

Department of Education and Training
Annual Report 2017–2018
Appendices

Appendices

Appendix 1 Disclosure index	173
Appendix 2 Budget portfolio outcomes	175
Appendix 3 Statutory bodies' reports	184
Appendix 4 Acronyms and abbreviations.....	195
Appendix 5 Grants and transfer payments (other than contributions by owners)...	197

Appendix 1 Disclosure index

The annual report of the Department is prepared in accordance with all relevant Victorian legislation and pronouncements. This index has been prepared to facilitate identification of the Department's compliance with statutory disclosure requirements.

Table 1 – Disclosure index

Legislation	Requirement	Page
Report of operations		
Charter and purpose		
FRD 22H	Manner of establishment and the relevant ministers	47
FRD 22H	Purpose, functions, powers and duties	3
FRD 8D	Departmental objectives, indicators and outputs	14
FRD 22H	Key initiatives and projects	16
FRD 22H	Nature and range of services provided	3
Management and structure		
FRD 22H	Organisational structure	53
Financial and other information		
FRD 8D	Performance against output performance measures	28
FRD 8D	Budget portfolio outcomes	175
FRD 10A	Disclosure index	173
FRD 12B	Disclosure of major contracts	78
FRD 15E	Executive officer disclosures	74
FRD 22H	Employment and conduct principles	63
FRD 22H	Occupational health and safety policy	63
FRD 22H	Summary of the financial results for the year	44
FRD 22H	Significant changes in financial position during the year	44
FRD 22H	Major changes or factors affecting performance	44
FRD 22H	Subsequent events	156
FRD 22H	Application and operation of Freedom of Information Act	78
FRD 22H	Compliance with building and maintenance provisions of Building Act	80
FRD 22H	Statement on National Competition Policy	82
FRD 22H	Application and operation of the Protected Disclosure Act	82
FRD 22H	Application and operation of the Carers Recognition Act	83
FRD 22H	Details of consultancies over \$10,000	78
FRD 22H	Details of consultancies under \$10,000	78
FRD 22H	Disclosure of government advertising expenditure	77
FRD 22H	Disclosure of ICT expenditure	78
FRD 22H	Statement of availability of other information	91
FRD 24D	Reporting of office-based environmental impacts	84
FRD 25C	Victorian Industry Participation Policy disclosures	76
FRD 29C	Workforce Data disclosures	63
SD 5.2	Specific requirements under Standing Direction 5.2	i
Compliance attestation and declaration		
SD 5.1.4	Attestation for compliance with Ministerial Standing Direction	92
SD 5.2.3	Declaration in report of operations	i

Financial statements		
Declaration		
SD 5.2.2	Declaration in financial statements	95
Other requirements under Standing Directions 5.2		
SD 5.2.1(a)	Compliance with Australian accounting standards and other authoritative pronouncements	106
SD 5.2.1(a)	Compliance with Ministerial Directions	92
SD 5.2.1(b)	Compliance with Model Financial Report	171
Other disclosures as required by FRDs in notes to the financial statements		
FRD 9B	Departmental Disclosures of Administered Assets and Liabilities by activity	125
FRD 11A	Disclosure of ex gratia expenses	N/A
FRD 13	Disclosure of Parliamentary Appropriations	110
FRD 21C	Disclosures of responsible persons, executive officers and other personnel (Contractors with significant management responsibilities) in the Financial Report	158
FRD 103G	Non-financial physical assets	150
FRD 110A	Cash flow statements	103
FRD 112D	Defined benefit superannuation obligations	117
Legislation		
	<i>Freedom of Information Act 1982</i>	78
	<i>Building Act 1993</i>	80
	<i>Protected Disclosure Act 2012</i>	82
	<i>Carers Recognition Act 2012</i>	83
	<i>Victorian Industry Participation Policy Act 2003</i>	76
	<i>Financial Management Act 1994</i>	i

Appendix 2 Budget portfolio outcomes

The budget portfolio outcomes provide a comparison between the actual financial statements of all general government sector entities within the portfolio and the forecast financial information published in the 2017–18 Budget Paper No. 5 Statement of Finances (BP5). The budget portfolio outcomes comprise the operating statements, balance sheets, cash flow statements, statements of equity and administered item statements.

The budget portfolio outcomes have been prepared on a consolidated basis and include all general government sector entities within the portfolio. Financial transactions and balances are classified into either controlled or administered categories as agreed with the Treasurer in the context of the published statements in BP5.

The following budget portfolio outcomes statements are not subject to audit by the Victorian Auditor-General's Office and are not prepared on the same basis as the Department's financial statements, as they include the consolidated financial information of the following entities:

- Department of Education and Training (including government schools)
- Adult, Community and Further Education Board
- Victorian Curriculum and Assessment Authority
- Victorian Registration and Qualifications Authority
- 12 TAFE institutes.

Comprehensive operating statement for the year ended 30 June 2018

Table 37 – Comprehensive operating statement for the year ended 30 June 2018

	Notes	2018 actual \$m	2018 budget \$m	Variation (%)	Variation \$m
Net result from continuing operations					
Income from transactions					
Output appropriations		12,816.0	12,766.7	0	49.3
Special appropriations	a	10.5	6.2	69	4.3
Interest	b	24.5	22.5	9	2.0
Sales of goods and services	c	586.6	720.9	(19)	(134.3)
Grants	d	63.2	12.6	400	50.6
Fair value of assets and services received free of charge or for nominal consideration		3.6	–	–	3.6
Other income	e	640.1	592.8	8	47.3
Total income from transactions		14,144.4	14,121.7	0	22.7
Expenses from transactions					
Employee benefits	f	(7,256.0)	(7,147.1)	2	(108.8)
Depreciation and amortisation		(442.0)	(463.7)	(5)	21.7
Interest expense	g	(29.7)	(15.0)	99	(14.8)
Grants and other transfers	h	(1,172.7)	(1,018.2)	15	(154.5)
Capital asset charge		(1,495.2)	(1,494.0)	0	(1.2)
Other operating expenses	i	(3,346.6)	(3,813.9)	(12)	467.4
Total expenses from transactions		(13,742.2)	(13,951.9)	(2)	209.7
Net result from transactions (net operating balance)		402.2	169.8	137	232.4
Other economic flows included in net result					
Net gain/(loss) on non-financial assets	j	8.5	(0.5)	(1,927)	9.0
Net gain/(loss) on financial instruments and statutory receivables/payables	k	(15.9)	(0.0)	794,604	(15.9)
Other gains/(losses) from other economic flows		2.6	–	–	2.6
Total other economic flows included in net result		(4.8)	(0.5)	918	(4.3)
Net result		397.4	169.3	135	228.1
Other economic flows—other comprehensive income					
Change in non-financial assets revaluation surplus	l	3,642.4	9.3	39,129	3,633.1
Other	m	3.3	5.1	(36)	(1.8)
Total other economic flows—other comprehensive income		3,645.7	14.4	25,166	3,631.2
Comprehensive result		4,043.1	183.7	2,100	3,859.3

Notes:

- (a) The variance above the published budget is mainly driven by timing of the planned implementation schedule profile of the Commonwealth's *Digital Education Revolution National Partnership* for installation and maintenance costs arising from additional information technology devices purchased under the Digital Education Revolution initiative.
- (b) The variance above published budget is mainly due to schools earning higher than anticipated interest revenue with cash balances exceeding budgeted amounts.
- (c) The variance below the published budget is primarily driven by TAFE fee for service budgets. Since the published budget was established, policy changes such as tightened eligibility to subsidised training and foundation courses, and reductions in subsidies have come into effect. Enrolment numbers have also been affected by the shift of students to VET FEE-HELP.
- (d) The variance above the published budget is primarily driven by the budget not reflecting decisions approved after the release of the 2017–18 Budget including contributions from the Department of Land, Water and Planning's Building New Communities Fund for land purchases for new school sites in growth areas. In addition, higher than budgeted grants for students with temporary visas were received from the Commonwealth's Department of Home Affairs.
- (e) The variance above the published budget is primarily due to classification of budget across schools' 'sales of goods and services' and 'other current revenue' categories. This reclassification variance is offset by lower than expected trust and TAFE revenues.
- (f) The variance above the published budget is primarily driven by the commencement of the Teachers Enterprise Bargaining Agreement (*2017 Victorian Government School Agreement*) effective from April 2017. This impact is not approved at the time of publishing the budget.
- (g) The variance above the published budget is mainly driven by classification of budget across 'other operating expenses' and 'interest expense' for schools' public private partnerships.
- (h) The variance above the published budget is primarily due to classification of budget across the 'other operating expenses' and 'grants and other transfers' categories. In addition, components of major programs such as *Skills First* have since been delivered via inter-departmental grants rather than 'other operating expenses'. In addition, the variance is driven by contributions to the Commonwealth's VET FEE-HELP scheme that assists eligible students to pay their tuition fees for higher-level vocational education and training courses.
- (i) The variance below the published budget is primarily due to timing and classification of budget across the 'other operating expenses' and 'grants and other transfers' categories. Due to timing issues, the actuals reflect lower than forecast levels of service delivery in 2017–18. In addition when the published budget was set, both school and TAFE sectors projected higher spending levels. In TAFEs, this did not eventuate mainly due to policy changes resulting in lower demand and consequently, supply, of TAFE courses. In schools, timing issues resulted in expenditure being deferred into future years.
- (j) This variance is primarily due to revaluation of investment properties which is not reflected in the published budget.
- (k) The variance below the published budget is mainly due to the write-off and review of bad and doubtful debts, net of provisions made. Government paid service providers for delivery of training courses through the *Victorian Training Guarantee* based on provider claims. Through audit and quality assurance processes, some payments were found to be ineligible for payment and subsequently, re-couped.
- (l) The actuals incorporate the upward revaluation of land and buildings as part of the scheduled five-year revaluation cycle. These revaluations are not reflected in the published budget.
- (m) The variance below the published budget mainly reflects revisions in annual and long service leave provisions due to changes in the present value discount rate applied.

Balance sheet as at 30 June 2018

Table 38 – Balance sheet as at 30 June 2018

	Notes	2018 actual \$m	2018 budget \$m	Variation (%)	Variation \$m
Assets					
Financial assets					
Cash and deposits	a	1,039.2	872.8	19	166.4
Receivables from government	b	1,900.2	1,621.3	17	278.9
Other receivables	c	157.4	171.7	(8)	(14.3)
Other financial assets	d	554.8	592.6	(6)	(37.8)
Total financial assets		3,651.6	3,258.4	12	393.2
Non-financial assets					
Inventories	e	1.5	1.8	(20)	(0.4)
Non-financial assets classified as held for sale, including disposal group assets	f	39.7	6.7	496	33.0
Property, plant and equipment	g	26,953.4	23,056.5	17	3,896.9
Investment properties	h	106.8	92.2	16	14.6
Intangible assets	i	71.2	48.3	47	22.8
Other	j	49.1	28.6	72	20.5
Total non-financial assets		27,221.7	23,234.2	17	3,987.6
Total assets		30,873.3	26,492.5	17	4,380.8
Liabilities					
Payables	k	752.9	465.1	62	287.8
Borrowings		547.2	535.2	2	12.0
Provisions	l	1,616.7	1,690.4	(4)	(73.6)
Total liabilities		2,916.8	2,690.6	8	226.2
Net assets		27,956.5	23,801.9	17	4,154.6
Equity					
Accumulated surplus/(deficit)	m	3,222.6	2,659.0	21	563.7
Reserves	n	15,066.4	11,279.9	34	3,786.4
Contributed capital	o	9,667.5	9,863.0	(2)	(195.5)
Total equity		27,956.5	23,801.9	17	4,154.6

Notes:

- (a) The variance above the published budget mainly reflects higher deposits at call and short-term deposits held as cash equivalents by TAFEs and Schools to meet short-term commitments.
- (b) The variance above the published budget mainly reflects the timing of the drawdown in the State Administration Unit. The State Administration Unit balance is impacted by movements in prepayments and financial assets, payables, employee benefits and other provisions.
- (c) The variance below the published budget mainly reflects the timing of receipts from corporate debtors of overseas students and TAFEs debtors for student fees and services provided to third party organisations.
- (d) The variance below the published budget mainly reflects lower long-term deposits kept by schools for long-term commitments.
- (e) The variance below the published budget mainly reflects lower levels of inventory held for distribution in the ordinary course of TAFEs business operations.
- (f) The variance above the published budget mainly reflects higher TAFEs other assets designation held for sales, net of departmental disposal of land designated held for sales than expected.
- (g) The actuals incorporate the upward revaluation of land and buildings as part of the scheduled five-year revaluation cycle. These revaluations are not reflected in the published budget.
- (h) The variance above the published budget mainly reflects the fluctuations of market price in TAFEs investment properties.
- (i) The variance above the published budget mainly reflects more software purchased by the Department and TAFEs.
- (j) The variance above the published budget mainly reflects the increments in prepaid copyright fees, licencing fees and operating expenditures.
- (k) The variance above the published budget is mainly due to higher accruals/payables for various programs including corporate capital works, facilities construction, registered training organisations and prepaid international tuition fees.
- (l) The variance below the published budget is mainly due to the payout of the backdated pay rise for teaching staff as part of the Teachers Enterprise Bargaining Agreement (*2017 Victorian Government School Agreement*), which was set aside in the published budget.
- (m) The variance above the published budget reflects the accumulated net results of operating balances and other economic flows.
- (n) The actuals incorporate the upward revaluation of land and buildings as part of the scheduled five-year revaluation cycle. These revaluations are not reflected in the published budget.
- (o) The variance below the published budget mainly reflects the capital appropriations and contributed capital transfers being lower than expected.

Statement of cash flows for the year ended 30 June 2018

Table 39 – Statement of cash flows for the year ended 30 June 2018

	Notes	2018 actual \$m	2018 budget \$m	Variation (%)	Variation \$m
Cash flows from operating activities					
Receipts					
Receipts from government	a	11,478.8	12,862.2	(11)	(1,383.4)
Receipts from other entities	b	543.6	639.8	(15)	(96.2)
Interest received	c	24.5	22.6	8	1.9
Other receipts	d	700.9	659.5	6	41.4
Total receipts		12,747.8	14,184.2	(10)	(1,436.3)
Payments					
Payments of grants and other transfers	e	(1,175.5)	(1,016.9)	16	(158.7)
Payments to suppliers and employees	f	(10,597.8)	(10,902.0)	(3)	304.2
Capital asset charge		(1,495.2)	(1,494.0)	0	(1.2)
Interest and other costs of finance paid	g	(28.8)	(15.4)	87	(13.4)
Total payments		(13,297.4)	(13,428.3)	(1)	130.9
Net cash flows from/(used in) operating activities		(549.6)	755.9	(173)	(1,305.4)
Cash flows from investing activities					
Net investments	h	(77.7)	(85.9)	(10)	8.2
Payments for non-financial assets	i	(1,217.3)	(1,039.8)	17	(177.4)
Proceeds from sale of non-financial assets	j	10.8	1.3	715	9.5
Net loans to other parties	k	2.0	3.1	(35)	(1.1)
Net cash flow from/(used in) investing activities		(1,282.1)	(1,121.2)	14	(160.9)
Cash flows from financing activities					
Owner contributions by State Government	l	329.0	367.1	(10)	(38.2)
Repayment of finance leases	m	0.9	(9.9)	(109)	10.8
Net borrowings	n	1,491.6	(8.8)	(16,973)	1,500.4
Net cash flows from/ (used in) financing activities		1,821.5	348.4	423	1,473.0
Net increase/(decrease) in cash and cash equivalents		(10.2)	(17.0)	(40)	6.8
Cash and cash equivalents at the beginning of the financial year	o	1,049.4	889.7	18	159.6
Cash and cash equivalents at the end of the financial year		1,039.2	872.8	19	166.4

Notes:

- (a) The variance below the published budget is primarily related to classification of budget across the 'receipts for government' and 'net borrowings' categories for the transfer of capital asset charges between the departments of Education and Training and Treasury and Finance. The budget is currently reflected under the State Administrative Unit.
- (b) The variance below the published budget is primarily driven by TAFE fee for service budgets. Since the published budget was established, past policy changes such as tightened eligibility to subsidised training and foundation courses, and reductions in subsidies have come into effect. Enrolment numbers have also been affected by the shift of students to VET FEE-HELP.
- (c) The variance above published budget is mainly due to schools earning higher than anticipated interest revenue with cash balances exceeding budgeted amounts.
- (d) The variance above the published budget is primarily due to classification of budget across schools' 'receipts from other entities' and 'other receipts' categories. This reclassification variance is offset by lower than expected trust revenues.
- (e) The variance below the published budget is primarily due to classification of budget across the 'payments to suppliers and employees' and 'payments of grants and other transfers' categories. In addition, components of major programs such as *Skills First* have since been delivered via inter-departmental grants rather than 'other operating expenses'. In addition, the variance is driven by contributions to the Commonwealth's VET FEE-HELP scheme that assists eligible students to pay their tuition fees for higher-level vocational education and training courses.
- (f) The variance below the published budget is primarily due to timing, classification of budget across the 'payments of grants and other transfers' and 'payments to suppliers and employee' categories. Due to timing issues, the actuals reflect a lower amount service delivery in 2017–18. In addition when the published budget was set, both school and TAFE sectors projected higher spending levels. In TAFEs, this did not eventuate mainly due to policy changes resulting in lower demand and consequently, supply, of courses. In schools, timing issues resulting in expenditure deferred into future years. The underspend is offset by payments to employees due to the commencement of the Teachers Enterprise Bargaining Agreement (*2017 Victorian Government School Agreement*) effective from April 2017. This impact is not approved at the time of publishing the budget.
- (g) The variance above the published budget is mainly driven by classification of budget across 'other operating expenses' and 'interest expense' for schools' public private partnerships.
- (h) The variance below the published budget is primarily driven by lower than budgeted term deposits balances for schools. This is partially offset by higher than budgeted balances for TAFEs term deposits and equity investments.
- (i) The variance above the published budget is primarily due to the budget not reflecting new government decisions since the release of the 2017–18 State Budget, accumulated prior year underspends and the capitalisation of maintenance expenditure.
- (j) This variance above the published budget is primarily due to higher than expected TAFE asset sales.
- (k) The variance below the published budget is mainly due to timing, with lower than budgeted amounts collected for loans.
- (l) The variance below the published budget mainly reflects lower than budgeted capital appropriation claimed primarily due to revised implementation of the capital program and lower than expected retention of receipts. This is partially offset by additional approvals including schools' relocatables and minor works and planned maintenance programs.
- (m) The variance is mainly due to TAFEs making lower than budgeted finance lease repayments.
- (n) The variance above the published budget is primarily related to classification of budget across the 'receipts for government' and 'net borrowings' categories for the capital asset charge between the departments of Education and Training and Treasury and Finance. The budget is currently reflected under the State Administrative Unit.
- (o) The variance above the published budget is related to revisions in opening balances from May 2017 estimates to actual closing balances on 30 June 2017.

Statement of changes in equity for the year ending 30 June 2018

Table 40 – Statement of changes in equity for the year ending 30 June 2018

Notes	Accumulated surplus/ (deficit) \$m	Contributions by owner \$m	Revaluation surplus \$m	Other reserves \$m	Total equity \$m	
Actual						
	2,823.9	9,418.1	11,419.2	2.9	23,664.1	
Opening balance at 1 July 2017	398.7	–	3,642.4	1.9	4,043.1	
Comprehensive result	–	249.4	–	–	249.4	
Transactions with owners in their capacity as owners	3,222.6	9,667.5	15,061.6	4.8	27,956.5	
Closing balance 30 June 2018	Budget					
	2,484.0	9,496.1	11,268.1	3.1	23,251.3	
Opening balance 1 July 2017	175.0	–	9.0	(0.2)	183.7	
Comprehensive result	–	366.8	–	–	366.8	
Transactions with owners in their capacity as owners	2,659.0	9,863.0	11,277.1	2.8	23,801.9	
Closing balance 30 June 2018 (Published Budget)	Variance to budget					
	339.9	(78.0)	151.1	(0.2)	412.7	
Opening balance at 1 July 2017	223.7	–	3,633.4	2.2	3,859.3	
Comprehensive result	–	(117.5)	–	–	(117.5)	
Transactions with owners in their capacity as owners	563.6	(195.5)	3,784.5	1.9	4,154.6	
Closing balance 30 June 2017	Variance (%)					
	21	(2)	34	68	17	

Notes:

- (a) The actuals incorporate the upward revaluation of land and buildings as part of the scheduled five-year revaluation cycle. These revaluations are not reflected in the published budget.
- (b) The variance below published budget mainly reflects lower than budgeted capital appropriation claimed primarily due to delays in the capital program and lower than retention of receipts. This is partially offset by additional approvals including schools' relocatables and minor works and planned maintenance programs.

Administered items statement for the year ended 30 June 2018

Table 41 – Administered items statement for the year ended 30 June 2018

	Notes	2018 Actual \$m	2018 Budget \$m	Variation (%)	Variation \$m
Administered income					
Sale of goods and services	a	74.5	61.7	21	12.8
Grants		3,245.8	3,200.6	1	45.2
Other income	b	16.4	1.9	775	14.6
Total administered income		3,336.8	3,264.2	2	72.6
Administered expenses					
Expenses on behalf of the State		(1.1)	–	–	(1.1)
Grants and other transfers		(3,237.6)	(3,193.3)	1	(44.3)
Payments into the Consolidated fund	c	(84.8)	(103.9)	(18)	19.0
Total administered expenses		(3,322.4)	(3,297.1)	1	(25.3)
Income less expenses		13.3	(33.0)	(140)	46.2
Other economic flows included in net result					
Net gain/(loss) on non-financial assets	d	(3.7)	33.0	(111)	(36.7)
Total other economic flows included in net result		(3.7)	33.0	(111)	(36.7)
Net result		9.6	0.0	19,090	9.5
Comprehensive result		9.6	0.0	19,090	9.5
Administered assets					
Receivables	e	25.9	13.6	90	12.2
Other financial assets		1.3	1.3	(4)	(0.1)
Total administered assets		27.2	15.0	82	12.2
Administered liabilities					
Total administered liabilities		–	–	n/a	–
Net assets		27.2	15.0	82	12.2

Notes:

- (a) The variance above the published budget primarily relates to higher than budgeted collection of overseas student program fees.
- (b) The variance above the published budget is mainly driven by non-government capital contributions.
- (c) The variance below the published budget is driven primarily by factors explained in Notes a, b and d.
- (d) The variance below published budget is due to land and building disposals not reflected in the budget. This is partially offset by higher than budgeted land sales.
- (e) The variance above the published budget is mainly due to higher than expected receivables from legal workplace, discrimination and disputes.

Appendix 3 Statutory bodies' reports

Children's Services Coordination Board

The Children's Services Coordination Board was established in 2005 under the *Child Wellbeing and Safety Act 2005*. It brings together key decision makers across the Victorian Government to ensure the coordination of activities affecting children. The role of the board is to sponsor and oversee coordination of effort across different Victorian Government services and policies where this is needed to improve outcomes for children and young people, particularly those vulnerable to harm, disadvantage or social exclusion.

The board has responsibility for monitoring the establishment and progress of children and youth area partnerships in eight areas of the state. The partnerships have a focus on vulnerable children and families as well as youth disengagement.

The board reports annually to the Minister for Families and Children on how Victoria's children and young people are faring through the State of Victoria's Children reports. These draw on data available through the Victorian child and adolescent monitoring system.

The Children's Services Coordination Board met four times in 2017–18. The Department provides secretariat support to the board. Members are shown below.

Table 42 – Children's Services Coordination Board members

Children Services Coordination Board members at 30 June 2018

Ms Gill Callister (Chair), Secretary, Department of Education and Training
Mr Graham Ashton, Chief Commissioner, Victoria Police
Mr Chris Eccles, Secretary, Department of Premier and Cabinet
Mr David Martine, Secretary, Department of Treasury and Finance
Ms Kym Peake, Secretary, Department of Health and Human Services
Mr Greg Wilson, Secretary, Department of Justice and Regulation

Victorian Children's Council

The Victorian Children's Council was established under the Child Wellbeing and Safety Act. The council supports the Premier and the Minister for Families and Children with expert independent advice relating to policies and services that enhance the health, wellbeing, development and safety of children.

Council members are recognised experts in children's policies and services. They have been selected as individuals, not as representatives of their organisations or sectors. The council's mandate is to be forward-looking, acting as an adviser to the Victorian Government on how to meet key challenges facing Victorian families and improve outcomes for children. The council is particularly concerned with the problems faced by children who are vulnerable and at risk of poor developmental, learning or longer term life outcomes.

The council actively engages with the Victorian Government in planning to help families give their children the best start in life, and to support young people in the transition to adulthood. It is involved in helping Victorian government departments build a stronger evidence base and understanding of how to improve child outcomes and opportunities.

The council held six meetings in 2017–18, with additional meetings of working groups when needed. The Department provides secretariat support to the Victorian Children's Council.

During the year, one member of the council retired. The 10 members at 30 June 2018 are listed in the table below.

Table 43 – Victorian Children's Council members

Victorian Children's Council members at 30 June 2018	
Professor Frank Oberklaid AM (Chair)	Director, Centre for Community Child Health
Ms Sandie de Wolf AM (Deputy Chair)	Formerly CEO, Berry Street
Ms Muriel Bamblett AM	Chief Executive Officer, Victorian Aboriginal Child Care Agency
Ms Heather Barnes OAM	Early childhood training consultant
Ms Carmel Guerra	Chief Executive Officer, Centre for Multicultural Youth
Mr David Huggins	Formerly Assistant Director, Student Services, Catholic Education Office
Mr Rob Spence	Chief Executive Officer, Municipal Association of Victoria
Ms Kerry Stubbings	Director of Community Services, City of Knox
Professor Marie Connolly	Chair and Head of Social Work, University of Melbourne
Dr Susana Gavidia-Payne	Associate Professor, RMIT University

Disciplinary Appeals Boards

The Disciplinary Appeals Boards were established in 2005 following an amendment to the *Teaching Service Act 1981* and are empowered under the Education and Training Reform Act to hear and determine appeals in relation to decisions of the Secretary of the Department of Education and Training made under sections 2.4.59F and 2.4.61 of the Act.

The Senior Chairperson of the Merit Protection Boards administers the Disciplinary Appeals Boards and selects members to constitute the boards as required. The Merit Protection Boards' staff provide administrative support to the Disciplinary Appeals Boards.

Each Disciplinary Appeals Board comprises a chairperson, a secretary's nominee and a minister's nominee.

The Disciplinary Appeals Boards had four appeals pending at 1 July 2017 and received a further five appeals by 30 June 2018.

Chairpersons, nominated by the Secretary, were appointed under sections 2.4.73(2)(a) and 2.4.74 of the Education and Training Reform Act. It is a requirement that chairpersons have been admitted to legal practice in Victoria for not less than five years. Chairpersons of the Disciplinary Appeals Boards are shown in Table 44.

Secretary's nominees, who have knowledge and experience in education, education administration or public sector administration, were appointed under sections 2.4.73(2)(c) and 2.4.74 of the Education and Training Reform Act. Secretary's nominees are shown below.

Minister's nominees, who are officers in the teaching service, were appointed under sections 2.4.73(2)(b) and 2.4.74 of the Education and Training Reform Act. Minister's nominees are shown below.

Appointments are for five years. The next appointments are scheduled for 2020.

Table 44 – Disciplinary Appeals Boards nominees

Chairpersons of the Disciplinary Appeals Boards from 1 August 2015

Dr Peter Condliffe	Mr Peter Harris	Ms Jo-Anne Mazzeo
Mr Russell Daily	Ms Catherine Healy	Mr William O'Shea
Mr Phillip Davies	Mr Robert Howard	Ms Paula Robinson
Ms Annette Eastman	Mr Peter Kempson	Mr Ian Scott
Ms Leneen Forde ¹		

Secretary's nominees to the Disciplinary Appeals Boards from 1 August 2015

Mr David Alsop	Dr Richard Gould	Mr Peter Norden
Mr Ian Bentley	Mr Russell Isaac	Mr Brian O'Dea
Mr Ross Bevege	Mr Robert Loader	Ms Karen O'Dowd
Ms Claire Bolster	Ms Marilyn McMahon	

Minister's nominees to the Disciplinary Appeals Boards from 1 August 2015

Mr Christopher Chant	Ms Sandra Greenhill	Mr Wayne Smith
Ms Janet Evison	Mr Stephen McGarrigle	Ms Karen Terry
Mr David Finnerty	Ms Maureen O'Flaherty	Ms Rhonda Warburton
Ms Leonie Fitzgerald	Mr Dennis Pratt	

Chairpersons of the Disciplinary Appeals Boards from 23 August 2016

Ms Jordana Millman

Secretary's nominees to the Disciplinary Appeals Boards from 23 August 2016

Ms Vicki Augustinus	Ms Michonne Van Reese	Ms Lola Wenn
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Minister's nominees to the Disciplinary Appeals Boards from 23 August 2016

Ms Vincenzina (Enza) Calabro	Ms Moira Findlay	Ms Glenda Splatt
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¹ Resigned in December 2017

Merit Protection Boards

The Merit Protection Boards and Review of Action Boards provide an independent mechanism to hear appeals and grievances for Department employees and associated statutory authorities in education.

The Merit Protection Boards were established in 1993 under the Teaching Service Act and are currently empowered by the Education and Training Reform Act to:

- advise the Minister for Education about principles of merit and equity to be applied in the teaching service
- hear reviews and appeals in relation to decisions made under the Education and Training Reform Act (except Part 2.4 Divisions 9A and 10) or any other Act
- advise the Minister or the Secretary about any matter referred to them by the Minister or the Secretary relating to merit and equity in the teaching service
- hear reviews and appeals in relation to any decision prescribed by the regulations or Ministerial Order, as appropriate
- hear reviews and appeals in relation to any decision of the Secretary if the Secretary has delegated his or her function or power to hear reviews and appeals to a Merit Protection Board.

The senior chairperson, Mr Peter Hibbins, is a full-time member of the Merit Protection Boards. Ms June Weir is registrar for the boards and there are three administrative officers who support their work.

Access to the Merit Protection Boards is available to employees of the Department and members of the teaching service, including principals, teachers and school-based non-teaching staff.

Grievances of the Department lodged by Victorian Public Service staff are heard by a Review of Action Board. The senior chairperson establishes the Review of Action Boards, which make recommendations to the Secretary of the Department. In the event that the senior chairperson does not sit on the Review of Action Board, the board will make a recommendation to the senior chairperson, who in turn will make the recommendation to the Secretary.

Appeals and grievances may be regarding transfer and promotion, leave, change of time fraction of working hours, outcomes of performance reviews, outcomes of local complaints, translation from fixed term to ongoing employment and other personnel management decisions.

Appeals and grievances may be heard in the metropolitan area and regional centres, as appropriate.

Members of the Merit Protection Boards and Review of Action Boards have a duty to act as individuals in an independent and objective manner in fairly hearing and determining appeals and grievances. The hearing procedures of both boards are consistent with the principles of procedural fairness.

Members are appointed for three years. The next appointments are scheduled for 2019.

Table 45 – Members of the Merit Protection Boards

Chairpersons of the Merit Protection Boards from 22 September 2016

Mr Peter Hibbins (Senior Chairperson, full-time)	Mr David Finnerty	Mr Wayne Smith
Mr Neil Campbell	Mr Vernon Hilditch	
Dr Mary Cannon	Ms Jo-Anne Mazzeo	

Secretary's nominees to the Merit Protection Boards from 22 September 2016

Ms Rowena Archer	Ms Meaghan Cook	Ms Alison Ivey
Ms Kate Atkin	Mr Ian Dendle	Mr Matt McKittrick
Ms Clare Berger	Ms Janet Evison	Mr Dean McLean
Ms Melissa Bray	Mr Rick Gervasoni	Ms Leanne Preece
Ms Tanya Burton	Ms Sandra Greenhill	Ms Paula Robinson
Mr Roger Chao	Mr Andrew Harnett	Ms Wendy Sengotta
Ms Louise Chocholis	Ms Karen Hutchinson	Ms Rhonda Warburton

Minister's nominees to the Merit Protection Boards from 22 September 2016

Mr Steven Adams	Ms Rebekah Fewkes	Mr George Porter
Mr Andrew Bennett	Ms Lynette Hannon	Ms Susan Seneviratne
Ms Rachel Carlyon	Ms Sally Lasslett	Ms Glenda Splatt
Mr Nathan Chisholm	Ms Susan Mattingley	Ms Meredith Stephenson
Mr Jason Coningsby	Ms Alison Murphy	Mr Aaron Wolanuik
Ms Tracey Cronin	Ms Natalie Nelson	Mr Chris Woodhouse

Appeals and grievances

Table 46 – Teaching service appeals and grievances 2017–18

Category	Received		Upheld and partially upheld		Conciliated		Disallowed		Withdrawn		Abandoned, lapsed, no grounds, no jurisdiction or out of time		Pending		Total
	F	M	F	M	F	M	F	M	F	M	F	M	F	M	
Personal ¹	102	43	25	3	16	3	21	13	19	9	15	13	6	2	145
Selection	9	11	0	0	0	0	0	1	1	0	7	10	1	0	20
Total	111	54	25	3	16	3	21	14	20	9	22	23	7	2	165

Table 47 – Public service appeals and grievances 2017–18

Category	Received		Upheld		Conciliated		Disallowed		Withdrawn		Abandoned, no grounds, no jurisdiction		Pending		Total
	F	M	F	M	F	M	F	M	F	M	F	M	F	M	
Personal	13	4	3	2	1	0	3	2	1	0	3	0	2	0	17
Selection	6	4	2	1	0	1	1	0	1	1	2	1	0	0	10
Total	19	8	5	3	1	1	4	2	2	1	5	1	2	0	27

¹ A wide range of issues were raised in personal grievances. Most concerned claims of complaints not being managed in accordance with Departmental policy, leave applications being declined and allowances not being paid correctly.

Merit protection training

It is a requirement that all of the Department's recruitment and promotion selection panels include a merit-trained employee as a member. To facilitate this, the Merit Protection Boards provide training in the principles of merit and equity for members of the teaching service and public service staff.

The programs are conducted statewide and are supported by the Department by senior Departmental staff delivering the sections of training that focus on human resource policies. In 2017–18, the board conducted 37 seminars and provided training for 1,176 members of the teaching service and public service staff.

Table 48 – Number of employees trained by region (includes reaccreditation)

Region	Principals	Teachers	Education support class	Victorian public service	Total
North eastern Victoria	25	196	24	9	254
North western Victoria	26	123	39	22	210
South eastern Victoria	30	55	25	27	137
South western Victoria	36	169	45	9	259
Central	0	4	1	311	316
Total	117	547	134	378	1,176

Other activities

The Merit Protection Boards provided advice to the Department on merit and equity issues in relation to major policy initiatives in response to requests, as well as advice when existing policies and procedures were being reviewed.

The senior chairperson accepted invitations to address groups of principals, field officers of the principals' associations and the Australian Education Union and regional staff about the workings of the Merit Protection Boards.

Senior Merit Protection Board staff deliver statewide training programs for principals, members of the teaching service and public service staff on the legislative and policy requirements for human resource management within the Department.

Information about appeal and grievance processes and merit protection accreditation programs is available on the Merit Protection Boards' website at www.mpb.vic.gov.au.

Independent Office for School Dispute Resolution

The Independent Office for School Dispute Resolution (the Office) brings an alternative dispute resolution approach to complex and intractable disputes arising from complaints by parents or students about government schools. Members of the Office focus on helping affected parties generate a mutually acceptable resolution to the issues, so that the student can re-engage with education, and parental relationships within the school community can be rebuilt. The Office members take a flexible approach, with each individual matter being treated according to its needs. If resolution is not possible, a recommendation can be made to the Department about what future actions may be appropriate to resolve the situation. In addition, the Office can make general recommendations to the Department about how to manage conflict more effectively.

The Office adds an independent perspective and capacity to the third tier of escalation for resolution of eligible matters. It strengthens the existing complaints resolution process and helps to ensure that all parents of students in Victorian Government schools as well as the schools and principals, have access to impartial dispute resolution expertise and problem-solving support.

The Minister for Education appointed the Chair, Mr Frank Handy, and two Deputy Chairs, Ms Jo-Anne Mazzeo and Ms Treasure Jennings. All are experts in the alternative dispute resolution approach. The registrar of the Office is Ms June Weir, a highly experienced senior administrator.

A pool of subject matter experts drawn from a wide range of fields including school education, child development, cultural liaison, disability, family disputes, mental health and bullying prevention have been appointed by the Secretary of the Department to help problem solve issues and assist in the resolution of complex matters.

The Office began operations in March 2017. Since that time, the Office operated within budget while creating a new custom database on an existing platform, establishing office procedures, complaint protocols, debrief and feedback mechanisms and quality control systems that are sustainable, measurable and effective in meeting its mandate.

The Office also had a significant role in capacity building in the Department, drafting suggestions and input on policies such as the guidance for principals on conflict management, the new parent complaint policy, expulsion policy, complex case management, and school conflict management policy development. In addition, the Office has conducted training and information sessions for community liaison officers, principal networks, regional services and other local and regional offices, department officials, and external stakeholders such as various principal associations, Parents Victoria, the Association for Children with a Disability, and others. This work contributes to the development of a collaborative and problem solving based attitude to resolving conflicts in the school system between parents and schools, and to building the capacity of the school system to handle conflict more effectively without resorting to independent agencies.

Table 49 – Chair and Deputy Chairs of the Independent Office

Name	Office position
Mr Frank Handy	Chair
Ms Treasure Jennings	Deputy Chair
Ms Jo-Anne Mazzeo	Deputy Chair

Table 50 – Experts in school education

Name
Ms Elene Archbold
Ms Karen O'Dowd
Mr Brian Henderson
Ms Jenny Wajsenberg
Mr Brian O'Dea
Mr Warren Wills

Table 51 – Experts in subject matters

Name	Subject(s)
Ms Natasha Belmont	Family violence, vulnerable cohorts—LGBTI
Ms Vera Briggs	Koorie engagement
Ms Fiona Downing	Disability
Dr Richard Gould	Mental health, psychology, vulnerable cohorts, low SES
Ms Liz Kelly	Disability
Mr Fred Stern	Mental health, psychology, family dispute
Ms Sandi de Wolf	Child, youth and family services; community services sector; out of home care; family and family violence services

Table 52 – Matter types by source of contact

Case type	Advocate	CCT	Region	School	Parent	Third party	Total
Enquiry	1	0	3	2	48	27	81
Refer and monitor	1	4	2	1	29	2	39
Complaint	1	18	4	1	20	3	47
Capacity building	0	0	4	1	0	2	7
Total	3	22	13	5	97	34	174

Note: The refer and monitor cases may, in a small number of instances, escalate and then be managed and finalised as a Complaint Enquiry. Third party may be friends/relatives making the initial contact, or it may be an enquiry from an outside organisation.

Table 53 – Outcome of matters received

Outcome	Resolved	Partially resolved	Unresolved	Resolved & recommendation made	Partially resolved and recommendation made	Unresolved and recommendation made	In progress	Total
Enquiry	81	0	0	0	0	0	0	81
Refer and monitor	33	0	0	0	0	0	6	39
Complaint	26	4	7	0	0	1	9	47
Total	140	4	7	0	0	1	15	167

Note: Resolution for all enquiries achieved through the provision of information to call, redirection to school/region/CCT or, in a limited number of cases, escalation into a complaint managed by the Independent Office. Enhancements to the grievance management software will provide broader analyses in 2018–19.

Table 54 – Primary issues by type

Type	Enquiry	Refer and monitor	Complaint
Bullying	0	9	7
Complaint management	1	9	7
Disability	0	9	8
Discrimination	0	1	4
General	42	0	0
Grading assessment	0	0	4
In progress	0	4	12
No jurisdiction	12	0	0
Not specified	0	2	0
School disciplinary penalty	0	3	4
School procedure errors	0	2	0
Staff conduct	18	3	4
Student attendance	0	1	0
Student discipline	2	0	2
Student welfare	8	1	4
Total	83	44	56

Appendix 4 Acronyms and abbreviations

AASB	Australian Accounting Standards Board
ABS	Australian Bureau of Statistics
AEDC	Australian Early Development Census
AMES	Adult Multicultural Education Services
ARC	Audit and Risk Committee
BAU	Business as Usual
BP3	Budget Paper No. 3
BFMC	Budget and Financial Management Committee
CEO	Chief Executive Officer
CKCLO	Children's Koori Court Liaison Officers
CIS	Child Information Sharing
CSO	Community Service Obligation
Department	Department of Education and Training
DPC	Department of Premier and Cabinet
ECEC	Early Childhood Education and Care
ECSEG	Early Childhood and School Education Group
FISO	Framework for Improving Student Outcomes
FOI	Freedom of Information
FM Act	<i>Financial Management Act 1994</i>
FRD	Financial Reporting Direction
FTE	Full-time Equivalent
GST	Goods and Services Tax
HESG	Higher Education and Skills Group
IBAC	Independent Broad-based Anti-corruption Commission
ICT	Information and Communication Technology
IFSG	Infrastructure and Finance Services Group
IMTC	Information Management and Technology Committee
KAS	Key Age and Stage
LGA	Local Government Areas
MCH	Maternal and Child Health
NAPLAN	National Assessment Program—Literacy and Numeracy
NERPT	National Education Reform Project Team
NQS	National Quality Standards
NQSA1	National Quality Standard Area 1
NQSA6	National Quality Standard Area 6
OHS	Occupational Health and Safety
OHSMS	Occupational Health and Safety Management System
PESG	People and Executive Services Group
PISA	Programme for International Student Assessment
PLC	Professional Learning Communities
PPC	Procurement and Probity Committee
PRG	Policy Reform Group
PSD	Program for Students with Disabilities
RSG	Regional Services Group
RTO	Registered Training Organisation
STEM	Science Technology Engineering and Mathematics
TAFE	Technical and Further Education
TIMSS	Trends in International Mathematics and Science Study
VAGO	Victorian Auditor-General's Office
VCAA	Victorian Curriculum and Assessment Authority

VCAL	Victorian Certificate of Applied Learning
VET	Vocational Education and Training
VIPP	Victorian Industry Participation Policy
VPS	Victorian Public Service
VRQA	Victorian Registration and Qualifications Authority
VSBA	Victorian School Building Authority

Appendix 5 Grants and transfer payments (other than contributions by owners)

Grants provide significant benefits to the Victorian community. Department grants are used to support and improve the delivery of education and training services.

The Department has a rigorous grants policy in place to ensure all staff, including contractors and consultants who are responsible for administering grants, do so in accordance with legislative obligations, and that all payments represent value for money and contribute to achieving the Department's objectives.

The below table lists the Department's 2017–18 grant activities applying the definition of grants used in the Victorian Auditor-General's Report *Grants to non-government organisations: Improving accountability*. This excludes grants to other organisations, which are included in the broader definition applied in the Financial Statements and Notes to the Financial Statements, to meet applicable Australian Accounting Standards (see Note 3.1.2).

Table 55 – Department grant and transfer payments by activity

Grant	Payment \$
Additional supports early years	250,000
Apprenticeship and traineeship promotion	283,150
Apprenticeship completions project	200,000
Apprenticeship support officer program	3,688,585
Australian Catholic University	46,600
Australian Council for Educational Leaders	31,900
Autism State plan	243,291
Capital business case development	210,000
Capital grants to local government	14,450,000
Community development and assistance	62,940
Country Education Project Inc.	22,600
Curriculum maintenance managers	1,713,500
Deakin University	103,200
Disabilities programs	766,932
Doctors in secondary schools	2,830,564
Education Week	42,416
eSmart schools	392,420
Expand Reconnect	13,202,290
Family violence - Intensive support early in life	1,514,086
Family violence coordination	550,000
Federation University Australia	37,800
Flinders University	210,000
Glenormiston options analysis	25,000
Grants to local government	3,220,000
Group schemes—overheads and policy initiatives	5,475,940
Latrobe University	55,000
Local learning and employment networks	8,408,279
Mentoring program	615,750
Monash Alexander Theatre	6,000,000
Monash University	104,320
National exceptional teachers in disadvantaged schools for initial teacher education providers	116,820
Navigator initiative	4,137,735

Grant	Payment \$
Navigator initiative total	141,000
Office of the Victorian Skills Commissioner	3,764,671
Plumbing Industry Climate Action Centres	3,250,000
Principals Association of Specialist Schools	295,454
Regional and specialist training fund	18,679,524
Respectful relationships	191,200
RMIT	145,200
School breakfast clubs	4,465,000
School bus program reform pilot development	222,704
Skills and jobs centres	180,000
<i>Skills First</i> Stronger TAFE fund	80,516,523
<i>Skills First</i> TAFE community service funding	48,800,000
<i>Skills First</i> TAFE organisational capability funding	9,330,965
Social Ventures Australia Limited	245,373
State schools' relief affordable uniforms	4,290,000
State schools' relief glasses for kids program	256,500
Stephanie Alexander Kitchen Garden program	500,000
Student wellbeing service level agreements	624,205
SWB training for schools and teachers	90,750
TAFE rescue fund (capital)	35,000,000
TAFE structural adjustment fund (capital)	2,000,000
TAFE structural adjustment fund (operating)	8,686,000
TAFE transitional sustainability funding (TAFE Boost)	71,880,000
Teach for Australia program	1,008,600
Teacher learning network	85,632
Training package programs	470,281
University of Melbourne	285,800
University of Melbourne Commercial Limited	143,000
Victoria University	90,091
Victorian Institute of Teaching	460,996
Wellbeing and engagement total	2,405,850
Workforce training innovation fund	48,863,940

