



# **PUBLIC ACCOUNTS AND ESTIMATES COMMITTEE**

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**2009-10 and 2010-11 Financial and Performance Outcomes  
Questionnaire**

**Further Clarification Points**

**Department of Education and Early Childhood Development**

**February 2012**

**Response to the 2009-10 and 2010-11 Financial and Performance Outcomes Questionnaire Part One – Additional information sought by the Committee**

**Question 1**

In relation to Questionnaire Part One, Question 23, please detail the outcomes achieved in 2009-10 for:

(a) the education maintenance allowance; and

The Education Maintenance Allowance (EMA) provides assistance to low-income families by helping with the costs associated with the education of their children.

The expected outcome for 2009-10 as published in Budget Paper No. 3 (*Service Delivery 2010-11*, p 70) was \$60.2 million and \$60.6 million was expended.

(b) the kindergarten fee subsidy.

The kindergarten fee subsidy (KFS) supports eligible children attend kindergarten by meeting the cost of 10 hours and 45 minutes of kindergarten per week.

\$13.5 million was expended for the KFS for 2009-10.

Please detail the outcomes achieved in 2010-11 for:

(a) the education maintenance allowance; and

The Education Maintenance Allowance (EMA) provides assistance to low-income families by helping with the costs associated with the education of their children.

The expected outcome for 2010-11 as published in Budget Paper No. 3 (*Service Delivery 2011-12*, p 180) was \$62.9 million and \$61.1 million was expended.

(b) the kindergarten fee subsidy.

The kindergarten fee subsidy (KFS) supports eligible children attend kindergarten by meeting the cost of 10 hours and 45 minutes of kindergarten per week.

\$15.1 million was expended for the KFS in 2010-11

**Question 2**

In relation to Questionnaire Part One, Question 5, the Committee notes that some approval dates of changes to total estimated investment levels were very old. Can the Department please confirm TEI approval dates for the following two projects:

<b>Project</b>	<b>Date TEI change approved</b>
New Gisborne Primary School – Modernisation	The approval date for the TEI change was October 2007. The TEI was revised to \$2.447 million.
Craigieburn North P-12 – New School – Stage 1	The approval date for the TEI change was April 2008. The TEI was revised to \$7.036 million.

**Question 3**

In relation to Questionnaire Part One, Question 6 (p.24 of the response), the Committee notes a negative figure for actual expenditure for 2010-11 for the Avenel Primary School project. Can the Department please explain the basis for a negative expenditure figure?

A misallocation of expenditure on the project was identified in 2010-11 and an accounting adjustment was made to correct this, resulting in a negative figure.

#### Question 4

In relation to Questionnaire Part One, Question 29:

(a) Please explain why, in response to the Committee's 2011-12 Budget Estimates Questionnaire – Part B (Question 6.4), the Department indicated that its estimated expenditure on consultants in 2010-11 was **\$15.3 million** but, in response to the Committee's 2009-10 and 2010-11 Financial and Performance Outcomes Questionnaire – Part One (Question 29), the Department explained that its expenditure on consultants in 2010-11 was **\$116.64 million** and, in the Department's 2010-11 annual report (p.195) the Department indicates that its expenditure on consultants (excluding consultants with total project costs under \$100,000) was **\$112,200**.

The \$116.64 million for 2010-11 includes payments to contractors as well as expenditure on consultants and agency fees in line with the categories provided in the PAEC questionnaire.

The \$112,200 figure for consultants provided in the Department's 2010-11 annual report only reflects payments of \$100,000 or more to external third party consultancies. The total expenditure on consultancies in 2010-11 was \$259,345. This is based on the definition as defined under the *Financial Management Act 1994*.

The \$15.3 million budget in the 2011-12 PAEC questionnaire included budgeted agency employed staff wages in addition to budget for consultancies.

(b) If the difference is due to differing bases of consolidation, please detail the different bases, including which entities are included in each basis and break down the expenditure on consultants for 2010-11 for each of the entities consolidated.

Not applicable.

#### Question 5

In response to Questionnaire Part One, Question 39, the Committee has reviewed the annual report for the outcomes achieved up to June 2010.

(a) Can the Department please confirm that there have been no updated measurements of Growing Victoria Together outcomes reported to the Department from June 2010 up to November 2010?

Information that directly referenced Growing Victoria Together outcomes was published by the Department in September 2010 in the 2009-10 Annual Report -

<http://www.eduweb.vic.gov.au/edulibrary/public/govrel/reports/200910deecdannualreport5.pdf>

There was no updated measurement specific to Growing Victoria Together outcomes.

(b) If there have been further assessments performed against these targets, please advise the updated indicators (outcomes achieved) available for the measures below.

Vision	Goal	Measure	Outcome achieved in 2010
Quality health and education	High quality, accessible health and community services	The wellbeing of young children will improve.	<b>The following measure was reported in the 2010-11 DEECD Annual Report –</b> <ul style="list-style-type: none"> <li>Kindergarten Participation Rate : 95.1%</li> </ul>
	High quality education and training for lifelong learning	The proportion of Victorian primary students achieving the national benchmark levels for reading, writing and numeracy will be at or above the national average	<b>The following measures were reported in the 2010-11 DEECD Annual Report –</b> <ul style="list-style-type: none"> <li>Percentage of students meeting the national minimum standard for reading in Year 3 (NAPLAN testing) : 95.4%</li> <li>Percentage of students meeting the national minimum standard for numeracy in Year 3 (NAPLAN testing) : 95.4%</li> <li>Percentage of students meeting the national minimum standard for reading in Year 5 (NAPLAN testing) : 94.2%</li> <li>Percentage of students meeting the national minimum standard for numeracy in Year 5 (NAPLAN testing) : 95.7%</li> </ul>
		By 2010, 90 per cent of young people in Victoria will successfully complete Year 12 or its educational equivalent	<b>The following information is available-</b> <ul style="list-style-type: none"> <li>Year 12 or equivalent attainment rate for 20-24 year olds : 88.1% (2010)</li> </ul>
Caring communities	A fairer society that reduces disadvantage and respects diversity	Disadvantage in health, education and housing among communities will be reduced	
		The number of early school leavers who are unemployed after six months will decline	

**Government Responses to the Committee's Report on the 2008-09 Financial and Performance Outcomes – Additional information sought by the Committee**

**Question 6**

The Government's response to Recommendation 35 of the *Report on the 2008-09 Financial and Performance Outcomes* stated that 'Work is underway on development of a report which maps how well training delivery is meeting skills needs. The model is anticipated by the first quarter 2011'. Can the Department confirm if this is now complete?

The Department can confirm that this work is complete and has been built into the Department's quarterly reporting outputs. This work will continue to be refined in the future with a view to providing increasingly sophisticated analysis.

Skills Victoria has undertaken extensive work which has resulted in the development of a robust methodology that monitors the extent to which training delivery is meeting skills

needs. The methodology for this work, and the subsequent reporting of results, is broadly referred to as '*the responsiveness of Victoria's training market.*' The '*responsiveness*' work has been developed out of a need to more effectively analyse how Victoria's training market is responding to the needs of industry and the labour market – specifically in occupations where skill needs are considered to be the greatest.

The responsiveness methodology enables Skills Victoria to monitor the alignment of training delivery against skills required by the labour market based on occupational requirements. Responsiveness is analysed and monitored at multiple levels as outlined below:

- At the overall level within the context of individual industries;
- At the specialist skill level which relates to occupational skills that have long training lead times and have a significant economic or strategic impact on the state if they are under-supplied; and
- In areas of skills shortage which reflects Skills Victoria's 2012 listing of occupations considered to be in shortage in Victoria.

Results from the responsiveness work are reported every quarter in Skills Victoria's Training Market Quarterly Report publication. The most recent iteration was produced in February 2012 and analyses VET delivery data up to the end of 2011.

### Question 7

The Government's response to Recommendation 38 of the *Report on the 2008-09 Financial and Performance Outcomes* indicated a future action of '*a review of the Skill Up program commencing in August 2010. As part of this, the development of an appropriate participant survey tool is being considered so that quality indicators might be evidenced in the future.*' Can you please confirm the current status of quality indicators being put in place?

The Skill Up program commenced in July 2003 and was concluded as a lapsing program on 30 June 2011.

In August 2010, Dandolo Partners Pty Ltd was engaged to review the performance of the Skill Up program against a suite of indicators that had been identified to test its relevance, effectiveness, efficiency and overall impact, and to report on recommendations for the future of the program.

The final report was presented to Skills Victoria on 8 October 2010.

As part of this review, an online survey was distributed to all fifteen Skill Up coordinators, of which fourteen were completed.

The survey covered the areas of the impacts and benefits of the program, effectiveness of the program and the need for the program in the future and areas for improvement.

In addition to the online survey, in order to provide further evidence of the relevance, effectiveness and efficiency of the program, a range of Skill Up Coordinators, union representatives, employer representatives and (then) Department of Innovation, Industry and Regional Development (DIIRD) representatives were engaged in the review process. A range of focus groups or one-on-one interviews were also conducted with program participants.

Due to the final report being received in October 2010 and the program concluding on

30 June 2011, the implementation of the quality indicators reviewed in the report have not been implemented.