



Government  
Services

DEPARTMENT OF  
GOVERNMENT SERVICES

# ANNUAL REPORT 2023–24



## **DEPARTMENT OF GOVERNMENT SERVICES ANNUAL REPORT 2023–24**

### **Publishing and further information**

The Department of Government Services (DGS) Annual Report 2023–24 and accompanying financial statements present a summary of DGS's performance over the 2023–24 financial year.

More information about DGS portfolio entities can be obtained, where applicable, from their individual 2023–24 annual reports.

### **Accessibility**

For an accessible version of this publication, visit [vic.gov.au/department-government-services](https://vic.gov.au/department-government-services)

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We proudly acknowledge the Traditional Owners of Victoria's First Nations and pay our respects to their Elders, past and present and the Elders and peoples of all First Nations communities throughout Australia.

We acknowledge First Peoples' enduring connection to Country, their unique ability to care for it and their deep connection to it.



## RESPONSIBLE BODY'S DECLARATION

**Gabrielle Williams MP**

Minister for Government Services

Minister for Consumer Affairs

**The Hon Melissa Horne MP**

Minister for Local Government

Dear Ministers,

In accordance with the *Financial Management Act 1994*, I am pleased to present the Department of Government Services' annual report for the year ended 30 June 2024.



**Jo de Morton**

Secretary

October 2024

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# Section 1: Year in review

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# Secretary's foreword

I'm pleased to present the annual report for the Department of Government Services (the department or DGS) for 2023–24.

This is our first annual report to cover a full financial year of operations. Our department was established to achieve 3 key priorities for the government:

- make it easier for Victorians to engage with government
- accelerate digital transformation for government
- provide corporate services that enable efficiency, productivity, and high-quality service delivery.

As you'll see in this report, we have made real and impactful progress towards these goals over the past financial year. This is a reflection of the dedication and hard work of our staff in delivering results for the people of Victoria, communities, and businesses.

Digital services are core to a modern government, and we've continued to digitise our information and offerings for Victorians. The Service Victoria app has cemented itself as the go-to place for government services – now found on the phones of two-thirds of Victorian adults. Service Victoria delivered 61 new digital products, services and features, including the statewide launch of digital driver licences in partnership with the Department of Transport and Planning in May 2024.

Our Single Digital Presence platform has grown with another 13 websites now under the [vic.gov.au](https://www.vic.gov.au) domain, seeing monthly visits to the website grow by 36 per cent.

We've continued to improve customer services for Victorians and made it easier for those who can't or don't want to transact online. The contact centres for Consumer Affairs Victoria (CAV), Worker Screening, Registry of Births, Deaths and Marriages (BDM), Service Victoria and Victorian Government have been consolidated under a single number '132VIC'.

Households and businesses across Victoria are seeing improved mobile and internet access thanks to the Connecting Victoria program. We delivered 462 upgrade projects during the last financial year and those in Melbourne's CBD, Bendigo and Ballarat are staying connected thanks to free public Wi-Fi.

As part of our work to accelerate the digital transformation for government, we worked with departments to reduce duplication of funded investments in the State Budget and aligned new investment with the Victorian Government's Digital Strategy, Cyber Strategy, Digital Asset Strategy, information management policy, and digital design principles.

We've bolstered cyber security by establishing Victoria's Cyber Defence Centre. To improve the Victorian Government's data capability, we established 23 new data-sharing arrangements and improved the way we find data on the DataVic portal. We also partnered with 8 departments and agencies to uplift their data and analytics capability and improve efficiencies.

The Public Record Office Victoria (PROV) digitised 80 physical record collections with the upload of 175,000 records to their website. PROV also ensured the safe protection of adoption case files as part of its transfer program.

Over the past year, we've made it quicker for Victorians to register a birth, death, or marriage and receive a certificate. The enhancements to processes, technology, and contact centre operations have reduced call wait times by 90 per cent.

CAV has carried out significant work this year to protect renters' rights with a 37 per cent increase in rent investigation requests. To support renters, we've set up a new rental taskforce and our campaign to raise awareness on rental minimum standards saw 203,000 views to the website.

CAV also supported 23,192 people under financial stress with counselling services, and 9,120 Victorians with renter assistance.

We've introduced new legal protections for Victorians building new homes. Those impacted by liquidated builders have also received support with \$19.3 million paid to 864 successful applicants.

To ensure communities are best supported by their councils, 11 municipal monitors were appointed to 6 councils. The *Local Government Amendment (Governance and Integrity) Act 2024* improves governance and integrity in local government. This includes ongoing mandated training for mayors and councillors, new powers for the Chief Municipal Inspector, and improvements to the councillor conduct framework.

Victorians have improved library services through \$51.4 million in funding provided to libraries to buy more books, run online services, deliver community outreach programs, and support participation of school-age children in the annual Premiers' Reading Challenge.

The funding also supported 19 projects to refurbish and improve library buildings and services.

These are just some of the ways we've been working to making it easier for Victorians and businesses to engage with government.

Our Corporate Services reform agenda has also powered ahead to improve service delivery and drive productivity.

We embarked on the foundational work to bring departments onto new shared services to be more efficient, establish consistent processes, and reduce duplication.

This year, we continued implementation of VicGov People the Whole of Victorian Government (WoVG) People Human Capital Management (HCM) platform, standardising payroll, employee management, recruitment, and performance processes. The Department of Transport and Planning (DTP) was the first onboarded. Next financial year we'll focus on continuing to support DTP, and onboarding the Departments of Government Services (DGS), Treasury and Finance (DTF), and Premier and Cabinet (DPC).

We're working to make it easier to do business with government through the Digital Marketplace. We added 6 information technology (IT) state purchase contracts (SPCs) and registers to the marketplace as we move to digitise procurement. This includes eServices, the state's largest technology register. More than 1,900 suppliers also registered on the Supplier Hub last year alone.

We've also focused on better social value from government's procurements including better employment opportunities for disadvantaged Victorians, Aboriginal businesses and social enterprises, and improved gender equality. We helped 105 project teams to strengthen their social procurement commitments, and we also developed and delivered eLearning modules

to support buyers across government to improve social procurement practices.

We supported the government's zero emissions vehicle roadmap through delivery of 233 zero emissions vehicles (ZEVs) to government departments last year. This was complemented with 26 charging stations situated at government leased and owned buildings to support the rollout.

We've done all this, while continuing to build the foundations of our department and further set ourselves up for success. Thank you to DGS staff, stakeholders and portfolio partners for their significant contributions over the past financial year.

A handwritten signature in black ink, appearing to read 'Jo de Morton', with a long horizontal flourish extending to the right.

**Jo de Morton**  
Secretary

# About us

## OUR PURPOSE

To improve how Victorians and business engage with government, and to accelerate digital transformation and corporate services reform across the Victorian Public Sector (VPS).

## OUR VALUES

DGS upholds the public sector and VPS values as outlined in the *Public Administration Act 2004*.



### Responsiveness

- Providing frank, impartial and timely advice to the government
- Providing high-quality services to the Victorian community
- Identifying and promoting best practice.



### Integrity

- Being honest, open, and transparent in our dealings
- Using powers responsibly
- Reporting improper conduct
- Avoiding any real or apparent conflicts of interest
- Striving to earn and sustain public trust at a high level.



### Impartiality

- Making decisions and providing advice on merit without bias, caprice, favouritism, or self-interest
- Acting fairly by objectively considering all relevant facts and applying fair criteria
- Implementing government policies and programs equitably.



### Accountability

- Working to clear objectives in a transparent manner
- Accepting responsibility for our decisions and actions
- Seeking to achieve the best use of resources
- Submitting ourselves to appropriate scrutiny.



### Respect

- Treating colleagues, other public officials, and members of the Victorian community fairly and objectively
- Ensuring freedom from discrimination, harassment, and bullying
- Using others' views to improve outcomes on an ongoing basis.



### Leadership

- Actively implementing, promoting, and supporting leadership values.



### Human rights

- Making decisions and providing advice consistent with the human rights set out in the *Charter of Human Rights and Responsibilities Act 2006*
- Actively implementing, promoting, and supporting human rights.

## OUR OBJECTIVES

DGS objectives are as follows:

### Make it easier for individuals and businesses to engage with government

This objective contributes to the digital delivery of information and services to Victorian citizens and businesses; supports empowering consumers and businesses to know their rights and responsibilities; supports protection of Victorians' identity through life event registrations, and protection of both children and people with disabilities through risk assessments of those working with or caring for them; and supports local councils to provide responsive and accountable services to the community.

The following outputs contribute to this objective: Regulation of the Victorian consumer marketplace; Identity and worker screening services, and local government.

### Accelerate digital transformation for government

This objective supports the effective delivery of government services through digital platforms. It pursues service excellence and reform and supports the delivery of policy and projects that enable increased productivity and improved social outcomes in Victoria.

The following outputs contribute to this objective: Digital strategy and transformation; Management of Victoria's public records.

### Provide corporate services that enable efficiency, productivity, and high-quality service delivery

This objective aims to accelerate common corporate services to deliver integrated and customer-centred shared services to government agencies. Areas include procurement, office accommodation management, carpool and government library services, and shared central agency corporate services.

The following output contributes to this objective: Services to government.

## OUR MINISTERS

### AS AT 30 JUNE 2024

#### Minister for Government Services Minister for Consumer Affairs

##### Gabrielle Williams MP

DGS advises and supports the Minister for Government Services and the Minister for Consumer Affairs and these portfolios, through the DGS functions of Digital Transformation, Customer & Regulatory Services, and Corporate Shared Services.

Two Administrative Offices within DGS' responsibility are also part of the Minister for Government Services' portfolio:

- Public Record Office Victoria (PROV)
- Service Victoria.

The Minister for Government Services is responsible for the following DGS portfolio entity:

- Cenitex.
- Victorian Government Purchasing Board

The Minister for Consumer Affairs is responsible for the following DGS portfolio entities:

- Business Licensing Authority
- Motor Car Traders Claims Committee
- Residential Tenancies Bond Authority.

Gabrielle Williams MP was sworn in as Minister for Government Services and Minister for Consumer Affairs on 2 October 2023. In addition to her DGS responsibilities, Minister Williams is the Minister for Public and Active Transport.

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#### Minister for Local Government

##### The Hon Melissa Horne MP

DGS advises and supports the Minister for Local Government and her portfolio, which includes Local Government Victoria (LGV).

The Minister for Local Government is also responsible for the following DGS portfolio entity:

- Victorian Local Government Grants Commission.

In addition to her DGS responsibilities, Minister Horne is the Minister for Casino, Gaming & Liquor Regulation; Minister for Roads & Road Safety; and the Minister for Ports and Freight.

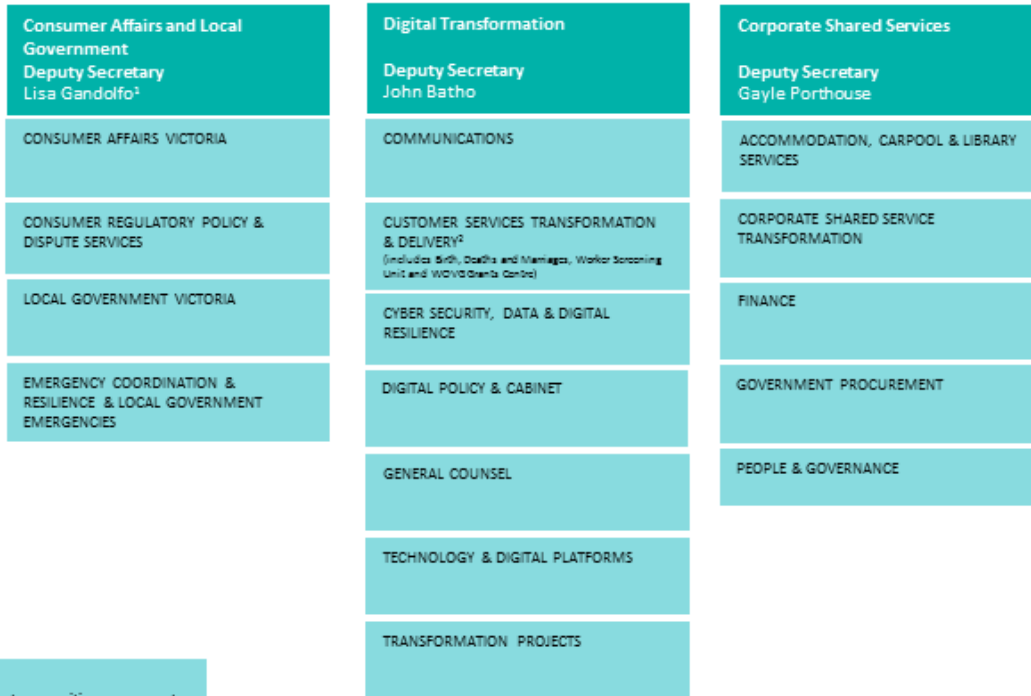
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# ORGANISATIONAL CHART



Included within DGS's portfolio are:

- Centlex
- PROV
- Service Victoria
- Motor Car Traders Claims Committee
- Residential Tenancies Bond Authority
- Business Licensing Authority
- Victorian Local Government Grants Commission
- Victorian Government Purchasing Board.

**CHANGES SINCE 30 JUNE 2024:**

<sup>1</sup> As at 30 June 2024, the Deputy Secretary position was vacant and responsibilities shared between two Acting Deputy Secretaries (refer to Senior Executives on page 11).

<sup>2</sup> Responsibility transferred from the Consumer Affairs and Local Government Group in August 2024.



## CHANGES TO THE DEPARTMENT DURING 2023–24

- DGS was established on 1 January 2023 to improve how Victorians and business engage with government, accelerate digital transformation, and provide corporate services reforms across the VPS.
- Through its establishment, DGS brought together functions from the departments of Premier and Cabinet, Treasury and Finance, Justice and Community Safety, and Jobs, Skills, Industry and Regions.
- During 2023–24 there were no changes to the department’s functions.

## SENIOR EXECUTIVES

### Secretary

**Jo de Morton** started as the Secretary of DGS when the department commenced operations on 1 January 2023.

Prior to this role, Jo was the founding CEO of Service Victoria. She took it from a technology start-up to a multi award-winning digital platform for government services.

Before this, Jo was the CEO responsible for establishing the Independent Broad-based Anti-corruption Commission (IBAC). She has held deputy secretary roles at the Department of Premier and Cabinet (DPC) and the former Department of Primary Industries.

Jo has consistently demonstrated a commitment to customer service delivery and government service reform. She was named one of the Top 50 Public Sector Women in 2021 by the Institute of Public Administration Victoria and is a graduate of the Australian Institute of Company Directors.

### Deputy Secretary, Digital Transformation

**John Batho** commenced as Deputy Secretary at DGS on 1 January 2023 and is responsible for the Digital Transformation Group, which leads digital policy, cabinet services, cyber security, data, transformation projects, telecommunications, and technology platforms and provides oversight to Service Victoria and Cenitex.

Prior to DGS, John was Deputy Secretary, Consumer Affairs, Liquor, Gaming and Dispute Services in the Department of Justice and Community Safety. John also led the Victorian Government’s engagement with and response to the Royal Commission into the Casino Operator and Licence.

Additionally, John has led several portfolios within the former Department of Families, Fairness and Housing where he oversaw whole of government initiatives to promote diversity, fairness, and inclusion. Earlier in his career, John held a variety of roles in the VPS spanning social policy, legal, governance, intergovernmental relations, and industrial relations.

### Deputy Secretary, Corporate Shared Services

**Gayle Porthouse** commenced as Deputy Secretary at DGS on 1 January 2023, and has responsibility for corporate shared services that enable better service delivery and seek to drive up productivity over time. Gayle is also responsible for operational policy development, corporate governance and administration, and the delivery of scalable, efficient, and effective services to Victorian public servants. Prior to this, Gayle was Deputy Secretary, Corporate & Government Services at the Department of Treasury and Finance (DTF). She was responsible for the efficient delivery of financial, people, information, legal, planning, procurement, and technology services. She was also responsible for the management of whole-of-Victorian Government services provided to departments and agencies.

Gayle has more than 30 years' experience in the public service across several government departments, including the DPC. During this time Gayle has led significant reform activities across the public sector.

She was named one of the inaugural Top 50 Public Sector Women in 2018 by the Institute of Public Sector Administration Victoria and is a member of the Australian Institute of Company Directors.

### Deputy Secretary, Consumer Affairs and Local Government

**Lisa Gandolfo** commenced as Deputy Secretary at DGS on 29 July 2024. She has responsibility for LGV, Emergency Coordination and Resilience, Local Government Emergencies, and CAV.

Lisa has more than 20 years' experience in the VPS, working in public policy roles in the Department of Justice and Community Safety and the Department of Education. Lisa has led transformation projects, such as the Victorian Child Information Sharing Scheme and Child Link.

As at 30 June 2024, the Acting Deputy Secretary position was shared between:

- **Lisa Tepper**, with responsibility for LGV, Emergency Coordination and Resilience and Local Government Emergencies, BDM, the Worker Screening Unit, the Whole of Victorian Government Grants Centre and oversight of PROV; and
- **Miriam Slattery**, with responsibility for CAV and Regulation Policy and Dispute Services.

### Changes during the reporting period

**Dr Emily Phillips** departed the department in April 2024. During 2023–24, Emily was Deputy Secretary Customer and Regulatory Services with responsibility for LGV, Emergency Coordination and Resilience and Local Government Emergencies, CAV, Regulation Policy and Dispute Services, BDM, the Worker Screening Unit, the Whole of Victorian Government Grants Centre and oversight of Service Victoria and the PROV.

**Vivien Allimonos** departed DGS in May 2024. During 2023–24 she was Deputy Secretary DGS Establishment Strategy and Employee Experience.

## ADMINISTRATIVE OFFICES

Administrative offices are established and abolished through orders under section 11 of the *Public Administration Act 2004*, and each is established in relation to a department.

DGS is responsible for the effective, efficient and economical management of the following administrative offices.

### Public Record Office Victoria (PROV)

PROV maintains the archives of the State Government of Victoria, holding records dating from the mid-1830s to today. PROV manages these for use by the government and people of Victoria. PROV's collection contains records of decisions, events, people, and places that have shaped our history. PROV sets mandatory recordkeeping standards for state and local government agencies and provides support and advice on recordkeeping to government.

### Service Victoria

Service Victoria provides a whole of government service capability with responsibility for improving and modernising the way government transactions are delivered online.

The Service Victoria website and mobile app brings together more than 170 popular government services in one place, making it quicker and easier for Victorians to transact with government.

Service Victoria is responsible for implementing the *Service Victoria Act 2018*, which helped Victoria become the first jurisdiction to offer online identity verification. More than 2.5 million identities have been verified using this secure online service.

## PUBLIC ENTITIES

Public entities include statutory authorities, state-owned enterprises, state-owned corporations and formally constituted advisory boards that perform functions outside of the public service.

DGS supports the Minister for Government Services, the Minister for Consumer Affairs and the Minister for Local Government in their responsibilities for the following public entities:

- Cenitex
- Motor Car Traders Claims Committee
- Residential Tenancies Bond Authority
- Business Licensing Authority
- Victorian Local Government Grants Commission
- Victorian Government Purchasing Board

## GOVERNANCE

### Board of Management

The DGS Board of Management (DGS Board) is the overarching body in the department's corporate governance structure. It advises the Secretary on the management and administration of the department to ensure compliance with government directions, guidelines, and legislation, and determines the standards by which success is measured.

The DGS Board is responsible for integrating governance functions and values across the department and working collaboratively with portfolio agencies.

The DGS Board comprises the Secretary and Deputy Secretaries.

### Audit and Risk Management Committee

The Audit and Risk Management Committee provides independent assurance and advice on the effectiveness of DGS's financial management systems and controls, performance, stability, compliance with laws and regulations, and risk management. It also oversees the department's internal audit program.

The committee reports to DGS's Secretary and is established in line with the Standing Directions under the *Financial Management Act 1994* (FMA).

During 2023–24, the committee met 4 times to acquit its legislative charter obligations to the Secretary by:

- monitoring the quality of reporting on financial performance
- reviewing the quality of DGS's annual financial statements and its report of operations and providing attestations to the Secretary

- monitoring the outcomes of the external audit process of the annual financial report
- monitoring DGS's responses to the outcomes of VAGO performance audits
- appraising the effectiveness and efficiency of DGS's systems and controls for financial management, performance, and sustainability
- reviewing processes designed to ensure that DGS complies with the requirements of the FMA, Standing Directions and ministerial instructions, including updates on the resolution of any reported non-compliances
- endorsing the internal audit plan, monitoring delivery of the internal audit program and reviewing reports on completed internal audit reviews
- monitoring progress on completion of recommendations arising from internal and external audit activity
- monitoring the effectiveness of DGS's risk management program.

As at 30 June 2024, the committee comprised the following 5 members, 4 of which are independent:

- Geoff Harry (Chair)
- Jenny Zahara
- John Rundell
- Sarah Adam-Gedge
- Gayle Porthouse (departmental member).

### Health, Safety and Wellbeing Committee

Memorandum of Understanding arrangements with the 4 giving departments have ensured that all DGS's employees continue to have access to access to health and safety representatives and/or health, safety and wellbeing (HSW) teams to report or discuss any HSW matter.

All consultative committees within the 4 giving departments have been established in accordance with the *Occupational Health and Safety Act 2004* to:

- facilitate cooperation between the employer and employees in instigating, developing, and carrying out measures designed to ensure the health and safety of employees in the workplace
- assist formulation, review, and dissemination to employees of policies and procedures relating to health and safety that are to be complied with
- investigate any matter that may be a risk to the health and safety of employees
- review reported accidents and incidents, and HSW Risk Registers, including risk ratings and controls
- establish designated working groups
- ensure elections are conducted to fulfil the health and safety representative requirement.

### Governance framework

DGS has a Governance Framework which details how DGS sets its strategic direction, monitor its progress and performance, and meet its legislative obligations to ensure its high performance and delivery.

### Internal audit

In 2023–24 Protiviti provided DGS with an internal audit service.

DGS's internal audit program includes reviews into the department's risk management and internal controls.

Audit results and follow-up actions are reported to the Audit and Risk Management Committee.

### Procurement governance

DGS has established a Procurement Governance Committee to provide oversight of procurement for DGS, Department of Premier and Cabinet (DPC), and DTF. The functions of the committee include:

- Providing strategic oversight to procurement activities within the departments and their relevant portfolio agencies.
- Ensuring the departments have sufficient procurement capability, systems, and processes to undertake the procurement activity necessary to achieve business outcomes.
- Providing information to the Chief Procurement Officer (CPO) for the departments and in turn assurance to the relevant Accountable Officer, that the procurement activities of DGS, DTF and/or DPC (as applicable) comply with Victorian Government Purchasing Board (VGPB) Supply Policies and the *Project Development and Construction Management Act 1994* for construction-related procurements and any other requirements as stated in the FMA.

As a department responsible for providing corporate procurement services to its client departments, DPC and DTF, DGS is working towards accreditation with the VGPB to ensure that the DGS procurement strategy and its procurement policies are aligned to the VGPB policy framework. DGS expects to receive VGPB accreditation in 2024–25.

## WORKFORCE OVERVIEW

Outlined in the workforce data tables in Section 5: Appendices, as at 30 June 2024 DGS employed 1,558 full time equivalent (FTE) employees with a total headcount of 1,629 staff. The majority of the DGS' workforce (76.3 %) are employed on an ongoing basis in comparison to 23.7% of staff who are employed on a fixed term or casual basis. Of the 1,241 ongoing staff, 151 staff are working part-time at DGS. Over half of the DGS workforce (56%) identify as women and 30.3% of its employees are aged between 30 and 44 years of age.

DGS also has 2 administrative offices, Service Victoria and PROV. As at 30 June 2024, Service Victoria employed 194 FTE (headcount of 196) and PROV 64 FTE (headcount of 72).

# Financial summary

## KEY FINANCIAL INDICATORS FOR THE YEAR 1 JULY 2023 TO 30 JUNE 2024

<b>Department-controlled activities</b>	<b>2024</b>	<b>2023 <sup>(i)</sup></b>
	<b>\$'000</b>	<b>\$'000</b>
Income from government <sup>(ii)</sup>	536,312	260,312
Total income from transactions	799,082	398,108
Total expenses from transactions	705,602	354,121
Net result from transactions	93,480	43,984
Net result for the period	102,464	46,366
Net cash flow from operating activities	77,151	48,401
Total assets	1,370,243	1241,559
Total liabilities	153,669	135,605

Notes:

- (i) DGS was established on 1 January 2023, comparative financial information provided is 6 months of transactions for 2023.
- (ii) Income from government includes both output and special appropriations.

## Section 2: Our performance

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# Progress towards achieving departmental objectives

This section reports on the outcomes DGS achieved during the financial year against key initiatives and departmental objectives.

## DEPARTMENTAL OUTPUT CHANGES DURING 2023–24

There were no output changes for the department during 2023–24.

## DEPARTMENTAL OBJECTIVES, INDICATORS AND LINKED OUTPUTS

DGS' medium-term objectives, associated indicators and linked outputs, as set out in the 2023–24 Victorian Budget Paper No. 3 – Service Delivery, are shown in the table below.

Objectives	Indicators	Outputs
Make it easier for individuals and businesses to engage with government	Increased access by consumers, renters, rental providers, businesses and community organisations to digital information	Regulation of the Victorian consumer marketplace
	Births, deaths and marriages registration transaction accuracy rate	Identity and worker screening services
	Working with Children and NDIS Checks processed (exclusions issued within three days of receiving a decision)	Local Government
	Community satisfaction with the performance of councils as measured through the Local Government Community Satisfaction Survey	
Accelerate digital transformation for Government	Development and effective use of technology supports productivity and competitiveness	Digital strategy and transformation
	Achievement of government policies and priorities relating to use of digital platforms for government services and to records management	Management of Victoria's public records

Objectives	Indicators	Outputs
Corporate services that enable better service delivery and drive productivity over time	<p>Benefits delivered as a percentage of expenditure under managed state purchasing contracts, including reduced and avoided costs</p> <p>Low vacancy rates for government office accommodation maintained</p> <p>High-quality whole of government common services provided to government agencies as assessed by feedback from key clients</p>	Services to Government

## MAKE IT EASIER FOR INDIVIDUALS AND BUSINESSES TO ENGAGE WITH GOVERNMENT

This objective contributes to the digital delivery of information and services to Victorian citizens and businesses; supports empowering consumers and businesses to know their rights and responsibilities; supports protection of Victorians' identity through life event registrations and protection of children and people with a disability through risk assessments of those working with or caring for them; and supports local councils to provide responsive and accountable services to the community.

The following 4 objective indicators support this objective: Increased access by consumers, renters, rental providers, businesses, and community organisations to digital information; BDM registration transaction accuracy rate; Working with Children and NDIS Checks processed (exclusions issued within 3 days of receiving a decision); and Community satisfaction with the performance of councils as measured through the Local Government Community Satisfaction Survey.

Performance against these objective indicators is detailed below.

### Regulation of the Victorian consumer marketplace

The objective indicator *increased access by consumers, renters, rental providers, businesses, and community organisations to digital information* measures the volume of consumer, renting, and business information disseminated throughout the community, mainly through access to online information provided by CAV.

By providing accurate information and support across digital channels, CAV empowers Victorians to exercise their consumer rights, and enables businesses to comply with consumer protection laws.

In 2023–24, 7.3 million people accessed consumer information via digital information channels, compared to 5.8 million last year (up 26 per cent). The website remains CAV's most accessed digital resource, with 7.2 million visits to [consumer.vic.gov.au](https://consumer.vic.gov.au) representing a 27 per cent increase from the previous year. There were also over 43,000 engagements with CAV's social media content across Facebook, Twitter and YouTube.

These trends indicate strong progress in DGS's objective to better enable Victorians to access consumer, renting, and business information digitally.

## Key initiatives

DGS has an important role to contribute to safe and fair housing for Victorians. We also work to ensure a fair, safe, and competitive marketplace for Victorian consumers and traders, and support the community sector to provide assistance to Victorians who are facing challenges with renting, consumer, or financial issues, particularly this year when many people faced increasing cost of living pressures.

### **Fair and safe renting for Victorians**

#### *Protecting renters' rights*

On 20 September 2023, the Victorian Government announced its Housing Statement, with a suite of initiatives and reforms to protect renters' rights and provide renters more certainty and security over their leases.

DGS is supporting the government under the Housing Statement to deliver its initiatives, such as restricting rent increases between successive fixed-term leases; banning rental bidding; extending notice of rent increase periods from 60 to 90 days; and introducing tougher penalties for real estate agents and sellers who break the law. The Housing Statement also provided funding to boost support for community organisations helping renters in need, under a Rental Stress Support Package (refer to [\*Advice and assistance for Victorians under stress\*](#) for more on this package).

CAV continued to provide information, advice, and support to Victorian renters this year, and has ensured as a priority that rent increases were not excessive. Renters can ask CAV to investigate and report on a proposed rent increase if they believe the increase is excessive. These reports can then be used to negotiate with rental providers, or to support an application to the Victorian Civil and Administrative Tribunal (VCAT) for an order setting the maximum rent.

In 2023–24, CAV received 7,469 rent investigation requests, a 37 per cent increase over 2022–23.

In March 2024, the Victorian Government announced a dedicated renting taskforce to crack down on rental providers and real estate agents who violate the law. The taskforce is now focusing on rental law offences such as false advertising, not lodging bonds, and renting out properties that don't meet mandatory minimum standards.

DGS ran a digital communications campaign from April to June 2024, to raise awareness on rental minimum standards, driving over 203,000 views to CAV's rental minimum standards website content. A new online complaint form also went live in June 2024 to make it easier for Victorians to report issues with properties being put up for rent, with over 100 reports lodged by 30 June 2024.

In 2023–24, the Victorian Government proposed to introduce additional minimum standards for rental properties and rooming houses, such as ceiling insulation, draught-proofing and blind cord anchors in all rental properties. Public consultation took place from 3 June to 1 July 2024.

#### *Supporting renters and rental providers with effective access to justice*

Between January 2022 and December 2023, the Dispute Settlement Centre of Victoria (DSCV) deployed alternative dispute resolution services to help reduce the backlog of renters and rental providers waiting for their matters to be heard at VCAT. In 2023–24 DSCV provided assistance with 2,801 applications referred from VCAT, achieving an 88 per cent resolution rate.

### **Continued implementation of the Professional Engineers Registration Scheme**

Registration is now mandatory for engineers in the areas of fire safety, civil, structural, electrical, and mechanical engineers. During 2023–24 a further 3,636 professional engineers were registered, bringing the total to 13,293 across the 5 areas of engineering. This was the scheme’s third year of operation.

### **Protecting Victorians building new homes**

Through 2 DGS-administered payment schemes, the Government supported the customers of liquidated builders that had failed to take out domestic building insurance on their behalf. By the end of 2023–24, the 2 schemes paid a combined total of \$19.3 million to 864 successful applications.

The government is acting to ensure Victoria’s building legislative framework is fit for purpose and to prevent future occurrences of builders failing to take out insurance on behalf of their customers. In February 2024, 2 new offences were inserted into the *Domestic Building Contracts Act 1995*.

To maintain consumer confidence in the domestic building process, Domestic Building Dispute Resolution Victoria (DBDRV) has provided free alternative dispute resolution services to assist homeowners and builders resolve a range of disputes related to domestic building. DBDRV’s teams of dispute resolution officers, expert building assessors, and nationally accredited mediators support parties to resolve their disputes as fast as possible. In previous years, DBDRV experienced high demand for its dispute resolution services leading to increased waiting times for assistance. In 2023–24, DBDRV reduced the average wait time from over 3 months to 2 weeks, assisting over 5,220 applicants with dispute resolution services.

### **Fair trading in the housing and property marketplace**

#### *Underquoting taskforce activities*

Underquoting is an unfair practice where a property is advertised for sale at too low a price, causing potential buyers to waste time and money with the impact of skewing the market. In 2023–24, CAV’s Underquoting Taskforce monitored 1,547 sales campaigns and issued 89 infringements and 128 official warnings, which totalled \$1 million in fines. These activities help ensure Victorians have fairer and easier access to purchasing property.

#### *Sale of Land Regulations*

The *Sale of Land (Public Auctions) Regulations 2024* were passed on 18 June 2024 following consultation. The Regulations preserve rules for the conduct of auctions that Victorians are familiar with, ensuring the continued transparency and fairness of public auctions in Victoria.

### **Advice and assistance for Victorians under stress**

CAV supports Victorians experiencing financial hardship, funding community-based financial counselling and renter service providers. People facing family violence and economic abuse can access specialist support through financial counselling programs. In 2023–24, 23,192 people were assisted with financial counselling services, including 4,164 supported through the specialist family violence financial counselling program. A further 9,120 Victorians received renter assistance services.

Through its Rental Stress Support Package announced under the Housing Statement, the Victorian Government also allocated an additional \$7.8 million for renter assistance services over 3 years from 2023–26.

Following an open funding round conducted by DGS, 9 community organisations across the state will receive additional funding to boost access to information and advice, financial counselling, advocacy, and legal assistance for Victorians experiencing rental stress.

### **Supporting the Victorian community sector**

In making compliance easier for charitable fundraisers, Victoria took an important step forward with the publication of an Implementation Plan for the National Fundraising Principles on 1 March 2024. The principles were developed in collaboration with all states, territories, and the Commonwealth, and through extensive sector consultation.

These principles set out the conduct expected from fundraisers in every jurisdiction across Australia, making regulatory compliance simpler and less prescriptive for charities conducting fundraising appeals in Victoria.

Following a public consultation process, the Victorian Government also introduced new incorporated association regulations, which came into effect on 18 November 2023. These included key reforms intended to modernise and simplify the regulatory scheme for incorporated associations.

The government also introduced new local regulations for co-operatives, which came into effect on 17 February 2024. These new regulations prescribed matters including fees, penalties, and unsuitable names for co-operatives.

### **Identity services**

The objective indicator of *births, deaths and marriages registration transaction accuracy* measures the level of accuracy of BDM in capturing registration data provided by applicants. In 2023–24, the result was 99 per cent, achieving the target of 99 per cent.

### **Key initiatives**

#### ***Deliver better, more efficient pathways for Victorians to engage with the Registry of BDM***

Over the past year, we've reduced call wait times by 90 per cent and made it quicker for Victorians to receive certificates or register a birth, death, or marriage. BDM achieved this through implementing more efficient and effective processes, as well as enhancements to its technology and contact centre operations.

BDM and Service Victoria also improved their online identity verification processes and their systems to make it easier to understand messaging for customers and to speed up the application approval process. This has made it easier and quicker for Victorians to apply for and receive the products and services that they need.

These improvements have contributed to more Victorians proving their identity digitally, not needing to wait for a manual identity assessment. Victorians were able to prove their identity digitally 68,393 times during the 2023–24 financial year.

These improvements also reduced contact points from customers (calls and emails) who are following up on the progress of their application.

### **Worker screening**

The objective indicator *percentage of Working with Children and NDIS exclusions issued within three days of receiving the decision* is an indicator for the efficiency of worker screening. In 2023–24, the result was 100 per cent, compared to 99.8 per cent last year. The target was 100 per cent.

## Key initiatives

### **Partnership with Service Victoria**

Service Victoria and the Worker Screening Unit's ongoing partnership has continued to deliver Working with Children Checks (WWCC) and NDIS services in this financial year.

The digital version of the WWCC physical card was launched during the past financial year and in 2023–24, 203,293 people applied for a digital card, with a customer satisfactions rate of above 98 per cent.

In 2023–24, over 500,000 people applied online via Service Victoria for a WWCC and NDIS Check.

### Local government

The objective indicator *community satisfaction with the performance of councils as measured through the Local Government Community Satisfaction Survey* measures community satisfaction with council performance.

In 2023–24, satisfaction with overall council performance was 54 per cent, which was a decrease of 2 per cent from 56 per cent in the previous financial year.

The Metropolitan group of Councils performed higher overall with community satisfaction than the state-wide average, counter to the state-wide trend. The interface group's performance stabilised, while the significant downward trend continued for the Regional Centre, Large Shire and Small Shire grouping of councils.

## Key initiatives

### **Ensuring good governance**

In 2023–24, 11 municipal monitors were appointed to 6 councils to guide good governance and support councils to better serve their communities. Municipal monitors work closely with councils to improve governance practices and help councillors ensure they are performing their roles in accordance with the *Local Government Act 2020*.

In December 2023, all councillors of Strathbogie Shire Council were suspended by an Order in Council on the recommendation of the Minister for a failure to provide good governance. Mr Peter Stephenson has been appointed as administrator until the October 2024 council elections.

On 25 June 2024, the *Local Government Amendment (Governance and Integrity) Act 2024* (the Amendment Act) was given Royal Assent. The Amendment Act includes reforms to strengthen council leadership, capability and councillor conduct, improve early intervention and effective dispute resolution, and strengthen oversight mechanisms.

The Amendment Act makes a range of changes to the *Local Government Act 2020*.

The following changes came into operation on 26 June 2024:

- The close of the roll for the October 2024 council elections has been brought forward to provide more time for councils and the Victorian Electoral Commission to compile voters' rolls, and to accommodate other timeline changes through amendment regulations.

- The Governor in Council, on the recommendation of the Minister, has the power to suspend an individual councillor or disqualify a person who has been dismissed from taking office if they have been found by a municipal monitor or Commission of Inquiry to have created a serious risk to health and safety or prevented the council from performing its functions.
- The Chief Municipal Inspector will have new powers, including the power to table reports in Parliament and issue infringements for minor offences.
- The following changes will come into effect on 26 October 2024:
  - ongoing mandated training for mayors and councillors will be introduced to expand the existing induction training requirements for councillors
  - improvements to the councillor conduct framework including the power to establish in regulations a model councillor code of conduct and increased severity of sanctions available for councillor misconduct, and
  - improvements to the operation of provisions relating to the councillor conduct framework.

### **Sector finance and performance reporting**

LGV updated sector planning and reporting guidance to support councils to develop their 2023–24 annual reports and 2024–25 budgets in line with Australian Accounting Standards and best practice. The triennial review of the *Local Government Performance Reporting Framework* commenced in 2023–24, with the establishment of sector working groups to review the council financial and service performance indicators and the annual Community Satisfaction Survey.

The review will continue into 2024–25. Visits to the [vic.gov.au/know-your-council](https://vic.gov.au/know-your-council) website grew over the year, supporting transparency and accountability of councils' decision making and services.

LGV continued to administer a loans framework to provide councils with access to lower cost borrowings for general working capital requirements and project specific infrastructure investment. This is delivered in collaboration with the DTF. Loans on issue under the framework grew to \$653 million as at 30 June 2024 in order to finance public infrastructure.

### **Rating system reforms**

The implementation of rating reforms arising from the 2020 *Local Government Rating System Review* continued during 2023–24, with the roll out of comprehensive guidance to assist councils develop a Revenue and Rating strategy. Changes to the content of the local government notice of rates and charges, issued to over 3 million Victorian property owners annually, improved the transparency of rating decisions by councils. A project to determine the merits of property valuation averaging for rates was completed, along with guidance to improve transparency by councils in their use of Service Rates and Charges for kerbside waste and recycling services that raised over \$1.3 billion in 2023–24.

### **Encouraging council diversity**

During 2023–24, LGV continued its work to increase diversity across Victoria's 79 councils by addressing barriers to representation and employment in the local government sector.



In 2023–24, LGV continued to implement the Victorian Aboriginal-Local Government Strategy (VALGS). It is a strategy that provides guidance to local councils and the Victorian Government in building partnerships with Traditional Owners and First Nations communities based on mutual control, shared power and decision making, fairness, respect and trust.

In 2023, LGV established the VALGS Strategic Working Group to provide advice on the implementation of the strategy across the state. The Working Group is composed of representatives from Aboriginal communities, Traditional Owner groups, local government peak bodies, and Victorian Government representatives and is co-chaired by an Aboriginal representative.

In 2023–2024, LGV in partnership with Reconciliation Victoria and the VALGS Strategic Working Group, conducted a state-wide survey to assess VALGS implementation. The survey aims to provide government with crucial data to support future actions that will improve self-determination plans and reconciliation strategies in partnerships with Traditional Owners and all First Peoples.

In August 2023, the first intake of 59 participants graduated from the Women Leading Locally program. This community leadership program, delivered in partnership with the Institute of Community Directors Australia, was established in 2022 to support greater gender equality in councillors and mayors by 2025. The second round of participants commenced in July 2023.

The round 2 Masterclass component was completed by 63 women in April 2024 before joining the mentoring sessions. Application numbers more than doubled the number of available places across both rounds of the program (a total of 270 applications received across 44 municipalities for 125 places).

All 32 targeted local government areas were represented across the 2 rounds.

### ***Support for public library services***

The Victorian Government supported the provision of high quality and accessible public library services across Victoria during 2023–24 through 3 key programs.

During 2023–24 \$48.1 million was provided through the Public Libraries Funding Program to councils, regional libraries and Vision Australia to enable public libraries to buy new books and other collection items, run online services and deliver outreach programs to the community.

The Living Libraries Infrastructure Program invested \$2 million to fund 19 projects, which will result in refurbished and improved library buildings and mobile library services.

The Premiers' Reading Challenge Book Fund made \$1.1 million available to support the participation of school-aged children in the annual Premiers' Reading Challenge.

### ***Doing what matters for local communities and local government workers***

In 2023–24, DGS progressed a number of workstreams under this initiative, including:

- A \$6.3 million Local Government Earn and Learn pilot program was developed to address critical skills and workforce gaps in the Victorian local government sector. The 2-year program will be delivered by a consortium of the state's dual-sector higher education providers, led by RMIT University.
- \$200,000 was provided to Maribyrnong City Council to support 10 new community murals in the Footscray CBD as part of the popular StreetWORKS program which supports local artists, reinvigorates community spaces and reduces graffiti.
- An Advisory Committee was established to begin work on the development of a Local Government Fair Jobs Code.



- Work to ensure that from 1 July 2024, Regional Library Corporations are included within the scope of the *Gender Equality Act 2020* as defined entities. This will ensure that the advancement of gender equality is applied consistently across the public sector.

### **Support for emergencies**

The Council Support Fund (CSF) has provided \$43 million to a total of 49 councils to support their communities to recover from the October 2022 floods and the storms and floods that commenced on 24 December 2023. There were 24 councils impacted by both events and they received 2 lots of funding. The CSF provided upfront funding for councils for clean-up activities and restoration of local facilities and services that are the lifeblood of regional communities. Activities supported through the fund have included the collection and removal of debris deposited in council parks, reserves and community assets, waste transportation costs, staffing and restoration of community services.

The Victorian Government provided \$4.9 million in 2023–24 as part of its ongoing commitment to the Municipal Emergency Resourcing Program. The Program funds 64 eligible councils, through a tiered funding approach, to support the capacity and capability of councils to plan and prepare for emergencies.

Through a collaborative partnership between the Department of Health and DGS, \$5.73 million in funding was distributed in 2023–24 to 78 councils in Victoria to provide free Rapid Antigen Tests (RATs) to their communities through the RAT Distribution Program. The COVID-19 RATs Program began on 11 November 2022 and provided more than 1.47 million RATs to Victorian community members in 2023–24. This program has now closed.

## **ACCELERATE DIGITAL TRANSFORMATION FOR GOVERNMENT**

This objective supports the effective delivery of government services through digital platforms, pursues service excellence and reform and supports delivery of policy and projects that enable increased productivity and improved social outcomes in Victoria.

The objective indicators *achievement of government policies and priorities relating to use of digital platforms for government services and to records management and development and effective use of technology supports productivity and competitiveness* measure the use of government services delivered through digital platforms.

Performance against this objective is detailed below.

### **Digital strategy and transformation**

#### **Key initiatives**

##### **Accelerating digital transformation**

In 2023–24, DGS has supported digital capability across the Victorian Government by providing a range of digital and technology governance, advisory, training and assurance functions.

DGS supported the State Budget through providing advice on new IT investment, ensuring alignment with the Victorian Government’s Digital Strategy.

DGS administered the Victorian Government’s Information, Communication and Technology (ICT) Dashboard, which enhances transparency of ICT investments and government’s ability to track and assess digital investments.

DGS started foundational work to transform corporate shared services. This program of work aims to deliver modern, cloud-based platforms for HCM, which will be rolled out iteratively across government.

*Delivering whole of government platforms and services*

DGS is delivering the technology platforms to support the Common Corporate Platforms program, which will transform corporate services across the Victorian Government through the delivery of standardised processes, supporting technology and delivery teams. As part of the program in 2023–24, DGS supported the VicGov People HCM platform for the Department of Transport and Planning, and finalised reusable assets including standardised templates for finance and procurement. DGS's focus in 2024–25 is implementing the VicGov People HCM platform to the Departments of Premier and Cabinet, Treasury and Finance and Government Services.

DGS provided Application Programming Interface services, expanding its capabilities to include broader integration functions. This enhancement supports a unified and secure platform for seamless integration between departments and external entities. By establishing a central capability, the program optimises cost and reduces complexity and risk of digital integrations. This platform supported approximately 890 million transactions in 2023–24 and played a crucial role in the delivery of services to citizens and businesses.

DGS provides easy and reliable web publishing services to Victorian departments and agencies through the Single Digital Presence web publishing platform. In 2023–24, DGS added 13 new websites on the Single Digital Presence platform bringing the total to 52 websites and 85 site sections. In 2023–24, the average number of monthly visits to [vic.gov.au](http://vic.gov.au) was 1,824,441, which was an increase of 36 per cent, up from 1,339,935 per month last year. Adoption of the service by government departments and agencies continued to grow with customer satisfaction at 82 per cent.

DGS continues to support the Victorian Government community engagement with the Engage Victoria digital platform. In 2023–24 Victorian Government departments and agencies published 192 consultations and received 107,948 contributions from Victorians, a 52 per cent increase in contributions over the last year.

DGS established the Whole of Victorian Government Contact Centre, consolidating the contact centre teams from CAV, BDM and Service Victoria (including the Workers Screening Unit and Victorian Government Contact Centre). This strategic consolidation streamlined operations and leveraged the combined expertise to enhance public service delivery.

The Whole of Victorian Government Contact Centre manages 39 separate voice lines and assisted Victorians with 814,082 transactions. In 2023–24, the Contact Centre processed 608,620 calls, 113,635 emails and web forms, 13,303 complaint and conciliation matters, 60,675 live webchats and 17,849 manual NDIS Check applications.

Throughout 2023–24, DGS also commenced development of a new corporate IT operating model to provide efficient and responsive IT services to the Departments of Premier and Cabinet, Treasury and Finance and DGS.

### ***Digitising government services through Service Victoria***

In 2023–24 Service Victoria delivered 61 new digital products, services and features with high customer satisfaction at 95 per cent. The release of popular services and greater uptake of reusable products contributed to activity volumes of 25.8 million. The average cost per customer activity reduced to \$2.38.

There were 2 new digital cards made available in the Service Victoria wallet, including digital driver licences for full licence holders and the Victorian Building Authority Registered Building Practitioner Card. There are now 10 digital cards available in the private, secure, and easy-to-use digital wallet in the Service Victoria mobile app.

As the front door to government services, customers used the Service Victoria app and website 29.4 million times to get the information and services they needed.

New, easy online portals for emergency services, renter rights, Solar Victoria, and liquor licences were launched in 2023–24.

Service Victoria also digitised annual liquor licence renewals and delivered the new General Licence application in partnership with Liquor Control Victoria. It now takes an average of one minute for businesses to renew their liquor licence, down from an estimated 25 minutes.

An additional 5 services delivered by other departments, agencies and local councils were onboarded by Service Victoria to its identity verification, payments, and accounts and authentication products – saving government and customers both time and money. There are now more than 170 government services from 37 Victorian Government departments, agencies and councils that use the Service Victoria platform.

Service Victoria continued to invest in maintaining, running and enhancing its reusable products and core platform. New features have made it easier for more people to prove their identity, with identities now verified more than 2.4 million times. Customers can store their identity in their Service Victoria account and use it for up to 10 years. Approximately one in every 3 customers reuse their saved identities.

### ***Strengthening cyber security***

Victoria's Cyber Strategy 2021 is focused on making Victoria a place where government, industry and community can connect, access services and thrive in the online world.

In 2023–24, DGS, published the 2024–25 Mission Delivery Plan, outlining the Victorian Government's current cyber priorities under Victoria's Cyber Strategy.

DGS also established the Cyber Defence Centre as a new public sector capability to improve government's ability to identify, detect and block potential Victorian Government cyber threats, as well as expand government's capacity to respond to major cyber incidents. The Cyber Defence Centre supported 224 agencies in reducing cyber harm, responding to 1,599 cyber security cases comprised of 974 cyber threat intelligence activities and 625 cyber incidents.

To help stop cyber criminals gaining access to the Victorian Government's systems, DGS commenced the Victorian Government Asset Discovery and Remediation (VADAR) project in November 2023. This project identifies and remediates unmaintained and unsupported systems operating on the [vic.gov.au](http://vic.gov.au) domain. Since commencing, 3,619 end-of-life assets belonging to 205 individual Victorian Government organisations have been remediated through the VADAR project.

DGS has also worked with 173 public sector organisations to understand and improve their cyber maturity and trained 67 board members from across the Victorian public service.

Training was delivered on information and cyber security to staff through induction programs and reinforced through eLearning Information security courses. In addition, smart information security was promoted through targeted phishing campaigns, performing clear desk audits, and proactive advocacy through Cyber Security Champions meet-ups.

### ***Improving Victorian Government data capability***

In 2023–24, DGS led a series of initiatives aimed at enhancing the Victorian Government’s data capabilities and ensuring the safe and ethical use of data to advance policy development and customer experiences with government services.

Key initiatives included the establishment of 23 new data-sharing arrangements and the enhancement of data discoverability through the Victorian Government’s open data portal ([data.vic.gov.au](https://data.vic.gov.au)), which was accessed 404,920 times in 2023–24. DGS completed 8 strategic partnerships this year with Victorian Government departments and agencies, providing data and analytics services to uplift capability, improve efficiency and outcomes across the Victorian Government.

DGS chaired the Victorian Social Investment Integrated Data Resource (VSIIDR) Governing Council, overseeing crucial data analytics and information-sharing initiatives. This included the VSIIDR, which enhances social service delivery and supports the DTF’s Early Intervention Investment Framework. This framework directs investments to early intervention initiatives, aiming to improve individual life outcomes and reduce pressure on acute services.

### ***Improving digital connectivity and resilience***

DGS continued to deliver the Connecting Victoria program, with 462 mobile and broadband projects completed in 2023–24. In total, more than 1,400 projects are forecast to be delivered by June 2026. This activity is improving digital inclusion, access to government services and public safety outcomes for Victorians across the state.

In response to the severe storms of February 2024, DGS played a pivotal role in the Victorian Government’s emergency response efforts. We collaborated with telecommunications carriers and energy providers to expedite the restoration of critical connectivity services, prioritising networks enabling people to access Triple Zero.

DGS led Victoria’s response to the 8 November 2023 Optus outage, including participation in the Commonwealth Government’s post-incident review. In the emergency response to the February 2024 severe weather event, DGS supported the telecommunications industry with their service restoration.

DGS has supported Victoria’s participation in the national Regional Connectivity Ministers Roundtable and facilitated new investment through Commonwealth Government telecommunications programs.

## Management of Victoria's public records

### Key initiatives

#### ***Increase the usage of the state's archives through digitisation, provision of innovative online access and promotion of the collection***

In 2023–24 PROV's digitisation team uploaded around 175,000 records to the website, making 80 physical record collections fully or substantially available in digital form. The PROV website attracted 1,023,114 visitors with 313,015 digitised records downloaded.

As part of PROV's transfer program, 109,374 physical records and 192,795 digital records were added to the archival collection this year. Transfers included a project to ensure the safe preservation of adoption case files from across Victoria, the commencement of a 3-year project with the Department of Education to transfer government school records to PROV, and a transfer of Geological Survey Victoria photographs.

In 2023–24, the Koori Records Unit commenced a project to redevelop the Koori Index of Names (KIN) platform. The project aims to incorporate and enhance KIN data within existing PROV systems and improve Koori Reference Service workflows.

## **CORPORATE SERVICES THAT ENABLE BETTER SERVICE DELIVERY AND DRIVE PRODUCTIVITY OVER TIME**

This objective aims to accelerate common corporate services to deliver integrated and customer-centred shared services to government agencies. Areas include procurement, office accommodation management, carpool and government library services, and shared central agency corporate services.

The following 3 objective indicators support this objective: Benefits delivered as a percentage of expenditure under managed state purchasing contracts, including reduced and avoided costs; Low vacancy rates for government office accommodation maintained; High-quality whole of government common services provided to government agencies as assessed by feedback from key clients. Performance against these indicators is detailed in the commentary below.

The objective indicator *high-quality whole of government common services provided to government agencies as assessed by feedback from key clients* measures client satisfaction with the service provided.

Satisfaction with services relating to accommodation, carpool and libraries was 88.5 per cent. The positive improvement on last year's result of 64 per cent is attributed to the improved feedback method and the ability to implement timelier service improvements in response to real time and meaningful customer feedback.

The annual satisfaction survey for services relating to government procurement was sent to members of the CPO Forum. In response to the 'Overall satisfaction with DGS Government Procurement', 2 responses were neutral, one was satisfied, and one was very satisfied.

## Services to government

### Key initiatives

#### **Non-ICT SPCs**

The objective indicator is *Benefits delivered as a percentage of expenditure under managed non-ICT state purchasing contracts, including reduced and avoided costs* measures. DGS managed 19 non-ICT common use whole of Victorian Government goods and services contracts valued at approximately \$1.7 billion in 2023–24. The benefits delivered as a percentage of expenditure under the non-ICT SPCs was 13 per cent, a reduction of 3 per cent from 2022–23, predominantly due to reduced volatility in the market energy prices. A number of sourcing projects to refresh SPCs were completed, including Recruitment Advertising Services. Other sourcing projects were also undertaken resulting in contract variations for Travel Management Services, Stationery and Workplace Consumables and Security Services. DGS continues to actively manage the full lifecycle of all SPCs through a range of levers to achieve value for money outcomes.

#### **IT strategic sourcing and digital**

DGS currently manages 17 ICT SPCs and Registers. In 2023/24 DGS established 4 new SPCs. This included Service Now, Google, Kyndryl and a Cyber panel inclusive of multiple suppliers. The Cyber SPC has 4 panels utilising industries expertise for End Point Protection, Vulnerability Management, Application Control and Third-Party Risk Management.

ICT SPCs maximise value for money outcomes for Victorian Government entities through aggregated purchasing, delivering social benefits and ensuring the use of standardised contractual frameworks.

#### **Building the technology platform for corporate service resource management**

The DGS continued to deliver the Victorian Government's Digital Marketplace, making it easier than ever to do business with government. In 2023–24 DGS added 8 information technology SPCs and registers to the Digital Marketplace, including eServices (the state's largest technology register). Buyers can initiate, manage and award requests for quotes, and access supplier information all in one place.

The Digital Marketplace includes a Supplier Hub, a centralised platform for suppliers to register their business details, which can be accessed by all government buyers. More than 1,900 suppliers were registered on the Supplier Hub in 2023–24. The Supplier Hub makes it easier for government buyers to identify businesses by capability and region, as well as certified social enterprises and Aboriginal-owned businesses. In the future the Supplier Hub will remove any duplication of suppliers that have registered their business details with various government entities.

DGS will add more SPCs and registers to the Digital Marketplace in 2024–25, to continue making procurement easier for buyers and suppliers.

### **Social Procurement Framework**

Government Procurement continued to support Victorian Government departments and agencies implement the requirements of the Social Procurement Framework. During 2023–24 there were 105 government project teams supported, to strengthen social procurement commitments in high value procurement activities, including employment opportunities for disadvantaged Victorians, spend with Aboriginal businesses and social enterprises as well as improved gender equality in suppliers to government. There were 6 eLearning modules developed to support Victorian Government buyers on a range of Social Procurement topics throughout the financial year.

### **Accommodation management**

The objective indicator *low vacancy rates for government office accommodation maintained* measures vacant accommodation space as a percentage of total accommodation space across the Victorian Government. In 2023–24, DGS managed a portfolio of 1,098,054m<sup>2</sup> of net lettable area. While the managed portfolio is primarily standard office accommodation, it also includes public facing sites such as police stations, domestic violence hubs, child protection service centres, court facilities and offender management centres.

The managed portfolio vacancy remains low with approximately 1.44 per cent of vacant space as at 30 June 2024. Vacancy slightly increased over 2023–24 as the Victorian Government plans consolidation of its office footprint and sites are exited pending lease expiry.

### **ZEVs and charging infrastructure**

During 2023–24, 233 ZEVs were delivered to general government departments and agencies, with a total of 400 ZEVs delivered since the commencement of the program.

In addition, 26 charging stations have been installed across metro and regional Victorian government leased and owned buildings, bringing the total to 400 charging stations delivered since the commencement of the program.



# Performance against output performance measures

The section provides information about DGS's performance against our output performance measures. It provides comparisons with our output targets that were published in the Departmental Performance Statement section of the 2023–24 Victorian Budget Paper No. 3 — Service Delivery.

Commentary is provided where there are variances of more than 5 per cent between our targets and the actual results for performance measures.

## REGULATION OF THE VICTORIAN CONSUMER MARKETPLACE

This output upholds a fair and competitive Victorian marketplace. As Victoria's consumer regulator, CAV works to ensure that the market operates effectively by detecting and addressing non-compliance with the law. This output provides for informing consumers and businesses about their rights and responsibilities under the law, engaging with business to ensure compliance, registration and occupational licensing for individuals and organisations, and regulation of the residential tenancies market. DBDRV is an independent government agency that provides free services to help resolve domestic (residential) building disputes.

Performance measure	Unit	2023–24 target	2023–24 actual	Variance	Result
<b>Quantity</b>					
Dispute resolution services provided by Domestic Building Dispute Resolution Victoria	number	6,000	5,220	-13.0%	■
The 2023–24 result is lower than the 2023–24 target as a result of demand.					
Dispute resolution services provided in the Dispute Settlement Centre of Victoria (DSCV)	number	10,000	5,611	-43.9%	■
The 2023–24 result is lower than the 2023–24 target due to program changes and a reduction in disputes referred for resolution from the Victorian Civil and Administrative Tribunal.					
Information and advice provided to consumers, renters, rental providers and businesses – through telephone service	number	279,329	220,741	-21.0%	■
The lower 2023–24 actual is due to ongoing service model changes that promote online advice where appropriate, while ensuring telephone support for those who need it.					
Information and advice provided via telephone and website services (DSCV)	number	15,000	14,206	-5.3%	■
The 2023–24 result is lower than the target due to service changes while DSCV was supporting the Victorian Civil and Administrative Tribunal.					
Information and advice provided to consumers, renters, rental providers and businesses through other services including written correspondence, face to face and dispute assistance	number	115700	121142	4.7%	○



Performance measure	Unit	2023–24 target	2023–24 actual	Variance	Result
Number of court and administrative actions	number	900	963	7.1%	✓
The higher 2023–24 actual is due to an increase in compliance inspections and investigations (including product safety inspections).					
Transactions undertaken – Residential Tenancies Bond Authority (RTBA) transactions	number	506,000	497,780	-1.8%	○
Transactions undertaken – registration and licensing transactions	number	105,247	107,943	2.6%	✓
Victims of family violence assisted with financial counselling	number	3,750	4,164	11.0%	✓
The higher 2023–24 actual is due to increased demand for financial counselling support from family violence victims and survivors.					
<b>Quality</b>					
Overall client satisfaction rate (DSCV)	per cent	85.0	68.9	-18.9%	■
The 2023–24 result is lower than the 2023–24 target due to DSCV assisting the Victorian Civil and Administrative Tribunal backlog reduction. Customers were waiting increased times at VCAT and this is reflected in the lower customer satisfaction rating.					
Proportion of high-priority breaches resulting in regulatory response	per cent	100.0	99.0	-1.0%	○
Rate of compliance with key consumer laws	per cent	95.0	91.0	-4.2%	○
Settlement rate of mediation (DSCV)	per cent	70.0	76.1	8.7%	✓
The higher 2023–24 actual is due to an increased focus on early resolution of matters, supporting clients to have their disputes resolved quickly.					
<b>Timeliness</b>					
Intake and mediation services conducted within agreed timeframes by the Dispute Settlement Centre of Victoria (DSCV)	per cent	95.0	95.6	0.6%	✓
Regulatory functions delivered within agreed timeframes	per cent	95.0	94.0	-1.1%	○
<b>Cost</b>					
Total output cost	\$ million	149.8	186.2	24.3%	■
The actual costs are higher than published target predominantly due to one-off funding received during 2023–24 for the purpose of providing customer support for those impacted by Porter Davis Homes and other liquidated builders not covered by domestic building insurance, and for financial counselling and renter services for Victorians impacted by floods.					

#### Results legend

- ✓ Performance target achieved or exceeded in a desirable way.
- 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.

## IDENTITY AND WORKER SCREENING SERVICES

This output supports the protection of children by providing screening of people who work with or care for children, and screening of people engaged in risk assessed roles for the purposes of the NDIS. This output protects personal identity through the registration of significant life events by the Victorian Registry of BDM.

Performance measure	Unit	2023–24 target	2023–24 actual	Variance	Result
<b>Quantity</b>					
Number of Working with Children and checks processed	number (thousand)	380–420	577	37.0%	✓
The 2023–24 actual is higher than the 2023–24 target due to increased demand.					
<b>Quality</b>					
Births, Deaths and Marriages registration transaction accuracy rate (BDM)	per cent	99	99	0.0%	✓
Clearances for Working with Children and National Disability Insurance Scheme (NDIS) checks issued within 3 days of receiving a clear notification	per cent	98	100	2.0%	✓
Customer satisfaction rating – Births, Deaths and Marriages (BDM)	per cent	85	N/A	–	–
This performance measure will be discontinued and will now be reported through the new consolidated measure, 'Overall satisfaction of customers receiving assisted information and support from the Whole of Victorian Government Contact Centre'.					
Exclusions for Working with Children and National Disability Insurance Scheme (NDIS) checks issued within 3 days of receiving the delegate's decision	per cent	100	100	0%	✓
<b>Timeliness</b>					
Average number of days to process compliant applications for birth, death and marriage certificates	number	<10	8.5	1.5	✓
<b>Cost</b>					
Total output cost	\$ million	28.1	55.2	96.6%	■
The actual costs are higher than published target predominantly due to movements between outputs associated with machinery of government transfers and one-off funding received for increased demand for worker screening services.					

### Results legend

- ✓ Performance target achieved or exceeded in a desirable way
- 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

## LOCAL GOVERNMENT

This output delivers activities in partnership with the local government sector to support effective and efficient local governance, leadership, infrastructure and service provision. Through this output, the department administers programs to support local councils to increase accountability and provide support to the Victorian Local Government Grants Commission. The department also works with councils and the emergency management sector to enhance the emergency management capability and capacity of local government.

Performance measure	Unit	2023–24 target	2023–24 actual	Variance	Result
<b>Quantity</b>					
Attendance at public library community programs	number (000)	2,263	2,263	0.0%	✓
Average number of monthly page views on <a href="http://knowyourcouncil.vic.gov.au">knowyourcouncil.vic.gov.au</a>	number (000)	160	64	-60.0%	■
The 2023–24 expected outcome is lower than the 2023–24 target due to the discontinuation of the Know Your Council (KYC) website on 31 December 2022, as the reporting system was aging. A new website has now been launched.					
Councils with approved roadside weeds and pests control plan	number	45	45	0.0%	✓
Meetings held annually with Victorian councils regarding the Victorian Local Government Grants Commission financial assistance grants allocation model	number	19	20	5.3%	✓
One additional meeting held with a council during 2023–24 as the Commission moved to get its meeting program with councils back on schedule after delays during the pandemic.					
Meetings held with Local Government Mayoral Advisory Panel	number	4	4	0.0%	✓
Number of visitors to Metropolitan Public Libraries	number (million)	18.8	18.8	0.0%	✓
Number of visitors to Regional Public Libraries	number (million)	12	12	0.0%	✓
<b>Quality</b>					
Council satisfaction with the communication, support and advice received from Local Government Victoria in relation to the Local Government Performance Reporting Framework	per cent	80	88	10.0%	✓
The 2023–24 result is higher than the target due to improved engagements with local governments.					
<b>Timeliness</b>					
Average number of days for Municipal Emergency Resource Program grant payments to be made following completion of agreed milestones in the funding agreement	days	21	21	0.0%	✓
Average number of days for Public Library Services grant payments to be made following completion of agreed milestones in the funding agreement	days	21	21	0.0%	✓

Performance measure	Unit	2023–24 target	2023–24 actual	Variance	Result
Roadside Weeds and Pests program grant payments made within 21 days of completion of agreed milestones in the funding agreement	per cent	100	100	0.0%	✓
Victorian Local Government Grants Commission allocations finalised to support the completion of council budgets within statutory timeframes	per cent	100	100	0.0%	✓

#### Cost

Total output cost	\$ million	64.7	83.2	28.6%	■
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The actual costs are higher than the published target predominantly due to supplementation funding for *Securing the Future of Public Libraries* initiative and the *Council Flood Support Fund*.

#### Results legend

- ✓ Performance target achieved or exceeded in a desirable way.
- 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.

## DIGITAL STRATEGY AND TRANSFORMATION

This output contributes to continued innovation in digital technology to improve whole of government service delivery and business processes.

This output also contributes to the digital delivery of information and services to Victorian citizens and businesses.

Performance measure	Unit	2023–24 target	2023–24 actual	Variance	Result
<b>Quantity</b>					
Average cost per activity undertaken on the Service Victoria digital customer platform is equivalent to or below the target	\$	4	2.4	-40.5%	✓
The actual average cost per activity for the 2023–24 period is lower than the 2023–24 target due to an increased adoption of reusable products and high-volume automated services.					
Average monthly analysis reports generated to guide government decision making	number	65	67	3.1%	✓
Average number of monthly visits to DataVic	number	22,000	32,257	46.6%	✓
The ongoing addition of new datasets has increased the use of DataVic.					
Average number of monthly visits to <a href="http://vic.gov.au">vic.gov.au</a>	number	375,000	1,824,441	386.5%	✓
The higher 2023–24 actual is due to consolidation of services onboarded onto the portal.					
Digital Victoria: Milestones delivered in accordance with agreed budget and timeline	per cent	75	84.2	12.3%	✓
The 2023–24 actual is higher than the 2023–24 target due to the strong progress of the digital transformation milestones being delivered.					
Establishment or renewal of ICT whole of government State Purchase Contracts	number	6	7	16.7%	✓
A State Purchase Contract (SPC) renewal was brought forward into 2023–24.					
Government board members trained on Cyber Security	number	60	67	11.7%	✓
The 2023–24 actual is higher than the 2023–24 target due to strong demand by Victorian government board members and improved delivery methods.					
Government entities reporting cyber maturity	number	100	173	73.0%	✓
The 2023–24 actual is higher than the 2023–24 target due to the successful introduction of maturity reporting to more government entities.					
Number of VPS active users in the Data Directory	number	250	375	50.0%	✓
The 2023–24 actual is higher than the 2023–24 target due to increased engagement with data custodians.					
Number of data sharing arrangements enabled by Victorian Centre for Data Insights (VCDI)	number	15	21	40.0%	✓
The higher 2023–24 actual is due to growing demand for cross-sector portfolio data and the establishment of formal data sharing agreements.					

Performance measure	Unit	2023–24 target	2023–24 actual	Variance	Result
New products, services and features delivered on the Service Victoria digital customer platform is equivalent to or exceeds the target	number	60	61	1.7%	✓
New Victorian Government entities using the Standard User Experience Framework	number	40	69	72.5%	✓
The 2023–24 actual is higher than the 2023–24 target due to increased demand from the Victorian public service to better understand human centred design methods.					
Volume of activities undertaken with Service Victoria is equivalent to or exceeds the target	number (million)	25	25.8	3.2%	✓
Broadband infrastructure projects delivered	number	61	61	0.0%	✓
Mobile infrastructure projects delivered	number	275	401	45.8%	✓
The Connecting Victoria program entered a peak delivery phase during the 2023–24 financial year, with the number of completed projects exceeding the Department's original estimates.					
<b>Quality</b>					
Overall satisfaction of customers completing a transaction on the Service Victoria digital customer platform	percent	95	95	0.0%	✓
VCDI satisfaction rating	percent	70	98	40.0%	✓
The higher 2023–24 actual is due to better than expected customer feedback.					
<b>Cost</b>					
Total output cost	\$ million	230.5	241.9	4.9%	✓

#### Results legend

- ✓ Performance target achieved or exceeded in a desirable way.
- 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.

## MANAGEMENT OF VICTORIA'S PUBLIC RECORDS

This output provides direction to government on the management of public records and ensures the historical memory of the Victorian Government endures, is secure and accessible.

Performance measure	Unit	2023–24 target	2023–24 actual	Variance	Result
<b>Quantity</b>					
Physical and digital records utilised by public and government users	number	4,800,000	4,256,470	-11.3%	■
The actual is lower than the 2023–24 target due to a lower-than-expected number of digital images downloaded from third party genealogy websites.					
<b>Quality</b>					
Satisfaction with quality of services provided to the government agencies and to the public	per cent	90	96	6.7%	✓
The actual is slightly higher than the target due to increased satisfaction rates for PROV services.					
<b>Timeliness</b>					
Provision of services within published timeframes	per cent	95	98	2.0%	✓
<b>Cost</b>					
Total output cost	\$ million	12.1	16.3	34.9%	■
The actual costs are higher than the published target due to operating cost increases.					

### Results legend

- ✓ Performance target achieved or exceeded in a desirable way.
- 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.

## SERVICES TO GOVERNMENT

This output contributes to DGS's objective of delivering corporate services that assist the Victorian public service by:

- developing and maintaining a framework of whole of government policies, strategies, standards and guidelines which promote the efficient and effective use of common services including procurement, office accommodation management, carpool and government library services
- managing a program of whole of Government Procurement contracts to ensure optimum benefits to government
- supporting the operations of the VGPB
- providing strategic and fit-for-purpose shared services advisory to clients to deliver value to the Victorian Government
- providing whole of government office accommodation and accommodation management
- providing VicFleet, carpool and government library services, and shared central agency corporate services.

Performance measure	Unit	2023–24 target	2023–24 actual	Variance	Result
<b>Quantity</b>					
Number of state procurement high value engagements supported	number	70	105	50%	✓
The 2023–24 actual is higher than the 2023–24 target due to higher number of requests for support from the Social Procurement Assurance team.					
Percentage of agencies reporting full compliance with VGPB Supply Policies	number	100	TBC	0	✓
This measure is reported annually with information expected to be received by Government Procurement in Nov 2024.					
Percentage of State procurement high value engagements supported that have strengthened the social procurement approach to achieve better social outcomes	per cent	50	92	84%	✓
Total accommodation cost	\$ per square metre p/a	472	450	-4.7%	○
Workspace ratio	square metre per FTE	11	12.2	10.9%	■
The 2023–24 result is higher than the 2023–24 target due to changes in methodology and workforce fluctuations.					
<b>Quality</b>					
Client agencies' satisfaction with the service provided by the Shared Service Provider	per cent	70	88.5	26.4%	✓
The 2023–24 result is higher than the 2023–24 target due to service uplift initiatives in response to customer feedback and improvements to the customer feedback methodology.					
<b>Cost</b>					
Total output cost	\$ million	99.5	89.1	-10.5	■
The actual costs are lower than the published budget predominantly due to movements between outputs associated with machinery of government transfers.					

### Results legend

- ✓ Performance target achieved or exceeded in a desirable way.
- 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.



# Section 3: Financial statements

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# Accountable Officer's and Chief Financial Officer's declaration

The attached financial statements for the Department of Government Services have been prepared in accordance with Direction 5.2 of the 2018 Standing Directions under the *Financial Management Act 1994*, applicable Financial Reporting Directions, Australian Accounting Standards including interpretations, and other mandatory professional reporting requirements.

We further assert that, in our opinion, the information presented in the comprehensive operating statement, balance sheet, cash flow statement, statement of changes in equity, and accompanying notes fairly represents the financial transactions for the year ended 30 June 2024, as well as the financial position of the department as at 30 June 2024.

At the time of signing, we are not aware of any circumstance that would render any of the information included in the financial statements misleading or inaccurate.

We authorise the attached financial statements for issue on 24 September 2024.



Steven Wlazly  
Chief Financial Officer  
Department of Government Services

Melbourne  
24 September 2024



Jo de Morton  
Secretary  
Department of Government Services

Melbourne  
24 September 2024

# Independent auditor's report for the year ended 30 June 2024



## Independent Auditor's Report

### To the Secretary of the Department of Government Services

<b>Opinion</b>	<p>I have audited the financial report of the Department of Government Services (the department) which comprises the:</p> <ul style="list-style-type: none"><li>• balance sheet as at 30 June 2024</li><li>• comprehensive operating statement for the year then ended</li><li>• statement of changes in equity for the year then ended</li><li>• cash flow statement for the year then ended</li><li>• notes to the financial statements, including material accounting policy information</li><li>• accountable officer's and chief finance officer's declaration.</li></ul> <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>
<b>Basis for opinion</b>	<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 Auditor's Responsibilities for the Audit of the Financial Report 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 APES 110 <i>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>
<b>The Secretary's responsibilities for the financial report</b>	<p>The Secretary of the department is responsible for the preparation and fair presentation of the financial report in accordance with Australian Accounting Standards and the <i>Financial Management Act 1994</i>, 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.</p> <p>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.</p>

**Auditor's responsibilities for the audit of the financial report**

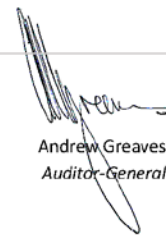
As required by the *Audit Act 1994*, my responsibility is to express an opinion on the financial report based on the audit. My objectives for the audit are to obtain reasonable assurance about whether the financial report as a whole is free from material misstatement, whether due to fraud or error, and 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 the 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 my 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.

MELBOURNE  
2 October 2024



Andrew Greaves  
Auditor-General

# Comprehensive operating statement

## For the year ended 30 June 2024

	Notes	2024 \$'000	1 January to 30 June 2023 \$'000
<b>Continuing operations</b>			
<b>Revenue and income from transactions</b>			
Output appropriations	2.3	536,312	260,823
Interest and distribution income	2.4.1	8,820	2,694
Sale of services	2.4.2	28,166	22,052
Grants income	2.4.3	17,846	17,324
Fair value of assets received free of charge	2.4.4	34,883	16,081
Income from trusts and the Residential Tenancies Bond Authority	2.4.5	131,144	59,442
Other income	2.4.6	41,911	19,689
<b>Total revenue and income from transactions</b>		<b>799,082</b>	<b>398,105</b>
<b>Expenses from transactions</b>			
Employee benefits	3.2.1	263,394	122,693
Depreciation and amortisation	5.1.1	24,590	12,448
Grant expenses	3.3	264,061	76,044
Purchases of services	3.4	74,195	82,396
Accommodation expenses	3.5	24,675	40,798
Information technology expenses	3.6	34,830	15,146
Other operating expenses	3.7	19,857	4,596
<b>Total expenses from transactions</b>		<b>705,602</b>	<b>354,121</b>
<b>Net result from transactions (net operating balance)</b>		<b>93,480</b>	<b>43,984</b>
<b>Other economic flows included in the net result</b>			
Net gain/(loss) on non-financial assets	9.2	(4,737)	119
Net gain/(loss) on financial instruments	9.2	13,301	2,740
Other gains/(losses) on other economic flows	9.2	420	(477)
<b>Total other economic flows included in net result</b>		<b>8,984</b>	<b>2,382</b>
<b>Net result</b>		<b>102,464</b>	<b>46,366</b>
<b>Comprehensive result</b>		<b>102,464</b>	<b>46,366</b>

The accompanying notes form part of these financial statements.

# Balance sheet

## As at 30 June 2024

	Notes	2024 \$'000	2023 \$'000
<b>Assets</b>			
<b>Financial assets</b>			
Cash and deposits	7.2	159,153	186,569
Receivables	6.1	173,913	143,478
Investments and other financial assets	5.3	298,984	195,502
<b>Total financial assets</b>		<b>632,050</b>	<b>525,549</b>
<b>Non-financial assets</b>			
Non-financial assets classified as held for sale		31	180
Property, plant and equipment	5.1	677,346	644,503
Intangible assets	5.2	53,175	63,314
Prepayments		7,641	8,013
<b>Total non-financial assets</b>		<b>738,193</b>	<b>716,010</b>
<b>Total assets</b>		<b>1,370,243</b>	<b>1,241,559</b>
<b>Liabilities</b>			
Payables	6.2	73,651	61,217
Borrowings	7.1	6,201	5,430
Employee related provisions	3.2.2	55,792	55,324
Other provisions	6.3	18,025	13,634
<b>Total liabilities</b>		<b>153,669</b>	<b>135,605</b>
<b>Net assets</b>		<b>1,216,574</b>	<b>1,105,954</b>
<b>Equity</b>			
Accumulated surplus		148,830	46,366
Contributed capital		1,067,744	1,059,588
<b>Total equity</b>		<b>1,216,574</b>	<b>1,105,954</b>
<b>Net worth</b>		<b>1,216,574</b>	<b>1,105,954</b>

The accompanying notes form part of these financial statements.

# Cash flow statement

## For the year ended 30 June 2024

	Notes	2024 \$'000	1 January to 30 June 2023 \$'000
<b>Cash flows from operating activities</b>			
<b>Receipts</b>			
Receipts from government		563,544	281,038
Receipts from other entities		43,171	31,143
Receipts from trust accounts and RTBA		129,920	39,126
Goods and services tax recovered from the Australian Taxation Office		12,574	-
Interest received		3,310	1,221
Distributions received		3,368	1,246
<b>Total receipts</b>		<b>755,887</b>	<b>353,774</b>
<b>Payments</b>			
Payments to suppliers and employees		(432,273)	(235,684)
Payments of grants expenses		(246,397)	(75,879)
Interest and other costs of finance paid		(65)	(149)
<b>Total payments</b>		<b>(678,736)</b>	<b>(311,711)</b>
<b>Net cash flows from/(used in) operating activities</b>	<i>7.2.1</i>	<b>77,151</b>	<b>42,064</b>
<b>Cash flows from investing activities</b>			
Payments for investments		(88,000)	(20,000)
Purchase of non-financial assets		(14,565)	(9,497)
Proceeds from disposal of motor vehicles		2,079	319
<b>Net cash flows from/(used in) investing activities</b>		<b>(100,486)</b>	<b>(29,177)</b>
<b>Cash flows from financing activities</b>			
Cash received from activities transferred in – machinery of government changes		-	175,548
Capital grants to portfolio agencies		(1,350)	-
Repayment of borrowings and principal portion of lease liabilities		(2,732)	(1,865)
<b>Net cash flows from/(used in) financing activities</b>		<b>(4,082)</b>	<b>173,683</b>
<b>Net increase in cash and cash equivalents</b>		<b>(27,416)</b>	<b>186,569</b>
Cash and cash equivalents at beginning of period		186,569	-
<b>Cash and equivalents at end of the period</b>	<i>7.2</i>	<b>159,153</b>	<b>186,569</b>

The accompanying notes form part of these financial statements.



# Statement of changes in equity

## For the year ended 30 June 2024

	Contributed capital	Accumulated surplus	Total
	\$'000	\$'000	\$'000
<b>Balance at 1 January 2023</b>	-	-	-
Net result for the period	-	46,366	46,366
Administrative restructure – net assets received	1,059,588	-	1,059,588
<b>Balance at 1 July 2023</b>	<b>1,059,588</b>	<b>46,366</b>	<b>1,105,954</b>
Net result for the year	-	102,464	102,464
Equity transfer within government	8,156	-	8,156
<b>Balance at 30 June 2024</b>	<b>1,067,744</b>	<b>148,830</b>	<b>1,216,574</b>

The accompanying notes form part of these financial statements.

# 1. About this report

The Department of Government Services (the 'department') is a government department of the State of Victoria (the 'State') 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.

The principal address of the department is:

Department of Government Services  
Level 5/1 Macarthur Street  
Melbourne VIC 3002

A description of the department's operations and its principal activities is provided in the Report of Operations, which is not part of the financial statements.

## BASIS OF PREPARATION

These financial statements are prepared in Australian dollars, using the historical cost convention unless a different measurement basis is explicitly disclosed in the note associated with the item measured on a different basis.

The accrual basis of accounting has been applied in preparing these financial statements whereby assets, liabilities, equity, income and expenses are recognised in the reporting period to which they relate, regardless of the timing of cash receipts and payments.

In accordance with the requirements of AASB 1004 *Contributions*, contributions by owners (that is, contributed capital and its repayment) are treated as equity transactions. As a result, they do not form part of the department's income and expenses.

Additions to net assets that are designated as contributions by owners are recognised as contributed capital. Additionally, other transfers that function as contributions to or distributions by owners are also classified as contributions by owners.

The department was established on 1 January 2023, and prior year comparative information includes 6 months of transactions from 1 January 2023 to 30 June 2023.

Judgements, estimates and assumptions are required to be made about financial information being presented. Significant judgements made in the preparation of these financial statements are disclosed in the notes, where amounts affected by those judgements are identified. Estimates and related assumptions are developed based on professional judgements informed by historical experience and various other factors that are considered reasonable under the circumstances. It is important to note that actual results may differ from these estimates.

Judgements and assumptions made by management in applying Australian Accounting Standards (AASs) that significantly affect the financial statements and estimates are disclosed in the relevant notes.

These financial statements represent the department as a standalone reporting entity and encompasses all activities conducted by the department. The results of the portfolio entities are not consolidated within the department's financial statements, as these entities prepare their own financial reports.

The department's portfolio results, including the portfolio entities are presented in Appendix 1, titled "*Budget portfolio outcomes*" in the annual report. Note, this appendix is separate from the financial statements and is not subject to audit by the Auditor-General.

The following agencies have been consolidated into the department's financial statements pursuant to a determination made by the Assistant Treasurer under section 53(1)(b) of the *Financial Management Act 1994* (FMA). These agencies are reported in aggregate and are not controlled by the department:

- Business Licensing Authority, established under the *Business Licensing Authority Act 1998*.

Where consolidated entities adopt different accounting policies and their impact is deemed material, adjustments are made to ensure consistent application of accounting in these financial statements.

When preparing consolidated financial statements for the department, all material transactions and balances between the consolidated entities are eliminated.

All amounts presented in the financial statements have been rounded to the nearest \$1,000 unless otherwise specified.

## COMPLIANCE INFORMATION

These general-purpose financial statements have been prepared on a going concern basis in compliance with the *Financial Management Act 1994* and applicable AASs including interpretations issued by the Australian Accounting Standards Board (AASB). They are presented in accordance with the requirements of AASB 1049 *Whole of Government and General Government Sector Financial Reporting*.

Where applicable, the paragraphs of the AASs that are relevant to not-for-profit entities have been adopted. The accounting policies selected and applied in these financial statements ensure that the resulting financial information adheres to the principles of relevance and reliability, thereby accurately reflecting the substance of the underlying transactions or other events.

## OTHER ACCOUNTING POLICIES

Material accounting policies that summarise the recognition and measurement basis employed in the preparation of these financial statements, and which are relevant for understanding the financial information presented, are detailed throughout the notes to the financial statements.

## 2. Funding of our services

### INTRODUCTION

The department was established to improve how Victorians and business engage with government, and to accelerate digital transformation and corporate services reform across the Victorian Public Sector.

To achieve its objectives and to deliver outputs, the department receives income predominantly from accrual based parliamentary appropriations. Further details on outputs are provided in [Note 4.1](#).

### STRUCTURE

- 2.1. Summary of revenue and income that funds the delivery of our services
- 2.2. Appropriations
- 2.3. Summary of compliance with annual Parliamentary appropriations
- 2.4. Income from transactions
- 2.5. Annotated income agreements

#### 2.1. Summary of revenue and income that funds the delivery of our services

		1 January to	
		2024	30 June 2023
	Notes	\$'000	\$'000
Output appropriations	<a href="#">2.3</a>	536,312	260,823
Interest and distribution income	<a href="#">2.4.1</a>	8,820	2,694
Sale of services	<a href="#">2.4.2</a>	28,166	22,052
Grants income	<a href="#">2.4.3</a>	17,846	17,324
Fair value of assets received free of charge	<a href="#">2.4.4</a>	34,883	16,081
Income from trusts and the Residential Tenancies Bond Authority	<a href="#">2.4.5</a>	131,144	59,442
Other income	<a href="#">2.4.6</a>	41,911	19,689
<b>Total revenue and income from transactions</b>		<b>799,082</b>	<b>398,105</b>

Revenue and income that fund delivery of the department's services are recognised in accordance with the relevant accounting standards as disclosed in the following notes.

#### 2.2. Appropriations

Once annual Parliamentary appropriations are applied by the Treasurer, they become controlled by the department and are recognised as income when applied for the purposes specified under the relevant Appropriations Act.

The department receives the following forms of appropriation:

- **Output appropriations:** Income from the outputs provided by the department to the Government is recognised upon delivery of those outputs and following certification by the relevant minister in accordance with specified performance criteria.

## 2.3. Summary of compliance with annual Parliamentary appropriations

The following table discloses the details of the various annual Parliamentary appropriations received by the department for the year.

In accordance with accrual output-based management procedures, 'provision of outputs' and 'additions to net assets' are disclosed as 'controlled' activities of the department.

Administered transactions are those conducted on behalf of the State over which the department has no control or discretion. These transactions are separately disclosed in [Note 4.2 Administered Items](#).

	Appropriations Act			Financial Management Act		Total Parliamentary authority \$'000	Total Appropriations applied \$'000	Variance \$'000
	Annual appropriation \$'000	Net transfers between departments – administrative restructure \$'000	Advance from Treasurer \$'000	Section 29 \$'000	Section 30 \$'000			
<b>2024 controlled</b>								
Output appropriations <sup>(i)</sup>	460,272	(3,746)	83,546	10,235	352	550,660	536,312	14,348
Additions to net assets <sup>(ii)</sup>	-	-	3,175	-	(352)	2,823	-	2,823
<b>2024 total</b>	<b>460,272</b>	<b>(3,746)</b>	<b>86,721</b>	<b>10,235</b>	<b>-</b>	<b>553,483</b>	<b>536,312</b>	<b>17,171</b>
<b>1 January to 30 June 2023 controlled</b>								
Output appropriations	-	180,620	98,136	3,084	7,717	289,557	260,823	28,734
Additions to net assets	-	13,254	7,940	-	(7,717)	13,477	-	13,477
<b>1 January to 30 June 2023 total</b>	<b>-</b>	<b>193,874</b>	<b>106,076</b>	<b>3,084</b>	<b>-</b>	<b>303,034</b>	<b>260,823</b>	<b>42,211</b>

Notes:

- (i) The variance is primarily related to unapplied appropriations rephased, carried over and reinstated from 2023–24 to 2024–25 to deliver pending deliverables/milestones, which are predominantly driven by timing differences.
- (ii) Depreciation Equivalent Funding was sufficient to cover capital expenditure requirements, hence additions to net assets base funding was not required to be accessed to fund Capital Spend.

## 2.4. Income from transactions

### 2.4.1. Interest and distribution income

	2024	1 January to 30 June 2023
	\$'000	\$'000
Distributions from VFMC	5,510	1,473
Interest from deposits	3,310	1,221
<b>Total interest and distributions income</b>	<b>8,820</b>	<b>2,694</b>

**Distributions from Victorian Funds Management Corporation (VFMC)** are recognised when the right to receive payment is established. Distributions represent the income generated from the department's investments in financial assets.

**Interest income** includes interest earned on bank deposits. This income is recognised using the effective interest method, which allocates the interest over the relevant period.

Net realised gains and unrealised gains and losses (resulting from the revaluation of investments) are not included in income from transactions, instead, they are reported as part of income from 'other economic flows in the net result'.

### 2.4.2. Sale of services

	2024	1 January to 30 June 2023
	\$'000	\$'000
Rendering of services	28,166	22,052
<b>Total sale of services</b>	<b>28,166</b>	<b>22,052</b>

Sale of services relates to income received for providing shared services to other Government departments and entities, which includes accommodation management, grant administration and other services.

The department has determined that the sale of services income included in the table above under AASB 1058 *Income of Not-for-Profit Entities* has been earned under arrangements that are either not enforceable and/or linked to sufficiently specific performance obligations.

### 2.4.3. Grants

	2024	1 January to 30 June 2023
	\$'000	\$'000
General purpose grants	17,846	17,324
<b>Total grants</b>	<b>17,846</b>	<b>17,324</b>

### Grants recognised Under AASB 1058

The department has determined that grant income reflected in the table above, in accordance with AASB 1058 *Income of Not-for-Profit Entities* has been earned under arrangements that are either not enforceable and/or linked to sufficiently specific performance obligations.

Income from grants that do not involve any sufficiently specific performance obligations, or that are deemed not enforceable, is recognised when the department acquires an unconditional right to receive cash, which coincides with receipt of cash. On initial recognition of the asset, the department recognises any related contributions by owners, increases in liabilities, decreases in assets, and revenue ('related amounts') in accordance with other Australian Accounting Standards. Related amounts may include:

- contributions by owners, in accordance with AASB 1004 *Contributions*
- revenue or a contract liability arising from a contract with a customer, in accordance with AASB 15 *Revenue from Contracts with Customers*
- a lease liability in accordance with AASB 16 *Leases*
- a financial instrument, in accordance with AASB 9 *Financial Instruments*
- a provision, in accordance with AASB 137 *Provisions, Contingent Liabilities and Contingent Assets*.

#### 2.4.4. Fair value of assets received free of charge

	2024	1 January to 30 June 2023
	\$'000	\$'000
Public records	34,883	16,081
<b>Total fair value of assets received free of charge</b>	<b>34,883</b>	<b>16,081</b>

Contributions of resources provided free of charge are recognised at their fair value when the recipient gains control over the resources, regardless of any restrictions or conditions placed on their use. ([Note 8.3.3](#) Fair value determination).

Public Records are transferred to Public Record Office Victoria (PROV) by organisations defined as 'public offices' in section 2 of the *Public Records Act 1973* (for example, Victorian Government departments, statutory authorities, public hospitals, and local governments) or by courts or persons acting judicially in Victoria. PROV accepts transfers of records which have been appraised by PROV as being records of permanent value. These are recognised when they are 'accessioned' by PROV – meaning received, stored in a PROV repository and their details captured in PROV's Archival Management System.

#### 2.4.5. Income from trusts and Residential Tenancies Bond Authority

	2024	1 January to 30 June 2023
	\$'000	\$'000
Income from Estate Agent Trust Accounts	108,906	42,755
Income from Conveyancer Trust Accounts	9,238	4,687
Income from Residential Tenancies Bond Authority	13,000	12,000
<b>Total income from trusts and Residential Tenancies Bond Authority</b>	<b>131,144</b>	<b>59,442</b>

**Income from Estate Agent Trust Accounts** arises from interest earned on trust accounts managed by licenced estate agents which is transferred by banks in accordance with section 60 of the *Estate Agents Act 1980*.

This income is recognised when the right to receive payment is established and is transferred into the Victorian Property Fund.

**Income from Conveyancer Trust Accounts** arises from interest earned on trust accounts managed by licenced conveyancers which is transferred by banks in accordance with section 91 of the *Conveyancers Act 2006*. This income is recognised when the right to receive payment is established and is transferred into the Victorian Property Fund.

**Income from Residential Tenancies Bond Authority (RTBA)** is recognised upon the receipt of cash paid into the Residential Tenancies Trust Fund by the RTBA in accordance with section 437 of the *Residential Tenancies Act 1997*.

#### 2.4.6. Other income

	2024	1 January to 30 June 2023
	\$'000	\$'000
Victorian Building Authority Fees	20,768	8,082
Other Fees	18,907	9,097
Other income	2,236	2,510
<b>Total other income</b>	<b>41,911</b>	<b>19,689</b>

**Victorian Building Authority (VBA) Fees** relates to the Domestic Builders Fund's share of the building permit levy, and registration and application fees collected by the VBA under the *Building Act 1993*.

**Other Fees** are legislative fees and charges which are recognised when payment is received.

The department has determined that VBA and other fees included in the table above under AASB 1058 *Income of Not-for-Profit Entities* has been earned under arrangements that are either not enforceable and/or linked to sufficiently specific performance obligations.



## 2.5. Annotated income agreements

The department is permitted under section 29 of the *Financial Management Act 1994* (FMA) to have certain income annotated to the annual appropriation. Income that is part of section 29 agreements are recognised by the department as an administered item and the receipts paid into the consolidated fund. If a section 29 agreement is in place, the relevant appropriation item will be increased by the equivalent amount at the time of income recognition.

The following is a listing of the FMA section 29 annotated income agreements approved by the Treasurer:

	2024	1 January to 30 June 2023
	\$'000	\$'000
<b>User charges, or sales of goods and services</b>		
Consumer Affairs Victoria publications and conferences	69	2
Dispute Settlement Centre of Victoria	133	105
Registrar of Births, Deaths and Marriages services	9,011	2,533
Public Record Office of Victoria	1,667	443
<b>Total annotated income agreements</b>	<b>10,880</b>	<b>3,084</b>

## 3. Cost of delivering our services

### INTRODUCTION

This section provides details of the expenses incurred by the department in delivering services and outputs.

In [Note 2](#) – Funding delivery of our services, the funds that enable the provision of services were disclosed. [Note 4](#) – Disaggregated financial information by output, discloses aggregated information in relation to the income and expenses by output.

### STRUCTURE

- 3.1. Expenses incurred in the delivery of services
- 3.2. Employee benefits
- 3.3. Grant expenses
- 3.4. Purchase of services
- 3.5. Accommodation expenses
- 3.6. Information technology expenses
- 3.7. Other operating expenses

#### 3.1. Expenses incurred in the delivery of services

	Notes	2024 \$'000	1 January to 30 June 2023 \$'000
Employee benefits	<a href="#">3.2.1</a>	263,394	122,693
Grant expenses	<a href="#">3.3</a>	264,061	76,044
Purchases of services	<a href="#">3.4</a>	74,195	82,396
Accommodation expenses	<a href="#">3.5</a>	24,675	40,798
Information technology expenses	<a href="#">3.6</a>	34,830	15,146
Other operating expenses	<a href="#">3.7</a>	19,857	4,596
<b>Total expenses incurred in the delivery of services</b>		<b>681,012</b>	<b>341,673</b>

#### 3.2. Employee benefits

##### 3.2.1. Employee benefits in the comprehensive operating statement

	2024 \$'000	1 January to 30 June 2023 \$'000
Defined contribution superannuation expense	22,695	10,373
Defined benefit superannuation expense	486	233
Salaries and wages, annual leave and long service leave	240,213	112,087
<b>Total employee benefits</b>	<b>263,394</b>	<b>122,693</b>

Employee expenses include all costs related to employment including wages and salaries, fringe benefits tax, leave entitlements, termination payments and WorkCover premiums.

The amount recognised in the comprehensive operating statement for superannuation reflects employer contributions for employees who are 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 as it has no legal or constructive obligation to pay future benefits related to its employees. Instead, the Department of Treasury and Finance (DTF) discloses the net defined benefit cost associated with these plan members as an administered liability in its annual financial statements, acting on behalf of the State as the sponsoring employer.

### 3.2.2. Employee benefits in the balance sheet

Provisions are made for benefits accruing to employees related to wages and salaries, annual leave, and long service leave (LSL) for services rendered up to the reporting date. These provisions are recorded as an expense in the period during which the services are provided.

	2024	2023
	\$'000	\$'000
<b>Current provisions</b>		
<b>Annual leave</b>		
Unconditional and expected to settle within 12 months	12,939	16,298
Unconditional and expected to settle after 12 months	5,927	3,304
<b>Long service Leave</b>		
Unconditional and expected to settle within 12 months	3,196	8,493
Unconditional and expected to settle after 12 months	20,416	12,212
<b>Provisions for on-costs</b>		
Unconditional and expected to settle within 12 months	3,419	3,297
Unconditional and expected to settle after 12 months	3,289	3,173
<b>Total current provisions for employee benefits</b>	<b>49,186</b>	<b>46,777</b>
<b>Non-current provisions</b>		
<b>Long service Leave</b>		
Employee benefits	5,634	7,610
On-costs	972	937
<b>Total non-current provisions for employee benefits</b>	<b>6,606</b>	<b>8,547</b>
<b>Total provisions for employee benefits</b>	<b>55,792</b>	<b>55,324</b>

**Wages and salaries, annual leave and sick leave:** Liabilities for wages and salaries, including non-monetary benefits, annual leave and on-costs are recognised as part of the employee benefit provision as current liabilities, as the department does not have an unconditional right to defer settlements of these liabilities.

The liability for salaries and wages are recognised in the balance sheet at the remuneration rates applicable at the reporting date. As the department expects the liabilities to be wholly settled within 12 months of reporting date, they are measured at undiscounted amounts.

The annual leave liability is classified as a current liability and is measured at the undiscounted amount expected to be paid, given the department does not have an unconditional right to defer settlement of the liability for at least 12 months after the end of the reporting period.

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

Employment on-costs such as payroll tax, workers compensation and superannuation are not categorised as employee benefits. They are disclosed separately as a component of the provision for employee benefits when the associated employment has occurred.

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

The components of this current LSL liability are measured at either:

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

**Conditional LSL** 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 LSL is measured at present value.

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

### 3.2.3. Superannuation contributions

Employees of the department are entitled to receive superannuation benefits and the department contributes to both defined benefit and defined contribution plans. The defined benefit plan provides benefits based on years of service and final average salary.

	2024	1 January to 30 June 2023
	\$'000	\$'000
<b>Defined benefit plans <sup>(i)</sup></b>		
State superannuation fund – revised and new	486	233
<b>Defined contribution plans</b>		
Various superannuation funds	22,695	10,373
<b>Total superannuation contributions</b>	<b>23,181</b>	<b>10,606</b>

Note:

(i) The level of contributions is determined by the actuaries of the defined benefit superannuation plans.

### 3.3. Grant expenses

	2024	1 January to 30 June 2023
	\$'000	\$'000
<b>Grants to portfolio agencies</b>		
Cenitex	3,361	3,350
<b>Total grants to portfolio agencies</b>	<b>3,361</b>	<b>3,350</b>
<b>Grants and other transfers to departments and associated entities outside portfolio</b>		
Court Services Victoria	28,553	11,923
Department of Premier and Cabinet	-	600
Other state government departments and associated entities	429	63
<b>Total grants and other transfers to departments and associated entities outside portfolio</b>	<b>28,982</b>	<b>12,586</b>
<b>Grants to local government</b>		
Local Government	67,023	24,888
<b>Total grants to local government</b>	<b>67,023</b>	<b>24,888</b>
<b>Grants to external organisations and individuals</b>		
External organisations and individuals	164,694	35,220
<b>Total grants to external organisations and individuals</b>	<b>164,694</b>	<b>35,220</b>
<b>Total grant expenses</b>	<b>264,061</b>	<b>76,044</b>

Grant expenses are contributions of the department's resources to other parties for specific or general purposes where there is no expectation of repayment in equivalent value (either through goods or services). Grant expenses also include grants to entities within the department's portfolio.

Grants can either be categorised as operating or capital in nature. Grants can be paid as general-purpose grants, which 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.

Grant expenses are recognised in the reporting period in which they are paid or become payable.

### 3.4. Purchase of services

	2024	1 January to 30 June 2023
	\$'000	\$'000
Professional and operational services	62,951	62,106
Labour contractors	11,244	10,858
Property and facilities management	-	9,432
<b>Total purchase of services</b>	<b>74,195</b>	<b>82,396</b>

**Purchase of services** relate to the expenses paid for operational services, specialist professional services, expert analysis and strategic advice, audit fees, labour staffing services and property and facility management.

### 3.5. Accommodation expenses

	2024	1 January to 30 June 2023
	\$'000	\$'000
Centralised accommodation management	19,336	37,999
Other accommodation expenses	5,339	2,799
<b>Total accommodation expenses</b>	<b>24,675</b>	<b>40,798</b>

**Accommodation** expenses include centralised accommodation managements costs, insurance, repairs and maintenance and other accommodation expenses.

### 3.6. Information technology expenses

	2024	1 January to 30 June 2023
	\$'000	\$'000
Information technology expenses	34,830	15,146
<b>Total information technology expenses</b>	<b>34,830</b>	<b>15,146</b>

**Information technology** expenses relate to software maintenance and licencing, managed services and IT consumables.

### 3.7. Other operating expenses

	2024	1 January to 30 June 2023
	\$'000	\$'000
Short-term and low-value lease expenses	1,188	251
Interest expense	65	149
Other	18,604	4,196
<b>Total other operating expenses</b>	<b>19,857</b>	<b>4,596</b>

Other operating expenses encompasses the day-to-day running costs incurred during normal operations and are recognised as an expense in the reporting period in which they are incurred.

The following lease payments are recognised on a straight-line basis:

- short-term leases – leases with a term less than 12 months
- low-value leases – leases where the underlying asset's fair value (when new, regardless of the age of the asset being leased) is no more than \$10 000.

## 4. Disaggregated financial information by output

### INTRODUCTION

The department is primarily funded through accrual based parliamentary appropriations allocated for the provision of outputs. This section provides a description of the Departmental outputs for the year ended 30 June 2024, including the objectives of those outputs.

This section disaggregates revenue and income that facilitate the delivery of services (described in [Note 2](#) – Funding delivery of our services) by output and records the allocation of expenses incurred (described in [Note 3](#) – The cost of delivering services) also by output, which form part of controlled balances of the department.

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

### STRUCTURE

- 4.1. Departmental outputs – Descriptions and objectives
- 4.2. Administered items

#### 4.1. Departmental outputs – Descriptions and objectives

A description of the Departmental outputs during the financial year to 30 June 2024 and their objectives are summarised below:

##### **Regulation of the Victorian consumer marketplace**

This output upholds a fair, safe and competitive Victorian marketplace. As Victoria's consumer regulator, Consumer Affairs Victoria (CAV) works to ensure that the market operates effectively by detecting and addressing non-compliance with the law. This output provides for advising consumers and businesses about their rights and responsibilities under the law, engaging with business to ensure compliance, registration and occupational licensing for individuals and organisations, and regulation of the residential tenancies market. Domestic Building Dispute Resolution Victoria and Dispute Settlement Centre Victoria provide Victorians with high quality dispute resolution services.

### **Identity and worker screening services**

This output supports the protection of children by providing screening of persons who work with or care for children, and screening of persons engaged in risk-assessed roles for the purposes of the National Disability Insurance Scheme. This output protects personal identity through the registration of significant life events by the Victorian Registry of Births, Deaths and Marriages (BDM).

### **Local Government**

This output delivers activities in partnership with the local government sector to support effective and efficient local governance, leadership, infrastructure and service provision. Through this output, the department administers programs to support local councils to increase accountability and provide support to the Victorian Local Government Grants Commission. The department also works with councils and the emergency management sector to enhance the emergency management capability and capacity of local government.

### **Digital strategy and transformation**

This output contributes to continued innovation in digital technology to improve whole of government service delivery and business processes. This output also contributes to the digital delivery of information, and services to Victorian citizens and businesses.

### **Management of Victoria's public records**

This output provides direction to government on the management of public records and ensures the historical memory of the Victorian Government endures, is secure and accessible.

### **Services to government**

This output contributes to the department's objective of delivering corporate services that enable the Victorian public service by:

- developing and maintaining a framework of whole of government policies, strategies, standards and guidelines which promote the efficient and effective use of common services including procurement, office accommodation management, carpool and government library services
- managing a program of whole of government procurement contracts to ensure optimum benefit to government
- supporting the operations of the Victorian Government Purchasing Board
- providing strategic and fit-for-purpose shared services advisory to clients to deliver value to the Victorian Government
- providing whole of government office accommodation and accommodation management
- providing VicFleet, carpool, government library services and shared corporate services.



#### 4.1.1. Departmental outputs – controlled income and expenses for the year ended 30 June 2024

	Regulation of the Victorian consumer marketplace		Identity and worker screening services		Local Government		Digital strategy and transformation		Management of Victoria's public records		Services to Government		Departmental total	
	2024 \$'000	2023 <sup>(i)</sup> \$'000	2024 \$'000	2023 <sup>(i)</sup> \$'000	2024 \$'000	2023 <sup>(i)</sup> \$'000	2024 \$'000	2023 <sup>(i)</sup> \$'000	2024 \$'000	2023 <sup>(i)</sup> \$'000	2024 \$'000	2023 <sup>(i)</sup> \$'000	2024 \$'000	2023 <sup>(i)</sup> \$'000
<b>Revenue and income from transactions</b>														
Output appropriations	53,834	21,638	55,242	26,878	83,195	27,742	241,802	129,261	16,319	7,640	85,920	47,664	<b>536,312</b>	<b>260,823</b>
Interest and distribution income	8,820	2,694	-	-	-	-	-	-	-	-	-	-	<b>8,820</b>	<b>2,694</b>
Sale of services	-	-	-	-	-	-	-	191	-	-	28,166	21,861	<b>28,166</b>	<b>22,052</b>
Grants income	1,424	1,041	44	398	6,025	2,695	9,306	11,679	400	1,022	647	490	<b>17,846</b>	<b>17,324</b>
Fair value of assets received free of	2	-	-	-	-	-	-	-	34,880	16,081	-	-	<b>34,882</b>	<b>16,081</b>
Income from trusts and RTBA	131,144	59,442	-	-	-	-	-	-	-	-	-	-	<b>131,144</b>	<b>59,442</b>
Other income	37,021	17,673	-	-	-	-	530	-	-	-	4,361	2,016	<b>41,912</b>	<b>19,689</b>
<b>Total income from transactions</b>	<b>232,244</b>	<b>102,488</b>	<b>55,286</b>	<b>27,276</b>	<b>89,220</b>	<b>30,437</b>	<b>251,638</b>	<b>141,131</b>	<b>51,599</b>	<b>24,744</b>	<b>119,095</b>	<b>72,030</b>	<b>799,082</b>	<b>398,105</b>
<b>Expenses from transactions</b>														
Employee benefits	55,015	24,711	23,635	10,713	9,685	5,170	81,143	39,707	8,473	4,043	85,443	38,349	<b>263,394</b>	<b>122,693</b>
Depreciation and amortisation	184	101	4,101	2,055	22	6	11,308	6,117	3,015	1,453	5,960	2,716	<b>24,590</b>	<b>12,448</b>
Grant expense	76,013	14,490	-	-	81,025	28,360	104,675	28,494	336	4	2,011	4,696	<b>264,061</b>	<b>76,044</b>
Purchases of services	3,048	10,380	22,539	12,518	353	(104)	32,044	39,667	1,326	520	14,885	19,415	<b>74,195</b>	<b>82,396</b>
Accommodation expenses	6,306	2,761	2,848	1,509	396	-	4,445	9,203	2,270	1,205	8,411	26,120	<b>24,675</b>	<b>40,798</b>
Information technology expenses	4,926	2,266	1,507	466	639	264	17,447	9,762	670	443	9,640	1,945	<b>34,830</b>	<b>15,146</b>
Other operating expenses	5,189	7,640	1,717	487	265	160	10,746	6,003	947	207	994	(9,902)	<b>19,858</b>	<b>4,595</b>
<b>Total expenses from transactions</b>	<b>150,680</b>	<b>62,350</b>	<b>56,347</b>	<b>27,748</b>	<b>92,386</b>	<b>33,855</b>	<b>261,809</b>	<b>138,952</b>	<b>17,037</b>	<b>7,875</b>	<b>127,344</b>	<b>83,341</b>	<b>705,602</b>	<b>354,121</b>
<b>Net result from transactions (net operating balance)</b>	<b>81,564</b>	<b>40,138</b>	<b>(1,061)</b>	<b>(472)</b>	<b>(3,165)</b>	<b>(3,418)</b>	<b>(10,171)</b>	<b>2,179</b>	<b>34,563</b>	<b>16,869</b>	<b>(8,249)</b>	<b>(11,311)</b>	<b>93,480</b>	<b>43,984</b>
<b>Other economic flows included in net result</b>														
Net gain/(loss) on non-financial assets	-	-	-	-	22	-	(5,471)	-	-	-	712	119	<b>(4,737)</b>	<b>119</b>
Net gain/(loss) on financial instruments	13,301	6,108	-	-	-	-	-	(3,367)	-	-	-	-	<b>13,301</b>	<b>2,740</b>
Other gains(losses) on other economic	234	-	89	-	(11)	3	5	(121)	2	(33)	101	(325)	<b>420</b>	<b>(477)</b>
<b>Total other economic flows included in net result</b>	<b>13,535</b>	<b>6,108</b>	<b>89</b>	<b>-</b>	<b>11</b>	<b>3</b>	<b>(5,466)</b>	<b>(3,489)</b>	<b>2</b>	<b>(33)</b>	<b>813</b>	<b>(207)</b>	<b>8,984</b>	<b>2,382</b>
<b>Net result</b>	<b>95,099</b>	<b>46,246</b>	<b>(972)</b>	<b>(472)</b>	<b>(3,154)</b>	<b>(3,415)</b>	<b>(15,637)</b>	<b>(1,310)</b>	<b>34,565</b>	<b>16,835</b>	<b>(7,436)</b>	<b>(11,517)</b>	<b>102,464</b>	<b>46,366</b>
<b>Comprehensive result</b>	<b>95,099</b>	<b>46,246</b>	<b>(972)</b>	<b>(472)</b>	<b>(3,154)</b>	<b>(3,415)</b>	<b>(15,637)</b>	<b>(1,310)</b>	<b>34,565</b>	<b>16,835</b>	<b>(7,436)</b>	<b>(11,517)</b>	<b>102,464</b>	<b>46,366</b>

Note: (i) 2023 amounts are for the period from 1 January to 30 June 2023.

#### 4.1.2. Departmental outputs – controlled assets and liabilities as at 30 June 2024

	Regulation of the Victorian consumer marketplace		Identity and worker screening services		Local Government		Digital strategy and transformation		Management of Victoria's public records		Services to Government		Departmental total	
	2024 \$'000	2023 \$'000	2024 \$'000	2023 \$'000	2024 \$'000	2023 \$'000	2024 \$'000	2023 \$'000	2024 \$'000	2023 \$'000	2024 \$'000	2023 \$'000	2024 \$'000	2023 \$'000
<b>Assets</b>														
Financial assets	386,393	282,629	18,245	12,952	40,555	34,441	57,063	59,356	11,066	8,362	118,730	127,807	<b>632,051</b>	<b>525,548</b>
Non-financial assets	750	697	7,191	12,357	46	37	46,802	51,916	653,120	620,872	30,284	30,131	<b>738,193</b>	<b>716,010</b>
<b>Total assets</b>	<b>387,143</b>	<b>283,327</b>	<b>25,436</b>	<b>25,309</b>	<b>40,600</b>	<b>34,478</b>	<b>103,865</b>	<b>111,272</b>	<b>664,186</b>	<b>629,234</b>	<b>149,015</b>	<b>157,938</b>	<b>1,370,244</b>	<b>1,241,558</b>
<b>Total liabilities</b>	<b>28,025</b>	<b>19,974</b>	<b>11,690</b>	<b>9,204</b>	<b>15,113</b>	<b>3,073</b>	<b>27,116</b>	<b>26,763</b>	<b>2,761</b>	<b>3,231</b>	<b>68,964</b>	<b>73,360</b>	<b>153,669</b>	<b>135,605</b>
<b>Net assets</b>	<b>359,118</b>	<b>263,352</b>	<b>13,746</b>	<b>16,106</b>	<b>25,488</b>	<b>31,405</b>	<b>76,749</b>	<b>84,509</b>	<b>661,425</b>	<b>626,003</b>	<b>80,051</b>	<b>84,577</b>	<b>1,216,575</b>	<b>1,105,953</b>

## 4.2. Administered items

In addition to the specific departmental operations reflected in the balance sheet, comprehensive operating statement and cash flow statement, the department administers certain resources and activities on behalf of the State, over which it does not exert any control. While the department is accountable for the transactions, it does not have the discretion to utilise the resources for its own benefit or to achieve its objectives.

Accordingly, transactions and balances related to these administered resources are not recognised as departmental income, expenses, assets, or liabilities within the main body of the financial statements but are disclosed separately in [Notes 4.2.1](#) and [4.2.2](#). Except where otherwise disclosed, administered transactions are accounted for on an accrual basis using the same accounting policies adopted for recognition of departmental items in the financial statements.

Administered 'services to government' include the following.

**Accommodation Carpool and Library Services (ACLS)** – manages Government's office accommodation and facilities management for departments and agencies, as well as providing Library and Carpool services.

**VicFleet** – is responsible for providing fleet vehicles to departments and agencies and management of the whole of Victorian Government finance lease facility.

Administered income includes ACLS charges, Births, Deaths and Marriage services, and Commonwealth grants. Administered expenses include payments of administered revenue into the Consolidated Fund, ACLS operating costs, grants paid to local councils, and interest on borrowings.

#### 4.2.1. Administered (non-controlled) income and expenses for the year ended 30 June 2024

	Regulation of the Victorian consumer marketplace		Identity and worker screening services		Local Government		Digital strategy and transformation		Management of Victoria's public records		Services to Government		Departmental total	
	2024	2023 <sup>(i)</sup>	2024	2023 <sup>(i)</sup>	2024	2023 <sup>(i)</sup>	2024	2023 <sup>(i)</sup>	2024	2023 <sup>(i)</sup>	2024	2023 <sup>(i)</sup>	2024	2023 <sup>(i)</sup>
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
<b>Administered revenue and income from transactions</b>														
Appropriations	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Interest income	-	-	-	-	-	-	-	-	-	-	5,461	2,514	5,461	2,514
Sale of goods and services	202	252	9,011	3,921	-	-	-	-	118	60	478,916	273,677	488,247	277,910
Grants Income	-	-	-	-	702,503	837,647	-	-	-	-	-	-	702,503	837,647
Other income	4,852	2,364	57,685	29,909	-	-	-	-	1,029	390	934	-	64,500	32,663
<b>Total administered income from transactions</b>	<b>5,054</b>	<b>2,616</b>	<b>66,696</b>	<b>33,830</b>	<b>702,503</b>	<b>837,647</b>	<b>-</b>	<b>-</b>	<b>1,146</b>	<b>450</b>	<b>485,312</b>	<b>276,191</b>	<b>1,260,712</b>	<b>1,150,735</b>
<b>Administered expenses from transactions</b>														
Depreciation and amortisation	-	-	-	-	-	-	-	-	-	-	244,958	118,663	244,958	118,663
Interest expense	-	-	-	-	-	-	-	-	-	-	73,658	21,853	73,658	21,853
Grant expense	-	-	-	-	702,503	837,647	-	-	-	-	-	-	702,503	837,647
Other operating expenses	-	-	-	-	-	-	-	-	-	-	190,451	82,828	190,451	82,828
Payments into the consolidated fund	1,408	2,759	23,352	33,683	-	-	-	-	855	455	32,000	18,945	57,615	55,841
<b>Total administered expenses from transactions</b>	<b>1,408</b>	<b>2,759</b>	<b>23,352</b>	<b>33,683</b>	<b>702,503</b>	<b>837,647</b>	<b>-</b>	<b>-</b>	<b>855</b>	<b>455</b>	<b>541,067</b>	<b>242,290</b>	<b>1,269,185</b>	<b>1,116,833</b>
<b>Total administered net result from transactions</b>	<b>3,647</b>	<b>(142)</b>	<b>43,343</b>	<b>148</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>291</b>	<b>(5)</b>	<b>(55,755)</b>	<b>33,902</b>	<b>(8,474)</b>	<b>33,902</b>
<b>Other economic flows included in net result</b>														
Net gain/(loss) on financial instruments	2	(3)	3	(3)	-	-	-	-	-	-	-	-	5	(6)
<b>Total other economic flows included in net result</b>	<b>2</b>	<b>(3)</b>	<b>3</b>	<b>(3)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>5</b>	<b>(6)</b>
<b>Net result</b>	<b>3,649</b>	<b>(145)</b>	<b>43,346</b>	<b>145</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>291</b>	<b>(5)</b>	<b>(55,755)</b>	<b>33,902</b>	<b>(8,469)</b>	<b>33,897</b>
<b>Total administered comprehensive result</b>	<b>3,649</b>	<b>(145)</b>	<b>43,346</b>	<b>145</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>291</b>	<b>(5)</b>	<b>(55,755)</b>	<b>33,902</b>	<b>(8,469)</b>	<b>33,897</b>

Note: (i) 2023 amounts are for the period from 1 January to 30 June 2023.

### **ACLS occupancy agreement**

A significant judgement was made that the occupancy agreement is a service contract (rather than a lease as defined in AASB 16 *Leases*). The income for office accommodation rent and facilities management fees are recognised as administered income in [Note 4.2.1](#) under services to government, based on agreed receipts in the occupancy agreement.

The occupancy agreement comprises the following components:

- management fees and business improvement fees – recognised as rendering of services in [Note 2.4.2](#) Sale of Services (controlled income for ACLS)
- income for office accommodation rent and facilities management fees – recognised as sale of goods and services in [Note 4.2.1](#) (administered income for ACLS), with the associated expense recognised as property and facilities management in [Note 3.4](#) (controlled expenses for the department), and as other operating expenses in [Note 4.2.1](#) (administered expense for ACLS).

### **Grants income and grant expense**

Grants income and expense consists of financial assistance grants received from the Federal Government and distributed to Local Government. The accounting policies for grants income are disclosed in [Note 2.4.3](#) (grants) and for grant expense in [Note 3.3](#) (grant expenses).

### **Depreciation and amortisation**

Depreciation is generally calculated on a straight-line basis, at rates that allocate the asset's value, less any estimated residual value, over its estimated useful life. The estimated useful lives, residual values and depreciation method are reviewed at the end of each annual reporting period, and adjustments are made where appropriate.

Right-of-use assets are generally depreciated over the shorter of the asset's useful life and the lease term.

#### 4.2.2. Administered (non-controlled) assets and liabilities as at 30 June 2024

	Regulation of the Victorian consumer marketplace		Identity and worker screening services		Local Government		Digital strategy and transformation		Management of Victoria's public records		Services to Government		Departmental total	
	2024	2023	2024	2023	2024	2023	2024	2023	2024	2023	2024	2023	2024	2023
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
<b>Administered financial assets <sup>(i)</sup></b>														
Cash and deposits	965	567	-	-	669,524	-	-	-	-	-	335,273	406,813	<b>1,005,761</b>	<b>407,380</b>
Receivables	3,673	(145)	44,243	1,093	-	-	-	-	163	(5)	798,273	665,292	<b>846,351</b>	<b>666,235</b>
<b>Total administered financial assets</b>	<b>4,638</b>	<b>422</b>	<b>44,243</b>	<b>1,093</b>	<b>669,524</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>163</b>	<b>(5)</b>	<b>1,133,546</b>	<b>1,072,106</b>	<b>1,852,113</b>	<b>1,073,615</b>
Administered non-financial assets														
Property, plant and equipment	-	-	-	-	-	-	-	-	-	-	1,533,251	1,513,961	<b>1,533,251</b>	<b>1,513,961</b>
Other non-financial assets	-	-	-	-	-	-	-	-	-	-	31,316	30,140	<b>31,316</b>	<b>30,140</b>
<b>Total administered non-financial assets</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>1,564,568</b>	<b>1,544,101</b>	<b>1,564,568</b>	<b>1,544,101</b>
<b>Total administered assets</b>	<b>4,638</b>	<b>422</b>	<b>44,243</b>	<b>1,093</b>	<b>669,524</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>163</b>	<b>(5)</b>	<b>2,698,113</b>	<b>2,616,206</b>	<b>3,416,680</b>	<b>2,617,716</b>
<b>Administered liabilities</b>														
Payables	961	563	-	-	669,524	-	-	-	21	-	48,586	31,778	<b>719,092</b>	<b>32,341</b>
Borrowings	-	-	-	-	-	-	-	-	-	-	2,474,172	2,357,065	<b>2,474,172</b>	<b>2,357,065</b>
Unearned income	-	-	897	948	-	-	-	-	-	-	-	-	<b>897</b>	<b>948</b>
Advances for capital works	-	-	-	-	-	-	-	-	-	-	163,470	160,655	<b>163,470</b>	<b>160,655</b>
Provisions	-	-	-	-	-	-	-	-	-	-	23,434	22,622	<b>23,434</b>	<b>22,622</b>
<b>Total administered liabilities</b>	<b>961</b>	<b>563</b>	<b>897</b>	<b>948</b>	<b>669,524</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>21</b>	<b>-</b>	<b>2,709,662</b>	<b>2,572,120</b>	<b>3,381,065</b>	<b>2,573,631</b>
<b>Total administered net assets</b>	<b>3,677</b>	<b>(141)</b>	<b>43,346</b>	<b>145</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>141</b>	<b>(5)</b>	<b>(11,549)</b>	<b>44,086</b>	<b>35,616</b>	<b>44,085</b>

Notes:

(i) The State's investment in all its controlled entities is disclosed in the administered note of the Department of Treasury and Finance's (DTF) financial statements. This includes the investment in the department's portfolio entities.

## Cash and deposits

Cash and deposits are funds held in trust including the Finance Agency Trust, Shared Corporate Services Trust and Vehicle Lease Trust, refer to [Note 7.2](#) (cash flow information and balances) for policy on cash and deposits and [Note 7.3](#) (trust account balances) for more detail on trusts.

## Receivables

### **Lease receivables**

VicFleet lease receivables are initially recorded at amounts equal to the present value of the minimum lease payments receivable plus the present value of any unguaranteed residual value expected to accrue at the end of the lease term. Lease payments are allocated between interest revenue and reduction of the lease receivable over the term of the lease in order to reflect a constant periodic rate of return on the net investment outstanding in respect of the lease.

### **Other receivables**

Other receivables include receivables from other Government departments and agencies. The accounting policies for receivables are disclosed in [Note 6.1](#) (receivables).

## Property, plant and equipment

Property, plant and equipment are lease accommodation assets recognised by the department under CAM (Centralised Accommodation Management). Right-of-use assets are classified at level 3 in fair value hierarchy, the accounting policies for fair value determination are disclosed in [Note 8.3](#) (fair value determination).

### **Right-of-use asset acquired by lessees – Initial measurement**

The department recognises a right-of-use asset and a lease liability at the lease commencement date. The right-of-use asset is initially measured at cost which comprises the initial amount of the lease liability adjusted for:

- any lease payments made at or before the commencement date less any lease incentive received
- any initial direct costs incurred
- an estimate of costs to dismantle and remove the underlying asset or to restore the underlying asset or the site on which it is located.

### **Right-of-use asset – Subsequent measurement**

The department depreciates the right-of-use assets on a straight-line basis from the lease commencement date to the earlier of the end of the useful life of the right-of-use asset or the end of the lease term. The right-of-use assets are also subject to revaluation.

In addition, the right-of-use asset is periodically reduced by impairment losses, if any and adjusted for certain remeasurements of the lease liability.

## Borrowings

	2024	2023
	\$'000	\$'000
<b>Current borrowings</b>		
Advances from Government	200,000	200,000
Loans from TCV	166,292	157,500
Lease liabilities	195,966	208,234
<b>Total current borrowings</b>	<b>562,258</b>	<b>565,734</b>
<b>Non-current borrowings</b>		
Loans from TCV	307,500	236,292
Lease liabilities	1,604,413	1,555,039
<b>Total non-current borrowings</b>	<b>1,911,913</b>	<b>1,791,332</b>
<b>Total borrowings</b>	<b>2,474,172</b>	<b>2,357,065</b>

## Maturity analysis of borrowings

2024	Carrying amount	Nominal amount	Maturity dates				
			Less than 1 month	1-3 months	3 months – 1 year	1-5 years	5+ years
			\$'000	\$'000	\$'000	\$'000	\$'000
Advances from Government	200,000	200,000	-	-	200,000	-	-
Loans from TCV	473,792	474,482	7,504	45,033	113,944	308,001	-
Lease liabilities	1,800,379	2,218,325	25,162	49,603	190,870	1,629,137	323,553
<b>Total</b>	<b>2,474,172</b>	<b>2,892,807</b>	<b>32,665</b>	<b>94,636</b>	<b>504,814</b>	<b>1,937,139</b>	<b>323,553</b>

2023	Carrying amount	Nominal amount	Maturity dates				
			Less than 1 month	1-3 months	3 months – 1 year	1-5 years	5+ years
			\$'000	\$'000	\$'000	\$'000	\$'000
Advances from Government	200,000	200,000	-	-	200,000	-	-
Loans from TCV	393,792	394,156	50,007	15,002	92,522	236,625	-
Lease liabilities	1,763,273	2,040,633	22,175	44,000	192,290	1,279,799	502,370
<b>Total</b>	<b>2,357,065</b>	<b>2,634,789</b>	<b>72,182</b>	<b>59,002</b>	<b>484,812</b>	<b>1,516,424</b>	<b>502,370</b>

Borrowings include \$474m from the Treasury Corporation of Victoria to fund VicFleet and \$200m from the Victorian Government to fund CAM lease payments which is necessary due to the income from departments being received in arrears. The accounting policies governing these borrowings are disclosed in [Note 7.1](#) (borrowings). The carrying amounts of borrowings are reasonable approximations of their fair values as at 30 June 2024 and are classified at level 3 in fair value hierarchy. The accounting policies for fair value determination are disclosed in [Note 8.3](#) (fair value determination).

## Leases

Centralised Accommodation management leases are recognised as right-of-use lease accommodation lease liabilities.

## Recognition and measurement of leases as a lessee

### ***Lease liability – initial measurement***

The lease liability is initially measured at the present value of the lease payments unpaid at the commencement date, discounted using the interest rate implicit in the lease if that rate is readily determinable or the department's incremental borrowing rate.

Lease payments included in the measurement of the lease liability comprise the following:

- fixed payments (including in-substance fixed payments) less any lease incentive receivable
- variable payments based on an index or rate, initially measured using the index or rate as at the commencement date
- amounts expected to be payable under a residual value guarantee
- payments arising from purchase and termination options reasonably certain to be exercised.

### ***Lease liability – subsequent measurement***

Subsequent to initial measurement, the liability will be reduced for payments made and increased for interest. It is remeasured to reflect any reassessment or modification, or if there are changes to in-substance fixed payments.

When the lease liability is remeasured, the corresponding adjustment is reflected in the RoU asset, or comprehensive operating statement if the RoU asset is already reduced to zero.

### ***Short-term leases and leases of low-value assets***

The department has elected to account for short-term leases and leases of low-value assets using the practical expedients. Instead of recognising a RoU asset and lease liability, the payments in relation to these are recognised as expenses in the comprehensive operating statement on a straight-line basis over the lease term.

### ***Presentation of right-of-use assets and lease liabilities***

The department presents RoU assets as property, plant and equipment. Lease liabilities are presented as borrowings in the balance sheet.

### ***Advances for capital works***

Funds received in advance for capital works managed on behalf of other departments and agencies are recognised as current liabilities until the associated capital expenditure is incurred. Advances for capital works are managed through the Finance Agency Trust.



## 5. Key assets to support output delivery

### 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 those outputs.

### STRUCTURE

- 5.1. Total property, plant and equipment
- 5.2. Intangible assets
- 5.3. Investments and other financial assets

#### 5.1. Total property, plant and equipment

	Gross carrying amount		Accumulated depreciation		Net carrying amount	
	2024	2023	2024	2023	2024	2023
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
Land at fair value <sup>(i)</sup>	75,519	75,519	-	-	75,519	75,519
Buildings at fair value <sup>(i)</sup>	22,663	22,663	(3,186)	(1,063)	19,478	21,601
Leasehold improvements at fair value	21,336	20,325	(6,502)	(2,077)	14,833	18,248
Office and computer equipment at fair value	2,325	1,916	(950)	(322)	1,375	1,594
Work in progress	5,714	3,025	-	-	5,714	3,025
Leased motor vehicles at fair value	7,851	5,319	(2,142)	(645)	5,709	4,674
Public records at fair value <sup>(i)</sup>	554,448	519,568	-	-	554,448	519,568
Other heritage assets at fair value <sup>(i)</sup>	277	273	(7)	-	270	273
<b>Net carrying amount</b>	<b>690,132</b>	<b>648,609</b>	<b>(12,787)</b>	<b>(4,107)</b>	<b>677,345</b>	<b>644,502</b>

Note:

(i) Land, Buildings, Public records held by the PROV and other heritage assets were valued at 30 June 2022 by the Valuer-General of Victoria.

The following tables are subsets of property, plant and equipment.

**Initial recognition:** Items of property, plant and equipment, are measured initially at cost and subsequently revalued at fair value less accumulated depreciation and impairment. 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 cost of constructed non-financial physical assets includes the cost of all materials used in construction, direct labour on the project and an appropriate proportion of variable and fixed overheads.

The cost of a leasehold improvement is capitalised and depreciated over the shorter of the remaining term of the lease or their estimated useful lives.

### Specialised land and specialised buildings

The market approach is used for specialised land, although is adjusted for the community service obligation (CSO) to reflect the specialised nature of the land being valued.

The CSO adjustment is a reflection of the valuer's assessment of the impact of restrictions associated with an asset to the extent that is also equally applicable to market participants.

### Leasehold improvements

The cost of a leasehold improvement is capitalised as an asset and depreciated over the shorter of the remaining term of the lease or the estimated useful life of the improvements.

### Office equipment and computer equipment

Office equipment and computer equipment that are specialised in use (such that they rarely sold other than as part of a going concern) are valued using the current replacement cost method.

### Leased motor vehicles

Vehicles are valued using the current replacement cost method. The department acquires new vehicles and at times disposes of them before the end of their economic life. The process of acquisition use and disposal in the market is managed by experienced fleet managers in the department who set relevant depreciation rates during the life of the asset to reflect the use of the vehicles.

### Public records

These assets are valued at fair value. The valuation of these assets is based on a market approach. This involves using market prices and other relevant information generated by market transactions from comparable or similar assets.

### Impairment of property, plant and equipment

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.

For more details on valuation techniques, inputs, and processes, refer to [Note 8.3](#).

#### 5.1.1. Depreciation and amortisation

	2024	1 January to 30 June 2023
	\$'000	\$'000
Buildings	2,124	1,063
Leasehold improvements	4,427	2,076
Office and computer equipment	628	322
Leased motor vehicles	1,215	645
Other heritage assets	3	1
Intangible assets	16,194	8,343
<b>Total depreciation and amortisation</b>	<b>24,591</b>	<b>12,449</b>

All buildings, plant and equipment and other non-financial physical assets that have finite useful lives, are depreciated. The exceptions to this rule include public records and items under assets held for sale.

Depreciation is generally 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 the current period are included in the table below:

	Useful life (years)
Buildings	10–27
Leasehold improvements	3–20
Office and computer equipment	3–20
Leased motor vehicles	1–3
Other heritage assets	100
Intangible assets	3–7

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 entity will exercise a purchase option, the entity depreciates the right-of-use asset over its useful life.

Leasehold improvements are depreciated over the shorter of the lease term and their useful lives.

**Indefinite life assets:** Public records, which are regarded as having an indefinite life, are not subject to depreciation. Depreciation is not recognised for these assets because their service potential has not been materially consumed during the reporting period.

### 5.1.2. Reconciliation of movements in carrying amount of property, plant, and equipment <sup>(i)</sup>

	Land at fair value		Buildings at fair value		Leasehold improvements at fair value		Work in progress		Office and computer equipment at fair value		Leased motor vehicles at fair value		Public records at fair value		Other heritage assets at fair value		Total	
	2024	2023	2024	2023	2024	2023	2024	2023	2024	2023	2024	2023	2024	2023	2024	2023	2024	2023
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
Opening balance	75,519	-	21,601	-	18,249	-	3,025	-	1,594	-	4,674	-	519,568	-	273	-	644,503	-
Machinery of government transfers in	-	75,519	-	22,663	-	20,153	-	2,917	-	1,735	-	5,089	-	503,466	-	277	-	631,819
Additions	-	-	-	-	1,010	173	3,098	108	-	181	3,242	702	34,880	16,102	-	-	42,231	17,265
Transfers in/out of assets under construction	-	-	-	-	-	-	(409)	-	409	-	-	-	-	-	-	-	-	-
Disposals	-	-	-	-	-	-	-	-	-	-	(992)	(291)	-	-	-	(4)	(992)	(295)
Transfer to disposal group held for sale	-	-	-	-	-	-	-	-	-	-	-	(180)	-	-	-	-	-	(180)
Depreciation/amortisation expense	-	-	(2,123)	(1,063)	(4,426)	(2,076)	-	-	(628)	(322)	(1,215)	(645)	-	-	(3)	-	(8,395)	(4,106)
<b>Closing balance</b>	<b>75,519</b>	<b>75,519</b>	<b>19,478</b>	<b>21,601</b>	<b>14,833</b>	<b>18,249</b>	<b>5,714</b>	<b>3,025</b>	<b>1,375</b>	<b>1,594</b>	<b>5,709</b>	<b>4,674</b>	<b>554,448</b>	<b>519,568</b>	<b>270</b>	<b>273</b>	<b>677,346</b>	<b>644,503</b>

Note:

(i) Fair value assessments have been performed for all classes of assets in this purpose group and the decision was made that movements were not material (less than or equal to 10 per cent) for a managerial revaluation. The next scheduled full revaluation for this purpose group will be conducted in 2027.

## 5.2. Intangible assets

	Computer software		Work in progress		Total	
	2024	2023	2024	2023	2024	2023
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
<b>Gross carrying amount</b>						
Opening balance	52,107	-	19,550	-	71,656	-
Machinery of government transfers in	-	30,695	-	28,136	-	58,831
Additions	-	-	11,563	12,825	11,563	12,825
Disposals	-	-	(5,508)	-	(5,508)	-
Transfers in/out of work in progress	12,755	21,412	(12,755)	(21,412)	-	-
<b>Closing balance of gross carrying amount</b>	<b>64,862</b>	<b>52,107</b>	<b>12,850</b>	<b>19,550</b>	<b>77,711</b>	<b>71,656</b>
Opening balance of accumulated amortisation	(8,343)	-	-	-	(8,343)	-
Amortisation of intangible assets charged	(16,194)	(8,343)	-	-	(16,194)	(8,343)
<b>Closing balance of accumulated amortisation</b>	<b>(24,537)</b>	<b>(8,343)</b>	<b>-</b>	<b>-</b>	<b>(24,537)</b>	<b>(8,343)</b>
<b>Net book value at end of financial year</b>	<b>40,325</b>	<b>43,764</b>	<b>12,850</b>	<b>19,550</b>	<b>53,175</b>	<b>63,314</b>

### Initial recognition

Assets transferred as part of machinery of government changes to Department on 1 January 2023 were transferred at their carrying amount.

**Purchased intangible assets** are initially recognised at cost. When the recognition criteria in AASB 138 *Intangible Assets* is met, internally generated intangible assets are recognised at cost. Subsequently, intangible assets with finite useful lives are carried at cost less accumulated amortisation and accumulated impairment losses. Depreciation and amortisation begin when the asset is available for use, that is, when it is in the location and condition necessary for it to be capable of operating in the manner intended by management.

An **internally generated intangible asset** arising from development (or from the development phase of an internal project) 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 produced assets with finite useful lives are amortised as an 'expense from transactions' on a straight-line basis over their useful lives. Produced intangible assets have useful lives of between 3 and 7 years.

### Impairment of intangible assets

Intangible assets with indefinite useful lives (and 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.

## 5.3. Investments and other financial assets

	2024	2023
	\$'000	\$'000
<b>Current investments and other financial assets</b>		
Managed investments <sup>(i)</sup>	298,984	195,502
<b>Total current investments and other financial assets</b>	<b>298,984</b>	<b>195,502</b>

Note:

(i) The department measures its managed investment schemes at fair value through net result.

Investments are managed by the VFMC, this balance includes funds held for The Victorian Property Fund, Residential Tenancies Fund and Domestic Builders Fund.

The policy information for managed investments is outlined in [Note 8.1](#) (Financial instruments specific disclosures).

## 6. Other assets and liabilities

### INTRODUCTION

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

### STRUCTURE

- 6.1. Receivables
- 6.2. Payables
- 6.3. Other provisions

### 6.1. Receivables

	2024	2023
	\$'000	\$'000
<b>Contractual</b>		
Receivables	58,829	19,504
Provisions for expected credit losses for contractual receivables	(7)	(4,109)
<b>Statutory</b>		
Amounts owing from the Victorian Government	103,611	115,846
GST recoverable	-	699
Income from trusts	10,280	9,056
Regulatory fees	1,200	2,482
<b>Total receivables</b>	<b>173,913</b>	<b>143,478</b>
<i>Represented by:</i>		
Current receivables	167,976	135,876
Non-current receivables	5,937	7,602

Receivables consist of:

- **Contractual receivables** are classified as financial instruments and categorised as 'financial assets at amortised cost'. They are initially recognised at fair value plus any directly attributable transaction costs. The department holds the contractual receivables with the objective to collect the contractual cash flows and therefore 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 (except for impairment) but are not classified as financial instruments for disclosure purposes. The department applies AASB 9 for initial measurement of the statutory receivables and, as a result, statutory receivables are initially recognised at fair value plus any directly attributable transaction cost. Amounts recognised 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 impairment policies and the department's exposure to credit risk are set out in [Note 8.1.3](#).

## 6.2. Payables

	2024	2023
	\$'000	\$'000
<b>Contractual</b>		
Supplies and services	48,987	52,716
Unearned income	5	4,204
Accrued grants	20,882	165
Other payables	4	4,088
<b>Statutory</b>		
GST Payable	3,131	-
Taxes payable	642	44
<b>Total payables</b>	<b>73,651</b>	<b>61,217</b>
<i>Represented by:</i>		
Current payables	73,651	61,217
Non-current payables	-	-

Payables consist of:

- **Contractual payables:** Classified as financial instruments and measured at amortised cost and represent liabilities for goods and services provided to the department prior to the end of the financial year that are unpaid.
- **Statutory payables:** Recognised and measured similarly to contractual payables, but are not classified as financial instruments and not included in the category of financial liabilities at amortised cost, because they do not arise from contracts.

Payables for supplies and services are paid in line with the Victorian Government Fair Payment Policy.

The terms and conditions of amounts payable to the government and agencies vary according to the particular agreements and as they are not legislative payables, they are not classified as financial instruments.



### 6.3. Other provisions

	2024	2023
	\$'000	\$'000
<b>Current other provisions</b>		
Victorian property fund claims	10,148	7,311
Make-good provision	3,620	2,609
Performance provisions	4,257	3,713
<b>Total current other provisions</b>	<b>18,025</b>	<b>13,633</b>

Other provisions are recognised when the department has a present obligation, when the future sacrifices of economic benefits are probable, and when the amount of the provision can be measured reliably. The amount recognised as a provision is the best estimate of the consideration required to settle the present obligation at the reporting date, taking into account the risks and uncertainties surrounding the obligation.

**Victorian property fund** recognises claims by estate agent clients in relation to property sales (vendor or purchaser) and property rentals (landlord or tenant), approved claims are paid from the Victorian Property Fund (Note 7.3 trust account balances). Provision is for claims incurred on events that have occurred and expected to occur but have not yet been paid at year end. This liability is based on the previous claims' history of the Victorian Property fund and expected future claims.

**Make-good provision** is recognised in accordance with the lease agreement governing the accommodation facilities. This provision accounts for the department's obligation to remove any leasehold improvements from the accommodation and restore the premises to their original condition at the end of the lease term.

**Performance provisions** relate progressions payments to staff in line with the current VPS enterprise agreement that have been incurred in the 2023–24 financial year, but will be paid in 2024–25.

## 7. Our financing activities

### INTRODUCTION

This section provides information on the sources of finance utilised by the department during its operations, along with interest expenses (the cost of borrowings) and other information related to financing activities of the department.

This section includes disclosures of balances that are financial instruments (such as borrowings and cash balances). [Notes 8.1](#) and [8.3](#) provide additional, specific financial instrument disclosures.

### STRUCTURE

- 7.1. Borrowings
- 7.2. Cash flow information and balances
- 7.3. Trust account balances
- 7.4. Commitments for expenditure

#### 7.1. Borrowings

	2024	2023
	\$'000	\$'000
<b>Current borrowings</b>		
Lease liabilities <sup>(i)</sup>	3,264	2,285
<b>Total current borrowings</b>	<b>3,264</b>	<b>2,285</b>
<b>Non-current borrowings</b>		
Lease liabilities <sup>(i)</sup>	2,937	3,145
<b>Total non-current borrowings</b>	<b>2,937</b>	<b>3,145</b>
<b>Total borrowings</b>	<b>6,201</b>	<b>5,430</b>

Note:

(i) Secured by leased assets.

'Borrowings' refer to lease liabilities.

Borrowings are classified as financial instruments. Interest bearing liabilities are classified at amortised cost unless the department elects to irrevocably designate them at fair value through profit or loss at initial recognition. The election depends on the nature and purpose of the interest-bearing liabilities.

Borrowings are initially recognised at the fair value of the consideration received less directly attributable transaction costs and subsequently measured at amortised cost using the effective interest method.

**Defaults and breaches:** During the current period, there were no defaults or breaches.

## 7.2. Cash flow information and balances

Cash and deposits, including cash equivalents, comprise cash on hand and cash at bank, deposits at call and those highly liquid investments with an original maturity of 3 months or less that are held for the purpose of meeting short-term cash commitments rather than for investment purposes, and are readily convertible to known amounts of cash and are subject to an insignificant risk of changes in value.

	2024	2023
	\$'000	\$'000
<b>Held in trust</b>		
Cash and deposits	159,153	186,569
<b>Balance as per cash flow statement</b>	<b>159,153</b>	<b>186,569</b>

The cash balance shown above is entirely held in trust and is exclusively available for the payment of suppliers and creditors in accordance with the relevant legislated requirements governing the trust. The Cash flow statement balance includes cash and deposits held in trust.

Due to the State's investment policy and funding arrangements, the department does not hold a large cash reserve in its bank accounts for the day-to-day operations. Cash received from generation of income is generally paid into the State's bank account ('public account'). Likewise, departmental expenditure for the payments to its suppliers and creditors are made via the public account.

### 7.2.1. Reconciliation of net result for the year to cash flow from operating activities

	2024	2023 <sup>(a)</sup>
	\$'000	\$'000
<b>Net result for the year</b>	102,464	46,366
<b>Non-cash movements</b>		
Depreciation and amortisation	24,590	12,448
(Gain)/loss on disposal of non-financial assets	4,737	(119)
Net (gain)/loss on financial instruments	40	(2,740)
Assets received free of charge	(34,883)	(16,081)
<b>Total non-cash movements</b>	<b>(5,516)</b>	<b>(6,492)</b>
<b>Movements in assets and liabilities</b>		
Decrease/(increase) in receivables	(36,351)	(9,669)
Decrease/(increase) in other non-financial assets	371	(2,494)
Increase/(decrease) in payables	12,335	(3,106)
Increase/(decrease) in provisions	3,848	17,459
<b>Total movements in assets and liabilities</b>	<b>(19,797)</b>	<b>2,190</b>
<b>Net cash flows from/(used in) operating activities</b>	<b>77,151</b>	<b>42,064</b>

### 7.3. Trust account balances

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

	2024			2023			
	Opening balance as at 1 July 2023 \$'000	Increase/ (decrease) in funds \$'000	Closing balance as at 30 June 2024 \$'000	Opening balance as at 1 January 2023 \$'000	Transfer in/Machinery of Government \$'000	Increase/ (decrease) in funds \$'000	Closing balance as at 30 June 2023 \$'000
<b>Cash and cash equivalents and investments</b>							
<b>Controlled trusts</b>							
<b>Victorian Property Fund</b> Established under the <i>Estate Agents Act 1980</i> to hold monies in accordance with sections 73 and 75 of that Act.	183,830	95,967	<b>279,797</b>	-	145,820	38,010	<b>183,830</b>
<b>Motor Car Trader Guarantee Fund</b> Established under the <i>Motor Car Traders Act 1986</i> to hold monies in accordance with section 74 of that Act.	9,478	2,879	<b>12,357</b>	-	8,663	815	<b>9,478</b>
<b>Sex Work Regulation Fund</b> Established under the <i>Sex Work Act 1994</i> to hold monies in accordance with section 66 of that Act.	65	(5)	<b>60</b>	-	322	(256)	<b>65</b>
<b>Residential Tenancies Fund</b> Established under the <i>Residential Tenancies Act 1997</i> to hold monies in accordance with sections 492 and 493 of that Act.	27,039	(279)	<b>26,760</b>	-	28,247	(1,208)	<b>27,039</b>
<b>Domestic Builders Fund</b> Established under the <i>Domestic Building Contracts Act 1995</i> to hold monies in accordance with section 124 of that Act.	34,661	4,549	<b>39,210</b>	-	34,980	(319)	<b>34,661</b>
<b>Victorian Consumer Law Fund</b> Established under the Australian Consumer Law and <i>Fair Trading Act 2012</i> to hold monies in accordance with section 134 and Part 6.2 of that Act.	2,620	(1,345)	<b>1,275</b>	-	3,227	(607)	<b>2,620</b>

Cash and cash equivalents and investments	2024			2023			
	Opening balance as at 1 July 2023	Increase/ (decrease) in funds	Closing balance as at 30 June 2024	Opening balance as at 1 January 2023	Transfer in/Machinery of Government	Increase/ (decrease) in funds	Closing balance as at 30 June 2023
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
<b>Departmental Trust Account</b>	497	-	<b>497</b>	-	497	-	<b>497</b>
The trust was established under section 19 of the <i>Financial Management Act 1994</i> by the Assistant Treasurer.							
<b>Inter Departmental Transfer Fund</b>	37,407	(6,420)	<b>30,987</b>	-	30,449	6,958	<b>37,407</b>
The trust was established under section 19 of the <i>Financial Management Act 1994</i> by the Assistant Treasurer to record inter-departmental transfers when no other trust arrangement exists.							
<b>Master Agency Media Services Trust Account</b>	5,358	(1,624)	<b>3,734</b>	-	5,039	319	<b>5,358</b>
Established under section 19 of the <i>Financial Management Act 1994</i> , to record the receipt of service fees and disbursement of media-related expenses under the MAMS contract.							
<b>State Development Special Projects Trust Account</b>	11,646	(476)	<b>11,171</b>	-	11,590	56	<b>11,646</b>
Established under section 19 of the <i>Financial Management Act 1994</i> , to assist in facilitating, encouraging, promoting and carrying out activities leading to a balanced economic development of the State of Victoria.							
<b>Treasury Trust Funds</b>	18,003	(4,722)	<b>13,281</b>	-	20,435	(2,432)	<b>18,003</b>
Established under section 19 of the <i>Financial Management Act 1994</i> , to record the department's receipt and disbursement of unclaimed and unidentified monies and other funds held in trust.							
<b>Finance Agency Trust</b>	3,901	(2,155)	<b>1,746</b>	-	6,877	(2,976)	<b>3,901</b>
Established under section 19 of the <i>Financial Management Act 1994</i> , to record the receipt of funds pending disbursement for fit out works, minor and major capital works, construction and construction-related works and general projects undertaken on the department's buildings and tenancies.							

Cash and cash equivalents and investments	2024			2023			
	Opening balance as at 1 July 2023	Increase/ (decrease) in funds	Closing balance as at 30 June 2024	Opening balance as at 1 January 2023	Transfer in/Machinery of Government	Increase/ (decrease) in funds	Closing balance as at 30 June 2023
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
<b>Shared Corporate Services Trust</b>	34,006	(4,401)	<b>29,605</b>	-	30,705	3,300	<b>34,006</b>
Established under section 19 of the <i>Financial Management Act 1994</i> , to record receipts and payments for shared corporate services, including, but not limited to, the operations of the SSP.							
<b>Vehicle Lease Trust Account</b>	13,561	(6,784)	<b>6,777</b>	-	18,125	(4,564)	<b>13,561</b>
Established under section 19 of the <i>Financial Management Act 1994</i> , to record transactions relating to the Government's vehicle pool and fleet management operations.							
<b>Total controlled trusts</b>	<b>382,072</b>	<b>75,184</b>	<b>457,255</b>	<b>-</b>	<b>344,976</b>	<b>37,095</b>	<b>382,072</b>

Cash and cash equivalents and investments	2024			2023			
	Opening balance as at 1 July 2023	Increase/ (decrease) in funds	Closing balance as at 30 June 2024	Opening balance as at 1 January 2023	Transfer in/Machinery of Government	Increase/ (decrease) in funds	Closing balance as at 30 June 2023
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
<b>Administered Trusts</b>							
<b>Finance Agency Trust</b>	164,562	(1,870)	<b>162,692</b>	133,779	30,783	-	<b>164,562</b>
Established under section 19 of the <i>Financial Management Act 1994</i> , to record the receipt of funds pending disbursement for fit out works, minor and major capital works, construction and construction-related works and general projects undertaken on the department's buildings and tenancies.							
<b>Shared Corporate Services Trust</b>	224,454	(58,647)	<b>165,807</b>	143,087	81,367	-	<b>224,454</b>
Established under section 19 of the <i>Financial Management Act 1994</i> , to record receipts and payments for shared corporate services, including, but not limited to, the operations of the SSP.							
<b>Vehicle Lease Trust Account</b>	17,797	(10,761)	<b>7,037</b>	20,057	(2,260)	-	<b>17,797</b>
Established under section 19 of the <i>Financial Management Act 1994</i> , to record transactions relating to the Government's vehicle pool and fleet management operations.							
<b>Commonwealth Local Government Trust <sup>(i)</sup></b>	-	669,524	<b>669,524</b>	-	-	-	-
Established under section 15 of the <i>Local Government (Financial Assistance) Act 1995</i> (Commonwealth legislation) to make financial assistance grants to local governments.							
<b>Domestic Building Dispute Resolution Victoria Fund</b>	-	57	<b>57</b>	-	-	-	-
Established under the <i>Building Legislation Amendment (Consumer Protection) Act 2016</i> to hold monies in accordance with that Act.							
<b>Total administered trusts</b>	<b>406,814</b>	<b>598,304</b>	<b>1,005,117</b>	<b>296,923</b>	<b>109,891</b>	<b>-</b>	<b>406,814</b>

Note:

- (i) \$670m was received into the Commonwealth Local Government Trust on 28 June 2024, this money was transferred to Local Councils on 5 July 2024. In 2023 Grants of \$838m were received from the Commonwealth Government and paid to Local Councils in the same reporting period, hence shows a nil balance at 30 June 2023.

## 7.4. Commitments for expenditure

Commitments for future expenditure include operating, grants and capital commitments arising from contracts. These commitments are recorded at their nominal value and include GST. Where it is considered appropriate and when it enhances the relevance of the information for users, the net present values of significant individual projects are disclosed. Once the related liabilities are recognised in the balance sheet, these future expenditures are no longer disclosed as commitments.

### 7.4.1. Total commitments payable

<b>Nominal amounts 2024</b>	<b>Less than 1 year \$'000</b>	<b>1–5 years \$'000</b>	<b>5+ years \$'000</b>	<b>Total \$'000</b>
Capital expenditure commitments payable	-	-	-	-
Grants commitments payable	91,767	67,031	-	158,798
Other commitments payable	111,277	22,379	-	133,655
<b>Total commitments (inclusive of GST)</b>	<b>203,043</b>	<b>89,410</b>	<b>-</b>	<b>292,453</b>
Less GST recoverable	(18,258)	(8,128)	-	(26,387)
<b>Total commitments (exclusive of GST)</b>	<b>184,785</b>	<b>81,282</b>	<b>-</b>	<b>266,067</b>

<b>Nominal amounts 2023</b>	<b>Less than 1 year \$'000</b>	<b>1–5 years \$'000</b>	<b>5+ years \$'000</b>	<b>Total \$'000</b>
Capital expenditure commitments payable	2,393	-	-	2,393
Grants commitments payable	61,324	229,332	17,698	308,354
Other commitments payable	118,280	47,914	39,440	205,634
<b>Total commitments (inclusive of GST)</b>	<b>181,997</b>	<b>277,246</b>	<b>57,138</b>	<b>516,381</b>
Less GST recoverable	(15,990)	(25,204)	(5,194)	(46,388)
<b>Total commitments (exclusive of GST)</b>	<b>166,008</b>	<b>252,042</b>	<b>51,943</b>	<b>469,993</b>



## 8. Risks, contingencies and valuation judgements

### INTRODUCTION

The department is exposed to risk from its activities and outside factors. In addition, it is often necessary to make judgements and estimates associated with recognition and measurement of items in the financial statements. This section sets out financial instrument specific information, (including exposures to financial risks) as well as those items that are contingent in nature or require a higher level of judgement to be applied, which for the department related mainly to fair value determination.

### STRUCTURE

- 8.1. Financial instruments specific disclosures
- 8.2. Contingent assets and contingent liabilities
- 8.3. Fair value determination

### 8.1. Financial instruments specific disclosures

#### Introduction

Financial instruments result from contractual agreements that create a financial asset for one entity and a financial liability or equity instrument for another entity. However, due to the nature of the department's activities, certain financial assets and financial liabilities arise under statutory obligations rather than a contractual agreement (for example taxes, fines and penalties). These assets and liabilities do not meet the definition of financial instruments as outlined in AASB 132 *Financial Instruments: Presentation*.

Financial instruments transferred as part of machinery of government changes to the department on 1 January 2023 were transferred at their carrying amount.

#### Categories of financial assets

##### **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 and deposits
- receivables (excluding statutory receivables).

### ***Financial assets at fair value through net result***

Equity instruments that are held for trading as well as derivative instruments are classified at fair value through net result. Other financial assets are required to be measured at fair value through net result unless they are measured at amortised cost or fair value through other comprehensive income as explained above. The department categorised investments in managed investment schemes in this category.

### ***Categories of financial liabilities***

**Financial liabilities at amortised cost** are initially recognised on the date they originated. They are initially measured at fair value plus 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).

### ***Offsetting financial instruments***

Financial instrument assets and liabilities are offset, and the net amount disclosed in the balance sheet, only when there is a legal right to offset the amounts and the department intends to settle on a net basis or to realise the asset and settle the liability simultaneously.

### ***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 right to receive cash flows from the asset have expired
- 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
- 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
  - 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 of ownership, nor transferred control of an asset, the asset is recognised only to the extent of the department's continuing involvement with that asset.

### ***Derecognition of financial liabilities***

A financial liability is derecognised when the obligation under the liability is discharged, cancelled, or expires.

When an existing financial liability is replaced by another from the same lender on substantially different terms, or when 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 between the respective carrying amounts is recognised as an 'other economic flow' in the comprehensive operating statement.

### 8.1.1. Financial instruments: Categorisation

	Cash and deposits	Financial assets at fair value through net result	Financial assets at amortised cost	Financial liabilities at amortised cost	Total
2024	\$'000	\$'000	\$'000	\$'000	\$'000
<b>Contractual financial assets</b>					
Cash and deposits	159,153	-	-	-	159,153
<b>Receivables <sup>(i)</sup></b>					
Rendering of services	-	-	58,829	-	58,829
<b>Investments and other contractual financial assets</b>					
Managed investment schemes	-	298,984	-	-	298,984
<b>Total contractual financial assets</b>	<b>159,153</b>	<b>298,984</b>	<b>58,829</b>	<b>-</b>	<b>516,966</b>
<b>Contractual financial liabilities</b>					
<b>Payables <sup>(i)</sup></b>					
Supplies and services	-	-	-	48,987	48,987
Accrued grants	-	-	-	20,882	20,882
Other payables	-	-	-	4	4
<b>Borrowings</b>					
Lease liabilities	-	-	-	6,201	6,201
<b>Total contractual financial liabilities</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>76,074</b>	<b>76,074</b>

	Cash and deposits	Financial assets at fair value through net result	Financial assets at amortised cost	Financial liabilities at amortised cost	Total
2023	\$'000	\$'000	\$'000	\$'000	\$'000
<b>Contractual financial assets</b>					
Cash and deposits	186,569	-	-	-	186,569
<b>Receivables <sup>(i)</sup></b>					
Rendering of services	-	-	19,504	-	19,504
<b>Investments and other contractual financial assets</b>					
Managed investment schemes	-	195,502	-	-	195,502
<b>Total contractual financial assets</b>	<b>186,569</b>	<b>195,502</b>	<b>19,504</b>	<b>-</b>	<b>401,575</b>
<b>Contractual financial liabilities</b>					
<b>Payables <sup>(i)</sup></b>					
Supplies and services	-	-	-	52,716	52,716
Accrued grants	-	-	-	165	165
Other payables	-	-	-	4,088	4,088
<b>Borrowings</b>					
Lease liabilities	-	-	-	5,430	5,430
<b>Total contractual financial liabilities</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>62,399</b>	<b>62,399</b>

Note:

(i) The total amounts disclosed here exclude statutory amounts (e.g. amounts owing from Victorian Government and GST input tax credit recoverable and taxes payable).

### 8.1.2. Financial instruments: Net holding gain(loss) on financial instruments by category <sup>(i)</sup>

	Net holding gain/(loss)	Total interest income/(expenses)	Total
2024	\$'000	\$'000	\$'000
<b>Contractual financial assets</b>			
At fair value through net result	13,301	-	13,301
<b>Total contractual financial assets</b>	<b>13,301</b>	<b>-</b>	<b>13,301</b>
<b>Contractual financial liabilities</b>			
At amortised cost	-	65	65
<b>Total contractual financial liabilities</b>	<b>-</b>	<b>65</b>	<b>65</b>

	Net holding gain/(loss)	Total interest income/(expenses)	Total
2023	\$'000	\$'000	\$'000
<b>Contractual financial assets</b>			
At fair value through net result	2,740	-	2,740
<b>Total contractual financial assets</b>	<b>2,740</b>	<b>-</b>	<b>2,740</b>
<b>Contractual financial liabilities</b>			
At amortised cost	-	149	149
<b>Total contractual financial liabilities</b>	<b>-</b>	<b>149</b>	<b>149</b>

Note:

(i) Amounts disclosed in this table exclude holding gains and losses related to statutorily financial assets and liabilities.

### 8.1.3. Financial risk management objectives and policies

As a whole, the department's financial risk management program seeks to manage the following risks and the associated volatility of its financial performance.

Details of the material accounting policy information and methods adopted, including the criteria for recognition, the basis of measurement, and the basis on which income and expenses are recognised, with respect to each class of financial asset, financial liability and equity instrument above are disclosed throughout the financial statements at the relevant note.

The main purpose in holding financial instruments is to prudentially manage the department's financial risks within the government policy parameters.

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

The department uses different methods to measure and manage the different risks to which it is exposed. Primary responsibility for the identification and management of financial risks rests with the Accountable Officer of the department.

### **Financial instruments: Credit risk**

Credit risk refers to the possibility that a borrower will default on its financial obligations as and when they fall due. The department's exposure to credit risk arises from the potential default of a counter party 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 the main debtor is the Victorian Government. For debtors other than the Government, it is the department's policy to only deal with entities with high credit ratings of a minimum triple-B rating.

In addition, the department does not engage in hedging for its contractual financial assets and mainly obtains contractual financial assets that are on fixed interest, except for cash and deposits, which are mainly cash at bank. As with the policy for debtors, the department's policy is to only deal with banks with high credit ratings.

Provision of impairment for contractual financial assets is recognised when there is objective evidence that the department will not be able to collect a receivable. Objective evidence includes financial difficulties of the debtor, default payments, debts that are more than 60 days overdue, and changes in debtor credit ratings.

Contract financial assets are written off against the carrying amount when there is no reasonable expectation of recovery. Bad debt written off by mutual consent is classified as a transaction expense. Bad debt written off following a unilateral decision is recognised as other economic flows in the net result.

The credit risk associated with the department's financial assets is minimal as:

- The department's main debtor is the Victorian Government.
- The department's surplus funds are required to be held in the Centralised Banking System or on deposit with TCV.
- TCV is the only approved counterparty for borrowings and financial arrangements. TCV's exposure to credit risk is considered minimal as it has a credit rating equivalent to the State of Victoria.

### ***Impairment of financial assets under AASB 9***

The department records the allowance for expected credit loss for the relevant financial instruments applying AASB 9's Expected Credit Loss approach. Subject to AASB 9 impairment assessment include the department's contractual receivables and statutory receivable.

Equity instruments are not subject to impairment under AASB 9. Other financial assets mandatorily measured or designated at fair value through net result are not subject to impairment assessment under AASB 9. While cash and cash equivalents are also subject to the impairment requirements of AASB 9, the identified impairment loss was immaterial.

### **Financial instruments: Liquidity risk**

Liquidity risk arises from being unable to meet financial obligations as they fall due.

The department operates under the Government fair payments policy of settling financial obligations within 10 days for contracts under \$3 million and 30 days for all other contracts and in the event of a dispute, making payments within 30 days from the date of resolution.

The department is exposed to liquidity risk mainly through the financial liabilities as disclosed in the balance sheet. The department manages its liquidity risk by:

- undertaking regular cash forecasting
- managing daily cash float and ensuring funds are available on demand for short-term liquidity
- holding investments limited to deposits in the Central Banking System
- ensuring high liquid cash investments are provided by TCV for funding flexibility
- planning maturity of its financial obligations based on forecasts of future cash flows
- leveraging off the high credit rating for the State of Victoria, this assists in accessing debt market at a lower interest rate.

The department's exposure to liquidity risk is deemed insignificant based on the current assessment of risk. Cash for unexpected events is generally sourced from liquidation of available-for-sale financial investments.

#### **Financial instruments: Market risk**

The department's exposures to market risk are primarily through interest rate risk, foreign currency risk and equity price risk. Objectives, policies and processes used to manage each of these risks are disclosed below.

##### ***Foreign currency risk***

The department is exposed to minimal foreign currency risk through its payables relating to purchases of supplies and consumables from overseas. 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 exposed to equity price risk through its managed investment schemes. The department appointed the Victorian Funds Management Corporation to manage its investment portfolio in accordance with the investment risk management plan approved by the Treasurer.

##### ***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 the future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The department has minimal exposure to cash flow interest rate risks through cash and deposits that are at floating rate.

The carrying amounts of financial assets and financial liabilities that are exposed to interest rates and the department's sensitivity to interest rate risk are set out in the table that follows.

## Interest rate exposure of financial instruments

2024	Interest rate exposure			
	Carrying amount \$'000	Fixed interest rate \$'000	Variable interest date \$'000	Non-interest bearing \$'000
<b>Financial assets</b>				
Cash and deposits	159,153	-	51,143	108,010
Receivables <sup>(i)</sup>	58,829	-	-	58,829
Managed investment schemes	298,984	-	-	298,984
<b>Total contractual financial assets</b>	<b>516,966</b>	<b>-</b>	<b>51,143</b>	<b>465,823</b>
<b>Financial liabilities</b>				
<b>Payables <sup>(i)</sup></b>				
Supplies and services	48,987	-	-	48,987
Other payables	20,891	-	-	20,891
<b>Borrowings</b>				
Lease liabilities	6,201	6,201	-	-
<b>Total financial liabilities</b>	<b>76,079</b>	<b>6,201</b>	<b>-</b>	<b>69,878</b>
2023	Interest rate exposure			
	Carrying amount \$'000	Fixed interest rate \$'000	Variable interest date \$'000	Non-interest bearing \$'000
<b>Financial assets</b>				
Cash and deposits	186,569	-	56,125	130,444
Receivables <sup>(i)</sup>	19,504	-	-	19,504
Managed investment schemes	195,502	-	-	195,502
<b>Total contractual financial assets</b>	<b>401,575</b>	<b>-</b>	<b>56,125</b>	<b>345,450</b>
<b>Financial liabilities</b>				
<b>Payables <sup>(i)</sup></b>				
Supplies and services	52,716	-	-	52,716
Other payables	8,457	-	-	8,457
<b>Borrowings</b>				
Lease liabilities	5,430	5,430	-	-
<b>Total financial liabilities</b>	<b>66,603</b>	<b>5,430</b>	<b>-</b>	<b>61,173</b>

Note:

- (i) The carrying amounts disclosed exclude statutory receivables (e.g. amounts owing from the State Government of Victoria and GST receivable).

## 8.2. Contingent assets and contingent liabilities

Contingent assets and contingent liabilities are not recognised in the balance sheet but are disclosed and, if quantifiable, are measured at nominal value.

Contingent assets and liabilities are presented inclusive of GST receivable or payable respectively.

### 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.

These are classified as either quantifiable, where the potential economic benefit is known, or non-quantifiable.

The department did not have any significant contingent assets as at 30 June 2024.

### 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 entity
- 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
  - the amount of the obligations cannot be measured with sufficient reliability.

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

### **Non-quantifiable contingent liabilities**

The department has executed several procurement contracts which includes an indemnity clause. This indemnity clause implies that the department may be liable to reimburse financial claims in future. It is not possible to quantify those potential future claims at this point in time.

## 8.3. Fair value determination

This section sets out information on how the department determined fair value for financial reporting purposes. 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 following assets and liabilities are carried at fair value:

- financial assets at fair value through profit or loss
- property, plant and equipment.

In addition, the fair values of other assets and liabilities that are carried at amortised cost, also need to be determined for disclosure purposes.

The department determines the policies and procedures for determining fair values for both financial and non-financial assets and liabilities as required.



## Fair value hierarchy

In determining fair values, a number of inputs are used. To increase consistency and comparability in the financial statements, these inputs are categorised into three levels, also known as the fair value hierarchy. The levels are as follows:

- Level 1 – quoted (unadjusted) market prices in active markets for identical assets or liabilities
- Level 2 – valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable
- Level 3 – valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable.

The department determines whether transfers have occurred between levels in the hierarchy by reassessing categorisation (based on the lowest level input that is significant to the fair value measurement as a whole) at the end of each reporting period.

The Valuer General Victoria (VGV) is the department's independent valuation agency and is engaged to monitor changes in the fair value of land, buildings and PROV assets through relevant data sources to determine whether revaluation is required.

## How this section is structured

For those assets and liabilities for which fair values are determined, the following disclosures are provided:

- carrying amount and the fair value (which would be the same for those assets measured at fair value)
- which level of the fair value hierarchy was used to determine the fair value:
  - in respect of those assets and liabilities subject to fair value determination using Level 3 inputs
  - a reconciliation of the movements in fair values from the beginning of the period to the end
  - details of significant unobservable inputs used in the fair value determination.

This section is divided between disclosures in connection with fair value determination for financial instruments (refer to [Note 8.3.1](#)) and non-financial physical assets (refer to [Note 8.3.2](#)).

### 8.3.1. Fair value determination of financial assets and liabilities

The fair values and net fair values of financial assets and liabilities are determined as follows:

- Level 1 – the fair value of financial instruments with standard terms and conditions and traded in active liquid markets are determined with reference to quoted market prices
- Level 2 – the fair value is determined using inputs other than quoted prices that are observable for the financial asset or liability, either directly or indirectly
- Level 3 – the fair value is determined in accordance with generally accepted pricing models based on discounted cash flow analysis using unobservable market inputs.

### Fair value determination of financial assets and liabilities at amortised cost

The carrying amounts of the department's cash and deposits, receivables (excluding statutory receivables), payables (excluding statutory payables) are reasonable approximations of their fair values as at 30 June 2024 and classified at level 3.

### 8.3.2. Fair value determination for financial assets at fair value through net result

The department's managed investment schemes are carried at their fair values and are categorised within level 2 of the fair value hierarchy. These investments are revalued by the VFMC and their market value movement is recognised by the department on a monthly basis.

There have been no transfers between levels during the period.

### 8.3.3. Fair value determination: Non-financial physical assets

#### *Fair value measurement hierarchy*

	Carrying amount	Fair value measurement at end of reporting period using:		
		Level 1 <sup>(i)</sup>	Level 2 <sup>(i)</sup>	Level 3 <sup>(i)</sup>
<b>2024</b>	<b>\$'000</b>	<b>\$'000</b>	<b>\$'000</b>	<b>\$'000</b>
Land <sup>(i)</sup>	75,519	-	-	75,519
Buildings at fair value	19,478	-	-	19,478
Leasehold improvements at fair value	14,833	-	-	14,833
Office and computer equipment at fair value	1,375	-	-	1,375
Leased motor vehicles at fair value <sup>(ii)</sup>	5,709	-	-	5,709
Public records at fair value	554,448	-	81,983	472,465
Other heritage assets at fair value	270	-	270	-
<b>Total</b>	<b>671,631</b>	<b>-</b>	<b>82,253</b>	<b>589,379</b>

	Carrying amount	Fair value measurement at end of reporting period using:		
		Level 1 <sup>(i)</sup>	Level 2 <sup>(i)</sup>	Level 3 <sup>(i)</sup>
<b>2023</b>	<b>\$'000</b>	<b>\$'000</b>	<b>\$'000</b>	<b>\$'000</b>
Land <sup>(i)</sup>	75,519	-	-	75,519
Buildings at fair value	21,601	-	-	21,601
Leasehold improvements at fair value	18,248	-	-	18,248
Office and computer equipment at fair value	1,594	-	-	1,594
Leased motor vehicles at fair value <sup>(ii)</sup>	4,674	-	-	4,674
Public records at fair value	519,568	-	53,153	466,415
Other heritage assets at fair value	273	-	273	-
<b>Total</b>	<b>641,476</b>	<b>-</b>	<b>53,426</b>	<b>588,051</b>

Notes:

(i) Classified in accordance with the fair value hierarchy.

(ii) Vehicles are categorised to level 3 assets as current replacement cost method is used in estimating fair value.

There have been no transfers between levels during the period.

## Land and buildings

The market approach is used to value land, although this is adjusted for any community service obligations to reflect the use of the land being valued.

The community service obligations adjustment reflects the valuer's assessment of the impact of restrictions associated with an asset to the extent that it is equally applicable to market participants. This approach is in light of the highest and best use consideration required for fair value measurement. Relevant valuation factors include what is physically possible, legally permissible, and financially feasible. Such adjustments of community service obligations are considered significant unobservable inputs, valuation of specialised land is classified at Level 3 in fair value measurement hierarchy.

For the department's buildings, the current replacement cost method is used, taking into account useful life and associated depreciation. These adjustments are considered significant unobservable inputs and buildings are classified at level 3 in fair value measurement hierarchy.

An independent valuation of land and buildings was performed by the VGV with an effective date of 30 June 2022. The value of the undeveloped portion of land was discounted due to the identification of contaminated soil and this discount reflects the diminished utility of the undeveloped land. Conversely the portion of land that has been developed is assumed to be free from contamination for valuation purposes and therefore no discounting has been applied to that portion.

## Public records

Public records consist of physical records in a variety of formats. The records described below are largely homogeneous categories based on record type, format or other criteria. They have been classified at either level 2 or level 3 of fair value measurement hierarchy.

- File – compilation of various records such as correspondences and completed forms (level 3).
- Document – Contains one type of record such as transcript, petition (level 3).
- Map, Plan and Drawing – various sizes and materials which may be flat in structure or rolled in tubes (level 2).
- Volume – records which are bound together such as books (level 3).
- Photograph or image – This can be in various formats including prints, negatives or slides (level 2).
- Card – Includes various types such as index cards, file movement cards or record cards (level 2).
- Moving Image – Motion picture film of varying formats (level 2).
- Sound Recording – audio archives (level 2).
- Object – Various forms of display items which can be used at exhibitions (level 2).
- Data – electronic records stored on physical media (level 2).
- Icons – collections with significant historical and cultural value (level 2).

An independent valuation of public records was performed by the VGV. The effective date of the valuation was 30 June 2022. The public records were valued from physical inspection of items, either in full or through random sampling. Object and Icon categories were valued individually, and the remaining categories were valued according to statistical sampling methods.

The valuation of public records adopted the market approach. This involved using market prices and other relevant information generated by market transactions of comparable or similar assets. Comparable sales are identified using subscription databases as well as auction catalogues and other specialised libraries. Since these are government records that are not frequently sold, sales evidence is based on values of similar items adjusted for the unique characteristics of the items being valued.

As public records consist of a range of categories, valuation technique involved direct comparison approach and some items also contained unobservable inputs to the fair value measurement. For some categories, adjustments were made to the market value references to take into account the unique characteristics of the items being valued adjusting for historical significance or other factors which impact on the item being valued. As those adjustments could not be observed and are based on professional judgements and significant to the fair value measurement, those records have been categorised into Level 3 of the fair value hierarchy. Other records that do not contain significant unobservable inputs have been categorised into Level 2 of the fair value hierarchy.

The other category of records are the digital records. The digital records are either digitised from a previous physical copy, or "born digital" where no physical copy exists. Digital records are currently not recognised and ascribed a value due to insufficient market data and cost not being able to be determined to appropriately support the valuation attributed.

#### **Other heritage assets**

Other heritage assets include artwork for which the valuation is determined by comparing the assets to work by the same artist available in Australia, as well through research on recent prices paid for comparable pieces sold at auction or through art galleries.

These assets have been assessed with reference to similar assets and do not contain significant unobservable inputs and they are classified at level 2 in the fair value measurement hierarchy.

#### **Office equipment and computer equipment**

Office equipment and computer equipment held at fair value. When plant and equipment is specialised in use, such that it is rarely sold other than as part of a going concern, fair value is determined using the current replacement cost method.

There were no changes in valuation techniques throughout the period to 30 June 2024. For all assets measured at fair value, the current use is considered the highest and best use.

#### **Motor vehicles under lease**

Vehicles are valued using the current replacement cost method. The department acquires new vehicles and at times disposes of them before the end of their economic life. The process of acquisition, use and disposal in the market is managed by experienced fleet managers who set relevant depreciation rates during use to reflect the utilisation of the vehicles.

### Reconciliation of level 3 fair value movements

	Land \$'000	Buildings \$'000	Leasehold improvements \$'000	Office and computer equipment \$'000	Public records \$'000	Leased motor vehicles \$'000
<b>2024</b>						
<b>Opening balance</b>	<b>75,519</b>	<b>21,601</b>	<b>18,249</b>	<b>1,594</b>	<b>466,415</b>	<b>4,674</b>
Machinery of government transfers in	-	-	-	-	-	-
Additions	-	-	1,010	409	6,050	3,242
Disposals	-	-	-	-	-	(992)
Transfer to disposal group held for sale	-	-	-	-	-	-
<b>Gains or losses recognised in the net result</b>						
Depreciation	-	(2,123)	(4,426)	(628)	-	(1,215)
<b>Subtotal</b>	<b>-</b>	<b>(2,123)</b>	<b>(3,416)</b>	<b>(219)</b>	<b>6,050</b>	<b>1,035</b>
<b>Closing balance</b>	<b>75,519</b>	<b>19,478</b>	<b>14,833</b>	<b>1,375</b>	<b>472,465</b>	<b>5,709</b>

	Land \$'000	Buildings \$'000	Leasehold improvements \$'000	Office and computer equipment \$'000	Public records \$'000	Leased motor vehicles \$'000
<b>2023</b>						
<b>Opening balance</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
Machinery of government transfers in	75,519	22,663	20,153	1,735	453,552	5,089
Additions	-	-	173	181	12,863	702
Disposals	-	-	-	-	-	(291)
Transfer to disposal group held for sale	-	-	-	-	-	(180)
<b>Gains or losses recognised in the net result</b>						
Depreciation	-	(1,063)	(2,076)	(322)	-	(645)
<b>Subtotal</b>	<b>75,519</b>	<b>21,601</b>	<b>18,249</b>	<b>1,594</b>	<b>466,415</b>	<b>4,674</b>
<b>Closing balance</b>	<b>75,519</b>	<b>21,601</b>	<b>18,249</b>	<b>1,594</b>	<b>466,415</b>	<b>4,674</b>

## Description of significant unobservable inputs to Level 3 valuations

2024	Valuation technique	Significant unobservable inputs	Range
Land <sup>(i)</sup>	Market approach	Direct cost per square metre	\$350/m <sup>2</sup> <sup>(i)</sup> (contaminated area) – \$3,500/m <sup>2</sup> <sup>(i)</sup> (uncontaminated area)
		Community Service Obligation (CSO) adjustment	10% reduction
Buildings	Market approach	Direct cost per square metre	10 to 27 years
		Useful life of specialised buildings	
Public records (File, Document and Volume categories)	Market approach	Professional judgement applied considering the unique nature of assets	Varied Range for sample valued according to statistical sampling methods
Leasehold improvements	Current replacement cost	Cost per unit	\$5,000–\$14,000,000 per unit
		Useful life of leasehold improvements	3 to 20 years
Office equipment and computer equipment	Current replacement cost	Cost per unit	\$5,000–\$6,000,000 per unit
		Useful life of office equipment and computer equipment	3 to 20 years
Leased motor vehicles	Current replacement cost	Cost per unit	\$22,000–\$114,000 per unit
		Useful life of leased motor vehicles	1 to 3 years

Note:

- (i) A value of \$3,500 per square metre (m<sup>2</sup>) was used for the developed (uncontaminated) portion of the subject site (comprising 23,000m<sup>2</sup>) and \$350 per square metre (m<sup>2</sup>) was used for the contaminated area (comprising 9,730m<sup>2</sup>).

## 9. Other disclosures

### INTRODUCTION

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

### STRUCTURE

- 9.1. Ex gratia expenses
- 9.2. Other economic flows included in the net result
- 9.3. Entities consolidated pursuant to section 53(1)(b) of the FMA
- 9.4. Responsible persons
- 9.5. Remuneration of executives
- 9.6. Related parties
- 9.7. Remuneration of auditors
- 9.8. Subsequent events
- 9.9. Other accounting policies
- 9.10. Australian Accounting Standards issued but not yet effective
- 9.11. Glossary of technical terms

#### 9.1. Ex gratia expenses

Ex gratia expenses are the voluntary payments of money or other non-monetary benefit (e.g. a write off) that are 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 of or claim against the entity.

The department did not have any ex-gratia expenses for the year ended 30 June 2024 (2023: Nil).

#### 9.2. Other economic flows included in the net result

Other economic flows are changes in the value of an asset or liability that do not result from transactions. Gains/(losses) from other economic flows include the gains or losses from:

- the disposal of leased motor vehicles
- impairments of non-current physical and intangible assets
- revaluation of financial assets
- the revaluation of the present value of the long service and annual leave liability due to changes in the bond interest rate.

	2024 \$'000	1 January to 30 June 2023 \$'000
<b>Net gain/(loss) on non-financial assets</b>		
Gain/(loss) on disposal of leased motor vehicles	(4,737)	119
<b>Total net gain/(loss) on non-financial assets</b>	<b>(4,737)</b>	<b>119</b>
<b>Net gain/(loss) on financial instruments</b>		
Net gain/(loss) arising from revaluation of financial assets at fair value through net result	13,301	2,740
<b>Total net gain/(loss) on financial instruments</b>	<b>13,301</b>	<b>2,740</b>
<b>Other gains/(losses) on other economic flows <sup>(i)</sup></b>		
Net gain/(loss) arising from revaluation of annual leave liability	11	(36)
Net gain/(loss) arising from revaluation of long service leave liability	409	(441)
<b>Total other gains/(losses) from other economic flows</b>	<b>420</b>	<b>(477)</b>

Note:

(i) Revaluation gain/(loss) due to changes in bond rates.

### 9.3. Entities consolidated pursuant to section 53(1)(b) of the FMA

The following agencies have been consolidated into the department's financial statements pursuant to a determination made by the Assistant Treasurer under section 53(1)(b) of the *Financial Management Act 1994*:

- Business Licensing Authority, established under the *Business Licensing Authority Act 1998*.

	Department of Government Services \$'000	Business Licencing Authority \$'000	Department of Government Services Consolidated Group \$'000
<b>2024</b>			
Total income from transactions	798,984	98	799,082
Net result from transactions	93,758	(278)	93,480
Total assets	1,370,201	42	1,370,243
Total liabilities	150,418	3,251	153,669

	Department of Government Services \$'000	Business Licencing Authority \$'000	Department of Government Services Consolidated Group \$'000
<b>2023</b>			
Total income from transactions	398,030	75	398,105
Net result from transactions	44,120	(136)	43,984
Total assets	1,241,515	44	1,241,559
Total liabilities	132,629	2,976	135,605



## 9.4. 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 persons who held the position of Ministers and Accountable Officer in the department were:

Name	Title	Dates
Jo de Morton	Secretary	1 July 2023 to 30 June 2024
The Hon. Danny Pearson MP	Minister for Government Services, Minister for Consumer Affairs	1 July 2023 to 1 October 2023
The Hon. Gabrielle Williams MP	Minister for Government Services, Minister for Consumer Affairs	2 October 2023 to 30 June 2024
The Hon. Melissa Horne MP	Minister for Local Government	1 July 2023 to 30 June 2024
The Hon. Natalie Suleyman MP	Minister for Small Business	1 July 2023 to 1 October 2023 <sup>(i)</sup>

Note:

(i) The Minister for Small Business ceased as a Minister for the department on 1 October 2023.

### Remuneration

Remuneration received or receivable by the Accountable Officer in connection with managing the department during the reporting period was in the range of \$610,000–\$620,000 (2023: \$280,000–\$290,000).

## 9.5. Remuneration of executives

The number of senior executive service members, other than Ministers and accountable officers, and their total remuneration during the reporting period are shown in the following table. Total annualised employee equivalents provide a measure of full time equivalent executive officers over the reporting period.

Remuneration comprises employee benefits (as defined in AASB 119 *Employee Benefits*) in all forms of consideration paid, payable or provided by the entity, or on behalf of the entity, in exchange for services rendered. Accordingly, remuneration is determined on an accrual basis, and is disclosed in the following categories.

**Short-term employee benefits** include amounts such as wages, salaries, annual leave or sick leave that are usually paid or payable on a regular basis, as well as non-monetary benefits such as allowances and free or subsidised goods or services.

**Post-employment benefits** include pensions and other retirement benefits paid or payable on a discrete basis when employment has ceased.

**Other long-term benefits** include long service leave, other long service benefits or deferred compensation.

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

Remuneration of executive officers	2024	1 January to 30 June 2023
	\$'000	\$'000
Short-term employee benefits	16,724	8,713
Post-employment benefits	1,730	861
Other long-term benefits	410	210
Termination benefits	725	99
<b>Total remuneration <sup>(i)</sup></b>	<b>19,590</b>	<b>9,884</b>
<b>Total number of executives</b>	<b>82</b>	<b>82</b>
<b>Total annualised employee equivalents <sup>(ii)</sup></b>	<b>68.3</b>	<b>74.9</b>

Notes:

- (i) The total number of executive officers includes persons who meet the definition of key management personnel of the entity under AASB 124 *Related Party Disclosures* and are also reported within the related parties note disclosure (Note 9.6).
- (ii) Annualised employee equivalent is based on the time fraction worked over the reporting period.

## 9.6. Related parties

The department is a wholly owned and controlled entity of the State of Victoria.

The following agencies have been consolidated into the department's financial statements pursuant to a determination made by the Assistant Treasurer under section 53(1)(b) of the *Financial Management Act 1994*:

- Business Licensing Authority.

Related parties of the department and the Business Licencing Authority 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 included in the whole of state consolidated financial statements.

### Significant transactions with government-related entities

The department received funding from the Consolidated Fund totalling \$536.3 million (2023: \$260.8 million). (Refer to [Note 2.3](#) for details).

## Key management personnel

The department's key management personnel from year ended 30 June 2024 includes Portfolio Ministers (see [Note 9.4](#)) and members of the Senior Executive team, which includes:

Name	Title	Dates
Jo de Morton	Secretary	1 July 2023 to 30 June 2024
Gayle Porthouse	Deputy Secretary – Corporate Shared Services	1 July 2023 to 30 June 2024
John Batho	Deputy Secretary – Digital Transformation	1 July 2023 to 30 June 2024
Emily Phillips	Deputy Secretary – Local Government, Telecommunications & Emergencies	1 July 2023 to 1 April 2024
Vivien Allimonos	Deputy Secretary – DGS Corporate Services & Transformation	1 July 2023 to 28 February 2024
Lisa Tepper	Acting Deputy Secretary – Local Government, Telecommunications & Emergencies	2 April 2024 to 30 June 2024
Miriam Slattery	Acting Deputy Secretary – Consumer Affairs and Regulation	5 March 2024 to 30 June 2024

Key management personnel of the administrative offices included in the department's financial statements and other statutory appointees that are material in terms of the department's financial results include:

Name	Title	Dates
Darren Whitelaw	Acting Chief Executive Officer of Service Victoria	1 July 2023 to 30 June 2024
Justine Heazlewood	The Keeper of Public Records of Public Record Office Victoria	1 July 2023 to 30 June 2024
Nicole Marshall	Chairperson Building Licensing Authority	1 July 2023 to 30 June 2024

## Remuneration of key management personnel

The compensation detailed below excludes the salaries and benefits of portfolio ministers. Ministers' remuneration and allowances are set by the *Parliamentary Salaries and Superannuation Act 1968* and is reported in the State's Annual Financial Report.

Compensation of key management personnel <sup>(i)</sup>	2024	1 January to 30 June 2023
	\$'000	\$'000
Short-term employee benefits	2,823	1,549
Post-employment benefits	215	128
Other long-term benefits	69	35
Termination benefits	188	-
<b>Total</b>	<b>3,294</b>	<b>1,713</b>

Note:

(i) KMPs are also reported in the disclosure of remuneration of responsible persons (refer to [Note 9.4](#)) and executive officers (refer to [Note 9.5](#)).

## Transactions and balances with key management personal and related parties

Given the breadth and depth of state government activities, related parties transact with the Victorian public sector on terms and conditions equivalent to those that prevail in arm's length transactions under the State's procurement process. Further employment of processes within the Victorian public sector occurs on terms and conditions consistent with the *Public Administration Act 2004*, codes of conduct, and standards issued by the Victorian Public Sector Commission. Procurement processes occur on terms and conditions consistent with the Victorian Government Procurement Board requirements.

Chairperson of the Business Licensing Authority (BLA) Nicole Marshall is the wife of the former Minister for Government Services and Minister for Consumer Affairs, The Hon Danny Pearson MP. Ministerial responsibility for the BLA from 1 July 2023 until 1 October 2023 was held by the Minister for Small Business, the Hon. Natalie Suleyman MP. From 2 October 2023 until 30 June 2024, ministerial responsibility for the BLA was held by the Minister for Consumer Affairs, Gabrielle Williams MP.

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

## 9.7. Remuneration of auditors

	2024	1 January to 30 June 2023
	\$'000	\$'000
<b>Victorian Auditor-General's Office</b>		
Audit of the annual financial statements	370	355
<b>Total remuneration of auditors</b>	<b>370</b>	<b>355</b>

## 9.8. Subsequent events

The new enterprise agreement covering Victorian Public Service (VPS) employees was formally approved by the Fair Work Commission on 12 August 2024. This is a non-adjusting event, and key terms of the agreement includes salary and allowance increases and once off lump-sum payments which will be determined based on the eligibility conditions. The related expense is estimated to be \$16.3 million for 2024 (2023: nil).

## 9.9. Other accounting policies

### Contributions by owners

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 that 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.

Transfers of net assets arising from administrative restructurings are treated as distributions to or contributions by owners. Transfers of net liabilities arising from administrative restructurings are treated as distributions to owners.

## 9.10. Australian Accounting Standards issued but not yet effective

Certain new and revised accounting standards have been issued but are not effective for the 2023–24 reporting period. This accounting standard has not been applied to the department's financial statements.

### **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 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.

Among other things, the Standard:

- specifies that an entity needs to consider whether an asset's highest and best use differs from its current use only when it is held for sale or held for distributions to owners under AASB 5 *Non-current Assets Held for Sale and Discontinued Operations* or if it is highly probable that it will be used for an alternative purpose
- clarifies that an asset's use is 'financially feasible' if market participants would be willing to invest in the asset's service capacity, considering both the capacity to provide needed goods or services and the resulting costs of those goods and services
- specifies that if both market selling price and some market participant data required to fair value the asset are not observable, an entity needs to start with its own assumptions and adjust them to the extent that reasonably available information indicates that other market participants would use different data
- provides guidance on the application of the cost approach to fair value, including the nature of costs to be included in a reference asset and identification of economic obsolescence.

This Standard applies prospectively to annual periods beginning on or after 1 January 2024, with earlier application permitted. The department is currently in the process of assessing the potential impact of this standard and amendments.

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.

## 9.11. Glossary of technical terms

The following is a summary of the major technical terms used in this report.

**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 results from the consumption, extraction or use over time of a non-produced physical or intangible asset. This expense is classified as an 'other economic flow'.

**Borrowings** refers to interest-bearing liabilities mainly raised from public borrowings raised through the Treasury Corporation of Victoria, lease liabilities, service concession arrangements and other interest-bearing arrangements. Borrowings also include non-interest-bearing advances from government that are acquired 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 entity's objectives and to deny or regulate the access of others to that benefit.

**Current grants** are amounts payable or receivable for current purposes for which no economic benefits of equal value are receivable or payable in return.

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

**Effective interest method** is the method used to calculate the amortised cost of a financial asset and of allocating interest income over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset or, where appropriate, a shorter period.

**Employee benefits 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.

**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.

**Finance lease** is a lease that transfers substantially all the risks and rewards incidental to ownership of an underlying asset.

**Financial asset** is any asset that is either:

- 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.
- a financial asset can also be a contract that will or may be settled in the entity's own equity instruments and is either:
  - a non-derivative for which the entity is or may be obliged to receive a variable number of the entity's own equity instruments
  - 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 either:

- 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
- a contract that will or may be settled in the entity's own equity instruments and is either:
  - a non-derivative for which the entity is or may be obliged to deliver a variable number of the entity's own equity instruments
  - 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** in the department's report comprises:

- a balance sheet as at the end of the period
- a comprehensive operating statement for the period
- a statement of changes in equity for the period
- a cash flow statement for the period
- notes, comprising a summary of material accounting policy information 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 statement of financial position 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 its financial statements in accordance with paragraphs 41 of AASB 101.

**Grant expenses and other transfers** are transactions in which one entity provides goods, services, assets (or extinguishes a liability) or labour to another entity 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.

**General government sector** comprises all government Departments, offices and other bodies engaged in providing services free of charge or at prices significantly below their cost of production. General government services include those that are mainly non-market in nature, those that are largely for collective consumption by the community and those that involve the transfer or redistribution of income. These services are financed mainly through taxes, or other compulsory levies and user charges.

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

**Interest expense** represents costs incurred in connection with borrowings. It includes interest on advances, loans, overdrafts, bonds and bills, deposits, interest components of lease repayments, service concession financial liabilities and amortisation of discounts or premiums in relation to borrowings.

**Interest income** includes unwinding over time of discounts on financial assets and interest received on bank term deposits and other investments.

**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 acquisition of non-financial assets** (from transactions) are purchases (and other acquisitions) of non-financial assets less sales (or disposals) of non-financial assets less depreciation plus changes in inventories and other movements in non-financial assets. Includes only those increases or decreases in non-financial assets resulting from transactions and therefore excludes write offs, impairment write downs and revaluations.

**Net financial liabilities** are calculated as liabilities less financial assets, other than equity in public non-financial corporations (PNFC) and public financial corporations (PFC). This measure is broader than net debt as it includes significant liabilities, other than borrowings (e.g. accrued employee liabilities such as superannuation and long service leave entitlements). For the PNFC and PFC sectors, it is equal to negative net financial worth.

**Net financial worth** is equal to financial assets minus liabilities. It is a broader measure than net debt as it incorporates provisions made (such as superannuation but excluding depreciation and bad debts) as well as holdings of equity. Net financial worth includes all classes of financial assets and liabilities, only some of which are included in net debt.



**Net gain on equity investments in other sector entities** measured at proportional share of the carrying amount of net assets/(liabilities) comprises the net gains relating to the equity held by the general government sector in other sector entities. It arises from a change in the carrying amount of net assets of the subsidiaries. The net gains are measured based on the proportional share of the subsidiary's carrying amount of net assets/(liabilities) before elimination of inter-sector balances.

**Net operating balance or net result from transactions** is a key fiscal aggregate and is revenue 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 transactions and can be attributed directly to government policies.

**Net result** is a measure of financial performance of the operations for the period. It is the net result of items of revenue, gains and expenses (including losses) recognised for the period, excluding those classified as 'other non-owner movements in equity'.

**Net worth** is calculated as assets less liabilities, which is an economic measure of wealth.

**Non-financial assets** are all assets that are not financial assets. It includes inventories, land, buildings, infrastructure, road networks, land under roads, plant and equipment, cultural and heritage assets, intangibles and biological assets such as commercial forests.

**Non-produced assets** are assets needed for production that have not themselves been produced. They include land, subsoil assets, and certain intangible assets. Non-produced intangibles are intangible assets needed for production that have not themselves been produced. They include constructs of society such as patents.

**Operating result** is a measure of financial performance of the operations for the period. It is the net result of items of revenue, gains and expenses (including losses) recognised for the period, excluding those that are classified as 'other non-owner movements in equity'. Refer also to 'net result'.

**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. In simple terms, other economic flows are changes arising from market remeasurements. They include gains and losses from disposals, revaluations and impairments of non-current physical and intangible assets; fair value changes of financial instruments and agricultural assets; and depletion of natural assets (non-produced) from their use or removal.

**Other economic flows – other comprehensive income** comprises items (including reclassification adjustments) that are not recognised in net result as required or permitted by other Australian Accounting Standards. They include changes in physical asset revaluation surplus; share of net movement in revaluation surplus of associates and joint ventures; and gains and losses on remeasuring available-for-sale financial assets.

**Payables** includes short and long-term trade debt and accounts payable, grants, taxes and interest payable.

**Prepayments** are amounts representing payments made in advance for goods or services, or payments for services that extend beyond the financial year.

**Produced assets** include buildings, plant and equipment, inventories, cultivated assets and certain intangible assets. Intangible produced assets may include computer software, motion picture films and research and development costs (which does not include the start-up costs associated with capital projects).

**Receivables** include amounts owing from government through appropriation receivable, short and long-term trade credit and accounts receivable, accrued investment income, grants, taxes and interest receivable.

**Sales of services** refers to income from the direct provision of services and includes fees and charges for services rendered, sales of services, fees from regulatory services and work done as an agent for private enterprises. It also includes rental income under leases and on produced assets such as buildings and entertainment but excludes rent income from the use of non-produced assets such as land. User charges include sale of services income.

**Transactions** are those economic flows that are considered to arise as a result of policy decisions, usually an interaction between 2 entities by mutual agreement. They also include flows into 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.

## 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

(xxx.x) negative numbers

200x year period

200x–0x year period

The financial statements and notes are presented based on the illustration for a government department in the *2023–24 Model Report for Victorian Government Departments*. The presentation of other disclosures is generally consistent with the other disclosures made in annual reports of the department's with outputs transferred to the department.

## Section 4: Other disclosures

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# Other financial information

## FINANCIAL MANAGEMENT COMPLIANCE

### Attestation for compliance with Ministerial Standing Direction 5.1.4

#### Department of Government Services

I, Jo de Morton, the Secretary of the Department of Government Services, certify that the Department of Government Services has no Material Compliance Deficiency with respect to the applicable Standing Directions under the *Financial Management Act 1994* and Instructions.



**Jo de Morton**

Secretary

Department of Government Services

Melbourne

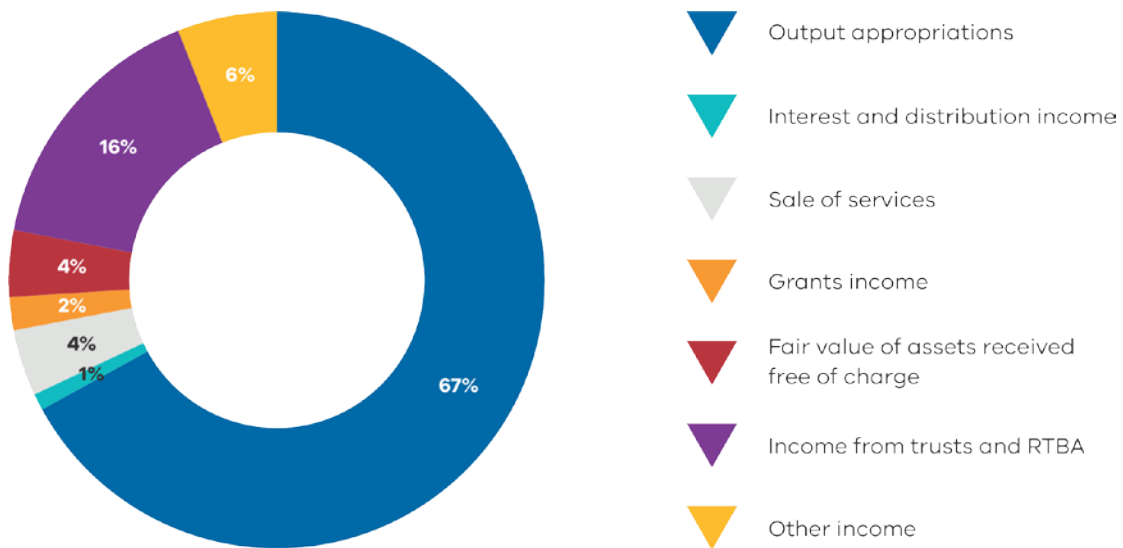
October 2024

## FINANCIAL PERFORMANCE

Significant factors that affected DGS's performance in the year 1 July 2023 to 30 June 2024 are summarised below.

DGS recorded a net result from operations of \$102.5 million for the reporting period.

### Sources of income %

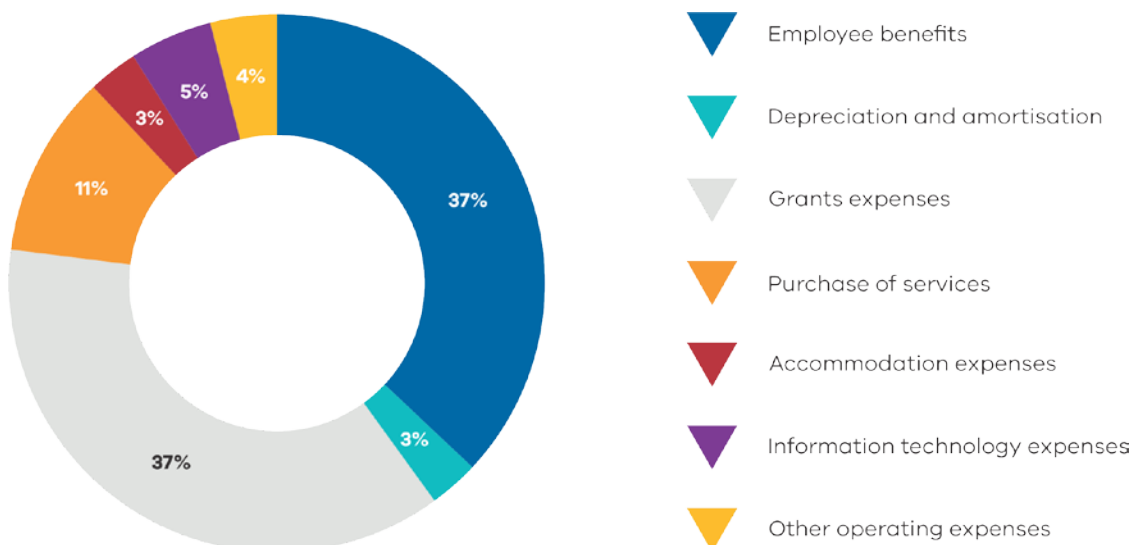


The above graph shows the sources of income available to DGS for the financial year.

The surplus is primarily due to revenue received into trusts (trusts have a specific purpose and are defined by their own legislation) and public records received free of charge by the Public Record Office Victoria (PROV).

DGS's main source of income is from output appropriations, which accounts for 67 per cent of income. The balance includes income received by controlled trusts, sale of services, Grants income, fair value of assets received free of charge, Income from trust and RTBA.

### Expenses %



The above graph shows the distribution of expenses in delivering DGS's services.

DGS's largest expenses are employee benefits and grant expenses, which account for 74 per cent of overall expenses. The balance is purchase of services, office accommodation expense, depreciation and amortisation, Information technology expense and other operating expenses.

### Financial position — balance sheet

DGS's assets have increased to \$1,370 million and liabilities have increased to \$154 million. This is primarily due to the public records received free of charge and increased funds held in the trust funds.

### Cash flows

DGS had a net cash inflow of \$77 million from operating activities. The closing cash balance of \$159 million.

## **DIRECT COSTS ATTRIBUTABLE TO MACHINERY OF GOVERNMENT CHANGES**

There were no direct costs attributable to the machinery of government change that have been incurred by the entities that are consolidated into the department's annual report pursuant to section 53(1)(b) of the *Financial Management Act 1994*.

## **SUBSEQUENT EVENTS**

Refer to the section on subsequent events at [Note 9.8](#) in DGS's financial statements.

## **CAPITAL PROJECTS / ASSET INVESTMENT**

For the year 1 July 2023 to 30 June 2024 DGS did not have any completed projects that met the disclosure threshold of \$10 million or greater.

## **GOVERNMENT ADVERTISING EXPENDITURE**

No advertising campaigns with media expenditure of \$100,000 or greater were conducted by the Department of Government Services during 2023–24.

## INFORMATION AND COMMUNICATIONS TECHNOLOGY EXPENDITURE

For the 2023–24 reporting period, DGS had a total ICT expenditure of \$66.96 million, with details shown below.

	Expenditure \$'000
<b>All operational ICT expenditure</b>	
<b>Business as usual (BAU) ICT expenditure (total)</b>	<b>34,830</b>
<b>ICT expenditure related to projects to create or enhance ICT capabilities</b>	
Operational expenditure	8,858
Capital expenditure	23,271
<b>Non business as usual (non BAU) ICT expenditure (total)</b>	<b>32,129</b>

ICT expenditure refers to DGS's costs in providing business-enabling ICT services. It comprises BAU ICT expenditure and non-BAU ICT expenditure. Non-BAU ICT expenditure relates to extending or enhancing DGS'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.



## CONSULTANCIES AND MAJOR CONTRACTS

### Details of consultancies

In 2023–24 there was no consultancy engaged for less than \$10,000.

In 2023–24 there were 27 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 \$2.319 million (excluding GST). Details of consultancies are listed below.

Consultant	Purpose of consultancy	Total approved project fee (excl. GST)	Expenditure 2023–24 (excl. GST)	Future expenditure (excl. GST)
Accenture Australia	Digital Transformation Advice	\$22,727	\$22,727	\$0
Apex Logic Pty Ltd	Review of the Victorian Government's Goods & Services Procurement Framework & the Cyber Supplier Risk Framework	\$21,000	\$21,000	\$0
ArcBlue Consulting	Commercial Advisory Service for End User Computing State Purchase Contract	\$175,000	\$0	\$175,000
Astralas Pty Ltd	Victorian Government Platform Technical Risk Assessment	\$22,000	\$22,000	\$0
Butler Caroye	Travel Management Services SME	\$66,150	\$12,250	\$53,900
Capability Network	Department Advisory Panel – Enterprise Project Management Office work review and recommendations	\$49,500	\$49,500	\$0
Capability Network	Department Advisory Panel – Process Optimisation Mapping	\$200,000	\$22,500	\$177,500
Deloitte Consulting Pty Ltd	Cyber Threat Landscape Risk Advisory Consulting	\$22,000	\$22,000	\$0
Deloitte Touche Tohmatsu	Lapsing Program Evaluation of the Victorian Centre for Data Insights	\$72,581	\$72,581	\$0
Digital Frontier Partners	Review/Design DGS IT Operating Model & Governance Framework	\$396,000	\$67,937	\$328,063
Ernst & Young	Lapsing Program Evaluation of the Cyber Defence Centre as Part of Protecting Community Data Through Cyber Security Reform	\$22,723	\$22,723	\$0
Ernst & Young	Lapsing Program Evaluation of the Whole of Victorian Government (WoVG) Application Programming Interface Capability Program	\$89,500	\$89,500	\$0
Ernst & Young	Review of Consumer Guarantee Reserve Simulation Model for Victorian Property Fund	\$26,901	\$25,000	\$0
Ernst & Young	DGS IT Cost Optimisation	\$22,727	\$22,727	\$0
Essential Utilities Corporation Pty Ltd	Benchmarking Services for WoVG ICT Procurement Contracts	\$118,182	\$20,900	\$41,002

<b>Consultant</b>	<b>Purpose of consultancy</b>	<b>Total approved project fee (excl. GST)</b>	<b>Expenditure 2023–24 (excl. GST)</b>	<b>Future expenditure (excl. GST)</b>
Harvey Digital	Department Advisory Panel – IT and Data Advisory Board	\$38,400	\$19,200	\$19,200
ITNewCom MinterEllison Technology Consulting	Benchmarking Services for WoVG ICT Procurement Contracts	\$245,455	\$20,147	\$124,576
Keystone Negotiation Pty Ltd	Microsoft licence optimisation and benchmarking services	\$195,000	\$30,600	\$164,400
KPMG	Advice on opportunities to enhance Service Victoria’s service delivery capability and service offering	\$395,000	\$395,000	\$0
PricewaterhouseCoopers	Target Operating Model – Phase 2: Operating Model Costings and Base Review	\$690,000	\$690,000	\$0
RMIT University	Digital Inclusion Research Project	\$663,345	\$243,303	\$350,672
Slalom Australia Pty Ltd	Executive Consultancy for ICT Shared Services	\$22,716	\$22,716	\$0
The Commercial Advisory Partnership Pty Ltd	Commercial Advisory – Security Service SPC	\$143,621	\$139,500	\$0
The Commercial Advisory Partnership Pty Ltd	Commercial Advisory – Security Service SPC	\$40,473	\$22,175	\$18,298
Vitae Partners Pty Ltd	Department Advisory Panel	\$178,750	\$117,000	\$0
Vitae Partners Pty Ltd	Department Advisory Panel – IT and Data Advisory Board and activities associated with IT reform projects	\$256,567	\$102,498	\$154,068
Vitae Partners Pty Ltd	Department Advisory Panel – Contact Centre Target Operating model	\$152,000	\$23,200	\$85,400
<b>Grand total</b>	<b>Total number of consultancies: 27</b>	<b>\$4,348,317</b>	<b>\$2,318,684</b>	<b>\$1,692,078</b>

## Major contracts

DGS is required to disclose, in accordance with the requirements of government policy and accompanying guidelines, all contracts greater than \$10 million entered into during the financial year.

Details of contracts that have been disclosed in the Victorian Government Contracts Publishing System can be viewed at [tenders.vic.gov.au](https://tenders.vic.gov.au).

Contractual details have not been disclosed for those contracts for which disclosure is exempted under the *Freedom of Information Act 1982* or government guidelines.

## DISCLOSURE OF GRANTS AND TRANSFER PAYMENTS

The disclosure of grants and transfer payments details organisations that entered into funding agreements with DGS and received a payment in 2023–24. All figures contained within the disclosure are inclusive of GST where applicable and are reported against the department's outputs.

## REGULATION OF THE VICTORIAN CONSUMER MARKETPLACE

**Financial counselling Program:** delivery of financial counselling services including: the National Debt Helpline; generalist; family violence; flood; bushfire; and Putting Families First financial counselling services; and sector professional development and advocacy.

Organisation	Payment \$
Anglicare Vic	3,730,949
Bethany Community Support Inc	11,734
Child and Family Services Ballarat Inc	476,667
Consumer Action Law Centre	1,416,802
Each	584,601
Financial Counselling Victoria	551,317
Good Shepherd Youth and Family Service	2,274,941
Primary Care Connect	904,428
South East Community Links	1,048,856
Uniting Victoria and Tasmania Ltd	2,131,337
Upper Murray Family Care Inc	411,187
Women's Legal Service Victoria	268,531
Mallee Family Care Ltd	741,399
Cultura	629,476
Meli Community	596,820

**Tenancy and consumer program:** delivery of tenancy and consumer advocacy and research services.

Organisation	Payment \$
Arc Justice	321,914
Bethany Community Support Inc	3,171
Beyond Housing	259,447
Child and Family Services Ballarat Inc	145,210
Consumer Action Law Centre	1,403,695
Peninsula Community Legal Centre Inc	774,745
Quantum Support Services Inc	226,145
Registered Accommodation Association of Victoria Ltd	85,897
Tenants Victoria	706,611
The Housing for The Aged Action Group Inc	351,050
Uniting Victoria and Tasmania Ltd	1,050,351
West Justice	643,992
Women's Legal Service Victoria	32,273
Mallee Family Care Ltd	131,516
Cultura	161,343
Meli Community	158,982

**Consumer Policy Research Centre:** research on consumer policy issues

Organisation	Payment \$
Consumer Policy Research Centre Ltd	1,622,473

**Domestic Building Legal Service:** delivery of services to support consumers with domestic building disputes.

Organisation	Payment \$
Justice Connect	770,026

**Victorian Property Fund:** projects including social housing developments; dispute resolution services; the Rental Stress Support Package; renting education and information; estate agent professional development; and strata sector resource development.

Organisation	Payment \$
Anglicare Vic	198,807
Australian Livestock and Property Agents Assoc Ltd	69,040
Child and Family Services Ballarat Inc	43,816
Common Equity Housing Ltd	1,361,565
Community Housing Vic Ltd	110,000
Justice Connect	262,000
Launch Housing Ltd	122,188
Quantum Support Services Inc	46,494
South East Community Links	76,824
Tenants Victoria	1,060,394

<b>Organisation</b>	<b>Payment \$</b>
The Housing for The Aged Action Group Inc	81,082
Victorian Council of Social Service	97,279
Mallee Accommodation and Support Program Ltd	723,250
Mallee Family Care Ltd	26,730
Strata Community Association (Vic)	32,560

## LOCAL GOVERNMENT

### Council Rapid Antigen Test Program 2022–23

Distribute COVID-19 Rapid Antigen Tests (RAT) to eligible community members through council facilities.

<b>Organisation</b>	<b>Payment \$</b>
Alpine Shire Council	60,000
Ararat Rural City Council	60,000
Ballarat City Council	60,000
Banyule City Council	60,000
Baw Shire Council	60,000
Bayside City Council	60,000
Benalla Rural City Council	60,000
Boroondara City Council	60,000
Brim bank City Council	60,000
Bloke Shire Council	60,000
Campaspe Shire Council	60,000
Central Goldfields Shire Council	60,000
City of Darebin	60,000
City of Greater Bendigo	60,000
City of Greater Dandenong	60,000
City of Greater Geelong	60,000
City of Maribyrnong	60,000
City of Melbourne	60,000
City of Port Phillip	60,000
City of Wodonga	60,000
Colac Otway Shire	60,000
Corangamite Shire Council	60,000
East Gippsland Shire Council	60,000
Frankston City Council	60,000
Glen Eira City Council	60,000
Glenelg Shire Council	60,000
Golden Plains Shire Council	60,000
Greater Shepparton City Council	60,000
Hepburn Shire Council	60,000
Hindmarsh Shire Council	60,000

<b>Organisation</b>	<b>Payment \$</b>
Hobsons Bay City Council	60,000
Horsham Rural City Council	60,000
Hume City Council	60,000
Indigo Shire Council	90,000
Kingston City Council	60,000
Knox City Council	60,000
Loddon Shire Council	60,000
Macedon Ranges Shire Council	60,000
Manningham City Council	60,000
Mansfield Shire Council	60,000
Maroondah City Council	60,000
Melton City Council	60,000
Merri-Bek City Council	60,000
Mildura Rural City Council	60,000
Mitchell Shire Council	60,000
Moira Shire Council	60,000
Monash City Council	60,000
Moonee Valley City Council	60,000
Moorabool Shire Council	60,000
Mornington Peninsula Shire Council	60,000
Mount Alexander Shire Council	150,000
Moyne Shire Council	90,000
Murrindindi Shire Council	60,000
Nillumbik Shire Council	60,000
Northern Grampians Shire Council	60,000
Pyrenees Shire Council	60,000
Shire of Strathbogie	60,000
Shire of Towong	60,000
South Gippsland Shire Council	60,000
Southern Grampians Shire Council	60,000
Stonnington City Council	60,000
Wangaratta Rural City Council	60,000
Warrnambool City Council	60,000
Wellington Shire Council	120,000
West Wimmera Shire Council	60,000
Whitehorse City Council	60,000
Whittlesea City Council	60,000
Wyndham City Council	60,000
Yarra City Council	60,000
Yarra Ranges Shire Council	60,000
Yarriambiack Shire Council	60,000

## Municipal Emergency Resourcing Program

Municipal Emergency Resourcing Program (MERP) provides funding to councils to support their strategic emergency management work. MERP enables councils to plan, prepare and deliver activities that will assist their communities in an emergency.

Organisation	Payment \$
Alpine Shire Council	60,000
Ballarat City Council	60,000
Banyule City Council	80,000
Bass Coast Shire Council	60,000
Benalla Rural City Council	60,000
Buloke Shire Council	60,000
Campaspe Shire Council	60,000
Campaspe Shire Council	60,000
Cardinia Shire Council	60,000
City of Greater Bendigo	120,000
City of Greater Dandenong	40,000
City of Greater Geelong	120,000
City of Wodonga	120,000
Frankston City Council	40,000
Gannawarra Shire Council	60,000
Glenelg Shire Council	120,000
Golden Plains Shire Council	120,000
Greater Shepparton City Council	60,000
Hepburn Shire Council	120,000
Horsham Rural City Council	480,000
Hume City Council	120,000
Latrobe City Council	120,000
Macedon Ranges Shire Council	120,000
Manningham City Council	320,000
Mansfield Shire Council	60,000
Mildura Rural City Council	120,000
Mitchell Shire Council	60,000
Moira Shire Council	60,000
Moorabool Shire Council	120,000
Mornington Peninsula Shire Council	120,000
Moyne Shire Council	60,000
Pyrenees Shire Council	60,000
Shire of Strathbogie	120,000
Surf Coast Shire	480,000
Wangaratta Rural City Council	60,000
Warrnambool City Council	60,000

Organisation	Payment \$
Wellington Shire Council	240,000
Whittlesea City Council	60,000
Yarra Ranges Shire Council	240,000

### Public Libraries Funding Program

To provide support to councils, regional library corporations, Myli (My Community Library), Your Library and Vision Australia in the delivery of public library services to support and meet the information needs of their communities.

Organisation	Payment \$
Alpine Shire Council	162,050
Ararat Rural City Council	149,168
Ballarat City Council	731,084
Bayside City Council	715,196
Benalla Rural City Council	161,012
Boroondara City Council	1,190,010
Brimbank City Council	1,394,364
Buloke Shire Council	125,214
Campaspe Shire Council	312,795
Casey-Cardinia Library Corporation	2,132,541
Central Goldfields Shire Council	158,772
City of Darebin	1,070,970
City of Greater Dandenong	1,116,482
City of Maribyrnong	637,494
City of Melbourne	1,074,029
City of Port Phillip	755,223
City of Wodonga	323,483
Corangamite Shire Council	177,138
East Gippsland Shire Council	378,582
Frankston City Council	952,540
Gannawarra Shire Council	146,421
Geelong Regional Library Corporation	2,374,220
Glen Eira City Council	1,019,569
Glenelg Shire Council	202,894
Goulburn Valley Regional Library Corporation	895,330
Hepburn Shire Council	170,089
Hindmarsh Shire Council	123,618
Hobsons Bay City Council	676,438
Horsham Rural City Council	199,501
Hume City Council	1,435,797
Indigo Shire Council	175,738
Kingston City Council	1,082,178



<b>Organisation</b>	<b>Payment \$</b>
Latrobe City Council	547,055
Mansfield Shire Council	131,418
Melton City Council	1,008,675
Merri-Bek City Council	1,183,451
Mildura Rural City Council	432,132
Mitchell Shire Council	342,825
Monash City Council	1,310,835
Moonee Valley City Council	857,395
Moorabool Shire Council	281,655
Mornington Peninsula Shire Council	1,095,322
Moyne Shire Council	179,458
Murrindindi Shire Council	165,805
Myli - My Community Library Ltd	1,821,206
North Central Goldfields Regional Library Corporation	1,478,364
Northern Grampians Shire Council	153,198
Public Libraries Victoria Incorporated	631,739
Pyrenees Shire Council	122,623
Shire of Towong	119,559
Southern Grampians Shire Council	176,636
Stonnington City Council	777,908
Swan Hill Rural City Council	217,457
Vision Australia Limited	2,143,544
Wangaratta Rural City Council	254,283
Warrnambool City Council	287,379
Wellington Shire Council	354,200
West Wimmera Shire Council	111,116
Whitehorse Manningham Regional Library Corporation	2,015,054
Wyndham City Council	1,592,725
Yarra City Council	671,068
Yarra Plenty Regional Library Service	2,782,788
Yarriambiack Shire Council	126,227
Your Library Ltd	3,240,585

### Living Libraries Infrastructure Program

The Living Libraries Infrastructure Program is designed to assist Victorian councils and regional libraries in the provision of high quality and accessible public library facilities that support the role of public libraries in strengthening communities.

<b>Organisation</b>	<b>Payment \$</b>
Alpine Shire Council	71,757
Casey City Council	14,645
City of Port Phillip	200,000
Goulburn Valley Regional Library Corporation	187,184

Organisation	Payment \$
Greater Shepparton City Council	42,824
Hepburn Shire Council	185,217
Manningham City Council	118,500
Melton City Council	156,000
Mildura Rural City Council	23,333
Moira Shire Council	39,000
Monash City Council	200,000
North Central Goldfields Regional Library Corporation	91,775
Pyrenees Shire Council	200,000
Shire of Strathbogie	48,051
Wangaratta Rural City Council	26,333
Yarra City Council	70,000
Yarra Plenty Regional Library Service	178,806
Yarriambiack Shire Council	200,000

### Aboriginal Community Infrastructure Program

The Aboriginal Community Infrastructure Program enables Aboriginal organisations to build new infrastructure or to repair, refurbish or expand existing infrastructure to meet the emerging needs of Aboriginal Victorians. This program is delivered by DGS on behalf of the Department of Premier and Cabinet.

Organisation	Payment \$
Aboriginal and Torres Strait Islander Corporation Family Violence Prevention and Legal Service (Victoria)	198,000
Baluk Arts Aboriginal and Torres Strait Islander Corporation	44,000
Boorndawan Willam Aboriginal Healing Service Limited	98,792
Budja Budja Aboriginal Co-Operative Limited	89,942
Connecting Home Ltd	18,177
Dardi Munwurro Pty Ltd	66,000
Dhauwurd-Wurrung Portland & District Aboriginal Elderly Citizens Inc	132,000
Elizabeth Morgan House Aboriginal Women's Services Inc	11,000
Frankston City Council	55,000
Gippsland Lakes Complete Health Limited	11,000
Goolum – Goolum Aboriginal Co-Operative Limited	1,056,000
Gunaikurnai Land & Waters Aboriginal Corporation	140,360
Gondomar Aboriginal Cooperative Ltd	993,300
Koorie Heritage Trust Inc	1,056,000
Mallee District Aboriginal Services Limited	44,000
Murray Valley Aboriginal Co-Operative Limited	508,200
Mernda Aboriginal Corporation	151,317
Rumba Lara Aboriginal Co-Operative Limited	65,373
Tati Kaiejn Ltd	16,500
Tangerang Land and Waters Council (Aboriginal Corporation)	45,595

<b>Organisation</b>	<b>Payment \$</b>
The Victorian Aboriginal Health Service Co-Operative Limited	945,054
University of Tasmania	11,000
Victorian Aboriginal Child Care Agency Co Op Ltd	34,848
Winda-Mara Aboriginal Corporation	990,000
Warawa Aboriginal College Limited	715,336

## Financial Assistance Grants to Local Government

Financial Assistance Grants are provided annually by the Commonwealth Government as untied funding to councils to support the delivery of services to their communities.

<b>Organisation</b>	<b>Payment \$</b>
Alpine Shire Council	207,224
Ararat Rural City Council	327,938
Ballarat City Council	764,532
Banyule City Council	193,388
Bass Coast Shire Council	360,508
Baw Baw Shire Council	529,102
Bayside City Council	143,240
Benalla Rural City Council	228,881
Boroondara City Council	243,154
Borough of Queenscliffe Council	28,495
Brimbank City Council	682,715
Buloke Shire Council	354,950
Campaspe Shire Council	652,630
Cardinia Shire Council	648,187
Casey City Council	1,138,676
Central Goldfields Shire Council	219,907
City of Darebin	225,778
City of Greater Bendigo	946,989
City of Greater Dandenong	567,720
City of Greater Geelong	1,203,863
City of Maribyrnong	137,320
City of Melbourne	224,435
City of Port Phillip	145,295
City of Wodonga	303,845
Colac Otway Shire	374,075
Corangamite Shire Council	436,022
East Gippsland Shire Council	877,731
Frankston City Council	441,348
Gannawarra Shire Council	306,636
Glen Eira City Council	204,631
Glenelg Shire Council	473,919
Golden Plains Shire Council	331,360

<b>Organisation</b>	<b>Payment \$</b>
Greater Shepparton City Council	719,660
Hepburn Shire Council	274,020
Hindmarsh Shire Council	238,314
Hobsons Bay City Council	146,835
Horsham Rural City Council	346,379
Hume City Council	891,731
Indigo Shire Council	270,224
Kingston City Council	237,974
Knox City Council	389,353
Latrobe City Council	689,890
Loddon Shire Council	487,548
Macedon Ranges Shire Council	415,282
Manningham City Council	185,102
Mansfield Shire Council	169,412
Maroondah City Council	244,431
Melton City Council	936,970
Merri-Bek City Council	252,424
Mildura Rural City Council	832,491
Mitchell Shire Council	448,428
Moira Shire Council	602,330
Monash City Council	284,084
Moonee Valley City Council	179,613
Moorabool Shire Council	364,698
Mornington Peninsula Shire Council	322,209
Mount Alexander Shire Council	286,414
Moyne Shire Council	467,641
Murrindindi Shire Council	256,846
Nillumbik Shire Council	155,602
Northern Grampians Shire Council	424,079
Pyrenees Shire Council	300,695
Shire of Strathbogie	300,656
Shire of Towong	262,927
South Gippsland Shire Council	544,687
Southern Grampians Shire Council	415,727
Stonnington City Council	148,982
Surf Coast Shire	242,871
Swan Hill Rural City Council	375,409
Wangaratta Rural City Council	402,023
Warrnambool City Council	233,388
Wellington Shire Council	765,643
West Wimmera Shire Council	320,338
Whitehorse City Council	249,341

<b>Organisation</b>	<b>Payment \$</b>
Whittlesea City Council	795,623
Wyndham City Council	985,699
Yarra City Council	130,473
Yarra Ranges Shire Council	760,709
Yarriambiack Shire Council	299,651

## 2022–23 Council Flood Support Fund

The Council Flood Support Fund is established as an initial measure to support flood affected councils as they undertake clean-up activities and work to restore local facilities and services for their communities.

<b>Organisation</b>	<b>Payment \$</b>
Alpine Shire Council	100,000
Ballarat City Council	100,000
Baw Baw Shire Council	100,000
Benalla Rural City Council	100,000
Buloke Shire Council	500,000
Campaspe Shire Council	500,000
Cardinia Shire Council	100,000
City of Greater Bendigo	500,000
East Gippsland Shire Council	500,000
Gannawarra Shire Council	250,000
Glenelg Shire Council	100,000
Greater Shepparton City Council	500,000
Indigo Shire Council	100,000
Loddon Shire Council	500,000
Macedon Ranges Shire Council	100,000
Mansfield Shire Council	100,000
Melton City Council	100,000
Mitchell Shire Council	500,000
Murrindindi Shire Council	500,000
Nillumbik Shire Council	100,000
Pyrenees Shire Council	100,000
Shire of Strathbogie	500,000
South Gippsland Shire Council	250,000
Wangaratta Rural City Council	100,000
Wellington Shire Council	250,000
Yarra Ranges Shire Council	500,000

## Free from violence

This program supports local government in the prevention of family violence and all forms of violence against women. This program is delivered by DGS on behalf of the Department of Families, Fairness & Housing.

Organisation	Payment \$
Ballarat City Council	50,000
Bass Coast Shire Council	87,500
Benalla Rural City Council	50,000
Brimbank City Council	75,000
City of Casey	75,000
City of Darebin	50,000
City of Greater Bendigo	83,000
City of Melbourne	75,000
Corangamite Shire Council	50,000
Greater Shepparton City Council	50,000
Hindmarsh Shire Council	50,000
Horsham Rural City Council	50,000
Hume City Council	75,000
Knox City Council	50,000
Latrobe City Council	50,000
Macedon Ranges Shire Council	50,000
Maroondah City Council	75,000
Melton City Council	75,000
Mildura Rural City Council	83,000
Mitchell Shire Council	87,500
Monash City Council	75,000
Mornington Peninsula Shire Council	50,000
Murrindindi Shire Council	90,000
Northern Grampians Shire Council	90,000
Shire of Yarra Ranges	75,000
Wangaratta Rural City Council	83,000
Wellington Shire Council	50,000

## Premiers' Reading Challenge Book Fund

The Premiers' Reading Challenge Book Fund provides funding for the purchase of books and other materials to support children and young people undertaking the annual Premiers' Reading Challenge.

Organisation	Payment \$
Alpine Shire Council	6,120
Ararat Rural City Council	6,064
Ballarat City Council	15,769
Bayside City Council	15,700

<b>Organisation</b>	<b>Payment \$</b>
Benalla Rural City Council	6,302
Boroondara City Council	21,499
Brimbank City Council	25,505
Buloke Shire Council	5,616
Campaspe Shire Council	9,005
Casey-Cardinia Library Corporation	42,863
Central Goldfields Shire Council	6,189
City of Darebin	17,913
City of Greater Dandenong	20,141
City of Maribyrnong	12,301
City of Melbourne	10,217
City of Port Phillip	11,468
City of Wodonga	9,519
Corangamite Shire Council	6,779
East Gippsland Shire Council	9,208
Frankston City Council	19,111
Gannawarra Shire Council	5,985
Geelong Regional Library Corporation	56,417
Glen Eira City Council	19,417
Glenelg Shire Council	6,939
Goulburn Valley Regional Library Corporation	26,227
Hepburn Shire Council	6,414
Hindmarsh Shire Council	5,538
Hobsons Bay City Council	14,058
Horsham Rural City Council	7,116
Hume City Council	29,422
Indigo Shire Council	6,601
Kingston City Council	19,657
Latrobe City Council	12,740
Mansfield Shire Council	5,962
Melton City Council	23,441
Merri-Bek City Council	19,563
Mildura Rural City Council	11,053
Mitchell Shire Council	9,647
Monash City Council	21,168
Moonee Valley City Council	15,965
Moorabool Shire Council	8,621
Mornington Peninsula Shire Council	20,314
Moyne Shire Council	6,913
Murrindindi Shire Council	6,255
Myli - My Community Library Ltd	47,413
North Central Goldfields Regional Library Corporation	39,064

Organisation	Payment \$
Northern Grampians Shire Council	6,082
Pyrenees Shire Council	5,628
Shire of Towong	5,581
Southern Grampians Shire Council	6,656
Stonnington City Council	12,320
Swan Hill Rural City Council	7,331
Vision Australia Limited	13,750
Wangaratta Rural City Council	7,793
Warrnambool City Council	8,577
Wellington Shire Council	9,395
West Wimmera Shire Council	5,400
Whitehorse Manningham Regional Library Corporation	35,899
Wyndham City Council	34,959
Yarra City Council	10,321
Yarra Plenty Regional Library Service	57,239
Yarriambiack Shire Council	5,643
Your Library Ltd	63,963

### Doing what matters for local communities

Funding is provided for Maribyrnong City Council to improve streetscapes in Footscray.

Organisation	Payment \$
City of Maribyrnong	200,000

### Roadside Weeds and Pests

The Roadside Weeds and Pests program provides funding support to eligible councils to plan and implement control activities for weeds and pests on municipal rural roadsides.

Organisation	Payment \$
Alpine Shire Council	21,329
Ararat Rural City Council	71,769
Bass Coast Shire Council	20,055
Baw Baw Shire Council	54,936
Benalla Rural City Council	41,956
Buloke Shire Council	85,000
Campaspe Shire Council	85,000
Cardinia Shire Council	32,502
Central Goldfields Shire Council	39,140
City of Greater Bendigo	71,266
Colac Otway Shire	47,824
Corangamite Shire Council	69,665
East Gippsland Shire Council	78,734
Gannawarra Shire Council	68,717



<b>Organisation</b>	<b>Payment \$</b>
Glenelg Shire Council	77,311
Golden Plains Shire Council	49,128
Greater Shepparton City Council	67,265
Hepburn Shire Council	37,659
Hindmarsh Shire Council	85,000
Horsham Rural City Council	85,000
Indigo Shire Council	46,994
Latrobe City Council	36,740
Loddon Shire Council	85,000
Macedon Ranges Shire Council	43,023
Mansfield Shire Council	26,901
Mildura Rural City Council	85,000
Mitchell Shire Council	39,318
Moira Shire Council	85,000
Moorabool Shire Council	45,275
Mount Alexander Shire Council	39,259
Moyne Shire Council	81,519
Murrindindi Shire Council	36,325
Northern Grampians Shire Council	85,000
Pyrenees Shire Council	62,078
Shire of Strathbogie	67,176
Shire of Towong	37,540
South Gippsland Shire Council	59,293
Southern Grampians Shire Council	85,000
Surf Coast Shire	29,123
Swan Hill Rural City Council	85,000
Wangaratta Rural City Council	57,248
Wellington Shire Council	85,000
West Wimmera Shire Council	85,000
Yarra Ranges Shire Council	38,933
Yarriambiack Shire Council	85,000

## **DIGITAL STRATEGY AND TRANSFORMATION**

### **Connecting Victoria**

The department provided \$108.5 million in grants to suppliers for the delivery of improved mobile and data connectivity services across Victoria.

## MANAGEMENT OF VICTORIA'S PUBLIC RECORDS

### Local History Grants Program – Round 21

Local History Grant Program to fund projects that preserve, record, and share Victoria's history.

Organisation	Payment \$
Ouyen District History and Genealogy Centre	10,000
Charlton Golden Grains Museum Inc	2,500
Stawell Athletic Club Inc.	12,971
The Coburg Historical Society Incorporated	2,826
The Mission to Seafarers Victoria Inc.	11,531
Kiewa Valley Historical Society	2,550
Trust for Nature (Victoria)	4,950
Kensington Neighbourhood House Inc.	11,286
Nathalia and District Historical Society	10,500
Museums Board of Victoria	16,256
Alexandra Historical Society Inc	2,800
Australian Red Cross Society	13,576
Cottage by the Sea Queenscliff Inc	1,527
The Southern Metropolitan Cemeteries Trust	7,260
Seymour and District Historical Society Inc	11,509
Women's Legal Service Victoria	13,552
Bidwell First Nations Clans Aboriginal Corporation	13,750
Bendigo Historical Society Inc.	15,167
Ballarat Historical Society Incorporated	6,114
Omeo Historical Society	6,094
Talbot Arts and Historical Museum Inc	4,476
The Melbourne Athenaeum Inc	16,496
Taradale Historical Group Inc	2,798
Nagambie Historical Society Inc	6,302
Horsham Historical Society Inc.	1,485
Progressing Cobden Inc	9,211
Mildura Rural City Council	5,358
Mallee Landcare Group Inc	12,645
The Australian Living Peace Museum	15,000
Robert Menzies Institute Ltd	3,905
Central Goldfields Shire Council	10,967
Ballarat and District Irish Association Inc.	14,500
Rutherglen Historical Society Inc	2,365
Indigo Shire Council	10,940
National Chinese Museum of Australia Limited	9,969
Port Melbourne Historical and Preservation Society Inc	8,000
Switchboard (Victoria) Inc	13,079
Yarra Plenty Regional Library Service	16,370

<b>Organisation</b>	<b>Payment \$</b>
Linton and District Historical Society Inc	7,238
Ararat Genealogical Society Inc.	13,475
Yarra Valley Railway Incorporated	3,377
Australian Deaf Sports Federation Limited	14,784
Alexandra Historical Society Inc	10,000
Australian Red Cross Society	2,500
Cottage by the Sea Queenscliff Inc	12,971
The Southern Metropolitan Cemeteries Trust	2,826
Seymour and District Historical Society Inc	11,531
Women's Legal Service Victoria	2,550
Bidwell First Nations Clans Aboriginal Corporation	4,950
Bendigo Historical Society Inc.	11,286
Ballarat Historical Society Incorporated	10,500
Omeo Historical Society	16,256
Talbot Arts and Historical Museum Inc	2,800
The Melbourne Athenaeum Inc	13,576
Taradale Historical Group Inc	1,527
Nagambie Historical Society Inc	7,260
Horsham Historical Society Inc.	11,509
Progressing Cobden Inc	13,552
Mildura Rural City Council	13,750
Mallee Landcare Group Inc	15,167
The Australian Living Peace Museum	6,114
Robert Menzies Institute Ltd	6,094
Central Goldfields Shire Council	4,476
Ballarat And District Irish Association Inc.	16,496
Rutherglen Historical Society Inc	2,798
Indigo Shire Council	6,302
National Chinese Museum of Australia Limited	1,485
Port Melbourne Historical and Preservation Society Inc	9,211
Switchboard (Victoria) Inc	5,358
Yarra Plenty Regional Library Service	12,645
Linton and District Historical Society Inc	15,000
Ararat Genealogical Society Inc.	3,905
Yarra Valley Railway Incorporated	10,967
Australian Deaf Sports Federation Limited	14,500

# Procurement

## SOCIAL PROCUREMENT FRAMEWORK

DGS is the lead department for the Social Procurement Framework, providing policy advice, guidance and training to support all departments and agencies to implement the Framework. In addition to this whole of government role, DGS aims to support the direct and indirect sourcing of social benefit suppliers, improving social, economic, and environmental outcomes for all Victorians.

Following the MoG changes that established DGS in January 2023, during 2023–24, DGS continued to leverage the social procurement strategies of incoming departments. The strategies prioritised the objectives within the Victorian Government’s Social Procurement Framework and applied to all procurement activities undertaken by DGS. The priority objectives were:

- Opportunities for Victorian Aboriginal people
- Opportunities for Victorians with a disability
- Opportunities for disadvantaged Victorians
- Sustainable Victorian social enterprises and Aboriginal business sectors.

DGS is currently working towards the development of a comprehensive social procurement strategy covering DGS, DPC and DTF, which is expected to be implemented in 2024–25.

Social Procurement Opportunity	Metric	Number of businesses engaged	Expenditure \$ (excl. GST)
Opportunities for Victorian Aboriginal people	Total expenditure with Victorian Aboriginal businesses		411,167
	Number of Victorian Aboriginal businesses engaged	5	
Opportunities for Victorians with a disability	Total expenditure with Victorian social enterprises led by a mission for people with a disability and Australian disability enterprises		7,260
	Number of Victorian social enterprises led by a mission for people with a disability and Australian disability enterprises engaged	1	
Opportunities for disadvantaged Victorians	Total expenditure with Victorian social enterprises led by a mission for the disadvantaged		-
	Number of Victorian social enterprises led by a mission for the disadvantaged engaged	-	
Sustainable Victorian social enterprises and Aboriginal business sectors	Total expenditure with Victorian social enterprises		69,331
	Number of Victorian social enterprises engaged	3	

## **DISCLOSURE OF EMERGENCY PROCUREMENT**

DGS developed and implemented its Emergency Procurement Plan in 2023 in line with the requirements of the VGPB's Governance Policy. The Emergency Procurement Plan applies when procuring goods and services in response to an emergency.

In 2023–24 DGS did not activate its Emergency Procurement Plan.

## **PROCUREMENT COMPLAINTS**

Under the Governance Policy of the VGPB, departments must disclose any formal complaints relating to the procurement of goods and services received through its procurement complaints management system.

DGS did not receive any formal complaints through its procurement complaints management system in 2023–24.

## Environmental performance

DGS has demonstrated its dedication to environmental sustainability through its internal departmental initiatives, and those carried out as part of the DGS's whole of government role. These include:

- integrating environmental considerations into all tender specifications to promote responsible procurement practices
- utilising a tri-stream waste disposal system (landfill, commingled, and organics)
- focusing on energy efficiency by utilising energy-saving appliances and sensor lighting
- ensuring responsible relocation processes with thorough clean-up activities and sustainable waste management
- promoting digital solutions, fostering a shift towards more paperless practices
- leading strategies aimed at increased acceptance of Green Lease Schedules in leased government premises
- leading targeted whole of building strategies focused on operational expenditure optimisation and building energy performance monitoring
- leading reduction in carbon emissions through targeted reduction of government's accommodation portfolio.

Through delivery of these initiatives, DGS is working to create a positive environmental impact and is supporting the Victorian Government's climate action targets.

## THE DEPARTMENT'S ENVIRONMENTAL MANAGEMENT SYSTEM

DGS is in the early stages of developing its Environmental Management System (EMS). In the interim, DGS maintains a commitment to implementing initiatives that improve the department's environmental performance.

## REPORTING BOUNDARY FOR ENVIRONMENTAL DATA

For the reporting period from 1 July 2023 to 30 June 2024, environmental data has been captured through consumption reports, audits, and surveys. This data includes sites where DGS conducts its operations, and through the relevant activities of departmental staff. Some environmental metrics, such as water, gas, and waste were not available for all DGS sites due to factors such as different metering systems and data measurement methods.

There are a limited number of instances in which DGS staff are located within another Victorian Government entity's facility. In these cases, the entity who is the owner or primary lessee is responsible for environmental reporting for that facility.

Where applicable, data indicators have been normalised to account for trends and provide comparative analysis over time. For the purposes of this report, the normalisation factor used for staff is FTE.

## CLIMATE-RELATED RISK DISCLOSURE STATEMENT

DGS is committed to addressing climate-related risks and opportunities to enhance resilience and sustainability. DGS aims to support Victoria's transition to net zero emissions and a climate-resilient future.

Through this disclosure statement, DGS 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.

## CLIMATE-RELATED RISK GOVERNANCE, STRATEGY AND MANAGEMENT

DGS has established its risk governance including its risk framework, policies, and procedures with effective risk management practices. Guided by the Victorian Government's Risk Management Framework and the AS ISO 31000:2018 standard, DGS promoted proactive risk identification, management, and monitoring, and had extended this commitment to climate-related risks, through its Board of Management and its Audit and Risk Management Committee.

DGS's proactive commitment to environmental responsibility extends to the exploration of climate-related risks and opportunities. DGS is actively engaged in identifying opportunities and initiatives that can further reduce climate-related impacts through its operations and at the whole of government level. The department evaluated its climate-related risk maturity in 2023–24 and has further enhanced its risk profile and procedures to better address climate-related risks. DGS is committed to achieving climate-related targets established under Victoria's Climate Change Strategy 2021–2030. These targets include transitioning to renewable energy sources and supporting environmentally sustainable building practices.

## SUSTAINABLE PROCUREMENT

DGS 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 DGS's implementation of the Social Procurement Framework are contained in the [relevant section](#) of this annual report.

## GREENHOUSE GAS EMISSIONS

DGS reports on greenhouse gas emissions broken down into emissions ‘scopes’ consistent with national and international reporting standards:

- Scope 1 emissions are from sources that DGS 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 uses coal and gas-fired power generation.
- Scope 3 emissions are indirect emissions from sources DGS does not control, but does influence. DGS reports only scope 3 emissions from corporate air travel and waste disposal.

Greenhouse gas emissions, measured in tonnes of carbon-dioxide equivalent (tCO<sub>2</sub>e) from corporate air travel were offset through the Corporate Travel Management (CTM) Climate+ program, which supports initiatives such as rainforest conservation, sustainable livelihoods, wildlife protection, and renewable energy.

Indicator	2023–24
Total scope 1 (direct) greenhouse gas emissions (tCO <sub>2</sub> e) [Indicator G1]	145
Total scope 2 (indirect) greenhouse gas emissions (tCO <sub>2</sub> e) [Indicator G2]	1,101
Total scope 3 greenhouse gas emissions from commercial air travel and waste disposal (tCO <sub>2</sub> e) [Indicator G3]	32

## ELECTRICITY PRODUCTION AND CONSUMPTION

DGS electricity consumption reporting covers tenancies at the following sites:

- 1 Spring Street, Melbourne
- 121 Exhibition Street, Melbourne
- 222 Exhibition Street, Melbourne
- 595 Collins Street, Melbourne
- 35 Collins Street, Melbourne
- 55 Collins Street, Melbourne
- 1 Macarthur Street, East Melbourne
- 1 Treasury Place, East Melbourne
- 1 McNab Avenue, Footscray
- 300–304 Mair Street, Ballarat.

The total electricity consumption for DGS over the 2023–24 reporting period was 1,678 megawatt hours (MWh).

DGS 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 <sup>(1) (3)</sup>
Total electricity consumption (MWh) [Indicator EL1] <sup>(2)</sup>	1,678
Purchased electricity — consolidated	1,678



Indicator	2023–24 <sup>(1) (3)</sup>
Department offices (MWh)	1,678
On-site electricity generated (MWh) [Indicator EL2]	0
On-site installed generation capacity (MWh) [Indicator EL3]	0
Total electricity offsets (MWh) [Indicator EL4]	0

Notes:

- (1) These figures included the offices of DGS and Service Victoria.
- (2) Electricity and gas usage data was provided by outsourced providers via retailers who operated under the State's Energy Purchase Contracts.
- (3) The 2023–24 figures in this annual report contain accrued values for electricity consumption.

## STATIONARY FUEL USE

DGS stationary fuel use consumption reporting covers tenancies at the following sites:

- 121 Exhibition Street, Melbourne
- 222 Exhibition Street, Melbourne
- 595 Collins Street, Melbourne
- 1 Macarthur Street, East Melbourne
- 1 Treasury Place, East Melbourne
- 1 McNab Avenue, Footscray.

The total fuels used in buildings over the 2023–24 reporting period was 2,140,294 megajoules (MJ).

Indicator	2023–24 <sup>(1) (3)</sup>
Total fuels used in buildings and machinery (MJ) [Indicator F1] <sup>(2)</sup>	2,140,294
Buildings	2,140,294
Natural gas	2,140,294
Machinery	0
Diesel	0
Greenhouse gas emissions from stationary fuel consumption (tCO <sub>2</sub> e) [Indicator F2]	110.3

Notes:

- (1) These figures included the offices of DGS and Service Victoria.
- (2) Electricity and gas usage data was provided by outsourced providers via retailers who operated under the State's Energy Purchase Contracts.
- (3) The 2023–24 figures in this annual report contain accrued values for stationary fuel consumption.

## TRANSPORTATION

DGS uses 12 vehicles leased through VicFleet to facilitate its vehicle transportation requirements. DGS also has operational control of the vehicle rental service for Victorian Government departments and agencies. During the 2023–24 reporting period, there were 107 vehicles in the rental service fleet. Victorian Government departments and agencies that hired these vehicles for short and medium-term use have incorporated the associated emissions data into their own reports.

Air travel data was provided by the State Government's booking agency CTM.

Indicator	2023–24	% of all vehicles
Number and proportion of vehicles [Indicator T2]	119	100
Road vehicles	119	100
Passenger vehicles	119	100
Internal combustion engines	89	75
Petrol	79	66
Diesel/biodiesel	10	8
Hybrid	26	22
Plug-in hybrid electric vehicle (PHEV)	23	19
Range-extended electric vehicle	3	3
Electric propulsion	4	3
Battery electric vehicle	4	3
Fuel cell electric vehicle (FCEV)	0	0

Indicator	2023–24 <sup>(1)</sup>
Total energy used in transportation (MJ) [Indicator T1]	501,873
Road vehicles	501,873
Passenger vehicles	501,873
Petrol	358,374
Diesel	143,499
Electricity (MWh) <sup>(2)</sup>	0
Goods vehicles	0
Greenhouse gas emissions from vehicle fleet (tCO <sub>2</sub> e) [Indicator T3]	34
Road vehicles	34
Passenger vehicles	34
Petrol	24
Diesel	10
Electricity <sup>(2)</sup>	0
Goods vehicles	0
Total distance travelled by commercial air travel (passenger km) [Indicator T4]	119,924

Notes:

- (1) The totals represented were partial, as some data was captured within the systems of the 4 giving departments and has not yet migrated to DGS. This information was included in the data reported by the respective departments.
- (2) Electricity used to charge ZEVs at DGS charging sites was not metered separately and was included in the total electricity consumption.

## TOTAL ENERGY USAGE

DGS energy consumption reporting covers tenancies at the following sites:

- 1 Spring Street, Melbourne
- 121 Exhibition Street, Melbourne
- 222 Exhibition Street, Melbourne
- 595 Collins Street, Melbourne

- 35 Collins Street, Melbourne
- 55 Collins Street, Melbourne
- 1 Macarthur Street, East Melbourne
- 1 Treasury Place, East Melbourne
- 1 McNab Avenue, Footscray
- 300-304 Mair Street, Ballarat.

The total energy used by DGS over the 2023–24 reporting period was 8,683,068 MJ.

Indicator	2023–24 <sup>(1) (3)</sup>
Total energy usage from fuels (stationary and transportation) (MJ) [Indicator E1]	2,642,167
Total energy used from electricity (MJ) [Indicator E2]	6,040,901
Total energy used segmented into renewable and non-renewable sources (MJ) [Indicator E3]	8,683,068
Renewable	1,145,355
Non-renewable	7,537,713
Units of energy used normalised by FTE employees [Indicator E4] <sup>(2)</sup>	5,845

Notes:

(1) These figures included the offices of DGS and Service Victoria.

(2) FTE includes core staff from DGS and Service Victoria.

(3) The 2023–24 figures in this annual report contain accrued values for electricity and stationary fuel consumption.

## SUSTAINABLE BUILDINGS AND INFRASTRUCTURE

Leases for DGS 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 either the premises are not subject to Commonwealth mandatory disclosure laws or landlords are unwilling to include these obligations, then DGS works 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.

DGS discloses a summary of NABERS ratings for its occupied premises, based on data downloaded by its outsourced provider from the NABERS public portal. There were 6 main office buildings receive an environmental performance rating, as detailed in the table below. No new buildings were commissioned by DGS during this reporting period, and no NABERS ratings were conducted on owned buildings or as part of tenancy fit-out works in this reporting period.

During the 2023–24 reporting period, there were no newly completed DGS-owned non-office building or infrastructure projects or upgrades valued at over \$1 million.

Name of building	Building type	Rating Scheme	Rating
35 Collins Street, Melbourne	Office building	NABERS	4

Name of building	Building type	Rating Scheme	Rating
595 Collins Street, Melbourne	Office building	NABERS	4
121 Exhibition Street, Melbourne	Office building	NABERS	5
222 Exhibition Street, Melbourne	Office building	NABERS	5
1 McNab Avenue, Footscray	Office building	NABERS	5.5
1 Spring Street, Melbourne	Office building	NABERS	5.5

## WATER CONSUMPTION

DGS water consumption reporting covers tenancies at the following sites:

- 121 Exhibition Street, Melbourne
- 222 Exhibition Street, Melbourne
- 595 Collins Street, Melbourne
- 35 Collins Street, Melbourne
- 1 Macarthur Street, East Melbourne
- 1 Treasury Place, East Melbourne
- 1 McNab Avenue, Footscray.

Total water consumption for DGS over the 2023–24 reporting period was 8,111 kilolitres (kL).

Indicator	2023–24 <sup>(1) (3) (4)</sup>
Total water consumption by entity (kL) [Indicator W1]	8,111
Potable water consumption	8,111
Metered reused water consumption	0
Units of metered water consumed normalised by FTE [Indicator W2] <sup>(2)</sup>	7

Notes:

(1) These figures included the offices of DGS and Service Victoria.

(2) FTE included core staff from DGS and Service Victoria.

(3) Water data is only available at locations where building metering systems allow accurate apportionment of water consumption.

(4) The 2023–24 figures in this annual report contain accrued values for water consumption.

## WASTE AND RECYCLING

DGS waste reporting covers tenancies at the following sites:

- 35 Collins Street, Melbourne
- 1 Macarthur Street, East Melbourne
- 1 Treasury Place, East Melbourne
- 3 Treasury Place, East Melbourne.

Total waste generation for DGS over the 2023–24 reporting period was 10,631 kilograms (kg).

Indicator	2023–24 <sup>(1)</sup>
Total units of waste disposed (kg) [Indicator WR1]	10,631
Landfill (disposal) (kg)	7,338

Indicator	2023–24 <sup>(1)</sup>
Recycling/recovery (disposal) (kg)	2,614
Commingle (kg)	848
Cardboard (kg)	1,766
Other (kg)	679
Food and garden organics (kg)	679
Percentage of office sites that are covered by dedicated collection services for: [Indicator WR2]	
Printer cartridges	100%
Batteries	0%
E-waste	100%
Soft plastics	0%
Total units of waste disposed of normalised by FTE (kg/FTE) [Indicator WR3] <sup>(2)</sup>	19.99
Recycling rate (%) [Indicator WR4]	24.59%
Greenhouse gas emissions associated with waste disposal (tCO <sub>2</sub> e) [Indicator WR5]	9.54
Landfill	9.54
Other	0

Notes:

- (1) These figures included the offices of DGS.  
(2) FTE includes core staff from DGS.

# Statutory compliance

## COMPLIANCE WITH THE FREEDOM OF INFORMATION ACT

The *Freedom of Information Act 1982* (FOI Act) gives members of the public a right to access documents held by DGS. The purpose of the FOI 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 FOI Act.

An applicant has a right to apply for access to any document held by DGS, which comprises documents both created and received by DGS. Other than regular electronic and paper records, applicants may also request access to documents such as maps, films, computer discs, and tape recordings.

The FOI Act allows DGS to refuse access, either fully or partially, to certain documents or information. Examples of documents that may not be accessed include Cabinet documents; certain internal working documents; law enforcement documents; documents covered by legal professional privilege; documents containing personal information; documents containing certain commercial and financial information; and information provided to DGS in confidence.

If an applicant is not satisfied with an FOI decision made by DGS, under section 49A of the FOI Act they have the right to seek a review from the Office of the Victorian Information Commissioner within 28 days of receiving a decision letter. In addition, applicants have a right of review at the VCAT.

The department can process freedom of information (FOI) requests made to the Victorian Local Government Grants Commission; Business Licensing Authority; Estate Agents Council; Service Victoria; Minister for Government Services; Minister for Local Government; Minister for Consumer Affairs; DGS and the PROV.

For the reporting period from 1 July 2023 to 30 June 2024, the FOI Unit received 79 requests for DGS documents. One request was received during this reporting period for DGS portfolio ministers.

The department finalised 40 FOI requests to DGS during the period from 1 July 2023 to 30 June 2024. Of these requests, 30 per cent of the access decisions were made within the statutory period, 15 per cent were between one and 45 days overdue and 55 per cent were overdue by more than 45 days. There were 3 DGS matters referred to the Office of the Victorian Information Commissioner for review and 12 complaints about a DGS matter that were made to the Office of the Victorian Information Commissioner.

Two matters proceeded to VCAT, and one matter was transferred to DGS while under application for review. There have been no finalised outcomes from the VCAT review during the reporting period.

### Making a request

Making a request to access documents should be made in writing to DGS's FOI officer. The requirements of a request are set out in section 17 of the FOI Act.

In summary, a request should:

- be in writing
- identify as clearly as possible the documents requested

- be accompanied by the appropriate application fee (which may be waived if it would cause hardship to the applicant).

Requests for documents in DGS's possession should be addressed to:

Freedom of Information  
Office of the General Counsel  
Department of Government Services  
GPO Box 4912  
East Melbourne Vic 3001

Requests can also be lodged at [online.foi.vic.gov.au/foi/request.doj](https://online.foi.vic.gov.au/foi/request.doj) or email your request to us at [freedomofinformation@dgs.vic.gov.au](mailto:freedomofinformation@dgs.vic.gov.au).

Access charges may apply once documents have been processed and an access decision has been made. Charges may be applied – for example, for costs associated with photocopying and for search and retrieval of documents.

More information about DGS's FOI arrangements can be found at *Freedom of Information Part II Statements – Department of Government Services | Victorian Government* ([vic.gov.au](https://www.vic.gov.au)).

## COMPLIANCE WITH THE GENDER EQUALITY ACT

DGS acknowledges gender diversity within our workforce and is committed to developing strategies that promote opportunities for all staff.

As a new department, DGS's obligation under the *Gender Equality Act 2020* only began on 1 July 2023 and required the department to take positive action towards achieving workplace gender equality.

DGS developed a Diversity Equity and Inclusion Roadmap in 2023–24 to articulate its vision for the department and plan to achieve compliance with the Act in line with the timeframes advised by the Public Sector Gender Equality Commissioner.

## COMPLIANCE WITH THE BUILDING ACT

During the 2023–24 reporting period, DGS complied with the building and maintenance provisions of the *Building Act 1993*.

DGS managed one publicly owned building, the Victorian Archives Centre at 99 Shiel Street, North Melbourne. Essential service reports confirmed ongoing compliance with building standards. Since the site was already in compliance, no additional measures were required to bring it into conformity during the reporting period.

No major works projects exceeding \$50,000 were undertaken at this site during the reporting period, and no building permits, occupancy permits, certificates of final inspection, emergency orders, or building orders were required or issued.

Several mechanisms are in place for inspection, reporting and maintenance at this site, including:

- regular property inspections by staff, tenants and external contractors
- independent, formal condition audits conducted every 5 years
- biennial site risk surveys by the Victorian Managed Insurance Authority
- onsite facilities managers addressing and prioritising maintenance issues and managing breakdown, preventative and cyclical maintenance contracts.

For all upgrades to existing facilities a permit was obtained, including an occupancy permit or certificate of final inspection that was endorsed by a registered building surveyor. All design consultants and building contractors engaged were registered practitioners, and their registrations were maintained during their work duration.

## COMPLIANCE WITH THE PUBLIC INTEREST DISCLOSURES ACT

The *Public Interest Disclosures Act 2012* (formerly the *Protected Disclosure Act 2012*) encourages and assists people to disclose improper conduct or detrimental action involving 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.

DGS is committed to the Act's objectives. DGS does not tolerate improper conduct by our employees or reprisals against those who make disclosures about such conduct.

A guide to reporting disclosures of improper conduct or detrimental action by DGS or any of our employees or officers is available online at DGS Public Interest Disclosure | Victorian Government ([vic.gov.au/dgs-public-interest-disclosure](https://vic.gov.au/dgs-public-interest-disclosure)).

Public interest disclosures must remain confidential under the law, so it is difficult to be accurate about the number of disclosures in any financial year. For example, managers or executives can receive public interest disclosures and may report these straight to IBAC without anyone knowing.

Equally, people can report directly to IBAC themselves without DGS being aware of it. There have been no disclosures made to DGS under the Act that have been notified to IBAC in 2023–24.

## COMPETITIVE NEUTRALITY POLICY

Competitive neutrality requires government businesses to ensure that, where services compete or potentially compete with the private sector, any advantage arising solely from their government ownership be removed if it is not in the public interest. Government businesses are required to cost these services as if they were privately owned. The 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 efficiency in service provision.

DGS is committed to ensuring Victoria fulfils its requirements on competitive neutrality reporting for government businesses against the enhanced principles as required under the Competition Principles Agreement.



## COMPLIANCE WITH THE CARERS RECOGNITION ACT

DGS has taken all practical measures to comply with its obligations under the *Carers Recognition Act 2012*. These include:

- Considering the care relationships principles set out in the Act when setting policies and providing services, for example:
  - A flexible work policy ensures flexible work arrangements are embedded within DGS’s working culture (in line with requirements under the *Gender Equality Act 2020*) and are available to all staff for any reason including supporting employees with family and caring responsibilities
  - embedding a hybrid working model to support diversity, inclusion and a more equitable workplace
  - provision of the Parental Leave Transition Support Coaching Program.
- Ensuring our staff have an awareness and understanding of the care relationship principles set out in the Act, for example:
  - championing the DGS Enablers Network, a network run by persons with a disability for persons with a disability, with an executive sponsor, which is open to all staff including carers and allies
  - providing support to all employees through the Peer Support Program and the Employee Assistance Program.

## COMPLIANCE WITH THE DISABILITY ACT

DGS developed a Diversity Equity and Inclusion Roadmap in 2023–24 to articulate its vision for the department and plan to achieve compliance with the *Disability Act 2006*. In addition, DGS has implemented initiatives to:

- reduce barriers to persons with a disability obtaining and maintaining employment by implementing a DGS Workplace Adjustment Policy to ensure accessibility for employees who may require adjustments to equipment, process, or supports to undertake their roles and
- promote inclusion and participation in the workplace via a dedicated Senior Advisor Disability Access and Inclusion role who actively promotes access and inclusion support, as well as supporting a departmental Enablers Network for persons with a disability, their carers and allies, to represent the needs, interests, and concerns of employees with lived experience of a disability.

## COMPLIANCE WITH THE LOCAL JOBS FIRST ACT

The *Local Jobs First Act 2003*, introduced in August 2018, brings together the Victorian Industry Participation Policy (VIPP) and the 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 for metropolitan Melbourne or state-wide 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 prior to 15 August 2018.

During 2023–24, the department commenced a Local Jobs First Standard Project that totalled \$41 million. The project is located in metropolitan Melbourne with a commitment of 70 per cent of local content. No projects were commenced that occurred statewide.

The outcomes from projects linked to the implementation of the Local Jobs First Policy were a total of 8,800 retained hours for Australian and New Zealand employees, and 17,600 retained hours for Victorian employees.

During 2023–24, the department completed 3 Local Jobs First Standard projects totalling \$18.2 million. The projects were located in metropolitan Melbourne. No state-wide projects were completed.

The outcomes from the implementation of the Local Jobs First Policy to these projects based on reported information were as follows:

- an average of 98 per cent of local content commitment was made
- a total of 17.86 jobs (annualised employee equivalent) were retained.

# Section 5: Appendices

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## Appendix 1: Budget portfolio outcomes

The budget portfolio outcomes statements provide a comparison between the actual financial information of all general government entities within the Department of Government Services (DGS)'s portfolio, and the forecast financial information published in the State Budget Papers by the Department of Treasury and Finance.

These statements include:

- Comprehensive operating statement
- Balance sheet
- Cash flow statement
- Statement of changes in equity
- Administered items statement.

The budget portfolio outcomes statements have been prepared on a consolidated basis and include all general government entities within the portfolio. Consistent with the budget papers, financial transactions and balances are classified as either 'controlled' or 'administered'.

The 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 DGS's financial statements because they also include the consolidated financial information of the following entities:

- Cenitex
- Residential Tenancies Bond Authority.

## COMPREHENSIVE OPERATING STATEMENT FOR THE YEAR ENDED 30 JUNE 2024

Controlled	2023–24 actual \$m	2023–24 budget \$m	Variation \$m
<b>Income from transactions</b>			
Output appropriations <sup>(1)</sup>	536.3	467.9	68.5
Interest <sup>(2)</sup>	158.0	79.7	78.3
Sale of goods and services	266.2	271.5	(5.3)
Grants <sup>(3)</sup>	16.3	1.3	15.0
Resources received free of charge <sup>(4)</sup>	34.9	-	34.9
Other income	44.2	45.3	(1.0)
<b>Total income from transactions</b>	<b>1,055.8</b>	<b>865.5</b>	<b>190.3</b>
<b>Expenses from transactions</b>			
Employee benefits <sup>(5)</sup>	373.3	333.3	(40.0)
Depreciation	40.5	42.6	2.1
Interest expense	0.6	1.6	0.9
Grants expense <sup>(6)</sup>	264.5	214.3	(50.2)
Other expenses <sup>(5)</sup>	268.9	250.9	(18.1)
<b>Total expenses from transactions</b>	<b>947.9</b>	<b>842.5</b>	<b>(105.4)</b>
<b>Net result from transactions</b>	<b>107.9</b>	<b>23.0</b>	<b>295.6</b>
<b>Other economic flows included in net result</b>			
Net gain/(loss) on non-financial assets	(4.8)	0.9	(5.7)
Net gain/(loss) on financial instruments and statutory receivables/payables <sup>(7)</sup>	37.7	-	37.7
Other gains/(losses) from other economic flows	1.0	-	1.0
<b>Total other economic flows included in net result</b>	<b>33.9</b>	<b>0.9</b>	<b>33.0</b>
<b>Net result</b>	<b>141.9</b>	<b>24.0</b>	<b>328.6</b>
<b>Other economic flows – other comprehensive income</b>			
<b>Items that will not be reclassified to net result</b>			
Other	9.8	(2.1)	11.8
<b>Total other economic flows – other comprehensive income</b>	<b>9.8</b>	<b>(2.1)</b>	<b>11.8</b>
<b>Comprehensive result</b>	<b>151.6</b>	<b>21.9</b>	<b>129.7</b>

### Summary

DGS portfolio's net operating balance, which reflects change in DGS's net worth due to transactions, and directly attributed to government policies, is a surplus of **\$107.9 million**. This is mainly driven by the increased returns on investments relating to the Victorian Property Fund, as well as the Residential Tenancy Fund.

The comprehensive result, which incorporates non transactional movements, primarily attributed to Unrealised Holding Gains on Residential Tenancy Fund investments, is a surplus of **\$151.6 million**.

Notes:

The notes below provide an explanation of the major variances between the 2023–24 comprehensive result compared with the budgeted comprehensive result.

- Variance is predominantly due to supplementation funding received, which includes releases from contingency as well as Treasurer's Advance to meet urgent/foreseen needs, since publication of budget for the below initiatives/programs.
  - Customer support for Porter Davis Homes and Other Liquidated Builders Not Covered by Domestic Builders Insurance
  - Service Victoria and Workers Screening Unit's Operational Funding
  - Common Corporate Platform

- Council Flood Support Fund
  - Public Libraries Funding Program.
2. Variance is mainly due to increased returns on investments driven by higher cash rates, relating to the Victorian Property Fund, as well as the Residential Tenancy Fund.
  3. Variance is predominantly attributed to Grants received from Other Victorian Government Departments/Agencies by Service Victoria and Victorian Centre for Data Insights to undertake projects, which is not reflected in the Published budget.
  4. Variance is primarily attributed to additional archive records recognised by the Public Records Office Victoria, which is not reflected in the Published budget.
  5. Variance is mainly attributed due to the costs associated with initiatives/programs funded through the supplementation funding received, which is not reflected in the Published budget.
  6. Variance is predominantly driven by grants disbursed for liquidated builder's customer support scheme, as well, to the Local Councils for the Public Libraries Funding Program which are not reflected in the Published budget.
  7. Variance is driven by Unrealised Holding Gains on Residential Tenancy Fund investment, which is not budgeted.

## BALANCE SHEET

### AS AT 30 JUNE 2024

Controlled	2023–24 actual \$m	2023–24 budget \$m	Variation \$m
<b>Financial assets</b>			
Cash and deposits <sup>(1)</sup>	257.7	361.3	(103.6)
Receivables <sup>(2)</sup>	198.1	152.4	45.7
Other financial assets <sup>(1)</sup>	371.9	210.1	161.8
<b>Total financial assets</b>	<b>827.7</b>	<b>723.8</b>	<b>103.9</b>
<b>Non-financial assets</b>			
Inventories	-	0.4	(0.3)
Property, plant and equipment <sup>(3)</sup>	722.3	598.2	124.1
Intangible assets <sup>(4)</sup>	62.1	74.9	(12.8)
Other non-financial assets <sup>(5)</sup>	44.7	30.1	14.6
<b>Total non-financial assets</b>	<b>829.1</b>	<b>703.6</b>	<b>125.5</b>
<b>Total assets</b>	<b>1,656.8</b>	<b>1,427.3</b>	<b>229.4</b>
<b>Liabilities</b>			
Payables	107.7	115.8	8.1
Borrowings	28.8	26.5	(2.3)
Provisions <sup>(6)</sup>	99.1	88.4	(10.7)
<b>Total liabilities</b>	<b>235.5</b>	<b>230.7</b>	<b>(4.9)</b>
<b>Net assets</b>	<b>1,421.2</b>	<b>1,196.7</b>	<b>224.6</b>
<b>Equity</b>			
Contributed capital <sup>(7)</sup>	1,199.9	1,188.5	11.4
Accumulated surplus	221.3	8.2	213.2
<b>Total equity</b>	<b>1,421.2</b>	<b>1,196.7</b>	<b>224.6</b>

#### Summary

Net assets for the DGS portfolio as at 30 June 2024 are **\$224.6 million** higher when compared with the 2023–24 State Budget.

Notes:

The notes below provide an explanation of the major variances in asset, liability and equity items.

- Variance is mainly due to investment of Victorian Property Fund as well as the Residential Tenancy Fund trust cash balances with the Victorian Funds Management Corporation (VFMC), which were not reflected in the Published budget.
- Variance is predominantly driven by the below factors which are not reflected in the published budget:
  - Prior's years surplus funds transferred to DGS by DTF as part of MoG changes, which have been retained within the State Administrative Unit balance.
  - Goods & Services Tax refund to be recouped from the Australian Taxation Office.
  - Accrued Investment income pertaining to the Victorian Property Fund.
- The 2023–24 published budget did not reflect the full suite of assets transferred as part of the 2023 MoG changes. The remaining variance relates to the value of records received free of charge by the Public Records Office Victoria which were not reflected in the Published budget
- Variance is mainly due to Service Victoria's Intangible asset increase in 2023–24 being lower than originally estimated.
- Variance is due to larger Cenitex prepayments than originally estimated, relating to the below factors.
  - Additional Microsoft Enterprise Agreement Costs.
  - Purchase of new services due to greater customer consumption.
- Variance is due to a higher than estimated volume of Outstanding Guarantee claims in the Victorian Property Fund.
- Variance is due to prior year's surpluses transferred from DTF during 2023–24 as part of MoG changes which were not reflected in the published budget.

## CASH FLOW STATEMENT FOR THE YEAR ENDED 30 JUNE 2024

Controlled	2023–24 actual \$m	2023–24 budget \$m	Variation \$m
<b>Cash flows from operating activities</b>			
Receipts from government <sup>(1)</sup>	544.1	467.6	76.6
Receipts from other entities	12.7	15.6	(3.2)
Interest received <sup>(2)</sup>	168.7	79.1	89.6
Other receipts <sup>(3)</sup>	264.4	302.2	(37.7)
<b>Total receipts</b>	<b>990.0</b>	<b>864.7</b>	<b>125.4</b>
Payments of grants <sup>(4)</sup>	(247.9)	(214.3)	(33.6)
Payments to suppliers and employees <sup>(5)</sup>	(642.5)	(581.9)	(60.5)
Interest and other costs of finance	(0.6)	(1.6)	0.9
<b>Total payments</b>	<b>(891.0)</b>	<b>(797.8)</b>	<b>(93.3)</b>
<b>Net cash flows from operating activities</b>	<b>99.0</b>	<b>66.9</b>	<b>32.1</b>
<b>Cash flow from investing activities</b>			
Net investment <sup>(6)</sup>	(91.3)	-	(91.3)
Payments for non-financial assets	(35.3)	(38.7)	3.5
Proceeds from the sale of non-financial assets	2.1	1.5	0.6
<b>Net cash flows used in investing activities</b>	<b>(124.5)</b>	<b>(37.2)</b>	<b>(87.2)</b>
<b>Cash flows from financing activities</b>			
Owner contributions by the state government <sup>(7)</sup>	19.2	(2.1)	21.3
Repayment of right of use leases	(3.8)	(0.1)	(3.7)
<b>Net cash flows from financing activities</b>	<b>15.5</b>	<b>(2.2)</b>	<b>17.7</b>
<b>Net increase/(decrease) in cash held</b>	<b>(10.0)</b>	<b>27.5</b>	<b>(37.5)</b>
Cash at the beginning of the financial year	267.7	333.8	(66.1)
<b>Cash at the end of the financial year</b>	<b>257.7</b>	<b>361.3</b>	<b>(103.6)</b>

### Summary

The net cash position (primarily the State Administration Unit balances) for the DGS portfolio as at 30 June 2024 is **\$257.7 million**. This is **\$103.6 million** lower than the original budgeted balance of **\$361.3 million**.

Notes:

The notes below explain the major variances in the 2023–24 cash flow statement.

- Variance is predominantly due to supplementation funding received since publication of budget for initiatives/programs, which include release of funds held in contingency, as well as to meet unforeseen/urgent needs.
- Variance is mainly due to increased interest earned by Estate Agent and Conveyancer trust accounts which is transferred to the Victorian Property Fund.
- Variance is predominantly due to investment income accruals, resulting in deferral of cash receipts by DGS, which is not reflected in the published budget.
- Variance is predominantly driven by grants disbursed for liquidated builder's customer support scheme, as well, to the Local Councils for the Public Libraries Funding Program which are not reflected in the Published budget.
- Variance is mainly attributed due to the costs associated with initiatives/programs funded through the supplementation funding received, which is not reflected in the Published budget.
- Variance is mainly due to investment of Victorian Property Fund as well as the Residential Tenancy Fund trust cash balances with the Victorian Funds Management Corporation (VFMC), which is not reflected in the Published budget.
- Variance is predominantly due to the Prior's years surplus funds transferred to DGS by DTF, which is not reflected in the published budget.



## STATEMENT OF CHANGES IN EQUITY

### FOR THE YEAR ENDED 30 JUNE 2024

Controlled	2023-24 actual \$m	2023-24 budget \$m	Variation \$m
<b>Contributed capital</b>			
<b>Opening balance</b>	<b>1,190.4</b>	<b>1,190.4</b>	-
Contribution from owners	9.5	(1.9)	11.4
<b>Closing balance</b>	<b>1,199.9</b>	<b>1,188.5</b>	<b>11.4</b>
<b>Accumulated surplus</b>			
<b>Opening balance</b>	<b>69.7</b>	<b>69.7</b>	-
Comprehensive result	151.6	(61.6)	213.2
<b>Closing balance</b>	<b>221.3</b>	<b>8.2</b>	<b>213.2</b>
<b>Total equity</b>	<b>1,421.2</b>	<b>1,196.7</b>	<b>224.6</b>

#### Summary

Total equity for the DGS portfolio is **\$224.6 million** higher when compared with the published budget, with the key drivers contributing to the increase articulated as part of balance sheet movements.

## ADMINISTERED ITEMS STATEMENT FOR THE YEAR ENDED 30 JUNE 2024

Controlled	2023–24 actual \$m	2023–24 budget \$m	Variation \$m
<b>Administered income</b>			
Interest	5.5	7.3	(1.8)
Sales of goods and services <sup>(1)</sup>	551.8	579.7	(27.9)
Grants <sup>(2)</sup>	702.5	732.0	(29.5)
Other income	0.9	0.4	0.6
<b>Total administered income</b>	<b>1,260.7</b>	<b>1,319.4</b>	<b>(58.7)</b>
<b>Administered expenses</b>			
Payments into Consolidated Fund	57.6	48.9	(8.7)
Depreciation and amortisation <sup>(1)</sup>	245.0	309.3	64.3
Interest expense	73.7	66.7	(7.0)
Grants and other transfers <sup>(2)</sup>	702.5	732.0	29.5
Other operating expenses <sup>(1)</sup>	190.5	201.3	10.7
<b>Total administered expenses</b>	<b>1,269.3</b>	<b>1,358.2</b>	<b>88.9</b>
<b>Income less expenses</b>	<b>(8.6)</b>	<b>(38.8)</b>	<b>30.2</b>
<b>Administered assets</b>			
Cash and deposits <sup>(3)</sup>	997.3	202.5	794.8
Receivables <sup>(4)</sup>	844.9	26.8	818.1
Property, plant, and equipment <sup>(5)</sup>	1,533.3	1,556.5	(23.2)
Other	31.5	33.3	(1.8)
<b>Total administered assets</b>	<b>3,406.9</b>	<b>1,819.1</b>	<b>1,587.8</b>
<b>Administered liabilities</b>			
Payables <sup>(3)</sup>	1,283.5	207.6	(1,075.9)
Borrowings <sup>(6)</sup>	2,274.2	1,756.1	(518.1)
Provisions	23.4	12.7	(10.7)
<b>Total administered liabilities</b>	<b>3,581.1</b>	<b>1,976.4</b>	<b>(1,604.7)</b>
<b>Net assets</b>	<b>(174.1)</b>	<b>(157.3)</b>	<b>(16.8)</b>

### Summary

Administered items for the DGS portfolio include receipts and payments made by the DGS portfolio on behalf of the state.

Notes:

The notes below provide an explanation of the variances in the administered items statement.

1. Variance is due to grants received from the Commonwealth which are on passed to the local government.
2. Higher payments to the consolidated fund are due to increased customer volume in shared and regulatory services.
3. There is a minor net assets variance to budget. The balance sheet budget reflects preliminary estimates inherited by DGS from various departments due to MoG changes.

## Appendix 2: Workforce data

Table 1: Details of DGS employment levels in 2024 and 2023

	30 June 2024						30 June 2023							
	All employees		Ongoing			Fixed-term and casual		All employees		Ongoing			Fixed-term and casual	
	Number (headcount)	FTE	Full-time	Part-time (headcount)	FTE	Number (headcount)	FTE	Number	FTE	Full-time (headcount)	Part-time (headcount)	FTE	Number (headcount)	FTE
<b>Gender</b>														
Men	708	685	513	21	528	174	157	746	731	480	18	493	248	237
Women	913	865	575	129	666	209	198	921	871	514	119	598	288	273
Self-described	8	8	2	1	3	5	5	6	6	3	-	3	3	3
15-24	45	43	29	4	32	12	12	63	62	41	2	42	20	20
25-34	403	392	243	28	262	132	130	428	420	234	19	248	175	172
35-44	495	478	330	53	368	112	110	511	492	275	56	314	180	178
45-54	376	363	268	39	296	69	67	394	377	255	36	281	103	96
55-64	241	229	185	20	200	36	29	238	230	173	21	189	44	41
65+	69	52	35	7	40	27	13	39	27	19	3	21	17	6
<b>VPS Grades 1-6</b>	<b>1,503</b>	<b>1,439</b>	<b>988</b>	<b>146</b>	<b>1,092</b>	<b>369</b>	<b>347</b>	<b>1,525</b>	<b>1,479</b>	<b>893</b>	<b>131</b>	<b>986</b>	<b>501</b>	<b>493</b>
VPS 1	-	-	-	-	-	-	-	-	-	-	-	-	-	-
VPS 2	266	245	129	59	168	78	77	223	209	133	44	163	46	46
VPS 3	236	226	166	15	177	55	49	247	241	160	18	173	69	68
VPS 4	359	340	258	25	276	76	64	353	343	208	30	229	115	114
VPS 5	333	325	230	25	248	78	77	373	364	211	21	226	141	138
VPS 6	309	303	205	22	222	82	81	329	323	181	18	195	130	127
<b>Senior employees</b>	<b>86</b>	<b>85</b>	<b>75</b>	<b>4</b>	<b>78</b>	<b>7</b>	<b>7</b>	<b>94</b>	<b>93</b>	<b>77</b>	<b>5</b>	<b>81</b>	<b>12</b>	<b>12</b>
STS	26	26	21	-	21	5	5	26	26	15	-	15	11	11
Executives	59	58	53	4	56	2	2	67	66	61	5	65	1	1
Secretary	1	1	1	-	1	-	-	1	1	1	-	1	-	-
<b>Other</b>	<b>40</b>	<b>34</b>	<b>27</b>	<b>1</b>	<b>28</b>	<b>12</b>	<b>6</b>	<b>54</b>	<b>36</b>	<b>27</b>	<b>1</b>	<b>28</b>	<b>26</b>	<b>8</b>
Legal officers	2	2	1	1	2	-	-	3	3	1	1	2	1	1
Ministerial Drivers	38	32	26	-	26	12	6	51	33	26	-	26	25	7
<b>Total employees</b>	<b>1,629</b>	<b>1,558</b>	<b>1090</b>	<b>151</b>	<b>1,198</b>	<b>388</b>	<b>360</b>	<b>1,673</b>	<b>1,608</b>	<b>997</b>	<b>137</b>	<b>1,095</b>	<b>539</b>	<b>513</b>

**Legend:** FTE: full-time equivalent; STS: senior technical specialists; Other: includes non-VPS aligned adaptive classification of Ministerial Transport Officer. FTE totals may not add due to rounding.

Notes:

- As at 30 June 2024, 9 employees were acting as executives under long-term acting arrangements, including 7 VPS Grade 6 employees and 2 STS employees. As at 30 June 2023, 8 employees were acting as an executive under long-term acting arrangements, including one VPSG 5 employee, 4 VPSG 6 employees and 3 STS employees.
- Following its first full year in operation DGS reviewed fixed-term positions to identify roles that could be converted to ongoing. As a result, the 30 June 2024 ongoing FTE is 103 FTE higher than 30 June 2023. The remaining reduction in fixed term FTE related to contracts coming to an end and in line with DGS's future operational requirements.

Table 2: Annualised total salary, by \$20,000 bands, for DGS executives and other senior non-executive staff

Table 2 discloses the annualised total salary for senior employees of DGS categorised by classification. The salary amount is reported as the full-time annualised salary.

Income band (salary)	Executives	STS
< \$160,000		
\$160,000–\$179,999		2
\$180,000–\$199,999	8	7
\$200,000–\$219,999	17 <sup>(1)</sup>	7
\$220,000–\$239,999	12 <sup>(2)</sup>	7
\$240,000–\$259,999	4	3
\$260,000–\$279,999	7 <sup>(3)</sup>	
\$280,000–\$299,999	4	
\$300,000–\$319,999		
\$320,000–\$339,999	2	
\$340,000–\$359,999	1	
\$360,000–\$379,999	2	
\$380,000–\$399,999		
\$400,000–\$419,999		
\$420,000–\$439,999	1	
\$440,000–\$459,999		
\$460,000–\$479,999	1	
\$480,000–\$499,999		
<b>Total</b>	<b>59</b>	<b>26</b>

**Legend:** FTE: full-time equivalent; STS: senior technical specialists.

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

Notes:

- (1) There are 2 employees employed on a part-time basis at a 0.8 FTE rate.
- (2) There is one employee employed on a part-time basis at a 0.6 FTE rate.
- (3) There is one employee employed on a part-time basis at a 0.9 FTE basis.

Table 3: Details of PROV employment levels in 2024 and 2023

		30 June 2024						30 June 2023							
		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
<b>Gender</b>															
Demographic data	Men	26	24	17	4	20	5	4	27	26	20	4	23	3	3
	Women	45	38	26	7	31	12	8	44	38	22	14	32	8	6
	Self-described	1	1	1	-	1	-	-	1	1	1	-	1	-	-
<b>Age</b>															
Demographic data	15-24	3	2	-	-	-	3	2	2	1	-	-	-	2	1
	25-34	12	11	8	-	8	4	3	13	11	7	1	8	5	4
	35-44	15	14	11	2	12	2	2	17	16	11	6	16	-	-
	45-54	18	16	11	3	13	4	3	20	18	12	5	16	3	3
	55-64	19	18	12	5	16	2	2	14	13	9	4	12	1	1
	65+	5	3	2	1	3	2	-	6	5	4	2	5	-	-
<b>VPS Grades 1-6</b>		<b>70</b>	<b>62</b>	<b>43</b>	<b>10</b>	<b>50</b>	<b>17</b>	<b>12</b>	<b>70</b>	<b>63</b>	<b>42</b>	<b>17</b>	<b>55</b>	<b>11</b>	<b>8</b>
Classification data	VPS 1	-	-	-	-	-	-	-	-	-	-	-	-	-	-
	VPS 2	17	10	5	3	7	9	4	18	14	8	6	12	4	2
	VPS 3	17	17	12	2	14	3	3	16	15	10	3	12	3	3
	VPS 4	15	15	12	1	13	2	2	17	15	9	5	13	3	3
	VPS 5	11	11	8	3	11	-	-	10	10	8	2	10	-	-
	VPS 6	10	10	6	1	7	3	3	9	9	7	1	8	1	1
	<b>Senior employees</b>	<b>2</b>	<b>2</b>	<b>1</b>	<b>1</b>	<b>2</b>	<b>-</b>	<b>-</b>	<b>2</b>	<b>2</b>	<b>1</b>	<b>1</b>	<b>2</b>	<b>-</b>	<b>-</b>
STS	1	1	1	-	1	-	-	1	1	1	-	1	-	-	
Executives	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
Administrative office head	1	1	-	1	1	-	-	1	1	-	1	1	-	-	
<b>Total employees</b>		<b>72</b>	<b>64</b>	<b>44</b>	<b>11</b>	<b>52</b>	<b>17</b>	<b>12</b>	<b>72</b>	<b>65</b>	<b>43</b>	<b>18</b>	<b>57</b>	<b>11</b>	<b>8</b>

Legend: FTE: full-time equivalent; STS: senior technical specialists. FTE totals may not add due to rounding.

Table 4: Details of Service Victoria employment levels in 2024 and 2023

	30 June 2024						30 June 2023								
	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	
<b>Gender</b>															
Demographic data	Men	126	126	24	-	24	102	102	127	127	28	-	28	99	99
	Women	68	66	8	4	11	56	55	97	93	13	5	16	79	77
	Self-described	2	2	-	-	-	2	2	2	2	-	-	-	2	2
	15-24	2	2	-	-	-	2	2	6	6	-	-	-	6	6
	25-34	55	54	3	2	4	50	50	53	52	8	1	8	44	44
	35-44	92	91	14	2	16	76	76	101	99	17	4	20	80	79
	45-54	39	39	12	-	12	27	27	52	52	13	-	13	39	39
	55-64	8	8	3	-	3	5	5	14	13	3	-	3	11	10
	65+	-	-	-	-	-	-	-	-	-	-	-	-	-	-
	<b>VPS Grades 1-6</b>	<b>173</b>	<b>171</b>	<b>19</b>	<b>4</b>	<b>22</b>	<b>150</b>	<b>149</b>	<b>197</b>	<b>193</b>	<b>26</b>	<b>5</b>	<b>29</b>	<b>166</b>	<b>164</b>
Classification data	VPS 1	-	-	-	-	-	-	-	-	-	-	-	-	-	
	VPS 2	1	1	-	-	-	1	1	23	22	1	-	1	22	21
	VPS 3	13	13	-	-	-	13	13	8	8	-	-	-	8	8
	VPS 4	32	32	1	1	2	30	30	17	16	1	1	2	15	15
	VPS 5	37	36	2	1	2	34	34	36	35	4	2	5	30	30
	VPS 6	90	89	16	2	18	72	72	113	112	20	2	22	91	91
	<b>Senior employees</b>	<b>23</b>	<b>23</b>	<b>13</b>	<b>-</b>	<b>13</b>	<b>10</b>	<b>10</b>	<b>29</b>	<b>29</b>	<b>15</b>	<b>-</b>	<b>15</b>	<b>14</b>	<b>14</b>
	STS	19	19	9	-	9	10	10	24	24	10	-	10	14	14
	Executives	4	4	4	-	4	-	-	5	5	5	-	5	-	-
	Administrative office head	-	-	-	-	-	-	-	-	-	-	-	-	-	-
<b>Total employees</b>	<b>196</b>	<b>194</b>	<b>32</b>	<b>4</b>	<b>35</b>	<b>160</b>	<b>159</b>	<b>226</b>	<b>222</b>	<b>41</b>	<b>5</b>	<b>44</b>	<b>180</b>	<b>178</b>	

Legend: FTE: full-time equivalent; STS: senior technical specialists. FTE totals may not add due to rounding.

Notes:

- (1) As at 30 June 2023, one VPSG 6 employee was acting as an executive under long-term acting arrangements.
- (2) Service Victoria FTE reduced as at 30 June 2024 due to a MoG movement of contract centre and corporate service staff to DGS in April 2024.
- (3) Service Victoria's Chief Executive Officer position is substantively vacant and occupied under acting arrangements. The Administrative Office Head category therefore has not had a reportable headcount or FTE for June 2023 or June 2024.

**Table 5: Annualised total salary, by \$20,000 bands, for DGS Administrative Office executives and other senior non-executive staff**

Table 5 discloses the annualised total salary for senior employees of DGS' Administrative Offices (Service Victoria and Public Record Office Victoria) categorised by classification. The salary amount is reported as the full-time annualised salary.

<b>Income band (salary)</b>	<b>Executives</b>	<b>STS</b>
< \$160,000		
\$160,000–\$179,999		2
\$180,000–\$199,999		11
\$200,000–\$219,999		1
\$220,000–\$239,999	1	4
\$240,000–\$259,999	2	2
\$260,000–\$279,999	1	
\$280,000–\$299,999	1	
\$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		
> \$500,000		
<b>Total</b>	<b>5</b>	<b>20</b>

**Legend:** FTE: full-time equivalent; STS: senior technical specialists; PS: principal scientists; SMA: senior medical advisers; SRA: senior regulatory analysts.

There are no senior employees employed on a part-time basis.

## EXECUTIVE OFFICER DATA

- For the 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 entity, 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 in the following tables reflect employment levels at the last full pay period in June of the current and corresponding previous reporting periods.
- The definition of an executive and SES does not include a statutory office holder, an Accountable Officer or an Administrative Office Head.

Table 6: DGS SES numbers for 2024

	Men			Women			Self-described			All		
	2024	2023	Var	2024	2023	Var	2024	2023	Var	2024	2023	Var
SES 3	1	1	-	1	3	(2)	-	-	-	2	4	(2)
SES 2	3	6	(3)	13	8	5	-	-	-	16	14	2
SES 1	16	21	(5)	25	28	(3)	-	-	-	41	49	(8)
<b>Total</b>	<b>20</b>	<b>28</b>	<b>(8)</b>	<b>39</b>	<b>39</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>59</b>	<b>67</b>	<b>(8)</b>

Table 7: DGS public entity SES numbers for 2024

Table 7 shows executive numbers for public entities in the DGS portfolio as at the 30 June 2023 and 30 June 2024.

Portfolio entity	Men			Women			Self-described			All		
	2024	2023	Var	2024	2023	Var	2024	2023	Var	2024	2023	Var
Cenitex	8	7	1	3	2	1	-	-	-	11	9	2
<b>Total</b>	<b>8</b>	<b>7</b>	<b>1</b>	<b>3</b>	<b>2</b>	<b>1</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>11</b>	<b>9</b>	<b>2</b>

Table 8: Reconciliation of DGS SES numbers

The number of executives shown in the report of operations (Table 6 above) is based on the number of active executives at the end of the reporting period. 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 9.5](#) in the financial statements lists the actual number of SES staff and the total remuneration paid to SES staff over the course of the reporting period. [Note 9.5](#) in the financial statements included SES staff who had been separated from the department and SES staff who were inactive as at 30 June 2024.

To assist readers, [Note 9.5](#) and the executive headcount disclosed in the Report of operations are reconciled below.

		2024	2023
	Executive Headcount <sup>(i)</sup>	82	82
Less	Separations <sup>(ii)</sup>	(18)	(9)
Less	Service Victoria executives	(4)	(5)
Less	Public Record Office executive	(1)	(1)
<b>Total SES numbers</b>		<b>59</b>	<b>67</b>

Notes:

(i) Excludes DGS portfolio entity executive officers (i.e. Cenitex).

(ii) Separations includes executives disclosed in financial [Note 9.5](#) which may differ to DGS' annual workforce data returns submitted to the Victorian Public Sector Commission (VPSC).



## WORKFORCE INCLUSION POLICY

DGS values the diversity of our workforce and is committed to the principles of diversity, inclusion and equality, to ensure all staff:

- are treated with dignity and respect
- have equitable access to employment opportunities and outcomes
- have the ability to participate in all aspects of work life and
- can achieve their full potential.

Table 9 outlines the progress DGS has made against key workforce inclusion targets relating to gender profiles at the executive level, people with a disability and employees who identify as Aboriginal and/or Torres Strait Islander.

### Gender profile at the executive levels

DGS acknowledges gender diversity within our workforce and is committed to developing strategies to ensure everyone at DGS, including women and gender diverse staff, have safe and equal access to resources, opportunities and leadership roles and is always treated with dignity, respect and fairness.

Consistent with Safe and Strong: A Victorian Gender Equality Strategy, DGS has a target to ensure at least 50 per cent of women are represented in executive-level officer roles. The representation of women in executive level roles at DGS was 66.1 per cent in 2023–24 (up from 58.8 per cent in 2022–23).

### People with a disability

In line with Getting to Work, the VPS disability employment action plan, DGS is committed to the Victorian Government's target of 12 per cent employment of people with a disability by 2025. Table 9 outlines the number of employees who have identified as a person with a disability, this was 2.3 per cent in 2023–24 (up from 1.1 per cent in 2022–23). The 2024 People Matter Survey found that 9.0 per cent of employees identified as a person with a disability, a difference which may be attributed to the survey's anonymity.

### Aboriginal and Torres Strait Islander staff

DGS is committed to improving the recruitment and retention of Aboriginal and/or Torres Strait Islander staff by creating a culturally safe workplace, strengthening cultural capability and providing flexible and progressive career opportunities.

Barring Djinang is the VPS's 5-year Aboriginal employment strategy. The strategy adopts an Aboriginal employment target of 2.0 per cent for the VPS. DGS did not meet this target in 2023–24, with 0.9 per cent of staff identifying as Aboriginal and/or Torres Strait Islander over the past 12 months (down from 1.0 per cent in 2022–23). The 2024 People Matter Survey refined this number and reported that 1.0 per cent of staff identified as Aboriginal and/or Torres Strait Islander.

Table 9: Workforce inclusion policy

Workforce inclusion policy initiative	Target	2023–24 actual (headcount)	2022–23 actual (headcount)
Gender profile at executive levels	Representation of at least 50 per cent women in executive officer roles	66.1%	58.8%
People with a disability	Victorian Government target to increase employment of people with a disability to 12 per cent by 2025	2.3%	1.1%
Aboriginal and/or Torres Strait Islander staff	Barring Djinang has adopted an Aboriginal employment target of 2 per cent for the VPS	0.9%	1.0%

Notes:

- (1) Headcount is based on payroll system data.
- (2) Typically, payroll system data under reports the proportion of staff with a disability and those that identify as Aboriginal and/or Torres Strait Islander. The 2024 People Matter Survey reported 9.0 per cent of employees identified as a person with a disability, and 1.0 per cent of employees identified as Aboriginal and/or Torres Strait Islander.

## OCCUPATIONAL HEALTH AND SAFETY MANAGEMENT

DGS is committed to the HSW of our employees and strives to promote optimal physical and psychosocial safety within the workplace. In developing DGS’s HSW framework it supports activities that embed key foundational HSW systems, develop leadership capability, and encourages a proactive approach that fosters the positive mental health of our employees.

The department’s primary focus has been to build foundational aspects of the HSW system to ensure the HSW of all employees.

Existing HSW systems have been utilised from each of the 4 giving departments as part of an agreed Memorandum of Understanding as DGS works towards establishing both systems and support. This has ensured that both employees and managers continued to have access to information, services, and support for both physical and psychological aspects of their work as DGS seeks to create their supportive framework.

The policies, procedures, and guidelines will equip employees to work safely in a hybrid environment and will be in line with the requirements of the Victorian Government’s ‘Leading the Way’ strategy.

### Incident management

DGS is establishing its HSW data reporting system to facilitate reporting specific to DGS. Since the commencement of the shared operating model DGS has been tracking data relating to workplace incidents and hazards.

HSW and workers compensation details listed in the table below include employees that have transferred to DGS as a result of the MoG changes on 1 January 2023, as well as core DGS employees

There were no notifiable incidents across DGS in 2023–24. Notifiable incidents are those that require the Victorian Occupational Health and Safety (OHS) Regulator (WorkSafe) to be notified if they occur.

## DGS's performance against OHS management measures

Measure	Key performance indicator	2023-24
<b>Incidents</b>	Number of incidents	12
<b>Incidents</b>	Rate per 100 FTE	0.58
<b>Incidents</b>	Number of incidents requiring first aid or further medical treatment	4
<b>Claims</b>	Number of active claims (across 3 Workers Compensation insurers)	11
<b>Claims</b>	Rate per 100 FTE	0.53
<b>Fatalities</b>	Fatality claims	nil
<b>Claim costs</b>	Average cost per standard claim	\$231,780.06
<b>Return to work</b>	Percentage of claims with return-to-work plan < 30 days	27.7%
<b>Management commitment</b>	Evidence of OHS policy statement, OHS objectives, OHS plans and regular reporting to senior management about OHS	Completed
<b>Management commitment</b>	Evidence of OHS criteria in purchasing guidelines (including goods, services, and personnel)	Under development
<b>Consultation and participation</b>	Compliance with agreed structure on designated work groups, health and safety representatives (HSRs) and issue resolution procedures	Under development
<b>Consultation and participation</b>	Evidence of agreed structure of designated workgroups, HSRs and issue resolution procedures	Under development
<b>Consultation and participation</b>	Number of quarterly OHS Committee meetings	Consultative arrangements under development
<b>Risk management</b>	Percentage of internal audits and inspections conducted as planned	N/A
<b>Risk management</b>	Percentage of reported incidents investigated	N/A
<b>Risk management</b>	Number of improvement notices issued by a WorkSafe inspector	nil
<b>Risk management</b>	Number of prosecutions	nil
<b>Risk management</b>	Percentage of issues arising from: Internal audits	N/A
<b>Risk management</b>	HSR provisional improvement notices	N/A
<b>Risk management</b>	WorkSafe notices	N/A

## Appendix 3: Other information available on request

In compliance with the requirements of the Standing Directions of the Assistant Treasurer, details of items listed below have been retained by DGS and are available on request, subject to the provisions of the FOI Act. These items include:

- a) a statement that declarations of pecuniary interests have been duly completed by all relevant DGS officers
- b) details of shares held by a senior officer as nominee or held beneficially in a statutory authority or subsidiary
- c) details of publications produced by DGS about itself and how these can be obtained
- d) details of changes in prices, fees, charges, rates and levies charged by DGS
- e) details of any major external reviews carried out on DGS
- f) details of major research and development activities undertaken by DGS
- g) details of overseas visits undertaken, including a summary of the objectives and outcomes of each visit
- h) details of major promotional, public relations and marketing activities undertaken by DGS to develop community awareness of DGS and our services
- i) details of assessments and measures undertaken to improve the OHS of employees
- j) a general statement on industrial relations within DGS and details of time lost through industrial accidents and disputes
- k) a list of major committees sponsored by DGS, the purposes of each committee and the extent to which the purposes have been achieved
- l) details of all consultancies and contractors including:
  - consultants/contractors engaged
  - services provided
  - expenditure committed for each engagement.

This information is available on request from:

Director  
Governance DGS  
Department of Government Services  
1 Macarthur Street  
East Melbourne 3002  
**Email:** [dgs.governance@dgs.vic.gov.au](mailto:dgs.governance@dgs.vic.gov.au)

## Appendix 4: Disclosure index

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## Appendix 5: Abbreviations

Accommodation, Carpool and Library Services ( <b>ACLS</b> )
Annualised employee equivalent ( <b>AEE</b> )
Australian Accounting Standards ( <b>AASs</b> )
Australian Accounting Standards Board ( <b>AASB</b> )
Births, Deaths and Marriages ( <b>BDM</b> )
Business as usual ( <b>BAU</b> )
Centralised Accommodation Management ( <b>CAM</b> )
Chief Procurement Officer ( <b>CPO</b> )
Consumer Affairs Victoria ( <b>CAV</b> )
Corporate Travel Management ( <b>CTM</b> )
Council Support Fund ( <b>CSF</b> )
Community service obligation ( <b>CSO</b> )
Department of Government Services ( <b>DGS</b> )
Department of Parliamentary Services ( <b>DPS</b> )
Department of Premier and Cabinet ( <b>DPC</b> )
Department of Treasury and Finance ( <b>DTF</b> )
DGS Board of Management ( <b>DGS Board</b> )
Dispute Settlement Centre of Victoria ( <b>DSCV</b> )
Domestic Building Dispute Resolution Victoria ( <b>DBDRV</b> )
Environmental Management System ( <b>EMS</b> )
Environmental Protection Authority ( <b>EPA</b> )
<i>Financial Management Act 1994</i> ( <b>FMA</b> )
Financial Reporting Directions ( <b>FRD</b> )
Fuel cell electric vehicle ( <b>FCEV</b> )
Full time equivalent ( <b>FTE</b> )
Health and safety representatives ( <b>HSRs</b> )
Health, Safety and Wellbeing ( <b>HSW</b> )
Human Capital Management ( <b>HCM</b> )
Independent Broad-based Anti-corruption Commission ( <b>IBAC</b> )
Information technology ( <b>IT</b> )
Information, communication and technology ( <b>ICT</b> )
Kilograms ( <b>kg</b> )
Kilolitres ( <b>kL</b> )
Koori Index of Names ( <b>KIN</b> )
<i>Local Government Amendment (Governance and Integrity) Act 2024</i> (the <b>Amendment Act</b> )



Local Government Victoria ( <b>LGV</b> )
Long service leave ( <b>LSL</b> )
Machinery of government ( <b>MoG</b> )
Major Project Skills Guarantee ( <b>MPSG</b> )
Megajoules ( <b>MJ</b> )
Megawatt hours ( <b>MWh</b> )
Municipal Emergency Resourcing Program ( <b>MERP</b> )
National Disability Insurance Scheme ( <b>NDIS</b> )
Non-business as usual ( <b>non-BAU</b> )
Occupational Health and Safety ( <b>OHS</b> )
Plug-in hybrid electric vehicle ( <b>PHEV</b> )
<i>Public Administration Act 2004</i> ( <b>PAA</b> )
Public non-financial corporations ( <b>PNFC</b> )
Public Financial Corporations ( <b>PFC</b> )
Public Record Office Victoria ( <b>PROV</b> )
Rapid Antigen Tests ( <b>RATs</b> )
Residential Tenancies Bond Authority ( <b>RTBA</b> )
Right-of-use ( <b>RoU</b> )
Senior Executive Service ( <b>SES</b> )
Shared service provider ( <b>SSP</b> )
Standing Directions ( <b>SD</b> )
State purchase contracts ( <b>SPCs</b> )
Treasurer Advance ( <b>TA</b> )
Valuer General Victoria ( <b>VGV</b> )
Victorian Aboriginal-Local Government Strategy ( <b>VALGS</b> )
Victorian Civil and Administrative Tribunal ( <b>VCAT</b> )
Victorian Funds Management Corporation ( <b>VFMC</b> )
Victorian Government Asset Discovery and Remediation ( <b>VADAR</b> )
Victorian Government Purchasing Board ( <b>VGPB</b> )
Victorian Industry Participation Policy ( <b>VIPP</b> )
Victorian Public Sector ( <b>VPS</b> )
Victorian Social Investment Integrated Data Resource ( <b>VSIIDR</b> )
Whole of Victorian Government ( <b>WoVG</b> )
Working with Children Checks ( <b>WWCC</b> )
Zero emissions vehicles ( <b>ZEVs</b> )

