate Victoria.

Inactive executives are executives who were on leave without pay or absent on secondment at the end of the reporting period.

To assist readers, these two disclosures are reconciled below.

Table 4 – Reconciliation of DTF executive numbers

	2024	2023
Executives (financial note 9.3)	109	132
SRO executives	(9)	(8)
WIV executives	(2)	–
Inactive DTF executives	–	(4)
Inactive SRO executives	(1)	–
Non-SES executives (CEO OPV)	–	(1)
Separations	(11)	(38)
Total executive numbers at 30 June	86	81

Note:

The number of executives listed in the comparative workforce data table for DTF shows 82 executives as at June 2023. This one headcount difference is due to the inclusion of the CEO of OPV as an executive in that table.

Table 5 – DTF portfolio entity executives

Portfolio agencies	Men			Women			Self-described			All		
	2024	2023	Var	2024	2023	Var	2024	2023	Var	2024	2023	Var
Accident Compensation Conciliation Service	3	4	(1)	3	2	1	–	–	–	6	6	–
Emergency Services Superannuation Board	5	5	–	3	3	–	–	–	–	8	8	–
Essential Services Commission	6	4	2	6	3	3	–	–	–	12	7	5
Infrastructure Victoria	1	2	(1)	4	3	1	–	–	–	5	5	–
Labour Hire Licensing Authority	1	1	–	2	2	–	–	–	–	3	3	–
Portable Long Service Authority	–	–	–	–	–	–	–	–	–	–	–	–
State Revenue Office	5	5	–	4	3	1	–	–	–	9	8	1
State Trustees Limited	2	2	–	2	2	–	–	–	–	4	4	–
Transport Accident Commission	16	19	(3)	33	28	5	–	–	–	49	47	2
Treasury Corporation of Victoria	3	6	(3)	3	1	2	–	–	–	6	7	-1
Victorian Asbestos Eradication Agency	–	–	–	–	–	–	–	–	–	–	–	–
Victorian Funds Management Corporation	9	9	–	5	5	–	–	–	–	14	14	–
Victorian Managed Insurance Authority	2	2	–	4	4	–	–	–	–	6	6	–
Victorian WorkCover Authority ^(a)	34	37	(3)	28	24	4	–	–	–	62	61	1
Wage Inspectorate Victoria	1	1	–	1	1	–	–	–	–	2	2	–
Total	88	97	(9)	98	81	17	–	–	–	186	178	8

Table excludes Accountable Officers who are excluded from the definition of Executive Officers in Financial Reporting Direction 15.

Note:

(a) Refers to the Victorian WorkCover Authority, known as WorkSafe.

Advancing self-determination in DTF

DTF's commitment to Aboriginal self-determination is reflected in our *Advancing Self-Determination in DTF* plan, which is available on DTF's website. Recent work contributing to DTF's efforts to promote self-determination include:

- Working with Aboriginal Housing Victoria to identify opportunities to support more Aboriginal Victorians into home ownership through the \$2.8 billion Victorian Homebuyer Fund. The Victorian Homebuyer Fund supports Aboriginal Victorians to purchase a home with a deposit as low as 3.5 per cent, by providing a shared equity contribution of up to 35 per cent of the acquisition price in exchange for an equivalent share in the property that participants buy back over time.
- Working with Homes Victoria on the Social Housing Growth Fund's Homes for Aboriginal Victorians Round (HfAVR), which supports Aboriginal Community Controlled Organisation (ACCO) ownership of social housing. The HfAVR included measures to help build the community housing sector's capability and capacity to provide culturally safe and responsive services to Aboriginal Victorians, and focused on enabling ACCOs to become Registered Housing Agencies in order to build and own new social housing dwellings. A Request for Proposals was released in December 2021, with more than \$150 million in grants available for new ACCO-led and partnered social housing projects for Aboriginal Victorians.
- Collaborating with the Housing Registrar and Homes Victoria to improve cultural safety in providing housing to Aboriginal Victorians and to support the registration of new housing providers including ACCOs.
- Supporting delivery of the Side by Side Partnership Addressing Disadvantage, an outcomes-based funding arrangement and partnership between Berry Street Victoria, the Victorian Aboriginal Child Care Agency, Social Ventures Australia, DE and DTF that aims to improve educational outcomes and embed cultural safety for disadvantaged children, with at least 25 per cent of these children being Aboriginal.
- Developing guidance material and embedding processes to encourage the delivery of culturally safe initiatives, and strengthening Aboriginal self-determination, through the Early Intervention Investment Framework.
- Ongoing delivery of Aboriginal cultural awareness training to increase awareness and improve understanding to better support a culturally safe workplace.
- Offering graduate places for the Aboriginal Pathway Stream through the Victorian graduate program.
- Identifying long-term reforms to the budget development process to promote self-determination.
- Contributing to inter-departmental work to advance Treaty and support the Treasurer's evidence to the Yoorrook Justice Commission.
- Building awareness of Treaty and promoting principles of self-determination through education and presentations.

Appendix 2 DTF occupational health and safety report 30 June 2024

The Department continues its commitment to occupational health and safety (OHS) by supporting the shared service operating model. The health, safety and wellbeing of staff continues to be the Departments highest priority.

The Department's OHS program and health and wellbeing initiatives are aimed at enhancing safety performance and ensuring safe systems of work. The strong leadership and commitment to OHS matters are integrated into the program with a proactive approach and regular review of health, safety and wellbeing across the Department.

Key achievements

- DTF is continuing to progress the initiatives of the Wellbeing and Resilience Framework. This plan outlines DTF's plan to prevent mental injury and ensure a safe return to the office.
- Initiating the redesign of Warden positions in collaboration with facilities management to bring together a collective and aligned approach to emergency management and preparedness.
- Holding a Safety Month program during October (in alignment with Safe Work month). This program focused on the value of Health and Safety representatives, managing psychological hazards in the workplace, mental and physical health and preventing work-related violence such as sexual harassment.
- Providing mental health and wellbeing training, which 91 per cent of DTF senior leaders have completed as of 30 June 2024.
- DTF's Health and Safety Committee met four times during 2023-24.
- The 2024 annual flu vaccination program was delivered in person at 1 Macarthur Street and through an online voucher system. There were two site visits facilitated by a nurse and the vouchers were provided by a third party and could be redeemed at selected pharmacies.
- Commenced a Departmental wide review of Psychosocial hazards as part of a consultation project and internal audit.
- 100 per cent of Health and Safety Representatives have been provided with the opportunity to complete the WorkSafe approved HSR training.
- The Departments Employee Assistance Program (EAP) provider, changed from Acacia Connection to People Sense by Altius Group., The service provides confidential professional counselling services for employees. This includes tailored support for Aboriginal and Torres Strait Islanders, employees with disability, LGBTIQ+ employees and employees experiencing family violence. A specific hotline is also available for managers who require assistance with complex employee issues and a supportive check-in service where there is concern for their psychological safety and/or wellbeing.
- Peer support officer's expanding their training to cover family violence and domestic violence.
- Implementing new wellbeing related initiatives that address specific focus areas for the Department including:
 - continue to roll out Quarterly Wellbeing and Workload Management Indicators Board report, along with identifying ways to optimise reporting metrics and interventions
 - introduced Workload Management tools and guidance for employees and managers
 - focusing on financial wellbeing topics such as superannuation and planning for retirement
 - expanded gym program Fitness Passport to assist staff with prioritising their physical and mental wellbeing
 - fatigue management toolkit with supporting documents to identify associated risks.

DTF's performance against OHS management measures

Measure	KPI	2021-22	2022-23	2023-24
Incidents	Number of incidents	9	13	26
	Rate per 100 FTE	0.93 (FTE 970.36)	2.24 (FTE 580.50)	3.98 (FTE 654)
	No. of incidents requiring first aid and/or further medical treatment	3	11	8
Claims	Number of standardised claims ^(a)	0	1	1
	Rate per 100 FTE	0	0.17 (FTE 580.50)	0.15 (FTE 654)
	Number of lost time claims ^(b)	0	0	1
	Rate per 100 FTE	0	0	0.15 (FTE 654)
	Number of claims at 13 weeks ^(c)	0	0	1
	Percentage of claims at 13 weeks against total number of claims	0	0	100
	Number of claims exceeding 13 weeks	0	0	1
	Rate per 100 FTE	0	0	0.15 (FTE)
	No. of claims at 26 weeks	0	0	1
	Percentage of claims at 26 weeks against total number of claims	0	0	100
	Fatalities	Fatality claims	0	0
Claim costs	Average cost per standard claim ^(c)	\$0.00	\$300	\$479 000
Absenteeism	No. of days absent due to sickness	4 177	2 126	2 326
	Rate per 100 FTE	430.49 (based on FTE 970.36)	366.37 (based on FTE 580.50)	355.4 (based on 654.29 FTE)
Return to work	Percentage of claims with return-to-work plan <30 days	n/a	1	100
Legislative compliance	No. of WorkSafe Victoria Notices issued	nil	nil	nil
	Rate of notices issued per inspector visit	nil (no inspector visits)	nil (no inspector visits)	nil (1 inspector visit, no PIN issued)
	No. of prosecutions	nil	nil	nil
Management commitment	Evidence of OHS policy statement, OHS objectives, regular reporting to senior management on OHS, and OHS plans (signed by CEO or equivalent)	Statement of Commitment signed by the Secretary. Manager People and Culture chaired Quarterly Health and Safety (HSC) meetings. DTF continued its participation in the Whole of Victorian Government inter-departmental Mental Health and Wellbeing Charter Committee, Subcommittee and working groups.	Statement of Commitment signed by the Secretary. Manager People and Culture chaired Quarterly Health and Safety (HSC) meetings. DTF continued its participation in the Whole of Victorian Government inter-departmental Mental Health and Wellbeing Charter Committee, Subcommittee and working groups.	Statement of Commitment signed by the Secretary Manager People and Culture chaired Quarterly Health and Safety (HSC) meetings. DTF continued its participation in the Whole of Victorian Government inter-departmental Mental Health and Wellbeing Charter Committee, Subcommittee and working groups.

Measure	KPI	2021-22	2022-23	2023-24
	Evidence of OHS criteria in purchasing guidelines (including goods, services and personnel)	<p>OHS Advisory continues to be involved in the procurement of portable sit-stand desks and other ergonomic equipment as required.</p> <p>Services and personnel engaged to support OHS program (i.e. flu vaccination program, training etc.) have been implemented to provide evidence of competency and insurance information.</p> <p>OHS Advisory involved in recommending and ordering personal protective equipment associated with COVID-19 management</p>	<p>OHS Advisory continues to be involved in the procurement of portable sit-stand desks and other ergonomic equipment as required.</p> <p>Services and personnel engaged to support OHS program (i.e. flu vaccination program, training, etc.) have been implemented to provide evidence of competency and insurance information.</p> <p>OHS Advisory involved in recommending and ordering personal protective equipment associated with coronavirus (COVID-19) management</p>	<p>OHS Advisory continued to be involved in the procurement of portable sit-stand desks and other ergonomic equipment as required. Services and personnel engaged to support OHS program (i.e. flu vaccination program, training, etc.) have been implemented to provide evidence of competency and insurance information.</p>
Consultation and participation	<p>Evidence of agreed structure of Designated Work Groups (DWGs), Health and Safety Representatives (HSRs), and Issue Resolution Procedures (IRPs)</p> <p>Compliance with agreed structure on DWGs, HSRs, and IRPs</p>	<p>Four Health and Safety Committee meetings were held covering this period on 8 Jul 2021, 7 Oct 2021, 11 Jan 2022 and 5 Apr 2022.</p> <p>As of 30 June 2022, five HSR positions were filled. There were two vacant HSR positions. Both of these positions were advertised and expressions of interest were circulated. Training has been scheduled for one newly appointed HSR.</p>	<p>Six Health and Safety Committee meetings were held covering this period on 5 Jul 2022, 4 Oct 2022, 17 Nov 2022, 21 Feb 2023, 20 May 2023, 15 Jun 2023</p> <p>As of 30 June 2023, there were seven vacant HSR positions. Positions were advertised, and expression of interest circulated. Training scheduled for three newly-appointed HSRs</p>	<p>Four Health and Safety Committee meetings were held covering 31 Aug 2023, 12 Oct 2023, 07 Dec 2023 and 27 Feb 2024</p> <p>As of 30 June 2024, there were nine HSR's with seven vacant positions advertised, and expression of interest circulated.</p>
Risk management	<p>Number of quarterly OHS Committee meetings</p> <p>Percentage of internal audits/inspections conducted as planned</p>	<p>The committee met in each quarter in 2021-22.</p> <p>Not all regularly scheduled workplace inspections were completed because of the COVID-19 lockdown response. However, workplace inspections and risk assessments were conducted by respective stakeholders as part of the Department's return to the office program.</p>	<p>The committee met in each quarter in 2022-23</p> <p>Quarterly site inspections completed by HSRs and DTF OHS Advisory</p> <p>Locations included:</p> <ul style="list-style-type: none"> • 1 Macarthur Street • 1 Treasury Place • 55 Collins Street • Werribee Library <p>This included a review of the furniture for the government hubs:</p> <ul style="list-style-type: none"> • Bendigo 	<p>The committee met in each quarter in 2023-24</p> <p>Quarterly site inspections were completed by HRSs</p> <p>Locations included:</p> <ul style="list-style-type: none"> • 1 Macarthur Street • 1 Treasury Place • 55 Collins Street

Measure	KPI	2021-22	2022-23	2023-24
OHSMS development and improvement		<p>This included a review of the following government hubs:</p> <ul style="list-style-type: none"> • Morwell • Bendigo • Ballarat <p>Site visits re-commenced once COVID-19 restrictions eased and return to workplace strategies were implemented.</p> <p>Locations included:</p> <ul style="list-style-type: none"> • 1 Macarthur Street • 1 Treasury Place • 55 Collins Street • Werribee Library <p>An on-site visit was unable to be conducted at 121 Exhibition Street. An on-site visit for this site and any other sites that were not inspected in this financial year, will be performed in 2022-23.</p>		
	Percentage of reported incidents investigated	Of the 10 incidents reported, 100 per cent of these incidents were investigated.	Of the 13 incidents reported, 100 per cent of these incidents were investigated.	Of the 26 incidents reported, 100 per cent of these incidents were investigated.
	No. of Improvement Notices issued across the Department by WorkSafe Inspector	None	None	None
	Percentage of issues identified actioned arising from:			
	<ul style="list-style-type: none"> • internal audits • HSR provisional improvement notices • WorkSafe notices 	<p>Zero corrective actions were identified for DTF Policy and Procedures review</p> <p>nil issued</p> <p>nil issued</p>	<p>Zero corrective actions were identified for DTF Policy and Procedures review</p> <p>nil issued</p> <p>nil issued</p>	<p>Zero corrective actions were identified for DTF Policy and Procedures review</p> <p>nil issued</p> <p>nil issued</p>
No. of procedures developed and/or approved	Ongoing COVID-19 response included risk assessments, COVID-19 safe plan updates and COVID-19 vaccination policy. Reviewed and updated employee 'return to office' action plan.	One new DTF procedure was developed	Five new DTF procedures were developed	

Measure	KPI	2021-22	2022-23	2023-24
	No. of procedures reviewed and refined	<p>Online compliance induction training procedures reviewed.</p> <p>Commenced review of all policies and procedures.</p>	<p>19 DTF policies and procedures were reviewed.</p> <p>Working from home risk assessment, review of Vaccination policy risk assessment, cold and flu policy consultation, emergency management plans for 1 Treasury and 1 Macarthur were reviewed.</p>	<p>7 DTF policies and procedures were reviewed.</p> <p>Guidance for creating a personal emergency evacuation plan (PEEP), PEEP template, emergency evacuation procedure, first aid procedure, flexible work policy and working remotely form, risk management procedure and fatigue risk management procedure.</p>
Training	<p>Percentage of managers and staff that have received OHS training:</p> <ul style="list-style-type: none"> • induction • management training • contractors, temps, and visitors 	<p>104 DTF employees have attended mental health and wellbeing training for people leaders.</p> <p>432 DTF employees and contractors have successfully completed OHS online learning modules through Wisetech Global until February, and the recently implemented Learning Management System (Kando Central) thereafter. This reflects 44 per cent of DTF's FTE.</p> <p>126 (30 per cent) executive and senior DTF staff have completed Online Mental Health Training through Wisetech Global until February, and then the recently implemented Learning Management System (Kando Central) thereafter.</p> <p>COVID-19 issues have resulted in delays to training for First Aid Officers. As of 30 June 2022, 11 newly appointed First Aid Officers (FAO) are to undergo FAO training and induction scheduled for August 2022 and two FAOs are scheduled for refresher training.</p> <p>Five FAOs had received training on HLTAID003 'Provide First Aid'. Four First Aid Officers had received training on HLTAID001 'Provide cardiopulmonary resuscitation'. DTF currently has four Mental Health trained First Aid Officers.</p>	<p>96 DTF employees have attended mental health and wellbeing training for people leaders.</p> <p>371 DTF employees and contractors have successfully completed OHS online learning modules through DTF's Learning Management System (Kando Central). This reflects 64 per cent of DTF's FTE.</p> <p>165 (28 per cent) executive and senior DTF staff have completed Online Mental Health Training through DTF's Learning Management System (Kando Central).</p> <p>As of 30 June 2023, seven newly appointed First Aid Officers (FAO) are to undergo FAO training and induction and one FAO is scheduled for refresher training.</p> <p>Sixteen FAOs had received training on HLTAID003 'Provide First Aid'. One First Aid Officers had received training on HLTAID001 'Provide cardiopulmonary resuscitation'.</p> <p>DTF currently has six Mental Health trained First Aid Officers.</p>	<p>106 DTF employees have attended mental health and wellbeing training for people leaders.</p> <p>407 DTF employees and contractors have successfully completed OHS online learning modules through DTF's Learning Management System (Kando Central). This reflects 62 per cent of DTF's FTE.</p> <p>122 executive (19 per cent) and senior DTF staff have completed Online Mental Health Training through DTF's Learning Management System (Kando Central)</p> <p>As of 30 June 2024, all newly appointed First Aid Officers (FAO) have attended training (HLTAID011) and all existing first aid officers have attended CPR refresher training.</p> <p>Eight First Aid Officers attended HLTAID011- Provide First Aid Training. Nine current First Aid Officers attended HLTAID009-CPR Refresher training. DTF currently has four Mental Health trained First Aid Officers.</p>

Measure	KPI	2021-22	2022-23	2023-24
	• executive officers training	24 per cent of DTF executives have completed relevant training aligned with the VPS Mental Health and Wellbeing Charter Framework.	25 per cent of DTF executives have completed relevant training aligned with the VPS Mental Health and Wellbeing Charter Framework.	32 per cent of DTF executives have completed relevant training aligned with the VPS Mental Health and Wellbeing Charter Framework.
	• management training	35 per cent of DTF management staff have completed relevant training aligned with the VPS Mental Health and Wellbeing Charter Framework.	41 per cent of DTF management staff have completed relevant training aligned with the VPS Mental Health and Wellbeing Charter Framework.	42 per cent of DTF management staff have completed relevant training aligned with the VPS Mental Health and Wellbeing Charter Framework.
	• contractors, temps, and visitors	n/a	n/a	n/a
	Percentage of HSRs trained:	On 30 June 2022, 100 per cent of DTF's HSRs have been provided with the opportunity to complete the WorkSafe Approved HSR Initial OHS Training as per DTF's legislative duties.	On 30 June 2023, 100 per cent of DTF's HSRs have been provided with the opportunity to complete the WorkSafe Approved HSR Initial OHS Training as per DTF's legislative duties.	On 30 June 2024, 100 per cent of DTF's seven elected HSRs have been provided with the opportunity to complete the HSR refresher OHS training as per DTF's legislative duties.
	• upon acceptance of role (initial training)	Expressions of interest open	Expressions of interest open	Expression of interest open
	• re-training (annual refresher)	100 per cent WorkSafe Approved HSR Initial OHS Training was offered and scheduled where required for HSRs, as this training is not mandatory.	100 per cent WorkSafe Approved HSR Initial OHS Training was offered and scheduled where required for HSRs, as this training is not mandatory.	100 per cent WorkSafe Approved HSR refresher OHS training was offered and scheduled where required for HSRs, as this training is not mandatory.
	• reporting of incidents and injuries	Investigations are led by OHS Advisory in consultation with the HSRs and relevant manager as appropriate. All reported incidents have been investigated. Incident trends are reported on a quarterly basis including to the HSC.	Investigations are led by OHS Advisory in consultation with the HSRs and relevant manager as appropriate. All reported incidents have been investigated. Incident trends are reported on a quarterly basis including to the HSC.	Investigations were led by OHS Advisory in consultation with the HSRs and relevant manager as appropriate. As of March 2024 investigations were led through the OHS shared services team.
Hazards	No. of hazards reported	0	11	23
	Rate per 100 FTE	0	1.89 (FTE 580.50)	3.52 (FTE 654)
Corrective actions	No. of corrective actions	0	15	6
	Percentage of corrective actions completed	0 per cent	100 per cent	74 per cent
OHSMS audits	No. of OHSMS audits conducted	0	0	0
	Percentage of workplaces audited	0	0	0
OHSMS implementation	Percentage of an averaged OHSMS audit score	0	0	0

Measure	KPI	2021-22	2022-23	2023-24
Management participation in audits	Percentage of managers that have participated in the total no. of workplace audits conducted	0	0	0
	No. of senior management participating in departmental OHSMS review and evaluation per two-year cycle	0	0	0
Mental health and wellbeing training	No. of mental health and wellbeing training initiatives/activities delivered	32	40	34
	Percentage of senior leaders, people leaders and staff that have completed mental health and wellbeing training: ^(d)			
	• senior leaders training	24 per cent	21 per cent	23 per cent
	• people leaders training	35 per cent	26 per cent	30 per cent
	• staff training	21 per cent	32 per cent	35 per cent
Evidence of staff having participated in at least two wellbeing initiatives/activities	<p>With the implementation of a new Learning Management System (Kando Central), DTF will have the capability to report on this measure from the 2022-23 financial year.</p> <p>The Department has opted into the whole of Victorian Government implementation of the Human Capital Management (HCM) project. This includes a learning management system which allows for accurate tracking of training requirements moving forward.</p>	<p>Evidence of participation in at least two wellbeing initiatives/activities is available via DTF's Learning Management System (Kando Central). 96 DTF employees have attended mental health and wellbeing training for people leaders. 165 executive and senior DTF staff have completed Online Mental Health Training through DTF's Learning Management System (Kando Central).</p>	<p>Evidence of participation in at least two wellbeing initiatives/activities is available via DTF's Learning Management System (Kando Central). 106 DTF employees have attended mental health and wellbeing training for people leaders. 122 executive (19 per cent) and senior DTF staff have completed Online Mental Health Training through DTF's Learning Management System (Kando Central)</p>	
Total percentage of staff participation at mental health and wellbeing initiatives/activities	<p>DTF currently does not have a system with the capability to track individual employees' training records to the extent required by this measure.</p> <p>The Department has opted into the whole of Victorian Government implementation of the Human Capital Management (HCM) project. This includes a learning management system which allows for accurate tracking of training requirements moving forward.</p>	60 per cent	78 per cent	

Measure	KPI	2021-22	2022-23	2023-24
Mental health and wellbeing audit	Mental injury 13-week claims as a percentage of total claims	0	0	100 per cent
	Mental injury 26-week claims as a percentage of total claims	0	0	100 per cent
	Averaged fully developed costs – mental injury claims	\$0	\$0	\$479 000
	Average no. of days/shifts lost per workers' compensation claim for mental injury	0	0	175
	No. of workers' compensation claims for mental injury by industry groups	0	0	1
	Evidence of department completing the mental health self-assessment tool	Completed	Completed	Completed
	Staff appointed as peer support officers who have attended relevant training:	3	4	11
	No. of staff appointed as peer support officers	12	11	11
	Percentage of staff appointed as peer support officers (or equivalent)	1 per cent	2 per cent	2 per cent

Notes:

(a) Victorian WorkCover Authority (VWA) supplied data. Data for standardised claims, time lost claims and death claims is as of 30 June 2024. Standardised claims are those that have exceeded the employer excess or are registered as a standard claim and are open with no payments at the time of extraction.

(b) VWA supplied data. A time lost claim is one with one or more days compensated by the VWA (after employer excess) at the time of extraction. They are a subset of standardised claims.

(c) VWA supplied data based on claims reported between 1 July 2023 and 30 June 2024. Claim includes payment of \$32 928 to date plus an estimate of the lifetime claim cost (as calculated by the VWA's statistical case estimate model). Outstanding claims costs will vary after the time of reporting as claims are continually adjusted and amended.

(d) Figures reflect the percentage of staff who have completed training within the financial year 2023-24.

Appendix 3 Environmental reporting

DTF is committed to reducing its environmental impact through ongoing implementation of sustainable practices. The reporting of these efforts is guided by the Financial Reporting Direction (FRD) 24.

DTF's commitment to sustainability in its operations is demonstrated through several key initiatives, including:

- integrating environmental considerations into tender specifications to promote responsible procurement practices
- utilising a tri-stream waste disposal system (landfill, commingled and organics) to encourage waste reduction and recycling
- prioritising energy efficiency through the use of energy-saving appliances and sensor lighting
- sourcing sustainable and locally produced furniture, with an emphasis on certifications like Global GreenTag
- adopting responsible relocation practices with a focus on sustainable waste management
- recycling usable furniture and equipment during refurbishments or relocations to minimise waste
- adopting digital solutions to reduce paper usage and shift towards more sustainable practices.

DTF's ongoing efforts aim to support the Victorian public sector in adopting technologies and practices that lower emissions and enhance environmental sustainability, contributing to a greener and more environmentally responsible future.

The Department's Environmental Management System

DTF has sought to mitigate the environmental impacts of its operations during 2023-24 through office-based initiatives that integrate environmental considerations and embed sustainable practices across the Department.

DTF will continue to seek improvement via development of a robust and mature environmental management system (EMS) that will further guide the Department's environmental management and follow standards set out in AS/NZS ISO 14001:2016.

This ongoing work, along with DTF's commitment to fostering a culture of sustainability, reflects the Department's dedication to realising a greener future.

Reporting boundary for environmental data

This report outlines DTF's environmental performance from 1 July 2023 to 30 June 2024, with data captured through consumption reports, audits and surveys. These data encompass all sites where DTF conducts its operations, and relevant activities of departmental staff (e.g. travel).

Some datasets may reflect inflated figures due to the inclusion of measures for other entities, with migration of reporting systems and data to the relevant entity to be completed in future periods. These instances are noted in the corresponding commentary.

For comparative analysis, certain data indicators have been normalised using Full-Time Equivalents (FTE). This normalisation provides a clearer view of performance and facilitates trend analysis.

Certain environmental metrics such as water, gas and waste were not available for all sites due to factors such as different metering systems and data measurement methods. DTF will continue to consolidate its systems and data collection practices over the coming year to address data gaps in future reports.

DTF will continue to see further refinement of reporting outcomes by engaging with both internal and external data sources aligning with FRD 24 requirements.

Climate-related risk disclosure statement

DTF acknowledges the potential direct and indirect impacts of climate change on its services and operations. DTF is committed to understanding and addressing climate-related risks and opportunities to enhance resilience and sustainability.

DTF aims to lead by example in the Victorian public sector by embracing new technologies and practices that support Victoria's transition to net zero emissions and a climate-resilient future.

Through this disclosure statement, DTF seeks to:

- outline its ongoing efforts to assess and understand how climate change may impact its assets, operations, and services
- demonstrate a commitment to responsibly managing and mitigating these environmental impacts
- support the efficient allocation of resources towards achieving net zero emissions and continuously improving environmental performance.

By addressing climate-related risks and opportunities, DTF is dedicated to fostering a sustainable and resilient operational framework that aligns with the ambitious goals set by the Victorian Government.

Climate-related risk governance, strategy and management

DTF is dedicated to comprehensive risk governance, strategy development, and effective risk management practices. Guided by the Victorian Government Risk Management Framework and the AS ISO 31000:2018 standard, DTF actively promotes proactive risk identification and management, extending this commitment to climate-related risks.

DTF's proactive commitment to environmental responsibility extends to the exploration of climate-related risks and opportunities. While in the early stages of planning and development, DTF is actively engaged in enhancing its understanding of climate impacts. The Department is in the process of evaluating its climate-related risk maturity to better address these concerns in future operations. Collaborative efforts with the Board and corporate functions will lead to the formulation of strategies aimed at tackling climate-related challenges.

Glossary

FTE	full time equivalent employee
kg	kilograms
kL	kilolitres
km	kilometres
L	Litres
LPG	liquefied petroleum gas
m ²	metres squared
MJ	megajoules
Ream	500 sheets of A4 paper
t CO ₂ -e	tonnes of CO ₂ equivalent

Greenhouse gas emissions

DTF reports its greenhouse gas emissions broken down into emissions 'scopes' consistent with national and international reporting standards.

- Scope 1 emissions are from sources that DTF owns or controls, such as burning fossil fuels in vehicles or machinery.
- Scope 2 emissions are indirect emissions from the Department's use of electricity from the grid, which still includes coal and gas-fired power generation.
- Scope 3 emissions are indirect emissions from sources DTF does not control but can influence. DTF's scope 3 reporting includes corporate air travel and waste disposal.

DTF now includes additional data on fleet vehicle usage and subsequent vehicle fuel use within scope 1 greenhouse gas emissions, resulting in an increase in emissions.

DTF's scope 2 greenhouse gas emissions decreased from 2022-23 to 2023-24. This decrease reflects a reduction in DTF's staff numbers and, correspondingly, accommodation requirements following the machinery of government changes enacted in 2023.

The Department's scope 3 greenhouse gas emissions from corporate air travel and waste disposal also decreased from 2022-23 to 2023-24.

Greenhouse gas emissions from corporate air travel were offset through the CTM Climate+ program, which supports initiatives such as rainforest conservation, sustainable livelihoods, wildlife protection, and renewable energy.

Indicator	2023-24	2022-23	2021-22
Total scope 1 greenhouse gas emissions (t CO ₂ -e) [Indicator G1]	226	130	128
Total scope 2 greenhouse gas emissions (t CO ₂ -e) [Indicator G2]	1 003	1 277	1 872
Total scope 3 greenhouse gas emissions from commercial air travel and waste disposal (t CO ₂ -e) [Indicator G3]	96	139	39

Electricity production and consumption

DTF's electricity consumption reporting covers tenancies at the following sites:

- 1 Treasury Place, East Melbourne
- 1 Macarthur Street, East Melbourne
- 1 Spring Street, Melbourne

The total electricity consumption for DTF over the 2023–24 reporting period was 1 527 megawatt hours (MWh), which decreased from the previous reporting period. This decrease can be attributed to a reduction in DTF's staff numbers and correspondingly, its accommodation requirements.

DTF exclusively leases offices with electricity, gas and water as the sole energy sources, without ownership or access to any other energy sources.

Indicator	2023-24 ^(a)	2022-23	2021-22
Total electricity consumption (MWh) [Indicator EL1]	1 527	1 692	1 616
Purchased electricity – Consolidated	1 527	1 692	1 616
Department Offices ^(b)	1 527	1 692	1 616
On-site electricity generated (MWh) [Indicator EL2]	0	0	0
On-site installed generation capacity (MW) [Indicator EL3]	n/a	n/a	n/a
Total electricity offsets (MWh) [Indicator EL4]	0	0	0

Notes:

(a) The 2023-24 figures in this annual report contain accrued values for electricity consumption.

(b) Electricity and gas usage data is provided by outsourced providers via retailers who operate under the State's Energy Purchase Contracts.

Stationary fuel use

DTF's stationary fuel consumption reporting covers tenancies at the following sites:

- 1 Treasury Place, East Melbourne
- 1 Macarthur Street, East Melbourne
- 1 Spring Street, Melbourne

Total fuels used in buildings over the 2023–24 reporting period was 2 143 190 megajoules (MJ), which is a decrease from the previous reporting period. Greenhouse gas emissions from stationary fuel consumption totalled 110.4 tonnes CO₂-e, also a reduction of 12 per cent.

Indicator	2023-24 ^(a)	2022-23	2021-22
Total fuels used in buildings and machinery (MJ) [Indicator F1] ^(b)	2 143 190	2 435 057	2 404 736
Buildings	2 143 190	2 435 057	2 404 736
Natural gas	2 143 190	2 435 057	2 404 736
Machinery	0	0	0
Diesel	0	0	0
Greenhouse gas emissions from stationary fuel consumption (tonnes CO₂-e) [Indicator F2]	110.4	125.5	122

Notes:

(a) The 2023-24 figures in this annual report contain accrued values for stationary fuel consumption.

(b) Electricity and gas usage data is provided by outsourced providers via retailers who operate under the State's Energy Purchase Contracts.

Transportation

DTF uses vehicles from both VicFleet and from the Accommodation, Carpool and Library Services (ACLS) carpool for its operational car travel.

DTF's travel guidelines align with the Victorian Public Service Travel Policy, which stipulates that travel alternatives (e.g. conference calls, video calls) must be pursued unless travel for government business is of benefit to the government entity. This also aligns with the State's environmental policy objectives to pursue resource efficient technology.

The reported increase in energy used in transport fuels and greenhouse gas emissions from the vehicle fleet is due to an amended reporting methodology that now includes additional VicFleet data attributed to the Department.

In 2023-24 DTF operated a fleet of 35 vehicles via VicFleet, to facilitate its operational vehicle requirements.

For the reporting period, commercial air travel decreased by 31 per cent.

Indicator	2023-24	2022-23	2021-22
Total energy used in transportation (MJ) [Indicator T1] ^(a)	1 692 155	67 478	79 942
Road vehicles	1 692 155	67 478	79 942
Passenger vehicles	1 692 155	67 478	79 942
Petrol	1 254 377	33 435	29 754
Diesel	437 778	4 078	27 445
Electricity (MWh) ^(b)	0	0	0
Goods vehicles	0	0	0
Greenhouse gas emissions from vehicle fleet (tonnes CO₂-e) [Indicator T3]	116	4.57	5.59
Road vehicles	116	4.57	5.59
Passenger vehicles	116	4.57	5.59
Petrol	85	2.26	2.07
Diesel	31	0.29	1.93
Electricity (MWh) ^(a)	0	0	0
Goods vehicles	0	0	0
Total distance travelled by commercial air travel (passenger km)	362 682	523 849	136 999

Notes:

(a) Reported emissions include those from both long-term VicFleet vehicles and short-term hire vehicles from ACLS carpool service.

(b) Electricity used to charge vehicles at DTF sites is not metered separately and is included in the total electricity consumption.

Indicator	2023-24 ^(a)	%	2022-23	%	2021-22 ^(b)	% ^(b)
Number and proportion of vehicles [Indicator T2]	35	100.0	64	100	nc	nc
Road vehicles	35	100.0	64	100.0	nc	nc
Passenger vehicles	35	100.0	64	100.0	nc	nc
• Internal combustion engines	27	77.1	31	48.4	nc	nc
– Petrol	20	57.1	28	43.8	nc	nc
– Diesel/biodiesel	7	20.0	3	4.7	nc	nc
• Hybrid	7	20.0	28	43.8	nc	nc
– Plug-in hybrid electric vehicle (PHEV)	1	2.9	28	43.8	nc	nc
– Range-extended electric vehicle	6	17.1	0	0	nc	nc
• Electric propulsion	1	2.9	1	0.8	nc	nc
– Battery electric vehicle	1	2.9	1	0.8	nc	nc
– Fuel cell electric vehicle (FCEV)	0	0	0	0	nc	nc

Notes:

(a) Under a revised reporting methodology, ACLS carpool services vehicles used by DTF for short- and medium-term hire are now reported by the Department of Government Services, which manages their operations.

(b) 'nc' denotes 'not collected' in instances where data from previous reporting periods is not available. This is due to the changing key reporting indicators that came into effect in the 2022-23 reporting period.

Total energy use

DTF's energy consumption reporting covers tenancies at the following sites:

- 1 Treasury Place, East Melbourne
- 1 Macarthur Street, East Melbourne
- 1 Spring Street, Melbourne

During the 2023–24 reporting period, DTF's total energy use was 9 333 732 MJ, representing a 9 per cent increase from the previous period. This total includes energy from both fuels and electricity; details on these contributors are outlined in the relevant sections of the report.

While data indicates energy use per FTE increased, the result is primarily due to differences in reporting methods, particularly for transportation data between reporting periods, rather than material changes in actual energy consumption by the Department.

Including VicFleet data that was not included in the previous reporting period has impacted results for energy used in transport fuels and greenhouse gas emissions from the vehicle fleet. With the new baseline established for future reporting, DTF is in a better position to more accurately monitor and report on actual energy use to inform development of its Environmental Management System and associated initiatives to improve sustainability outcomes.

Indicator	2023-24 ^(a)	2022-23	2021-22 ^(b)
Total energy usage from fuels (stationary and transportation) (MJ) [Indicator E1]	3 835 345	2 502 535	2 484 678
Total energy used from electricity (MJ) [Indicator E2]	5 498 387	6 091 452	5 818 371
Total energy used segmented into renewable and non-renewable sources (MJ) [Indicator E3]	9 333 732	8 593 987	8 303 049
Renewable	1 042 494	nc	nc
Non-renewable	8 291 238	nc	nc
Units of energy used normalised by FTE [Indicator E4]	13 646	9 846	9 059

Notes:

(a) The 2023-24 figures in this annual report contain accrued values for electricity and stationary fuel consumption.

(b) 'nc' denotes 'not collected' in instances where data from previous reporting periods is not available. This is due to the changing key reporting indicators that came into effect in the 2022-23 reporting period.

Sustainable buildings and infrastructure

Leases for DTF, negotiated and managed by ACLS in conjunction with their outsourced service partner, incorporate a Green Lease Schedule within the Standard Government Lease. This schedule outlines obligations for both landlords and tenants to maintain properties to a minimum NABERS rating for energy, water, waste, and indoor environment.

During site acquisition and lease negotiation, sustainability requirements are prioritised. The Green Lease Schedule is proposed to landlords or managing agents with each new lease negotiation. However, in cases where premises are not subject to Commonwealth mandatory disclosure laws or landlords are unwilling to include these obligations, ACLS and its outsourced provider work with landlords to implement energy efficiency, emission savings, and cost improvements.

The Green Lease Schedule mandates a NABERS Energy rating for all leases, with additional performance requirements for larger tenures. It also requires the installation of efficient lighting systems and data sharing to support energy and emissions reporting.

DTF discloses a summary of NABERS ratings for its occupied premises, based on data downloaded from the NABERS public portal. One main office building has received an environmental performance rating, as detailed in the table below. No new buildings were commissioned by DTF in this reporting period, and no NABERS ratings were conducted on owned buildings or as part of tenancy fit out works in this reporting period.

There are no newly completed DTF-owned non-office building or infrastructure projects or upgrades valued over \$1 million.

Name of building	Building type	Rating Scheme	Rating
1 Spring Street	General office building	NABERS – Energy	5.5

Sustainable procurement

The Department considers sustainable procurement objectives through its implementation of the Social Procurement Framework, which establishes requirements that apply to Victorian Government departments and agencies when they procure goods, services and construction. More details of the Department's implementation of the Social Procurement Framework are contained in the relevant section of this annual report.

Water consumption

DTF's water consumption reporting covers tenancies at the following sites:

- 1 Treasury Place, East Melbourne
- 1 Macarthur Street, East Melbourne
- 1 Spring Street, Melbourne

During the 2023–24 reporting period, DTF's total water consumption was 4 511 kilolitres (kL).

Indicator	2023-24 ^(a)	2022-23	2021-22
Total water consumption by an entity (kilolitres)	4 511	3 158	2 618
Potable water consumption	4 511	3 158	2 618
Metered reused water consumption	0	0	0
Units of metered water consumed normalised by FTE	7	4	2.92

Note:

(a) The 2023-24 figures in this Annual Report contain accrued values for water consumption.

Waste and recycling

DTF's waste consumption reporting covers tenancies at the following sites:

- 1 Treasury Place, East Melbourne
- 1 Macarthur Street, East Melbourne

Waste consumption data for 1 Spring Street is not available.

During the 2023–24 reporting period, DTF generated a total of 19 630 kilograms (kg) of waste, reflecting a decrease from the previous year. Landfill disposal decreased, and recycling disposal also decreased compared to the previous year.

Greenhouse gas emissions from waste disposal also decreased from the previous period. Additionally, food and garden organics (FOGO) disposal decreased.

DTF continues to maintain dedicated processes for the disposal of e-waste and printer cartridges across all key office sites.

Indicator	2023-24	%	2022-23	% ^(a)	2021-22 ^(a)	% ^(a)
Total units of waste disposed (kg and %) [Indicator WR1]	19 630	100.0	32 433	100	nc	nc
Landfill (disposal)	14 788	75.3	20 915	64.5	nc	nc
Recycling/recovery (disposal)	4 070	20.7	5 295	16.3	nc	nc
Comingle	863	4.4	840	2.6	nc	nc
Cardboard	3 207	16.3	4 455	13.7	nc	nc
Other	772	3.9	6 224	19.2	nc	nc
Food and garden organics (FOGO)	772	3.9	6 224	19.2	nc	nc
Percentage of office sites which are covered by dedicated collection services for [Indicator WR2]	–	–	–	nc	nc	nc
Printer cartridges	–	100.0	–	nc	nc	nc
Batteries	–	0	–	nc	nc	nc
E-waste	–	100.0	–	nc	nc	nc
Soft plastics	–	0	–	nc	nc	nc
Total units of waste disposed of normalised by FTE (kg/FTE) [Indicator WR3]	30.15	–	41.9	–	nc	nc
Recycling rate (%)	–	20.7	–	35.5	nc	nc
Greenhouse gas emissions associated with waste disposal (tonnes CO₂-e) [Indicator WR5]	19.23	–	27.2	–	nc	nc
Landfill	19.23	–	27.2	–	nc	nc

Note:

(a) 'nc' denotes 'not collected' in instances where data from previous reporting periods is not available. This is due to the changing key reporting indicators that came into effect in the 2022-23 reporting period.

Appendix 4 Statutory compliance and other information

Legislation administered by DTF portfolios

During the 2023–24 financial year, the General Order dated 5 December 2022 (in place at 1 July 2023, as varied by the Supplements to the General Order dated 13 December 2022 and 31 January 2023) was replaced by the General Order dated 2 October 2023.

Under the General Order dated 2 October 2023, the Assistant Treasurer became responsible for the *Victorian Independent Remuneration Tribunal and Improving Parliamentary Standards Act 2019*, noting Part 4 and section 36 of that Act are jointly and severally administered with the Premier. Previously, that Act was administered by the Minister for Government Services and the Premier. Further, responsibility for section 88 of the *Constitution Act 1975* insofar as it relates to the appointment of the Commissioner of Better Regulation with responsibility for providing independent advice in accordance with section 10(3) of the *Subordinate Legislation Act 1994* became jointly and severally shared between the Assistant Treasurer and the Treasurer. That section had previously been solely administered by the Assistant Treasurer.

Under the General Order dated 2 October 2023, the Treasurer also became responsible for sole administration of two new Acts: the *Gambling Taxation Act 2023*, which imposes various gambling taxes; and the *Victorian Future Fund Act 2023*, which establishes the Victorian Future Fund and sets out provisions for its administration.

There were no changes in responsibility for the Minister for WorkSafe and the TAC under the General Order dated 2 October 2023.

The General Order dated 2 October 2023 was then varied by the Supplement to the General Order effective 10 October 2023. This supplement did not change any responsibilities for DTF's Ministers. However, related machinery of government changes had the effect of providing that in addition to its existing role supporting the Treasurer, Assistant Treasurer and the Minister for WorkSafe and the TAC, the Department of Treasury and Finance also became responsible for supporting the Minister for Industrial Relations.

The General Order dated 2 October 2023 (as supplemented) was then further varied by the Supplement to the General Order dated 1 December 2023. Under this supplement, the *Sex Work Decriminalisation Act 2022* was added to the responsibilities of the Minister for WorkSafe and the TAC. This was previously administered by the Minister for Consumer Affairs.

The General Order dated 2 October 2023 (as supplemented) was replaced by the General Order dated 2 April 2024. This supplement did not change any responsibilities for DTF's Ministers.

For reporting purposes, the legislation administered by DTF's Ministers under the General Order dated 2 April 2024 has been included in the 2023–24 Annual Report. References to responsibilities of other Ministers are, for convenience, provided under their current titles.

For completeness, the *Commercial and Industrial Property Tax Reform Act 2024* became a new Act in the 2023–24 financial year following Royal Assent on 21 May 2024 that will be administered by the Treasurer in the 2023–24 financial year, but as it did not commence operation until 1 July 2024 it is not included in the list of administered legislation in the 2023–24 Annual Report.

Legislation administered as of 2 April 2024

Treasurer

Alcoa (Portland Aluminium Smelter) Act 1980

Appropriation Acts (passed annually)

Audit Act 1994 – except:

- Sections 10-13, 19, 22-28 and 57 (these sections are administered by the Assistant Treasurer)
- Sections 15, 78 and 84 (these sections are jointly and severally administered with the Assistant Treasurer)

Back to Work Act 2015

Bank Integration Act 1992

Borrowing and Investment Powers Act 1987

Business Franchise (Petroleum Products) Act 1979

Commonwealth Places (Mirror Taxes Administration) Act 1999

Competition Policy Reform (Victoria) Act 1995

Congestion Levy Act 2005

Constitution Act 1975 –

- Section 88 in so far as it relates to the appointment of the Commissioner with responsibility for providing independent advice in accordance with section 10(3) of the Subordinate Legislation Act 1994 and who, as at 1 April 2024, is known as the Commissioner for Economic Growth and Better Regulation (in so far as it relates to those matters, this section is jointly and severally administered with the Assistant Treasurer)

(The Act is otherwise administered by the Assistant Treasurer, the Attorney-General and the Premier)

Co-operative Housing Societies Act 1958

Delivering Victorian Infrastructure (Port of Melbourne Lease Transaction) Act 2016

Duties Act 2000

Educational Institutions (Guarantees) Act 1976

Electricity Industry (Residual Provisions) Act 1993

Financial Agreement Act 1994

Financial Management Act 1994 – except:

- Sections 1-3 and 7 (these provisions are jointly administered with the Assistant Treasurer)
- Parts 7, 7B, 8, sections 5, 6, 8, 13-16, 18-23(1), 27A-27C and 62-63 (these provisions are administered by the Assistant Treasurer)
- Part 7A (these provisions are administered by the Minister for Government Services)
- Part 7C and section 59 in so far as it relates to the prescription of a matter for the purposes of Part 7C (these provisions are jointly administered with the Assistant Treasurer)

Financial Sector Reform (Victoria) Act 1999

Fire Services Property Levy Act 2012

First Home Owner Grant Act 2000

Gambling Regulation Act 2003 –

- Section 3.4.33
- Section 4.3.12
- Section 6A.4.2
- Division 1 of Part 3 of Chapter 10
- Part 6A of Chapter 4

(The Act is otherwise administered by the Minister for Casino, Gaming and Liquor Regulation and the Minister for Racing)

Gambling Taxation Act 2023

Gas and Fuel Corporation (Heatane Gas) Act 1993

Gas Industry (Residual Provisions) Act 1994

Grain Handling and Storage Act 1995 – except:

- Part 3 (this Part is administered by the Minister for Agriculture)

Infrastructure Victoria Act 2015

Land Tax Act 2005

Loy Yang B Act 1992

Melbourne Cricket Club Act 1974

Monetary Units Act 2004

Mutual Recognition (Victoria) Act 1998

National Taxation Reform (Consequential Provisions) Act 2000

New Tax System Price Exploitation Code (Victoria) Act 1999

North East Link Act 2020 –

- Section 13(4) (this provision is jointly administered with the Minister for Transport Infrastructure)

(The Act is otherwise administered by the Minister for Transport Infrastructure)

Occupational Licensing National Law Repeal Act 2016

Parliamentary Budget Officer Act 2017

Payroll Tax Act 2007

Planning and Environment Act 1987 –

- Part 9B (this Part is jointly and severally administered with the Minister for Planning)

(The Act is otherwise administered by the Minister for Planning)

Port Management Act 1995 –

- Sections 160, 171 and 173

(The Act is otherwise administered by the Assistant Treasurer and the Minister for Ports and Freight)

Public Authorities (Dividends) Act 1983

Snowy Hydro Corporatisation Act 1997

State Bank (Succession of Commonwealth Bank) Act 1990

State Electricity Commission Act 1958 – except:

- Section 107 (this section is administered by the Minister for Energy and Resources)

(The Act is otherwise jointly and severally administered with the Minister for the State Electricity Commission)

State Owned Enterprises Act 1992 – except:

- Division 2 of Part 2 in so far as it relates to the CenITex (in so far as they relate to that matter, these provisions are administered by the Minister for Government Services)
- Division 2 of Part 2 in so far as it relates to the Victorian Plantations Corporation (in so far as they relate to that matter, these provisions are administered by the Minister for Environment)
- Division 2 of Part 2 in so far as it relates to the Water Training Centre (in so far as they relate to that matter, these provisions are administered by the Minister for Water)
- Division 2 of Part 2 and Part 3 in so far as they relate to the Victorian Interpreting and Translating Service (in so far as they relate to that matter, these provisions are administered by the Minister for Multicultural Affairs)

State Trustees (State Owned Company) Act 1994 – except:

- Part 4 (this Part is jointly and severally administered by the Minister for Children and the Minister for Disability)

Taxation Administration Act 1997

Taxation (Interest on Overpayments) Act 1986

Trans-Tasman Mutual Recognition (Victoria) Act 1998

Treasury Corporation of Victoria Act 1992

Trustee Companies Act 1984 –

- The Act is jointly administered with the Attorney-General

Victorian Funds Management Corporation Act 1994

Victorian Future Fund Act 2023

Windfall Gains Tax and State Taxation and Other Acts Further Amendment Act 2021

Workers Compensation Act 1958 –

- Division 8 of Part 1

(The Act is otherwise administered by the Minister for WorkSafe and the TAC)

Assistant Treasurer

Audit Act 1994 –

- Sections 10-13, 19, 22-28 and 57
- Sections 15, 78 and 84 (these sections are jointly and severally administered with the Treasurer)

(The Act is otherwise administered by the Treasurer)

Casino Control Act 1991 –

- Section 128K(2)

(The Act is otherwise administered by the Minister for Casino, Gaming and Liquor Regulation and the Minister for Planning)

Coal Mines (Pensions) Act 1958

Constitution Act 1975 –

- Section 88 in so far as it relates to the appointment of the Commissioner with responsibility for providing independent advice in accordance with section 10(3) of the Subordinate Legislation Act 1994 and who, as at 1 April 2024, is known as the Commissioner for Economic Growth and Better Regulation (in so far as it relates to those matters, this section is jointly and severally administered with the Treasurer)

(The Act is otherwise administered by the Attorney-General, the Premier and the Treasurer)

Crown Land (Reserves) Act 1978 –

- In so far as it relates to the land shown as:
 - Crown Allotments 2A, 3 and 4 of Section 5, City of Melbourne, Parish of Melbourne North (Parish Plan No. 5514C) and known as the Treasury Reserve
 - Crown Allotments 4A and 4B on Certified Plan 111284 lodged with the Central Plan Office and to be known as the Old Treasury Building Reserve

(The Act is otherwise administered by the Minister for Corrections, the Minister for Environment, the Minister for Health, the Minister for Planning, the Minister for Ports and Freight, the Minister for Tourism, Sport and Major Events and the Premier)

Emergency Services Superannuation Act 1986

Essential Services Commission Act 2001

Financial Management Act 1994 –

- Sections 1-3 and 7 (these provisions are jointly administered with the Treasurer)
- Part 7, Part 7B, Part 8, sections 5, 6, 8, 13-16, 18-23(1), 27A-27C and 62-63
- Part 7C and section 59 in so far as it relates to the prescription of a matter for the purposes of Part 7C (these provisions are jointly administered with the Treasurer)

(The Act is otherwise administered by the Minister for Government Services and the Treasurer)

Government Superannuation Act 1999

Housing Act 1983 –

- Divisions 1-5, 7-9 of Part VIII, Schedules 7 and 8
- Sections 143(1), 143(2)(d), 143(2)(e), 143(2)(f), 143(2)(i) and 143(3) (these provisions are jointly and severally administered with the Minister for Housing)

(The Act is otherwise administered by the Minister for Housing)

Interpretation of Legislation Act 1984 –

- Sections 38M to 38P (these sections are jointly and severally administered with the Attorney-General)
- Section 65 in so far as it relates to the prescription of a matter for the purposes of sections 38M-to 38P (in so far as it relates to those matters, this section is jointly and severally administered with the Attorney-General)

Land Act 1958 –

- In so far as it relates to the exercise of powers relating to leases and licences under Subdivisions 1 and 2 of Division 9 of Part I in respect of:
 - land in the Melbourne Casino area within the meaning of Part 9A of the Casino Control Act 1991
 - Crown land coloured brown on Plans numbered LEGL./93-211, LEGL./93-212, LEGL./93-213, LEGL./93-214 and LEGL./93-215 lodged in the Central Plan Office
 - land shown as Crown Allotment 32E, Section 7 on Certified Plan No. 108871 lodged in the Central Plan Office
 - land shown as Crown Allotment 4A, Section 1A on Certified Plan No. 75050 lodged in the Central Plan Office

- land shown as Crown Allotment 4D, Section 1A on Certified Plan No. 112128 lodged in the Central Plan Office
- the area of 3643 square metres of land in the city of Port Melbourne as shown on Plan LEGL./96-216 lodged in the Central Plan Office
- land shown as Crown Allotment 4, Section 1A on Certified Plan No. 109991 lodged in the Central Plan Office
- Division 6 of Part I, Subdivision 3 of Division 9 of Part I, section 209 and the remainder of the Act where it relates to the sale and alienation of Crown Lands as set out in Administrative Arrangements Order No. 58
- Sections 201, 201A and 399 except in so far as they relate to the land described as Crown Allotment 16 of Section 5, Elwood, Parish of Prahran being the site of the former Elwood Police Station (except in so far as they relate to that land, these provisions are jointly administered with the Minister for Environment)
- Sections 201, 201A and 399 in so far as they relate to the land described as Crown Allotment 16 of Section 5, Elwood, Parish of Prahran being the site of the former Elwood Police Station (in so far as they relate to that land, these provisions are jointly administered with the Attorney-General)

(The Act is otherwise administered by the Attorney-General, the Minister for Corrections, the Minister for Creative Industries, the Minister for Environment, the Minister for Government Services, the Minister for Health, the Minister for Health Infrastructure, the Minister for Ports and Freight and the Minister for Roads and Road Safety)

Parliamentary Salaries, Allowances and Superannuation Act 1968 –

- Sections 6(6), 9K(3), 9K(5) and 9L
- Part 3

(The Act is otherwise administered by the Premier)

Petroleum Products Subsidy Act 1965

Police Regulation (Pensions) Act 1958 –

- Part III
- (The Act is otherwise administered by the Minister for Police)

Port Management Act 1995 –

- Sections 63A-63J
- (The Act is otherwise administered by the Minister for Ports and Freight and the Treasurer)

Project Development and Construction Management Act 1994 –

- Part 4
- (The Act is otherwise administered by the Minister for Planning, the Minister for Precincts and the Premier)

State Employees Retirement Benefits Act 1979

State Superannuation Act 1988

Superannuation (Portability) Act 1989

Transport Superannuation Act 1988

Unclaimed Money Act 2008

Victorian Independent Remuneration Tribunal and Improving Parliamentary Standards Act 2019 – except:

- Part 4 and section 36 (these provisions are jointly and severally administered with the Premier)

Victorian Managed Insurance Authority Act 1996

Workplace Injury Rehabilitation and Compensation Act 2013 –

- Sections 492-495 in so far as they relate to WorkSafe's budget, financial reporting and management of the WorkCover Authority Fund (in so far as they relate to those matters, these sections are jointly administered with the Minister for WorkSafe and the TAC)
- Sections 515-518 (these sections are jointly administered with the Minister for WorkSafe and the AC)

(The Act is otherwise administered by the Attorney-General and the Minister for WorkSafe and the TAC)

Minister for Industrial Relations

Child Employment Act 2003
Construction Industry Long Service Leave Act 1997
Fair Work (Commonwealth Powers) Act 2009
Labour Hire Licensing Act 2018
Long Service Leave Act 2018
Long Service Benefits Portability Act 2018
Outworkers (Improved Protection) Act 2003
Owner Drivers and Forestry Contractors Act 2005
Public Sector Employment (Award Entitlements) Act 2006
Trade Unions Act 1958
Wage Theft Act 2020

Minister for WorkSafe and the TAC

Accident Compensation Act 1985
Accident Compensation (Occupational Health and Safety) Act 1996
Asbestos Diseases Compensation Act 2008
Dangerous Goods Act 1985
Equipment (Public Safety) Act 1994
Occupational Health and Safety Act 2004
Sex Work Decriminalisation Act 2022
Transport Accident Act 1986 – except:

- Sections 11-14 in so far as they relate to the Transport Accident Commission's budget, financial reporting and management of the Transport Accident Fund (in so far as they relate to those matters, these sections are jointly administered with the Minister for Roads and Road Safety)
- Sections 29, 29A and 29B (these sections are jointly administered with the Minister for Roads and Road Safety)

(The Act is otherwise administered jointly and severally with the Minister for Roads and Road Safety)

Workers Compensation Act 1958 – except:

- Division 8 of Part 1 (this Division is administered by the Treasurer)

Workplace Injury Rehabilitation and Compensation Act 2013 – except:

- Division 1 of Part 6 (this Division is administered by the Attorney-General)
- Sections 492-495 in so far as they relate to WorkSafe's budget, financial reporting and management of the WorkCover Authority Fund (in so far as they relate to those matters, these sections are jointly administered with the Assistant Treasurer)
- Sections 515-518 (these sections are jointly administered with the Assistant Treasurer)

Local Jobs First

The *Local Jobs First Act 2003* introduced in August 2018 brings together the Victorian Industry Participation Policy (VIPP) and Major Project Skills Guarantee (MPSG) policy which were previously administered separately.

Departments and public sector bodies are required to apply the Local Jobs First policy in all projects valued at \$3 million or more in metropolitan Melbourne or for statewide projects, or \$1 million or more for projects in regional Victoria.

MPSG applies to all construction projects valued at \$20 million or more.

The MPSG guidelines and VIPP guidelines will continue to apply to MPSG applicable and VIPP applicable projects respectively where contracts have been entered into prior to 15 August 2018.

During 2023-24, the Department of Treasury and Finance did not commence any Local Jobs First Standard Projects.

During 2023-24 DTF did not complete any Local Jobs First Standard Projects.

There were no strategic projects commenced or completed and the MPSG did not apply to any of DTF's Local Jobs First projects.

Implementation of the Social Procurement Framework

Victoria is committed to social procurement and has established the Social Procurement Framework.

The Framework enables buyers and suppliers to use government buying power to deliver social, economic and environmental outcomes that benefit the Victorian community, the economy and the environment.

DTF has a social procurement strategy that outlines its approach to implementing the Framework, which was implemented late 2018.

In 2023-24, DTF continued to prioritise the following Social Procurement Framework objectives:

- opportunities for Victorian Aboriginal people
- opportunities for Victorians with disability
- women's equality and safety
- opportunities for disadvantaged Victorians
- supporting safe and fair workplaces
- sustainable Victorian social enterprises and Aboriginal business sectors.

In its strategy, DTF has also identified a number of opportunities for increasing its direct social procurement. These included:

- identifying social benefit suppliers through the print state purchase contract
- identifying social benefit suppliers for use in strategic communications work
- continuing to use social enterprises for group training.

The previously published strategies of ensuring that at least 50 per cent of any catering be procured through social benefit suppliers and increasing the use of social benefit suppliers for venue hire, have continued to be challenging to implement in a hybrid work from home environment.

Education and advice for procuring teams continued during 2023-24, supporting key decision makers to understand the important principles and requirements of the Framework. This resulted in social procurement priorities being included in supplier selection and contract awarding procedures. In turn this has contributed to driving supplier commitment to social procurement objectives through indirect procurement for both state purchase contracts managed by the Department as well as in individual business procurement engagements.

Social procurement metric	Expenditure \$'000	No. of businesses engaged
Total spend with Victorian Aboriginal businesses	788.696	5
Total spend with Victorian social enterprises led by a mission for people with disability and Australian Disability Enterprises	5.946	2
Total spend with Victorian social enterprises led by a mission for the disadvantaged	0	0
Total spend with social enterprises	794.642	7

Disclosure of government advertising expenditure

In 2023-24, there were no government advertising campaigns with a total media spend of \$100 000 or greater (exclusive of GST).

Consultancy expenditure

Details of consultancies (valued at \$10 000 or greater)

In 2023–24 there were 74 consultancies engaged with a total approved value at \$10 000 or greater. The total expenditure incurred during 2023–24 in relation to these consultancies was \$10.316 million (excluding GST). Details of consultancies are listed below.

Consultant engaged	Purpose of consultancy	Total approved project fee (excl. GST) (\$)	Expenditure 2023–24 (excl. GST) (\$)	Future expenditure (excl. GST) (\$)
Aalto Pty Ltd	Professional services	121 740	40 830	–
Ad Astra Pty Ltd	Commercial and transaction advice	2 027 273	1 708 150	319
Ashurst Australia Pty Ltd	Professional services	10 000	10 000	–
Australian National University	Academic consultancy to inform Victoria's development of proposals to improve the Commonwealth Grant Commission's justice assessment method	78 258	78 258	–
CBRE (GCS) Pty Ltd	Property adviser engaged to support Round Two of the Build and Operate Program (BOP) under the Social Housing Growth Fund (SHGF).	148 745	10 473	48 007
CBRE (GCS) Pty Ltd	Property advisory services to support the Regional Round, Mental Health Supported Housing Round and Homes for Aboriginal Victorians Round of the Social Housing Growth Fund.	572 727	67 372	51 009
Centre for Evidence and Implementation Ltd	Provision of research papers 2 and 3 for the Early Intervention Investment Framework (EIIF).	62 000	62 000	–
Centre for Excellence in Child & Family Welfare Inc	Social Policy Centre for Excellence research	56 100	56 100	–
Centre for Public Impact	DTF SEG Leadership Training	65 370	–	46 200
Centre of Policy Studies, Victoria University	Budget sensitivity analysis economic modelling	223 636	45 000	–
Clayton Utz	Commercial and transaction advice	355 290	326 511	28 779
Deloitte	Evaluation of Side by Side Partnership Addressing Disadvantage	702 818	130 290	185 985
Deloitte Touche Tohmatsu	Engagement for Deloitte to provide commercial and financial advisory services to support Phase 3 of the Building the Financial Capacity of Housing Agencies initiative.	1 340 207	374 517	145 455
Deloitte Touche Tohmatsu	Estimate the economic benefits of the early education reforms.	184 894	139 439	45 455
Deloitte Touche Tohmatsu	Commercial and financial advisory services to support the implementation of Affordable Housing Investment Partnerships (AHIP) (Phase 4)	454 545	–	454 545
E3 Advisory Pty Ltd	Assurance review	246 745	246 718	–
E3 Advisory Pty Ltd	Assurance review	454 545	97 813	356 733

Consultant engaged	Purpose of consultancy	Total approved project fee (excl. GST) (\$)	Expenditure 2023–24 (excl. GST) (\$)	Future expenditure (excl. GST) (\$)
Ernst & Young	Professional services	227 273	4 200	–
Ernst & Young	Provision of prudential supervision services for Treasury Corporation of Victoria (TCV)	700 000	50 000	250 000
Ernst & Young	Update price forecasting model and research	115 994	115 994	–
Ernst & Young	Commercial and transaction advice	120 000	120 000	–
Finity Consulting Pty Ltd	Insurance market analysis and consumer research. Services for the collection and provision of premium and coverage data, and consumer behaviour and attitudes related to insurance for catastrophic events.	267 660	260 160	–
Grosvenor Performance Group Pty Ltd	Advisory services for shared equity schemes	227 697	227 697	–
Impact Economics and Policy Pty Ltd	Firm-level analysis of the gender pay gap in Victoria	273 700	65 900	207 800
Insight Economics	Financial modelling and funding options	181 183	63 229	90 697
King & Wood Mallesons	Legal services to support development of the Arc Partnerships Addressing Disadvantage	121 500	8 892	–
KPMG	Commercial and transaction advice	282 063	–	282 063
KPMG	Commercial and transaction advice	259 087	244 561	14 526
KPMG	Professional advisory services for the development of model legislative provisions	246 071	52 353	193 718
KPMG	in regulatory reform	160 000	30 000	130 000
KPMG	Independent evaluation for Partnerships Addressing Disadvantage	431 393	157 024	–
KPMG	Commercial and transaction advice	1 431 485	746 840	684 645
KPMG	Commercial and transaction advice	1 156 039	53 931	1 102 108
KPMG Financial Services Consulting Pty Ltd	Commercial and financial adviser engagement to support Round Two of the Build and Operate Program (BOP) under the Social Housing Growth Fund (SHGF).	462 500	91 200	10 642
KPMG Financial Services Consulting Pty Ltd	Commercial and financial advisory services to support the regional and mental health rounds of the Social Housing Growth Fund Grants Rounds.	1 011 691	–	21 411
KPMG Financial Services Consulting Pty Ltd	Commercial and financial advisory services to support the Commonwealth Co-Investment Program and the Affordable Housing Partnerships Program.	1 077 000	163 468	913 532
M21 Advisory Pty Ltd	VGW Valuations Adviser to support Round Two of the Build and Operate Program (BOP) under the Social Housing Growth Fund (SHGF).	44 173	–	20 363

Consultant engaged	Purpose of consultancy	Total approved project fee (excl. GST) (\$)	Expenditure 2023–24 (excl. GST) (\$)	Future expenditure (excl. GST) (\$)
M21 Advisory Pty Ltd	Draft instructions for the Valuer General Victoria to support the Regional Round, Mental Health Supported Housing Round, and Homes for Aboriginal Victorians Round of the Social Housing Growth Fund Grants Rounds	136 364	12 316	25 594
M21 Advisory Pty Ltd	Draft instructions for the Valuer General Victoria to support the Partnership Programs under the Social Housing Growth Fund	72 220	12 605	59 615
Marsden Jacob Associates Pty Ltd	Professional advisory services for the delivery of two Fast Track Reviews as part of the Regulatory Reform Agenda; pilots and guides for the Victorian Permissions Framework and implementation of the Victorian Fit and Proper Test Framework.	249 880	193 423	–
Mercer Consulting (Australia) Pty Ltd	Executive remuneration benchmarking and advice	89 370	89 370	–
Mercer Consulting (Australia) Pty Ltd	Superannuation related financial reporting services	109 090	20 000	89 090
MinterEllison	Professional services	240 336	35 000	–
MinterEllison	Commercial and transaction advice	100 000	83 458	16 542
MinterEllison	Commercial and transaction advice	572 000	71 050	500 950
Nous Group Pty Ltd	Professional advisory services for the delivery of one Fast Track Review as part of the Regulatory Reform Agenda.	220 000	147 000	–
Nous Group Pty Ltd	Professional advisory services to review the Occupational Health and Safety Regulations 2017 (Regulations) Chapter 7A, relating to the governance and operations of the Workplace Incidents Consultative Committee (WICC), as required under regulation 553O	129 000	51 600	–
Nous Group Pty Ltd	Regulatory Reform Program	1 980 317	993 760	–
Nous Group Pty Ltd	Digitally Ready Regulators	387 000	318 182	68 818
PricewaterhouseCoopers	Advisory services for housing market	272 272	91 324	181 403
PricewaterhouseCoopers	Commercial and financial advisory services to support the Homes for Aboriginal Victorians Round of the Social Housing Growth Fund.	892 140	162 924	300 215
PricewaterhouseCoopers Securities Ltd	Superannuation related financial reporting services	424 064	39 270	384 794
Rider Levett Bucknall Victoria Pty Ltd	Commercial and transaction advice (Social Housing Growth Fund)	431 818	284 339	147 479
Right Lane Consulting Pty Ltd	Organisational change and transition - Commercial & OPV	195 100	104 355	90 745
Right Lane Consulting Pty Ltd	Organisational change and transition - DTF	283 448	–	283 448
Sapere Research Group Limited	General professional advice	239 800	23 980	–

Consultant engaged	Purpose of consultancy	Total approved project fee (excl. GST) (\$)	Expenditure 2023–24 (excl. GST) (\$)	Future expenditure (excl. GST) (\$)
Sapere Research Group Limited	Professional advisory services to deliver a review into emerging technologies in receipts	198 683	49 671	–
Sapere Research Group Limited	BAF oversight	1 222 867	124 743	1 098 125
Sapere Research Group Limited	Review of the Building Financial Capacity of Housing Agencies (BFCHA) initiative	199 590	159 662	–
SenateSHJ	Services to support the delivery of the Early Intervention and Social Investment Summit	45 394	45 394	–
SenateSHJ	Commercial and transaction advice	193 926	172 954	20 972
Social Ventures Australia Pty Ltd	Resource development to support social services sector engagement with investors on Partnerships Addressing Disadvantage and social investments	19 958	19 958	–
Three Thirds Group Pty Ltd	Planning and design advisory services to support the Social Housing Growth Fund Homes for Aboriginal Victorians Round (HfAVR).	450 000	229 250	7 125
Three Thirds Group Pty Ltd	Provide expert planning and urban design services to support the Commonwealth Co-Investment Program and the Affordable Housing Partnership Program	141 875	65 250	76 625
Titanium Advisory Pty Ltd	Advisory Services	146 364	50 222	96 141
Tract Consultants Pty Ltd	Town planning and design services to support the next rounds of the Social Housing Growth Fund	605 044	234 706	111 671
Tract Consultants Pty Ltd	Provide expert planning and urban design services to support the Commonwealth Co-Investment Program and the Affordable Housing Partnership Program	161 025	93 351	67 673
Turner & Townsend Pty Ltd	Assurance review	54 400	54 400	–
University of Melbourne	Research into health	92 300	20 000	72 300
University of Western Australia	The 'true' gender pay gap: A Victorian remuneration profile and benchmark	227 235	227 235	–
Urbis Pty Ltd	Independent evaluation for Living Learning Partnerships Addressing Disadvantage	535 554	40 167	200 833
Urbis Pty Ltd	Independent evaluation for the COMPASS Partnerships Addressing Disadvantage	509 091	72 441	61 733
Victorian Aboriginal Child Care Agency	Services to enable a partnership between VACCA and DTF to develop a EILF Cultural Safety Framework	68 000	34 000	34 000
Victorian Council of Social Service	Independent research and advice on how early intervention proposals can be co-designed between the service delivery sector and Departments	40 000	40 000	–
Total		27 837 380	10 316 278	9 279 882

Details of consultancies under \$10 000

In 2023–24 there were 3 consultancies engaged with a total approved value at less than \$10 000. The total expenditure incurred during 2023–24 in relation to these consultancies was \$12 297 (excluding GST).

Reviews and studies expenditure

Details of reviews and studies

During 2023–24, there were 20 reviews and studies undertaken. The total expenditure incurred during 2023–24 was \$2.048 million (excluding GST). Details of individual reviews and studies are outlined below.

Name of the review (portfolio(s) and output(s)/agency responsible)	Reasons for review/study	Terms of reference/scope	Anticipated outcomes	Estimated cost for the year (excl. GST) (\$)	Final cost if completed (excl. GST) (\$)	Publicly available (Y/N) and URL
Academic for Commonwealth Grants Commission (CGC) methodology	To inform Victoria's development of proposals to improve the CGC's justice assessment method	Review the GST distribution methodology related to Justice expenditure and propose changes	The consultant proposes evidence-based changes to the CGC's Justice assessment methodology to support the achievement of horizontal fiscal equalisation in the CGC's justice assessment	78 258	78 258	Y Commonwealth Grants Commission's Justice assessment method
Centre for Excellence in Child and Family Welfare (CFECFW)	To undertake public consultation and provide advice on how collaboration between central government, line departments and the sector better support implementation of Early Intervention Investment Framework (EIIF)	CFECFW to prepare a policy paper	Greater collaboration between government and the social services sector to develop and implement EIIF initiatives	56 100	56 100	Y Considerations for successful implementation of EIIF - a service sector perspective (CFECFW).pdf
Collaboration on the Early Intervention Investment Framework (EIIF): Recommendations and toolkit	To undertake independent research and prepare advice on how early intervention proposals can be co-designed between the service delivery sector and Departments	VCOSS to prepare a policy paper and practical toolkit.	Greater collaboration between departments and the sector on early intervention proposals Stronger program outcome measurement More robust early intervention proposals	40 000	40 000	Y Collaboration on EIIF recommendations and toolkit.pdf

Name of the review (portfolio(s) and output(s)/agency responsible)	Reasons for review/study	Terms of reference/scope	Anticipated outcomes	Estimated cost for the year (excl. GST) (\$)	Final cost if completed (excl. GST) (\$)	Publicly available (Y/N) and URL
Embedding cultural safety through the Early Intervention Investment Framework (EIIF)	To provide a framework that considers, recognises and incorporate cultural safety into the EIIF	The Victorian Aboriginal Child and Community Agency to lead consultations with ACCOs and service providers and work collaboratively with DTF to develop the Cultural Safety Framework.	Culturally safe partnerships Improved design and implementation of EIIF programs Contribute to advancing self-determination	34 000	68 000	In progress
Engagement of the Sapere Research Group to undertake a review of the Building Financial Capacity of Housing Agencies (BFCHA) initiative	DTF commissioned Sapere Research Group Pty Ltd in April 2023 to evaluate the effectiveness of BFCHA initiative and identify opportunities to refine and improve the program to further support the supply of social and affordable housing and the value for money outcomes generated by the initiative Funding to discharge the evaluation was provided in the 2022-23 Budget	The evaluation sought to address: The efficiency and effectiveness of the procurement process, including scheme governance and administration arrangements The extent of uplift or improvement in the commercial capability and capacity of the community housing sector The perceptions of government, including DTF and TCV, in administering the BFCHA initiative Commentary on broad eligibility criteria, including how the scheme can enhance institutional investment in social housing A review of the loans approved and drawn down and extent to which loans have generated savings for government (and CHAs) and broader value for money outcomes, and The outcomes achieved through the provision of low interest loans and government guarantees	Evaluation outcomes are provided in section 5 of the final Evaluation Report	159 672	199 590	Y Evaluation of the Building Financial Capacity in Housing agencies.pdf

Name of the review (portfolio(s) and output(s)/agency responsible)	Reasons for review/study	Terms of reference/scope	Anticipated outcomes	Estimated cost for the year (excl. GST) (\$)	Final cost if completed (excl. GST) (\$)	Publicly available (Y/N) and URL
Finity Consulting Pty Ltd Insurance Market analysis and consumer research	To support the consumer awareness campaign for home insurance commissioned as part of a broader response to the late 2022 floods	Services for the collection and provision of premium and coverage data, and consumer behaviour and attitudes related to insurance for catastrophic events	The research is being used to inform a consumer awareness and education campaign. It will also be used to inform broader policy decisions in relation to appropriate disaster responses	260 160	267 660	N
Firm-level analysis of the gender pay gap in Victoria	To undertake primary research on firm behaviour and gather insights from academic literature to inform policy-making and advocacy on matters relating to gender pay equity	Investigate how business decision-making responds to cultural norms and impacts firm level progress on pay equity and gender equality	More informed policy-making and advocacy on matters relating to gender pay equity	65 900	273 700	Y www.vic.gov.au/equal-workplaces-advisory-council
Improving investor engagement for the social services sector – Guidance paper	Resource development to support social services sector engagement with investors on Partnerships Addressing Disadvantage and social investments	Anglicare Victoria to prepare a report on experiences and insights engaging with investors	Build deeper investor engagement capabilities to improve future Partnerships Addressing Disadvantages and social impact investments	4 786	4 786	Y Impact investment - The COMPASS Experience - Anglicare Victoria's experience in raising capital for the Compass Social Impact Bonds.pdf
Improving investor engagement for the social services sector – Guidance paper	Resource development to support social services sector engagement with investors on Partnerships Addressing Disadvantage and social investments	Social Ventures Australia to prepare a report on experiences and insights engaging with investors	Build deeper investor engagement capabilities to improve future Partnerships Addressing Disadvantages and social impact investments.	19 958	19 958	Y Guidance for the social services sector on engaging investors.pdf
Independent evaluation for Living Learning Partnerships Addressing Disadvantage	To undertake independent evaluation of the Living Learning Partnerships Addressing Disadvantage and provide broader policy learnings	Urbis to prepare a series of evaluation reports	Better program implementation and more robust evidence space for broader government policies	40 167	535 554	Y www.dtf.vic.gov.au/partnerships-addressing-disadvantage/investments-underway
Independent evaluation for the COMPASS Partnerships Addressing Disadvantage	To undertake independent evaluation of the COMPASS Partnerships Addressing Disadvantage and provide broader policy learnings	Urbis to prepare a series of evaluation reports	Better program implementation and more robust evidence space for broader government policies	72 441	509 091	In progress

Name of the review (portfolio(s) and output(s)/agency responsible)	Reasons for review/study	Terms of reference/scope	Anticipated outcomes	Estimated cost for the year (excl. GST) (\$)	Final cost if completed (excl. GST) (\$)	Publicly available (Y/N) and URL
Independent evaluation for the Journey to Social Inclusion Partnerships Addressing Disadvantage	To undertake independent evaluation of the Journey to Social Inclusion Partnerships Addressing Disadvantage and provide broader policy learnings	KPMG to prepare a series of evaluation reports	Better program implementation and more robust evidence space for broader government policies	157 024	431 393	In progress
Independent evaluation for the Side by Side Partnerships Addressing Disadvantage	To undertake independent evaluation of the Side by Side Partnerships Addressing Disadvantage and provide broader policy learnings	Deloitte to prepare a series of evaluation reports	Better program implementation and more robust evidence space for broader government policies	130 290	702 819	In progress
Delivery of pilots and guides for the Victorian Permissions Framework and implement the Victorian Fit and Proper Test Framework	To develop supporting guides and pilot the Victorian Permissions Framework. Development of supporting products To implement the Victorian Fit and Proper Test Framework, and develop supporting products	Marsden Jacobs to deliver two Fast Track Reviews Delivery of pilots and two guides to support Victorian Permissions Framework Implementation of the Victorian Fit and Proper Test Framework, and development of supporting products Delivery of pilots and workshops with regulators to assist development of fit-for-purpose products.	Publishing of the Victorian Permissions Framework and Victorian Fit and Proper Test Framework, assisting policy makers and regulators in designing, assessing and managing permissions, including Fit and Proper Tests	193 423	249 880	Y www.vic.gov.au/victorian-permissions-framework-guidance
Nous Group Pty Ltd professional advisory services for the delivery of one Fast Track Review as part of the Regulatory Reform Agenda	To refine a standardised approach to Fit and Proper Tests in the Victorian context	Development of a draft Framework to support a standardised approach to Fit and Proper Tests, supporting by research and stakeholder engagement.	A deeper understanding of pain points associated with Fit and Proper Tests and a roadmap for mitigation.	147 000	220 000	N

Name of the review (portfolio(s) and output(s)/agency responsible)	Reasons for review/study	Terms of reference/scope	Anticipated outcomes	Estimated cost for the year (excl. GST) (\$)	Final cost if completed (excl. GST) (\$)	Publicly available (Y/N) and URL
Nous Group Pty Ltd were engaged to provide professional advisory services to review the Occupational Health and Safety Regulations 2017 (Regulations) Chapter 7A, relating to the governance and operations of the Workplace Incidents Consultative Committee (WICC), as required under regulation 553O	Required under regulation 553O of the Occupational Health and Safety Regulations 2017	To assess the effectiveness of the Regulations in supporting the WICC to deliver its legislated role, and to make any recommendations for how the Regulations or other operating materials should be strengthened to better support this	Enhanced operational settings for the WICC	51 600	129 000	N
Centre for Evidence and Implementation research for the Early Intervention Investment Framework (EIIF)	To provide expert advice on how to measure early intervention effectiveness and how to embed measurement across government.	Centre for Evidence and Implementation to prepare one policy paper on measuring effectiveness and one paper on embedding measurement.	Improved measurement of early intervention effectiveness across government.	62 000	62 000	N
Advisory services for shared equity schemes	To support ongoing oversight, management of risk and continuous improvement of shared equity schemes.	Provision of advice to DTF regarding opportunities to enhance the achievement of objectives of shared equity schemes	Report containing advice and ideas for continuous improvement of the scheme, related to policy improvement, risk mitigation and governance arrangements.	227 697	227 697	N
Effectiveness of Community Health Programs	Research paper to build evidence base for patient and system outcomes resulting from community health programs	Use linked data to understand impact of community health on the population who use it	Research paper outlining any findings on whether community health results in improved health outcomes and reduces hospitalisations	20 000	92 300	In progress
The 'true' gender pay gap: A Victorian remuneration profile and benchmark	To gather and analyse Victorian specific data and insights from academic literature to inform policy-making and advocacy on matters relating to gender pay equity	Examine different approaches and data to measure gender pay gaps in Victoria.	More informed policy-making and advocacy on matters relating to gender pay equity.	227 235	227 235	Y www.vic.gov.au/equal-workplaces-advisory-council

Information and communication technology expenditure

Details of information and communication technology expenditure

ICT expenditure refers to the Department's costs in providing business-enabling ICT services within the current reporting period. It comprises business as usual (BAU) ICT expenditure and non-business as usual (non-BAU) ICT expenditure. Non-BAU ICT expenditure relates to extending or enhancing the Department's current ICT capabilities. BAU ICT expenditure is all remaining ICT expenditure which primarily relates to ongoing activities to operate and maintain the current ICT capability.

For the 2023-24 reporting period, the Department had a total ICT expenditure of \$66 325 million with the details shown below.

	\$'000
Business as usual (BAU) ICT expenditure	32 146
Non-business as usual (non-BAU) ICT expenditure consisting of:	34 178
Operational expenditure	20 208
Capital expenditure	13 970

Disclosure of major contracts

The Department has disclosed, in accordance with the requirements of government policy and accompanying guidelines, all contracts greater than \$10 million in value entered into during the financial year ended 30 June 2024. Details of contracts that have been disclosed in the Victorian Government Contracts Publishing System can be viewed at: www.tenders.vic.gov.au.

Contractual details have not been disclosed for contracts where disclosure is exempted under the *Freedom of Information Act 1982* (the Act) and/or government guidelines.

Specific contract information has not been disclosed for contracts where such information is withheld under the *Freedom of Information Act 1982* (Vic) (FOI Act) or other laws or government policies.

Freedom of Information

The FOI Act allows the public a right of access to documents held by the Department. The purpose of the Act is to extend as far as possible the right of the community to access information held by government departments, local councils, Ministers and other bodies subject to the Act.

An applicant has a right to apply for access to documents held by a department. This comprises documents both created by the department or supplied to the department by an external organisation or individual, and may also include maps, films, microfiche, photographs, computer printouts, computer discs, tape recordings and videotapes. Information about the type of material produced by the Department is available on the Department's website under its Part II Information Statement.

The Act allows a department to refuse access, either fully or partially, to certain documents or information. Examples of documents that may not be accessed include cabinet documents; some internal working documents; law enforcement documents; documents covered by legal professional privilege, such as legal advice; personal information about other people; and information provided to a department in confidence and information that is confidential under another Act.

Under the Act, the FOI processing time for requests received is 30 calendar days. However, when external consultation is required under ss29, 29A, 31, 31A, 33, 34 or 35, a 15-day automatic extension applies. Processing time may also be extended by periods of up to 30 days, in consultation with the applicant. With the applicant's agreement this may occur any number of times. However, obtaining an applicant's agreement for an extension cannot occur after the expiry of the timeframe for deciding a request.

If an applicant is not satisfied by a decision made by the Department, under section 49A of the Act, they have the right to seek a review by the Office of the Victorian Information Commissioner (OVIC) within 28 days of receiving a decision letter.

Making a request

FOI requests can be lodged online at online.foi.vic.gov.au. An application fee of \$32.70 applies. Access charges may also be payable if the document pool is large and the search for material time consuming.

Access to documents can also be obtained through a written request to the Department's Freedom of Information team, as detailed in section 17 of the Act.

When making an FOI request, applicants should ensure requests are in writing, clearly identify what types of material/documents are being sought and be accompanied by the application fee to be a valid request.

Requests for documents in the possession of the Department of Treasury and Finance can be made online by visiting <https://online.foi.vic.gov.au/>

Alternatively, requests should be addressed to:

Freedom of Information Officer
Department of Treasury and Finance
GPO Box 4379
Melbourne VIC 3001

Enquiries can be made to the department's FOI Unit via email at foidtf@dtf.vic.gov.au.

Requests for documents held by the department's portfolio statutory bodies that are subject to FOI, should be sent directly to the relevant statutory body. A list of the department's statutory bodies can be found at www.dtf.vic.gov.au/about-us/agencies-affiliates-and-entities

FOI statistics/timeliness

During 2023-2024, the Department received 73 FOI applications. Of these requests, 40 were from members of Parliament, 14 from the media, and the remainder from the general public.

The Department made 50 FOI decisions during the 12 months ended 30 June 2024.

There were 29 decisions made within the statutory time periods. Of requests finalised, the average number of days over the statutory time (including extended timeframes) to decide the request was 7 days. Of the decisions made outside time, 16 were made within a further 45 days and 5 decisions were made outside the further 45 days.

Of the decisions made, 5 granted access to documents in full, 40 granted access in part and 5 denied access in full. In 30 of the decisions, mandatory extensions were applied or extensions were agreed upon by the applicant.

During 2023-24, 17 requests were subject to a complaint/internal review by the Office of the Victorian Information Commissioner, and two matters progressed to the Victorian Civil and Administrative Tribunal (VCAT).

Further information

Further information regarding the operation of FOI can be found at www.ovic.vic.gov.au.

Community Support Fund

The Community Support Fund (CSF) is a trust fund that directs a portion of gaming revenue back into the community. It was established in 1991 and is governed by the *Gambling Regulation Act 2003*.

As prescribed by the legislation, the CSF receives 8.33 per cent of the revenue generated from electronic gaming machines in hotels. Any interest earned on the balance of the trust fund is retained by the CSF.

The Government can allocate funding from the CSF to a range of initiatives, which are administered by departments. Funded initiatives must be consistent with the purposes of the legislation.

Programs that tackle problem gambling are the first call on funds from the CSF. The *Victorian Responsible Gambling Foundation Act 2011* gives effect to the Government's problem gambling policy. This legislation provides the basis on which funds will be transferred from the CSF to the Responsible Gambling Fund to reduce the prevalence and severity of gambling related harm and foster responsible gambling behaviour.

The CSF can also fund:

- drug education, treatment, and rehabilitation
- financial counselling services or support and assistance for families in crisis
- youth programs
- sport and recreation
- arts and tourism
- community support or advancement
- costs associated with administering the CSF.

The funds are provided to departments for making grants to a wide range of community-based organisations and councils, supporting them to build strong and sustainable communities.

The legislation also provides for the payment of one day's revenue from the CSF to the Victorian Veterans Fund.

In 2023-24, the CSF received \$175.18 million in revenue.

A total of \$118.84 million in expenditure was incurred in 2023-24 for projects approved within the current and the previous financial years.

There have been new grant approvals made for 23 community projects during 2023-24 (as tabled on the following page).

For more information in relation to the CSF please refer to www.dtf.vic.gov.au/funds-programs-and-policies/community-support-fund.

Projects approved from 1 July 2023 to 30 June 2024

Project name	Responsible area	\$
Department of Energy, Environment and Climate Action		
Climate Active Agriculture	Agriculture Policy and Program	4 112 000
Department of Families, Fairness and Housing		
Community Food Relief through Neighbourhood Houses	Fairer Victoria and Engagement	2 500 000
Fitzroy Learning Network	Homes Victoria	2 360 000
Helping Hands Mission Inc.	Disability, Seniors, Carers and Communities	350 000
Regional Food Relief Hubs	Disability, Seniors, Carers and Communities	1 550 000
Victorian Women's Public Art Program 2024-25	Fairer Victoria and Engagement	1 200 000
Department of Health		
National Centre for Farmer Health	Community and Public Health Division	900 000
Department of Jobs, Skills, Industry and Regions		
Ability Fest 2024	Sport and Recreation Victoria	650 000
Clunes Booktown Festivals	Creative Victoria	60 000
Community Function Room at Officer Recreation Reserve	Sport and Recreation Victoria	60 059
Delivering Community Support Infrastructure	Sport and Recreation Victoria	11 000 000
Facilitating Sport and Recreation Participation for Disadvantaged Children	Sport and Recreation Victoria	3 000 000
John Clarke Award - Victorian Premier's Literacy Awards	Creative Victoria	170 000
Supporting Creative State 2025	Creative Victoria	1 000 000
Supporting Sporting Excellence at Paris 2024	Sport and Recreation Victoria	1 500 000
The Nagambie Soccer Club	Sport and Recreation Victoria	21 830
Department of Justice and Community Safety		
Preventing and Responding to Gambling Harm	Victorian Responsible Gambling Foundation	193 692 000
Department of Premier and Cabinet		
Additional Payment in 2023-24 to the Community Advancement Fund	DPC Community Advancement Fund	1 000 000
Victorian Aboriginal Funeral Service	Community Relations and Heritage	10 000
Department of Government Services		
Securing the Future of Financial Counselling Services	Consumer Affairs Victoria	6 800 000
Supplementary funding in 2023-24 to the Public Records Office Victoria	Public Records Office Victoria	423 000
Department of Treasury and Finance		
Burnet Institute Clean Air Project	Infrastructure Division	9 870 000
Continuing the Victorian Asbestos Eradication Agency and Supporting People Impacted by Asbestos and Silica-related Diseases	Commercial Division	560 000
Total grant approvals		242 788 889

Note:

The list shows the CSF grants approved in the 2023-24 financial year. Expenditure for these projects will continue from 2023-24 up to the 2028-29 financial year.

Reporting against competitive neutrality principles

Competitive neutrality requires government businesses to ensure that where services compete, or potentially compete, with the private sector, any net advantage arising from government ownership is accounted for if it is not in the public interest. Government businesses that undertake significant business activities are required to implement competitive neutrality measures (such as setting competitively neutral prices), which accounts for any net advantage that comes from public ownership. Competitive neutrality policy supports fair competition between public and private businesses and provides government businesses with a tool to enhance decisions on resource allocation. This policy does not override other policy objectives of government and focuses on removing resource allocation distortions.

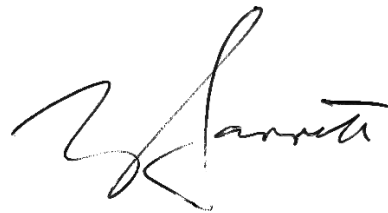
The Department ensures Victoria fulfils its requirements on competitive neutrality reporting as required under the Competition Principles Agreement and Competition and Infrastructure Reform Agreement.

Application of Public Interest Disclosures Act

The following information is required to be included in the Annual Report pursuant to section 70 of the *Public Interest Disclosures Act 2012* (the Act).

Message from the Secretary

The Department of Treasury and Finance is committed to the aims and objectives of the Act. It does not tolerate improper conduct by its employees, officers or members. Nor does the Department tolerate reprisals against those who come forward to disclose such conduct, and it is dedicated to protecting the welfare of such persons.



Chris Barrett
Secretary

18 October 2024

Compliance with the *Public Interest Disclosures Act 2012*

The Act encourages and assists people in making disclosures of improper conduct by public officers and public bodies. The Act provides protection to people who make disclosures in accordance with the Act and establishes a system for the matters disclosed to be investigated and rectifying action to be taken.

The Department does not tolerate improper conduct by employees, nor the taking of reprisals against those who come forward to disclose such conduct. It is committed to ensuring transparency and accountability in its administrative and management practices and supports the making of disclosures that reveal corrupt conduct, conduct involving a substantial mismanagement of public resources, or conduct involving a substantial risk to public health and safety or the environment.

The Department will take all reasonable steps to protect people who make such disclosures from any detrimental action in reprisal for making the disclosure. It will also afford natural justice to the person who is the subject of the disclosure to the extent it is legally possible.

Reporting procedures

Disclosures of improper conduct or detrimental action by the Department or any of its employees may be made to any of the following Department personnel:

- Secretary of the Department
- Public Interest Disclosure Coordinator or Protected Disclosure Officer
- manager or supervisor of the disclosure
- manager or supervisor of the person who is the subject of the disclosure.

Alternatively, disclosures may also be made directly to the Independent Broad-based Anti-corruption Commission:

Level 1, North Tower, 459 Collins Street
Melbourne VIC 3000

Phone: 1300 735 135

Internet: ibac.vic.gov.au

Email: [see the website above for the secure email disclosure process, which also provides for anonymous disclosures.]

Further information

The Public Interest Disclosures Policy and Procedures, which outline the system for reporting disclosures of improper conduct or detrimental action by the Department or any of its employees and/or officers, are available on the Department's website.

Disclosures under the *Public Interest Disclosures Act 2012*

The number of disclosures made by an individual to the Department and notified to the Independent Broad-based Anti-corruption Commission

2023-24 (number)	2022-23 (number)
nil	nil

Compliance with other legislation

Disclosure of Emergency Procurement

Under the Governance Policy of the Victorian Government Purchasing Board, the Department is required to develop an Emergency Procurement Plan and disclose information regarding and emergency procurements.

During 2023-24 the Department did not activate its Emergency Procurement Plan and there was no expenditure on emergency procurement.

Disclosure of procurement complaints

Under the Governance Policy of the Victorian Government Purchasing Board, the Department must disclose any formal complaints relating to the procurement of goods and services received through its procurement complaints management system.

The Department received no formal complaints through its procurement complaints management system in 2023-24.

Information available on request

Financial Reporting Direction 22 provides for the information listed below to be retained by the Accountable Officer and to be made available on request subject to the provisions of the *Freedom of Information Act 1982*.

Information available on request:

- a statement that declarations of pecuniary interests have been duly completed by all relevant officers
- details of shares held by a senior officer as nominee or held beneficially in a statutory authority or subsidiary
- details of publications produced by the entity about itself, and how these can be obtained
- details of changes in prices, fees, charges, rates and levies charged by the entity
- details of any major external reviews carried out on the entity
- details of major research and development activities undertaken by the entity
- details of overseas visits undertaken including a summary of the objectives and outcomes of each visit
- details of major promotional, public relations and marketing activities undertaken by the entity to develop community awareness of the entity and its services
- details of assessments and measures undertaken to improve the occupational health and safety of employees
- a general statement on industrial relations within the entity and details of time lost through industrial accidents and disputes
- a list of major committees sponsored by the entity, the purposes of each committee and the extent to which the purposes have been achieved
- details of all consultancies and contractors including:
 - consultants/contractors engaged
 - services provided
 - expenditure committed to for each engagement.

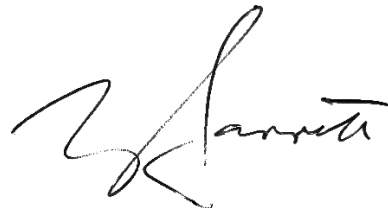
To ensure the Department is meeting its accountability and compliance requirements, some of the additional information has been included in this annual report where relevant.

This information is available on request from:

Freedom of Information Officer
Department of Treasury and Finance
GPO Box 4379
Melbourne, Victoria, 3001
Email foidtf@dtf.vic.gov.au the attention of the FOI Officer.

Attestation for financial management compliance with Ministerial Standing Direction 5.1.4

I, Chris Barrett, certify that the Department of Treasury and Finance has no Material Compliance Deficiency with respect to the applicable Standing Directions under the *Financial Management Act 1994* and Instructions.



Chris Barrett
Secretary

18 October 2024

Compliance with DataVic Access Policy

In August 2012, the Victorian Government released the DataVic Access Policy, which enables the sharing of government data at no, or minimal, cost to users. Government data from all agencies will be progressively supplied in an electronic readable format that will minimise access costs and maximise use and reuse.

Consistent with the DataVic Access Policy issued by the Victorian Government in 2012, the Department of Treasury and Finance made 27 data sets available on the DataVic website in 2023-24.

Information included in this Annual Report will be available at www.data.vic.gov.au in electronic readable format.

Asset Management Accountability Framework maturity assessment

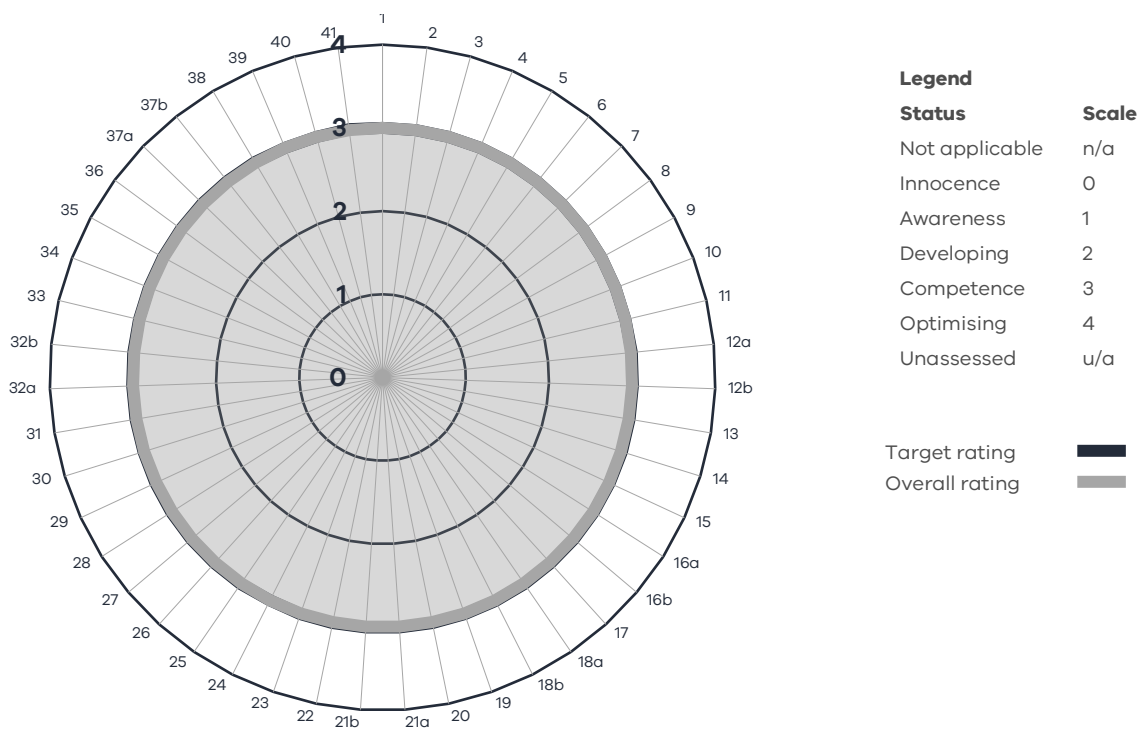
The Department has a 'competent' asset management maturity assessment overall rating for 2023-24, exceeding the AMAF mandatory requirement. The Department's target maturity rating is 'competent', meaning systems and processes would be leading practice, and constantly being improved to align with support and drive organisations objectives.

The Department aggregated the results of its three key asset classes using a weighted risk-based approach, considering the asset class value and criticality to service delivery.

Based on the aggregation methodology the consolidated asset maturity assessment for DTF's assets has a rating of 'competent' against DTF's target rating of 'competent', set out in the below diagram:

Compliance and maturity rating tool

Asset management maturity



Maturity assessment requirements

Leadership and accountability (1-19)

Asset planning (20-23)

Asset acquisition (24-25)

Asset operation (26-40)

Asset disposal (41)

Assessment

DTF has complied with all the requirements in this category, while aiming to achieve the target level of 'competent'.

DTF has complied with all the requirements in this category, while aiming to achieve the target level of 'competent'.

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DTF has complied with all the requirements in this category, while aiming to achieve the target level of 'competent'.

Appendix 5 Disclosure index

Ministerial Directions and Financial Reporting Directions

Report of operations

Direction	Requirement	Page reference
Charter and purpose		
FRD 22	Manner of establishment and the relevant Ministers	1
FRD 22	Purpose, functions, powers and duties	1, 6–9
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FRD 22	Nature and range of services provided	1, 6–9
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FRD 8	Performance against output performance measures	19–20
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FRD 10	Disclosure index	165
FRD 12	Disclosure of major contracts	157
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FRD 22	Employment and conduct principles	107
FRD 22	Occupational health and safety policy	123
FRD 22	Summary of the financial results for the year	46
FRD 22	Significant changes in financial position during the year	46
FRD 22	Major changes or factors affecting performance	15
FRD 22	Subsequent events	103
FRD 22	Application and operation of <i>Freedom of Information Act 1982</i>	158
FRD 22	Compliance with building and maintenance provisions of <i>Building Act 1993</i>	n/a
FRD 22	Statement on National Competition Policy	161
FRD 22	Application and operation of the <i>Public Interest Disclosures Act 2012</i>	161
FRD 22	Application and operation of the <i>Carers Recognition Act 2012</i>	n/a
FRD 22	Details of consultancies over \$10 000	148–151
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SD 5.2	Specific requirements under Standing Direction 5.2	47
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