

## Right to Information

**From:** Baker, Kathy  
**Sent:** Monday, 23 October 2023 1:34 PM  
**To:** Langford, Erin; Wilson-Haffenden, Scott  
**Cc:** Ross, Lucy  
**Subject:** RE: Budget, Efficiency Dividend etc  
**Attachments:** Memo to Agencies - 2024-25 Budget Date and Budget Development Process (SEPTEMBER 2023).pdf

Hi Erin,

Treasury wrote to all Agencies with the timetable on 22 September (Copy attached) Haff has carriage of this one, so I might defer to him to provide you with a response – knowing that we have engaged the BOCs on this and our initial focus is on the approach for budget savings which needs to be ready by 24 November, ahead of an appearance before Budget Committee.

Would a BN for the MO be helpful do you think?

Cheers,  
 Kathy

**From:** Langford, Erin S36(1)  
**Sent:** Monday, October 23, 2023 1:03 PM  
**To:** Baker, Kathy S36(1)  
**Cc:** Ross, Lucy S36(1)  
**Subject:** Budget, Efficiency Dividend etc

Hi Kathy,

I hope you had a good weekend.

The MO have started to ask questions about the timeframes for the next budget (including the efficiency dividend), and have flagged that Community Budget Bids close on 30 November.

Is it possible to provide a high level timetable on deadlines and where we are at with the moment, with the view to how we could link in with the MO?

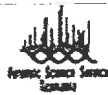
Marijke did provide a presentation to the last BLG but it was a bit too detailed for this purpose.

Thanks very much,  
 Erin



**Erin Langford** (she/her)  
 Manager, Office of the Deputy Secretary | Business and Executive Services  
 Department of Police, Fire and Emergency Management

S36(1)



## Department of Treasury and Finance

The Treasury Building  
21 Murray Street HOBART TAS 7000  
GPO Box 147 HOBART TAS 7001 Australia  
Telephone (03) 6166 4444 Facsimile (03) 6173 0219  
Email [secretary@treasury.tas.gov.au](mailto:secretary@treasury.tas.gov.au) Web [www.treasury.tas.gov.au](http://www.treasury.tas.gov.au)



Doc reference 23/166038

To: Accountable Authorities

Attention: Senior Finance Officers

### 2024-25 Budget Day, Key Dates and Agency Budget Submissions

The purpose of this memorandum is to advise you of the key dates for the 2024-25 Budget and the information required from agencies throughout the Budget Development process.

Not Relevant

### Agency Budget Submissions and Other Information Requests

Budget Committee recently considered the key aspects of the 2024-25 Budget Development process. The key features of this process will be:

1. approval of savings strategies to achieve the Budget Efficiency Dividend announced in the 2023-24 Budget;

Not Relevant

***1. Agency Budget Savings Strategies (due 24 November 2023)***

The Government has committed to work with Agencies to determine the most appropriate approach to achieving the Budget Efficiency Dividend announced in the 2023-24 Budget.

Agencies will soon be advised of the value of savings required to be delivered over the period 2024-25 to 2026-27 (and ongoing). Agencies will also be provided with principles to guide the development of agency-specific savings strategies.

Agencies are required to provide completed templates to Treasury by no later than close of business 24 November 2023 for consideration by Budget Committee prior to Christmas 2023. Agencies will need to be prepared to discuss and answer queries following submission of the templates.

It is important that the value of Budget Savings Strategies submitted must be equal (or greater to allow for contingency) to the value of the Budget Efficiency Dividend allocated to the agency.

Not Relevant

3

Not Relevant

4

Not Relevant

**Attachment I: 2024-25 Budget Key Dates for Agencies**

Key Date	Action
Not Relevant	
24 November 2023	Agency Budget Submissions - Budget Efficiency Dividend - Savings Strategy information due to Treasury
Not Relevant	

Not Relevant

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Not Relevant



### Attachment 3: Agency Inputs Summary for the 2023-24 Revised Estimates Report and 2024-25 Budget Process

Q2 - October to December 2023				
Agency Required	Information	Due Date	Format/ Mechanism	Notes for agencies
				Not Relevant
Budget Savings Strategies	- Submission	24 Nov 2023	Templates	<ul style="list-style-type: none"> <li>• Templates will be provided that require: an overarching summary of all savings strategies proposed; and further information for each individual savings strategy .</li> <li>• All savings strategies must give consideration to the guiding principles provided to agencies.</li> <li>• Savings strategies will be considered by Budget Committee prior to the 2023 Christmas Break.</li> <li>• Savings strategies pursued will be agreed jointly between the Accountable Authority, Minister and Budget Committee.</li> <li>• Agency allocations of the Budget Efficiency Dividend will be published in the 2023-24 RER, with further detail included in the 2024-25 Budget.</li> </ul>
				Not Relevant

Not Relevant

Not Relevant

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## Right to Information

**From:** Budget Management Branch <BudgetManagement@treasury.tas.gov.au>  
**Sent:** Wednesday, 29 November 2023 6:48 PM  
**To:** Commissioner Of Police; Wilson-Haffenden, Scott  
**Cc:** Harris, Marijke; Patterson, Eleanor (Treasury)  
**Subject:** URGENT - Budget Efficiency Dividend Savings Plan  
**Attachments:** 20231130 Memo to Accountable Authorities - Agency Savings Strategies.pdf

**Importance:** High

Good evening,

Please find attached urgent advice in relation to your agency's savings plan that was due to Treasury on 24 November 2023.

Kind regards,



**Budget Management Branch**  
 Department of Treasury and Finance  
 e [BudgetManagement@treasury.tas.gov.au](mailto:BudgetManagement@treasury.tas.gov.au)  
 w [www.treasury.tas.gov.au](http://www.treasury.tas.gov.au)  
 21 Murray Street, Hobart, TAS 7000 | GPO Box 147, Hobart TAS 7001



In recognition of the deep history and culture of this island, I acknowledge and pay my respects to all Tasmanian Aboriginal people; the past and present custodians of the Land.

## Department of Treasury and Finance

The Treasury Building  
21 Murray Street HOBART TAS 7000  
GPO Box 147 HOBART TAS 7001 Australia  
Telephone (03) 6166 4444 Facsimile (03) 6173 0219  
Email [secretary@treasury.tas.gov.au](mailto:secretary@treasury.tas.gov.au) Web [www.treasury.tas.gov.au](http://www.treasury.tas.gov.au)



Doc reference 23/256651

Attention: Accountable Authority

### URGENT: 2023-24 Budget Efficiency Dividend Savings Plan

As you are aware, the 2023-24 Budget included a Budget Efficiency Dividend commencing in 2024-25 and totalling \$300 million over the Forward Estimates. Achievement of these savings is essential to the delivery of the Government's stated Budget outcomes.

The Budget Efficiency Dividend allocation for each agency was agreed to by Budget Committee and noted by Cabinet, with advice provided to Accountable Authorities on 29 September 2023. Agencies were requested to determine, in conjunction with relevant Minister/(s), agency specific measures to meet the savings requirements and to provide a Savings Plan for Budget Committee's consideration to Treasury by no later than 24 November 2023.

As at 29 November 2023, Treasury has not received a submission from your agency.

Budget Committee will consider Savings Plans at meetings scheduled for 11 and 14 December 2023, with Ministers and Accountable Authorities attending to discuss these Plans.

In accordance with Budget Committee's Terms of Reference, papers for consideration at these meetings are required to be distributed by 4 December 2023. Further, all agency papers are required to be accompanied by a briefing from Treasury.

Accordingly, you are requested to urgently provide your Savings Plan to Treasury. Where Ministerial Endorsement has not yet been achieved, endorsement from the Accountable Authority is acceptable.

Should you have any queries or require any further information regarding this matter, please contact Eleanor Patterson on [Section 36\(1\) - Exemption Applied](#)

for Fiona Calvert  
Acting Secretary

29 November 2023

## Right to Information

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**From:** Wilson-Haffenden, Scott  
**Sent:** Monday, 4 December 2023 4:05 PM  
**To:** Patterson, Eleanor (Treasury); Fletcher, Brendan (Treasury)  
**Cc:** Adams, Donna; Clarke, Mandy; Ross, Lucy  
**Subject:** DPFEM Budget Savings Strategies - Secretary Endorsed  
**Attachments:** 2024-25 Budget - DPFEM Agency Savings Summary v3.xlsx

**Importance:** High

Good afternoon Eleanor

Firstly apologies for delay in providing a full set of savings strategies. As you are aware we have been in discussion with the Minister's Office for the past week regarding these matters.

Ultimately the Accountable Authority (Secretary) has asked me to submit the attached strategies noting these have not been endorsed by our Minister.

You will note the table contains strategies aimed at achieving the deficit which is largely focussed on state service salaries for reasons previously outlined (ie the large percentage of budget dedicated to Police Salaries, TasGRN and grants).

Section 27(1)

Regards

**Scott Wilson-Haffenden**

Acting Executive Director, People and Business Services  
Department of Police, Fire and Emergency Management  
Police | TFS | SES | FSST

Section 36(1) - Exemption Applied

## Budget Efficiency Dividend Implementation Plan

## Department: Department of Police Fire and Emergency Management

[illegible]

		Pro - Rate Reductions				
		23/24	24/25	25/26	26/27	27/28
State Service Establishment						
BES		280.9	10.3	20.7	36.2	36.2
Police		230.7	8.5	17.0	29.7	29.7
FSST		31.7	1.2	2.3	4.1	4.1
<b>Total State Service</b>		<b>543.3</b>	<b>20.0</b>	<b>40.0</b>	<b>70.0</b>	<b>70.0</b>

Section 27(1)

Section 27(1)





## Right to Information

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**From:** Wilson-Haffenden, Scott  
**Sent:** Friday, 8 December 2023 3:19 PM  
**To:** Clarke, Mandy  
**Subject:** FW: 2024-26 Budget Submission - Agency Savings Strategy Info DPFEM Final  
**Attachments:** 2024-26 Budget Submission - Agency Savings Strategy Info DPFEM Final.docx;  
2024-25 Budget - DPFEM Agency Savings Summary v3.xlsx

**Importance:** High

Final Documents that went to Treasury.

Cheers  
Haff

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Section 27(1)



## 2024-25 Budget - Agency Savings Strategy Supporting Information

**SFC Funding of SES**

<b>Savings Strategy Description</b>	In 2014 the State Fire Commission agreed to fund the State Government Component of the State Emergency Service as part of a strategy to incorporate the SES with the TFS. Over time growth in funding for the SES from appropriation has been absorbed by DPFEM. The purpose of this initiative is to transfer that funding responsibility (\$1.4M) to the SFC consistent with the intent of the TFES integration strategy.
<b>Ministerial Portfolio</b>	Police, Fire and Emergency Management
<b>Implementation Overview</b>	<p>The process will require consultation with the State Fire Commission to obtain acceptance of funding for the State Emergency Service. This could occur through the 2024-25 Corporate Plan setting exercise to align funding of SES with operation intent.</p> <p>If accepted, it will then require support from Minister to accept the use of SFC funds for these purposes noting that this has previously been accepted for base costs.</p>
<b>Operational Impact Summary</b>	The strategy has no operational impacts.
<b>Frontline Service Impacts</b>	The Strategy has no frontline service impacts.
<b>Measurement and Reporting</b>	The adjustments would be made in the development of the 2024-25 budget and incorporated into the SFC Corporate Plan.
<b>Summary of Key Risks</b>	The key risks lie in gaining acceptance of the State Fire Commission that funds are to be used for these purposes.
<b>Stakeholder Management</b>	Consultation through the development of the Corporate Plan.

**Financial Information**

	<b>2024-25</b>	<b>2025-26</b>	<b>2026-27</b>	<b>2027-28</b>
	<b>\$'000</b>	<b>\$'000</b>	<b>\$'000</b>	<b>\$'000</b>

S35(1)

S35(1)

## Reduction in State Service Support Positions

<b>Savings Strategy Description</b>	<p>The Department is predominantly funded for salaries (70% of budget) with the remaining budget tied to fixed costs, government initiatives or grants programs.</p> <p>As police numbers are fixed the only remaining savings avenue lies in a reduction in state service positions.</p> <p>This initiative provides for a reduction of 70 (13% of establishment) state service positions across Tasmania Police, Business and Executive Services and Forensic Science Services Tasmania to meet the target savings requirement. This will require a reduction in service, or transfer of sworn officers to state service positions.</p> <p>The initiative does not directly impact upon TFS or SES which has been quarantined, however may impact in the level of support services received.</p>
<b>Ministerial Portfolio</b>	<p>Police, Fire and Emergency Management</p>
<b>Implementation Overview</b>	<p>The first phase will be the commencement of consultation with staff and unions on the impact of these efficiencies. This will be accompanied by consideration to where and how reductions can occur.</p> <p>If accepted this consultation will commence in third quarter of 23/24 financial year.</p> <p>A reduction of this quantum is unlikely to be fully achieved through natural attrition and may require a more targeted approach.</p> <p>The reduction will comprise:</p> <p>24/25 – 20 FTE</p> <p>25/26 – 20FTE</p> <p>26/27 – 30 FTE</p> <p>Total ongoing 70 FTE</p>
<b>Operational Impact Summary</b>	<p>Without significant process and systems changes the reductions are likely to impact across all areas of the business. Investment in business systems (eg rostering) could assist to reduce this impact.</p>
<b>Frontline Service Impacts</b>	<p>Whilst not directly impacting upon police numbers there will be flow on implications to the frontline through a reduction in support services. The strategy may also necessitate transfer of front-line resources into support</p>

	roles (such as Prosecution, RDS and front counter).
<b>Measurement and Reporting</b>	Changes to State Service establishment will be monitored and reported.
<b>Summary of Key Risks</b>	<p>Key risks include:</p> <ul style="list-style-type: none"> <li>• Staff and union unrest.</li> <li>• Introduction of psycho-social hazards brought about by increased workloads.</li> <li>• Redeployment from front line reducing public facing activities.</li> <li>• Capacity to meet the reduction in numbers through attrition (and the capacity for redeployment).</li> </ul>
<b>Stakeholder Management</b>	Consultation to commence with unions and staff once accepted

#### Financial Information

	2024-25	2025-26	2026-27	2027-28
	\$'000	\$'000	\$'000	\$'000

S35(1)

## COVID Positions Transfer Offset

<b>Savings Strategy Description</b>	<p>The DPFEM seeks recognition of the costs it has assumed for staffing made permanent (or transferred from other Departments) to meet the needs of resourcing the COVID Coordination Centre, for which funding was not provided or transferred. The establishment of these positions / or transfers were agreed with Deputy Secretary DPAC at the time, to provide certainty to the Co-ordination centre and enabling the providing Agency to backfill against these roles.</p> <p>DPFEM has retained 8 unfunded positions at a cost of \$1.187M per annum. Without a funding offset this will add to the positions required to be abolished.</p>
<b>Ministerial Portfolio</b>	Police, Fire and Emergency Management
<b>Implementation Overview</b>	The Department is seeking recognition for the 8 additional positions absorbed through a reduction in savings requirement. If not provided these will be added to the State Service reduction targets.
<b>Operational Impact Summary</b>	If relief is not provided the impact will be consistent with that of the already identified reduction of 70 state service positions.
<b>Frontline Service Impacts</b>	If relief is not provided the impact will be consistent with that of the already identified reduction of 70 state service positions.
<b>Measurement and Reporting</b>	Changes to State Service establishment will be monitored and reported.
<b>Summary of Key Risks</b>	<p>Key risks (if relief not provided) include:</p> <ul style="list-style-type: none"> <li>• Staff and union unrest.</li> <li>• Introduction of psycho-social hazards brought about by increased workloads.</li> <li>• Redeployment from front line reducing public facing activities.</li> <li>• Capacity to meet the reduction in numbers through attrition (and the capacity for redeployment).</li> </ul>
<b>Stakeholder Management</b>	Dependent on acceptance of a reduction in target or otherwise.



**Financial Information**

	<b>2024-25</b>	<b>2025-26</b>	<b>2026-27</b>	<b>2027-28</b>
	<b>\$'000</b>	<b>\$'000</b>	<b>\$'000</b>	<b>\$'000</b>
S35(1)				

## Right to Information

**From:** Harris, Marijke  
**Sent:** Thursday, 5 October 2023 10:43 AM  
**To:** Baker, Kathy  
**Cc:** Wilson-Haffenden, Scott  
**Subject:** FW: Efficiency Dividend Methodology

S35(1)

**From:** McAvoy, James S36(1)  
**Sent:** Thursday, October 5, 2023 9:47 AM  
**To:** Harris, Marijke S36(1)  
**Cc:** Patterson, Eleanor (Treasury) S36(1); Fletcher, Brendan (Treasury)  
 S36(1)  
**Subject:** Efficiency Dividend Methodology

Hi Marijke,

Not Relevant With respect to the allocation methodology for the Budget  
 Efficiency Dividend, S26 Cabinet Information

S26 Cabinet Information

This proportion is cumulatively allocated for three years from 2024-25 to 2026-27 and then flat lined permanently.

An adjustment will be entered for your agency in the coming weeks to reflect this allocation.

Kind regards

James



**James McAvoy | Assistant Director**  
 Budget Management Branch | Department of Treasury and Finance  
 p: S36(1)  
 e: [james.mcavoy@treasury.tas.gov.au](mailto:james.mcavoy@treasury.tas.gov.au)  
 w: [www.treasury.tas.gov.au](http://www.treasury.tas.gov.au)  
 21 Murray Street, Hobart, TAS 7000 | GPO Box 147, Hobart TAS 7001

## Right to Information

**From:** Clarke, Mandy  
**Sent:** Thursday, 24 August 2023 1:44 PM  
**To:** Harris, Marijke; Wilson-Haffenden, Scott  
**Cc:** Baker, Kathy  
**Subject:** RE: DPFEM Efficiency Dividend Talking Point

Hi,

Yesterday at the Secretaries Board meeting Tony Ferrall indicated the Budget Committee met on the 22/8/23.

The Committee agreed on a methodology for dividing the quantum across agencies.

They have developed a set of principles for agencies to consider applying when identifying strategies for savings.

We should expect to receive some information next week or early the following week regarding the principles, the amount for our Department and the monitoring and reporting process.

S35(1)

Can we estimate costs associated with the additional leave provisions in the recent State Service Agreement – I think Police received these benefits as well.

I think these figures are all very relevant and we need to inject them into the briefing we do with the Minister.

Can we also be provided with a detailed table of all the appropriation funds to DPFEM so an assessment can be completed on what programs might cease. I assume this will also include Bush Fire Reduction etc.

Once we have the information from Treasury we will need to meet and settle on the internal process for identifying the savings.

Thanks

Mandy

**From:** Harris, Marijke S36(1)  
**Sent:** Thursday, August 10, 2023 3:26 PM  
**To:** Clarke, Mandy S36(1)  
**Subject:** RE: DPFEM Efficiency Dividend Talking Point

Baker, Kathy S36(1)

S35(1)

**From:** Clarke, Mandy S36(1)  
**Sent:** Thursday, August 10, 2023 3:21 PM

**To:** Harris, Marijke S36(1); Baker, Kathy <S36(1)>  
**Subject:** RE: DPFEM Efficiency Dividend Talking Point

S35(1)

**From:** Harris, Marijke S36(1)  
**Sent:** Thursday, August 10, 2023 2:58 PM  
**To:** Baker, Kathy S36(1); Clarke, Mandy S36(1)  
**Subject:** RE: DPFEM Efficiency Dividend Talking Point

S35(1)

**From:** Baker, Kathy S36(1)  
**Sent:** Thursday, August 10, 2023 2:45 PM  
**To:** Harris, Marijke S36(1); Clarke, Mandy S36(1)  
**Subject:** RE: DPFEM Efficiency Dividend Talking Point

S35(1)

**From:** Harris, Marijke S36(1)  
**Sent:** Thursday, August 10, 2023 2:19 PM  
**To:** Clarke, Mandy S36(1)  
**Cc:** Baker, Kathy S36(1)  
**Subject:** RE: DPFEM Efficiency Dividend Talking Point

Hi Mandy  
Apologies for the delay.

As yet, there is no figure in BIMS around the exact dollars we are working to so I have used the estimated amounts

S35(1)

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I have also done Police in case that is an option, utilising a top of level Constable. Slightly less FTE due to the higher per FTE cost.

S35(1)

Regards  
Marijke

From: Clarke, Mandy S36(1)  
Sent: Wednesday, August 2, 2023 8:27 AM  
To: Harris, Marijke S36(1)  
Cc: Baker, Kathy S36(1)  
Subject: DPFEM Efficiency Dividend Talking Point

Hi Marijke,

Whilst we are waiting on advice from Treasury our Secretary would like to initiate discussions with our Minister about the efficiency dividend. The attached was prepared ahead of budget estimates.

S35(1)

Thanks

Mandy

## Right to Information

**From:** Baker, Kathy  
**Sent:** Monday, 5 June 2023 9:42 AM  
**To:** Clarke, Mandy  
**Cc:** Wilson-Haffenden, Scott  
**Subject:** Efficiency Dividend

Hi Mandy,

You have requested information in relation to the Efficiency Dividend and the quantum for DPFEM. This work has been done and I provide the information below.

Two key points to note:

- Budget Papers says that *“Government will work with individual agencies to identify the most appropriate approach to achieving this Budget adjustment, with a strong focus on improving efficiency and minimising the impact on service delivery”*.
- The Efficiency Dividend is held in Finance General and has not been distributed to Agencies. Efficiency Dividend is forecast to commence in 2024-25 at a rate of .60% and incremental in 25-26 and 26-27

In calculating the potential impact on DPFEM, we have made the following assumptions:

- Dividend will be applied against our Appropriation (excludes Capital)
- Dividend would be applied at the rate of .60% in Yr 1, 1.20% in Yr 2 and 1.80% in Yr 3

	2023/24	2024/25	2025/26	2026/27
Appropriation		365,678,000	363,611,000	381,408,000
Rate of Dividend		0.60%	1.20%	1.80%
<b>Efficiency Dividend</b>		<b>2,194,068</b>	<b>4,363,332</b>	<b>6,865,344</b>

I would advise to remain silent on the figure for DPFEM, noting that we are a frontline Agency and the Government has indicated that it will work with Agencies to ensure that frontline services are not impacted.

We are awaiting the advice from Treasury on the methodology and proposed approach for Efficiency Dividend, which we anticipate will invoke a more active role of the Budget Sub-Committee of Cabinet and Agencies and their Ministers reporting to that.

Cheers,  
 Kathy

**Kathy Baker**

Executive Director, People and Business Services  
 Business and Executive Services | Department of Police, Fire and Emergency Management

Level 8, 47 Liverpool Street, HOBART TAS 7000 | GPO Box 308, HOBART TAS 7001

Phone **S36(1)**

**S36(1)**

| [www.dpfem.tas.gov.au](http://www.dpfem.tas.gov.au)



*I work flexibly to aim for work-life harmony. Please note that if you get this email outside of your hours, I have no expectation that you will respond outside of your normal hours.*

## Right to Information

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**From:** Baker, Kathy  
**Sent:** Thursday, 1 June 2023 9:01 PM  
**To:** Clarke, Mandy  
**Cc:** Wilson-Haffenden, Scott  
**Subject:** Re: Efficient Dividend

S35(1)

Cheers,  
Kathy

On 1 Jun 2023, at 5:04 pm, Clarke, Mandy S36(1)

S35(1)

**From:** Baker, Kathy S36(1)  
**Sent:** Thursday, June 1, 2023 4:39 PM  
**To:** Clarke, Mandy S36(1)  
**Subject:** RE: Efficient Dividend

Wilson-Haffenden, Scott S36(1)

We can guesstimate, based on the advice that is in the budget speech and Budget Papers, noting that there does appear to be some variables being considered by Treasury— such as ‘front line services will not be impacted’ and noting that the efficiency dividend has not been allocated to Agencies (its held against Finance Gen at this stage).



We will have some numbers to you tomorrow. :

**From:** Clarke, Mandy <S36(1)>

**Sent:** Thursday, June 1, 2023 1:03 PM

**To:** Wilson-Haffenden, Scott <S36(1)>; Baker, Kathy

<S36(1)>

**Subject:** Efficient Dividend

Hi,

Can you please quantify (Total\$) what our efficient dividend might be?

Can you get this to me by tomorrow morning.

Thanks

Mandy

**Mandy Clarke**

Deputy Secretary

Department of Police, Fire and Emergency Management

## Department of Treasury and Finance

The Treasury Building  
21 Murray Street HOBART TAS 7000  
GPO Box 147 HOBART TAS 7001 Australia  
Telephone (03) 6166 4444 Facsimile (03) 6173 0219  
Email [secretary@treasury.tas.gov.au](mailto:secretary@treasury.tas.gov.au) Web [www.treasury.tas.gov.au](http://www.treasury.tas.gov.au)



Doc reference 23/213149

Ms D Adams  
Secretary / Commissioner  
Department of Police, Fire & Emergency Management

Attention: Scott Wilson-Haffenden

### 2023-24 Budget Efficiency Dividend Allocation and Savings Strategy Process

As you are aware, the 2023-24 Budget included an efficiency dividend commencing from 2024-25 totalling \$300 million over the Forward Estimates. Achievement of these savings is essential to the delivery of the Government's stated Budget outcomes.

The purpose of this memorandum is to advise you of your agency's Budget Efficiency Dividend allocation and the process to identify savings strategies that will deliver the value of savings allocated.

The Government has determined that your Agency's Budget appropriation expenditure shall be reduced by the following amounts:

	2023-24 \$'000	2024-25 \$'000	2025-26 \$'000	2026-27 \$'000	2027-28 \$'000
Budget Efficiency Dividend Allocation	....	3 914	7 827	11 737	11 737

The savings allocated to your Agency is based on the average value of agency appropriations in the 2023-24 Budget between 2024-25 and 2026-27, adjusted for certain items including: infrastructure investment; Australian Government Funding; Administered Expenses; and contracted grant arrangements.

Each agency must now determine, in conjunction with its Minister/(s), agency specific measures to meet these savings requirements. This information is to be collated into a Savings Plan for Budget Committee's consideration and must be provided to Treasury by no later than 24 November 2023.

Principles for Agency-Specific Savings Strategies have been prepared to guide agencies in the development and approval of savings measures (refer Attachment 1).

Agencies are requested to provide a whole-of-agency summary that lists and totals all savings strategies and specific information on each strategy. Treasury has prepared templates to assist in preparing this information (refer Attachment 2). These will also be emailed directly to senior finance officer(s) in your agency.

Should you have any queries or require any further information regarding this matter, please contact Eleanor Patterson on S36(1)



for Fiona Calvert  
Acting Secretary

29 September 2023

Encl

**Attachment 1: Principles for Agency-Specific Savings Strategies****1) Savings measures must be achievable in both the short and long term.**

This means that agencies must identify savings measures that are structural and achievable on an ongoing basis.

It is acknowledged that some savings measures will have a lead time, particularly those making structural or service delivery changes. In these instances, short term savings measures may be used to meet allocated savings until the longer-term measures can be implemented.

**2) Savings measures must be allocated to activities and costs within the control or influence of the agency.**

In general terms, this means that savings measures should be applied to controlled activities and not applied to administered items or for specific activities funded from specific external parties, such as the Australian Government.

**3) Savings measures must consider operational impacts.**

This means that the savings measures must consider matters including but not limited to: timing and transitional issues; staffing impact; internal communications; and change management requirements.

**4) Savings measures must not negatively impact on the outcomes of frontline services.**

This means that while a savings measure can be allocated to any agency operating cost allowed within these principles, including those associated with frontline services such as reduction of staff, it should have no impact (or limit the impact) on the intended outcome of frontline services (ie, no reduction in services).

**5) Savings measure achievement must be able to be reliably reported to Budget Committee.**

This means that agencies must be able to regularly and accurately report on progress to Budget Committee.

**Attachment 2: Agency Savings Strategy Template**

&lt;TITLE&gt;

<b>Savings Strategy Description</b>	The Description should be concise and accurately capture the intent and impact of the savings strategy.
<b>Ministerial Portfolio</b>	Please specify.
<b>Implementation Overview</b>	Please provide a brief overview of how the savings strategy will be achieved. Consider timeframes, balancing short term/long term strategies. All savings strategies must be within the control/influence of the agency.
<b>Operational Impact Summary</b>	Please provide a brief overview of how this strategy will be integrated within the impacted area of the agency. For example, transitional issues; staffing impact; internal communications; and change management requirements.
<b>Frontline Service Impacts</b>	<p>Please provide a summary of frontline service impacts, if any.</p> <p>Savings measures can be allocated to any agency operating cost allowed within the principles for agency specific savings strategies, including those associated with frontline services such as reduction of staff, however savings measures should have no impact (or limit the impact) on the intended outcome of frontline services (ie, no reduction in services).</p>
<b>Measurement and Reporting</b>	Please provide an overview of how achievement of the strategy will be measured to enable reporting back to Minister(s) and Budget Committee.
<b>Summary of Key Risks</b>	Please outline the key risks to implementing the strategy and delivering the estimated value of savings.
<b>Stakeholder Management</b>	Please provide a brief overview of how key stakeholders impacted by the Strategy will be managed.

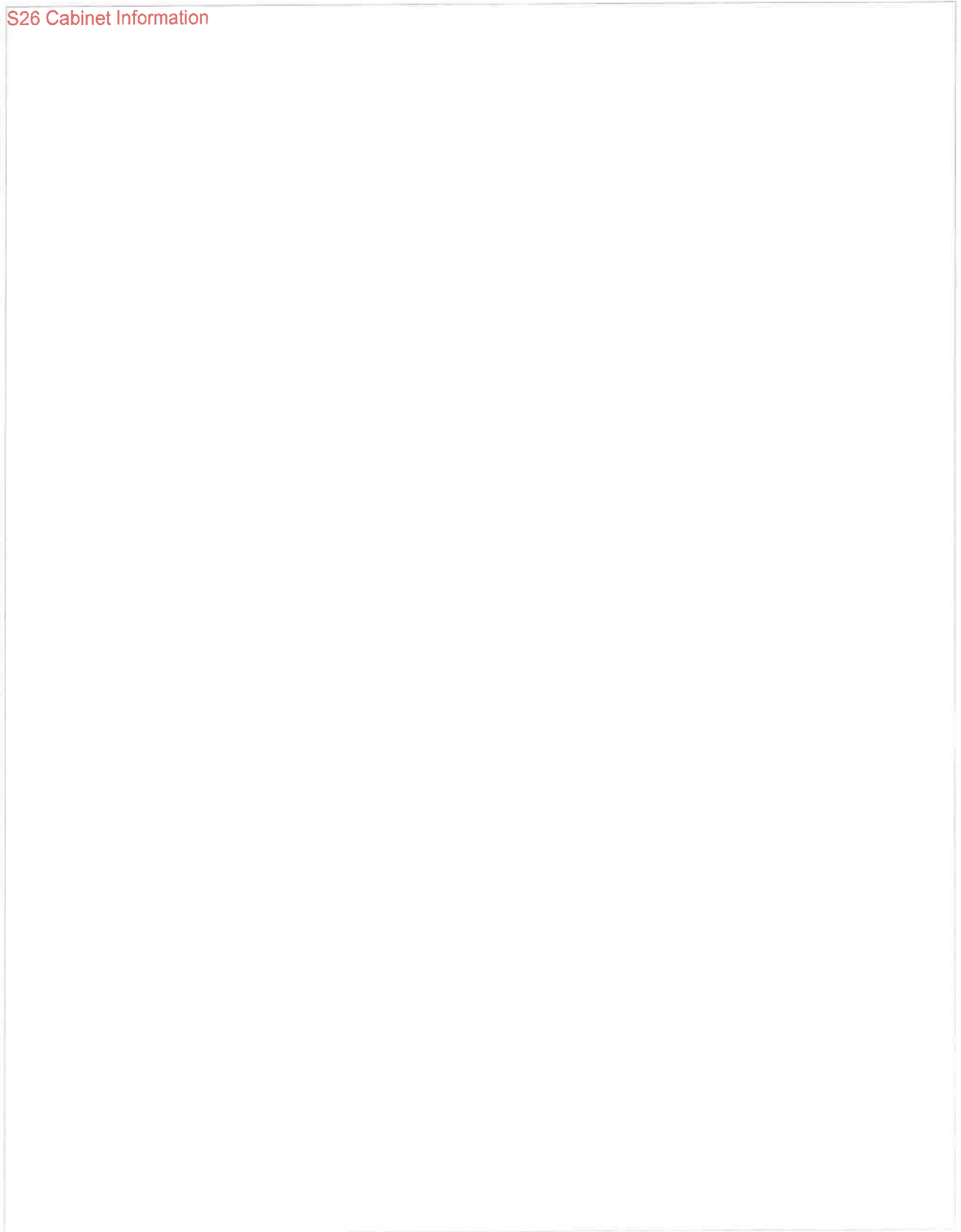
**Financial Information**

	2024-25	2025-26	2026-27	2027-28
	\$'000	\$'000	\$'000	\$'000

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S26 Cabinet Information

S26 Cabinet Information



## S26 Cabinet Information

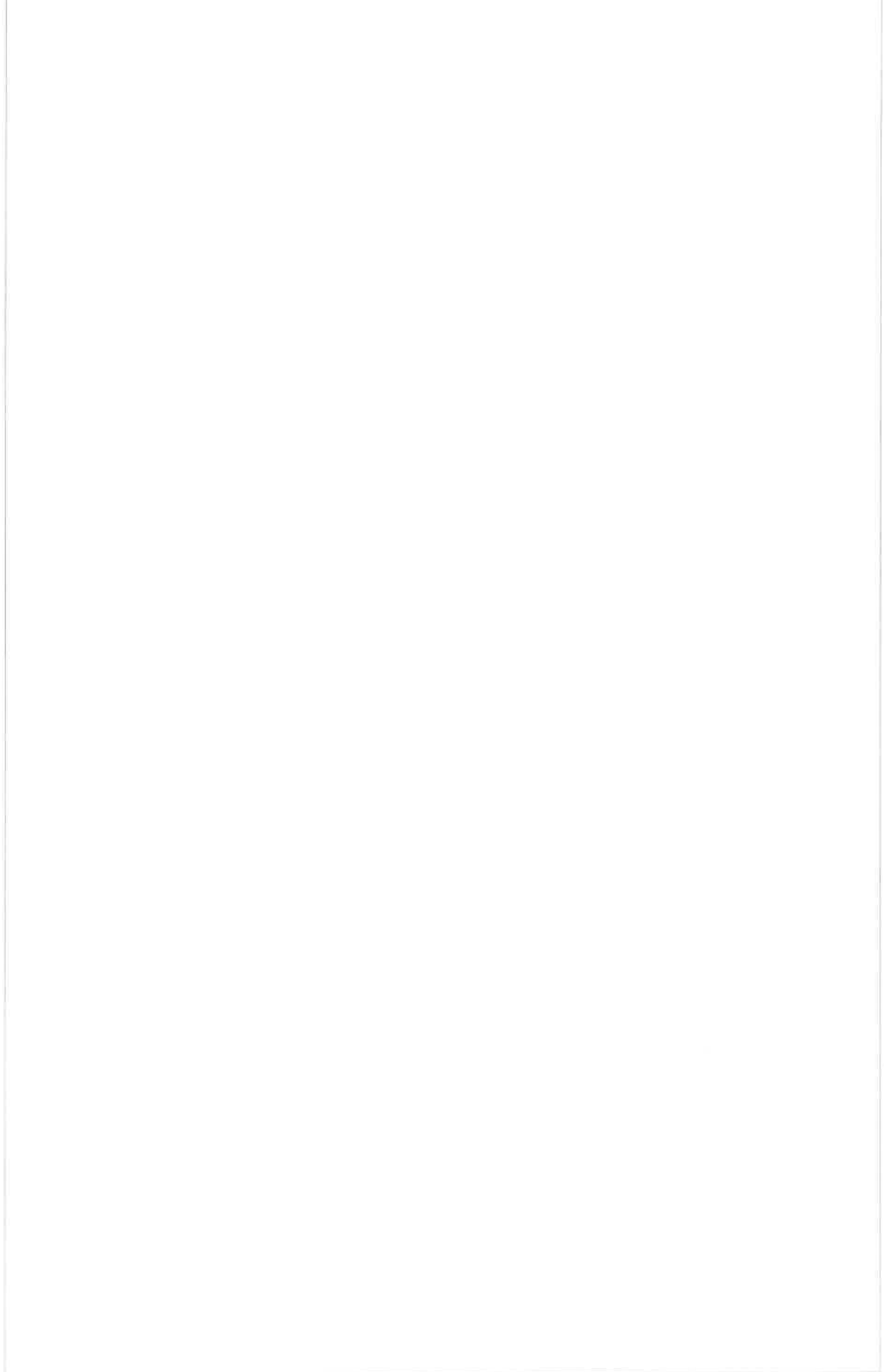


S26 Cabinet Information

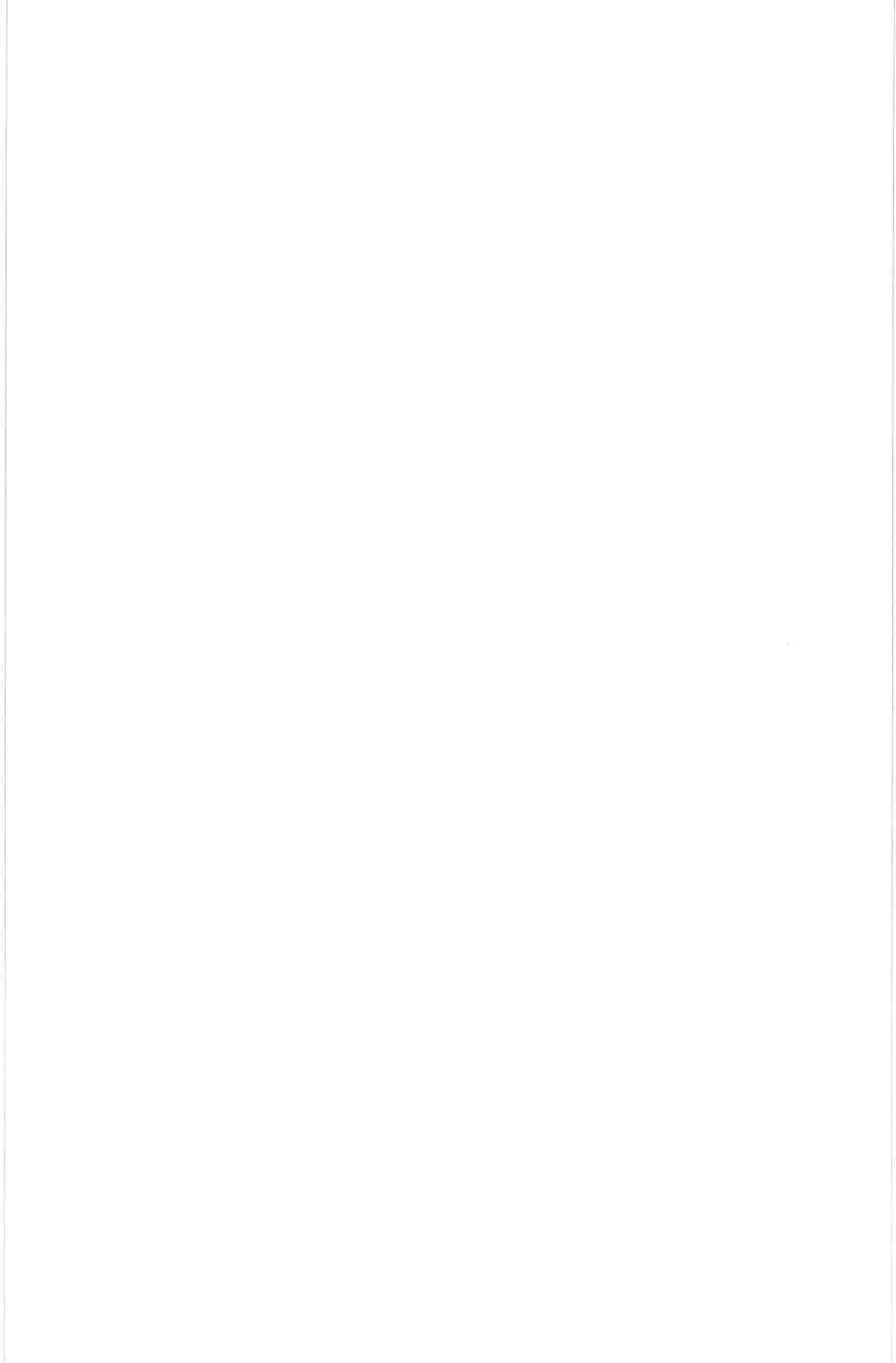
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