



PUBLIC ACCOUNTS AND ESTIMATES COMMITTEE

2013-14 AND 2014-15 FINANCIAL AND PERFORMANCE OUTCOMES GENERAL QUESTIONNAIRE

DEPARTMENT OF EDUCATION AND TRAINING / DEPARTMENT OF EDUCATION AND EARLY CHILDHOOD DEVELOPMENT

SECTION A: Output variances and program outcomes

Question 1 (departments only)

For the following initiatives that were due to be completed in 2013-14 or 2014-15, please provide details of the outcomes expected to be achieved in the community¹ and the outcomes actually achieved to date. Please quantify outcomes where possible.

Initiative	Source	Actual date of completion (month and year)	Expected outcomes	Actual outcomes
Continued Support for Non-Government Schools	2010-11 BP3 p.299	30 June 2014	<p>This initiative aimed to improve educational opportunities for students with disabilities and students from disadvantaged backgrounds in non-government schools. No targets were established for this initiative.</p> <p>Parents and communities were also expected to benefit from non-government schools participating in the new Victorian transparency and accountability measures.</p>	<p>The number of 'medium to high needs' non-government schools that received additional targeted equity funding was 181 in 2012, 181 in 2013 and 176 in 2014.</p> <p>The number of non-government students with disabilities funded through this initiative was 9,435 in 2010, 10,314 in 2011, 11,144 in 2012, 11,757 in 2013 and 12,403 in 2014.</p> <p>Increased transparency and accountability for non-government schools was achieved as a result of reporting through the State Register and the Australian Curriculum, Reporting and Assessment Authority.</p>
National Partnership on Youth Attainment and Transitions (NYPAT)	2010-11 BP3 p.299	Concluded on 31 December 2013. With agreement by Australian Government ASO was extended to 31 December 2014 using unspent NYPAT funding.	Apprenticeship Support Officers (ASOs) Program aimed to increase the proportion of young people aged 15-24 years who successfully complete their apprenticeships by providing them with pastoral care during the first 12 months of their apprenticeship.	Independent evaluation of the program found that the ASO Program had a positive impact on retention rates, but noted that for more effective support a 'coordinated approach between the Commonwealth and Victoria is required, encompassing the entire apprentice lifecycle, from sign up to completion.' Rapport established between apprentices and ASOs encouraged apprentices to keep in contact with ASOs beyond the first 12 months of their apprenticeship. In 2013:

¹ 'Outcomes' are the impact of service delivery on the community rather than a description of the services delivered.

		<p>31 December 2013</p>	<p>Koorie Transition Officers (KTOs) to enhance effectiveness of services and support to increase participation, attendance and retention of Koorie school students.</p>	<ul style="list-style-type: none"> - the 27 ASOs made more than 30,000 phone calls/texts and over 3,000 visits across Victoria to apprentices rated at medium to high risk of non-completion - more than 10,000 eligible apprentices participated in the ASO Program. <p>Extension into 2014 provided opportunity for improved coordination of apprentice mentoring support.</p> <p>Across the then nine regions there were 8.5 FTE KTOs recruited and inducted. The KTO program framework was established based on a state wide business plan, with regional action plans to guide the work of the individual KTO. Program activities undertaken by the KTOs included:</p> <ul style="list-style-type: none"> - careers expos for Koorie young people and their parents - engaging and equipping parents to have careers discussions with their children - collaboration with the Koorie Education Workforce and other programs, such as the Youth Transitions Officers and Regional Careers Development Officers - embedding the transitions focus for sustainability. <p>The Department still has a strong Koorie education workforce, including Koorie Education Coordinators (KEC) and Koorie Engagement Support Officers (KESOs) in each region who are responsible for providing broad support to Koorie students, which may include transition and pathways through education and training.</p>
		<p>31 December 2013</p>	<p>Improved Career Development Services (ICDS) had four streams:</p> <ul style="list-style-type: none"> - Development of a Victorian Careers Curriculum Framework (VCCF) Years 7-12 to introduce a comprehensive careers education pathway - Professional Development for Career Practitioners, which offered study grants to increase the number of careers practitioners 	<p>An evaluation found that three of the four streams had met their outputs and short-term outcomes:</p> <ul style="list-style-type: none"> - VCCF – career practitioners found the framework highly useful - RCDOs – built capacity of career practitioners with whom they engaged - Professional Development for Career Practitioners -increased capabilities of career

			<ul style="list-style-type: none"> with relevant careers qualifications - Regional Careers Development Officers (RCDOs) located across the state to support education and training providers in all sectors with the continuous improvement of career development services for students and their families - Careers Mentoring Network initiative (CMNI) to improve the lifelong learning and employment prospects of Koorie, English as an Additional Language (EAL) and Culturally and Linguistically Diverse (CALD) students, including refugees and students from low SES families experiencing intergenerational poverty and unemployment. 	<p>practitioners</p> <ul style="list-style-type: none"> - CMNI – increased mentees’ awareness of career and pathway options, but there was difficulty in recruiting mentors. <p>DET responded to the impact evaluation by broadening the VCCF, extending the RCDO program in a modified format (nine full time RCDOs reduced to five) until the end of 2014 and offering an additional 45 study grants for careers practitioners in 2014.</p>																														
Meeting increased demand for kindergarten enrolments	2010-11 BP3 p.299	30 June 2014	<p>Funding was provided for additional kindergarten places from 2010 to address increasing demand due to population growth. Increased funding was also provided for the kindergarten fee subsidy to cover additional enrolments in 2010.</p> <p>This initiative contributed to the Department of Education and Training’s Early Childhood Education and Care output.</p> <p>The expected growth in kindergarten places was reflected in BP3 Early Childhood Development Service Delivery Output Targets for 2010-11 to 2013-14.</p> <table border="1"> <thead> <tr> <th colspan="2">Target children funded to participate in kindergarten</th> </tr> </thead> <tbody> <tr> <td>2009-10</td> <td>N/A</td> </tr> <tr> <td>2010-11</td> <td>66,090</td> </tr> <tr> <td>2011-12</td> <td>68,750</td> </tr> <tr> <td>2012-13</td> <td>68,750</td> </tr> <tr> <td>2013-14</td> <td>71,000</td> </tr> </tbody> </table>	Target children funded to participate in kindergarten		2009-10	N/A	2010-11	66,090	2011-12	68,750	2012-13	68,750	2013-14	71,000	<p>The number of funded kindergarten enrolments and the number of children participating in a funded kindergarten grew over the period from 2009-10 to 2013-14. All eligible enrolments were funded across this period.</p> <table border="1"> <thead> <tr> <th></th> <th>Actual children funded to participate in kindergarten</th> <th>% Kindergarten participation rate</th> </tr> </thead> <tbody> <tr> <td>2009-10</td> <td>62,365</td> <td>92.7</td> </tr> <tr> <td>2010-11</td> <td>68,258</td> <td>95.1</td> </tr> <tr> <td>2011-12</td> <td>70,953</td> <td>97.6</td> </tr> <tr> <td>2012-13</td> <td>72,520</td> <td>97.9</td> </tr> <tr> <td>2013-14</td> <td>73,933</td> <td>98.2</td> </tr> </tbody> </table>		Actual children funded to participate in kindergarten	% Kindergarten participation rate	2009-10	62,365	92.7	2010-11	68,258	95.1	2011-12	70,953	97.6	2012-13	72,520	97.9	2013-14	73,933	98.2
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				<p>The following table demonstrates a growth of 1,077 Kindergarten Fee Subsidy enrolments from 2009 to 2010, an increase of 6.3%.</p> <table border="1"> <thead> <tr> <th>Kindergarten Fee Subsidy</th> <th>2009</th> <th>2010</th> </tr> </thead> <tbody> <tr> <td>Number of confirmed kindergarten fee subsidy enrolments</td> <td>17,202</td> <td>18,279</td> </tr> </tbody> </table>	Kindergarten Fee Subsidy	2009	2010	Number of confirmed kindergarten fee subsidy enrolments	17,202	18,279
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Additional support for Community Services Organisations	2010-11 BP3 p.283	<p>PANDA Post and Neonatal Depression Association</p> <p>*Current service agreement expires 30 June 2018</p> <p>2013-14 - \$37,314</p> <p>2014-15 - \$63,939</p>	<p>Support (in partnership) the Playgroup and Parent Group Initiative (SPPI).</p> <p>Work in SPPI sites to provide information and support to parents affected by perinatal mental health issues.</p> <p>Ongoing SPPI community development and training to 6 sites.</p> <p>Strengthen linkages with Indigenous communities.</p>	<p>Reviewed and updated content for training packages.</p> <p>Distributed bi-monthly newsletters.</p> <p>Training was delivered at Shepparton, Frankston, Maribyrnong, Ballarat and City of Yarra.</p> <p>Regular meetings held between PANDA and DET.</p> <p>Establishment of playgroup with City of Yarra.</p> <p>Attended network meetings for training and information sharing purposes.</p> <p>Co-facilitated playgroups.</p> <p>Attended Ballarat Koorie Network Meeting in May 2015 and established links between network members and PANDA.</p>						
		<p>Australian Breastfeeding Association (ABA)</p> <p>*Current service agreement expires 30 June 2018</p> <p>2013-14 - \$115,171</p> <p>2014-15 - \$117,474</p>	<p>ABA volunteers supported to deliver services of ABA.</p> <p>Provide administrative support to 60 local ABA groups to increase sustainability and prevent volunteer burn out.</p> <p>Provide professional development for all volunteers.</p> <p>Increase ABA presence in the community.</p> <p>Volunteers supported to take calls on breastfeeding helpline.</p> <p>Breastfeeding centre to be the first point of call for public queries, media and Victorian branch</p>	<p>Training weekends held in May and November 2014.</p> <p>Employment of a branch office manager (July 2013) to coordinate administrative support to ABA groups.</p> <p>Employment of two casual administration staff to replace vacancies.</p> <p>Conference held on breastfeeding with 1,000 delegates.</p> <p>Presence at Melbourne pregnancy babies and children's expo.</p> <p>ABA continues to work with local health professionals to ensure knowledge and of the</p>						

			volunteers. Free drop in sessions (one day per week) for breastfeeding support.	centres and resources. ABA helpline takes over 5,000 calls per month. Over a two month period, it was reported that 35 mothers received breast feeding support at the drop in centre (open one day per week).
		Eastern Access Community Health (EACH) *Current agreement expires 30 June 2016 2013-14 - \$935,000 2014-15 - \$1,400,000	Nursery equipment including cots and car seats provided for eligible families across the state to enable a safe environment for babies aged 0-1year. Safe, cost effective nursery equipment provided. Upgrade of electronic ordering system utilised by EACH. Provision of regular reports on cost, number of LGAs, number of families and equipment provided.	3,243 items of nursery equipment (cots and car seats) provided in 2014-15 to 2,267 families. Nursery equipment provided was regularly assessed for safety and cost efficiency. Monthly reports provided to DET.
		Royal Children's Hospital Safety Centre *Current service agreement expires 30 June 2018 2013-14 - \$126,740 2014-15 - \$129,275	Provision of information and advice to 3,500 families and health practitioners per annum. Provide child safety and injury prevention information through a comprehensive website with a broad range of resources. Deliver a range of informative education programs and services and provide community consultations and support.	During the July-September (2015) quarter, Safety Centre staff responded to 1,370 requests for information and resources by both phone and email. The Safety Centre website received 6,652 website visits in the July-September (2015) quarter. Promotion of the recently-translated Dogs and Kids material. Safety Centre staff conducted 58 community consultations and provided support and education in the July-September quarter:
		Kidsafe Victoria *Current service agreement expires 30 June 2018 2013-14 - \$146,333 2014-15 - \$149,259	To provide evidence based child safety and injury prevention information and advice to Maternal and Child Health (MCH) Services, Victorian families and other early years services Work in partnership with other injury prevention services.	Distribution of 80,000 promotional and educational items (including fact sheets) per quarter to families and organisations such as MCH and early years services. Maintenance and promotion of the Kidsafe Victoria website 1,000 resource packs distributed at the baby and toddler show. Working in partnership with other agencies, inclusive of the Victorian Water Safety Council.

		<p>Australian Research Alliance for Children and Youth (ARACY)</p> <p>2013-14 - \$100,000</p> <p>2014-15 - \$100,000</p>	<p>Research collaboration incorporating a randomised control trial designed to promote family wellbeing and child development.</p> <p>Intensive home visiting to approximately 800 vulnerable mothers from the antenatal period until the child turns two.</p>	<p>The trial (Right@home) is underway in Whittlesea, Ballarat, Frankston and Dandenong.</p> <p>722 vulnerable families are engaged with the project.</p> <p>ARACY regularly meet with and update DET (quarterly) with regards to project outcomes.</p>
2009 Commonwealth TAFE projects	2010 PEBU p.161	The Department requires a specific list of the '2009 Commonwealth TAFE projects' from PAEC in order to respond to this request.	TBA	TBA
Greener Government Buildings	2010 PEBU p.127	<p>Under the State Government Greener Government Buildings program, six TAFEs and one dual sector University have received total funding of \$41.6 million under a Treasurer's Advance.</p> <p>Date of completion of physical works:</p> <p>Kangan Institute - June 2014</p> <p>South West Institute - July 2013</p> <p>Sunraysia Institute - April 2015</p> <p>RMIT - December</p>	Reduced energy consumption. Repayments based on an average seven year payback period of the Treasurer's Advance (interest free).	Three of the six TAFE projects under the State Government Greener Government Buildings program are completed and are achieving payback and reduced consumption targets.

		2016 Holmesglen - December 2016 Chisholm Institute - June 2016 Melbourne Polytechnic – January 2017		
Fair Funding for Non-Government Schools	2011-12 BP3 p.18	30 June 2015	In the 2011-12 State Budget the Government announced funding of \$239.5 million over four and a half years for the Fair Funding for Non-Government Schools initiative. Funding was provided to lift non-government schools' funding levels to 25% of the recurrent cost of educating a government school student in the classroom on a per student basis.	Funding for non-government schools was at or above 25% of the recurrent cost of educating a government school student in the classroom on a per student basis, and was met from within budget. Since the original \$239.5 million calculation was derived in 2010-11, a number of the key drivers have changed and contributed to narrowing the price gap between educating a government and non-government student. As a result of the narrowing of the price gap between sectors the funding required to meet the 2013 Government commitment of 25% was significantly lower than the funding announced in the 2011-12 Budget. This initiative has now ceased and been replaced by the <i>Education and Training Reform Amendment (Funding of Non-Government Schools) Act 2015</i> , guaranteeing non-government schools with a minimum 25 per cent linkage to government school funding.
Program for Students with Disabilities	2011-12 BP3 p.105	Ongoing program	Funding was provided to meet projected 2011 enrolment growth levels in the Program for Students with Disabilities (PSD), which was originally funded for 18 months in the 2010-11 Budget.	This demand funding enabled continued operation of the PSD, and achievement of the BP3 target pertaining to proportion of the government school population funded through the PSD (2011-12 Target: 3.8%, 2011-12 Actual: 3.9%).
Primary Welfare Officers (PWO)	2011-12 BP3 p.18	December 2015	The PWO initiative provides funds to enhance the capacity of schools to develop positive school cultures and to support students who are at risk of disengagement and not achieving their educational	A total of 806 schools were funded under the PWO initiative.

			<p>potential. Eligible schools are provided with funding to employ a PWO, which may be an existing staff member, or new staff member. Schools then make local decisions about the number of staff they employ from PWO funds.</p> <p>The 2015 target was 804 schools.</p>	
Vocational education and training – restore concessions and expand exemptions	2011-12 BP3 p.18	1 July 2012	<p>This initiative reintroduced concession places for young people aged 15-24 years undertaking Diploma and Advanced Diploma courses at a TAFE institute from 1 January 2011.</p> <p>It also expanded exemptions to the eligibility criteria for students seeking to access government subsidised vocational education and training for those who need to retrain at the same or lower level for employment purposes, wish to train in a skills shortage area, or are otherwise disadvantaged in the labour market.</p> <p>Original projections estimated 5,000 students would benefit from the initiative.</p>	Take up was higher than anticipated, with 9,600 students benefiting from the reintroduced concession places. Funding allocated to meet this commitment was fully expended by the end of 2013.
School Maintenance Fund	2011-12 BP3 p.18	2014-15	<p>Funding of \$100 million over four years was provided for school maintenance.</p> <p>This included funding for a state-wide maintenance needs audit of every government school.</p> <p>The funding was to go toward maintenance including repairing floors, grounds and buildings and painting and finishing works.</p> <p>Funding was also to partly cover the cost of running and maintaining buildings funded through the Commonwealth Government under the Building the Education Revolution and Trade Training Centres programs.</p>	<p>Of the \$100 million provided, \$67 million was provided as 'top-up' funding through the SRP maintenance, cleaning and utilities budget lines. This funding is managed by schools and is targeted across the entire school site.</p> <p>The remaining \$33 million provided \$3 million to conduct a condition audit of all government schools and \$30 million towards the planned maintenance program. This program directs funding to specific buildings in order to bring them up to the required condition threshold. These projects can be school or Department led, depending on their size.</p>
Supporting Apprenticeship Completions	2011-12 BP3 p.105	Yet to be completed	Funding was provided for bonus payments to employers who support apprentices and trainees to complete their training, including an early completion bonus payable to any employer whose apprentice completes their training more than six months early.	As the program is still running, actual outcomes are yet to be finalised. To date, there have been 38,773 eligible completions since 2011-12.

			<p>These bonuses were intended to incentivise apprenticeship/traineeship completion.</p> <p>Payment of the bonus was phased out, although employers of eligible apprentices/trainees who started their apprenticeship/traineeship before 30 June 2011 remain eligible. As at 5 October 2015 there are still around 250 apprentices and trainees in training who commenced prior to this date.</p> <p>Target was for 39,000 eligible completions in total from 2011-12. Targets for individual years decreased over this period to reflect the decreasing number of apprentices/trainees that had commenced prior to 1 July 2011:</p> <ul style="list-style-type: none"> - 2011-12: 14,000 - 2012-13: 11,000 - 2013-14: 7,000 - 2014-15: 7,000 	
Targeting the School Start Bonus	2011-12 BP3 p.105	January 2013	<p>Better targeting of assistance to those families most in need. Funding was to assist eligible families of Prep and Year 7 students to meet the costs of sending their child to school.</p>	<p>This program ceased on 1 January 2013 as part of the Government's savings initiative.</p> <p>In 2012, payments for 43,338 government and non-government students (42,309 families) were made, with a total value of \$13.07 million.</p>
TAFE Back to Work Fund	2015-16 BP3 p.47	31 December 2019	<p>Funding of \$50.0 million was allocated in the 2014-15 Budget for the TAFE Back to Work Fund to deliver new or enhanced training delivery.</p> <p>Approximately \$48.5 million has been spent and provided to TAFEs in the 2014-15 financial year.</p> <p>The funding is expected to provide for placements over the next five years, as per the table below.</p>	Outcomes are not yet available.

TAFE Back to Work Fund Table – see table below:

	2015	2016	2017	2018	2019	Total
Apprenticeship commencements	97	677	963	1,148	1,184	4,070
Traineeship commencements	41	559	716	842	871	3,030
Job placements	89	1,420	1,486	1,906	2,241	7,143
Number of students to move on to further studies	103	1,337	1,799	2,191	2,517	7,947

Question 2 (departments only)

Please identify all outputs for which the department received additional funding after the initial budget (as described in *BFMG-42: Budget Supplementation*) in 2013-14 or 2014-15. For each output, please quantify the additional funding, indicate the source of the additional funding (e.g. 'Treasurer's Advance', 'appropriations that would otherwise be unapplied', 'accumulated surplus') and explain why additional funding was required:

(a) in 2013-14

Output	Additional funding (\$ million)	Source of funding	Reasons why additional funding was required
Schools Education	76.4	Treasurer's Advance	Driven by schools' enrolment growth funding.
Higher Education and Skills	138.4	Treasurer's Advance	Driven by additional funding associated with Victorian Training Guarantee.

Support for Students with Disabilities	3.7	Unused Appropriation - Section 32 of the <i>Financial Management Act 1994</i> .	Additional funds were required due to the late receipt of funding from the Commonwealth (June 2013) which was not built into the initial budget. It was unable to be fully expensed in 2012-13 and thus the remaining funding was carried over into 2013-14.
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(b) in 2014-15

Output	Additional funding (\$ million)	Source of funding	Reasons why additional funding was required
School Education	9.2	Temporary Advances - Section 35 of the <i>Financial Management Act 1994</i>	Driven by additional funding required to meet VAGO's requirement to make adjustments to the Department's fair value of assets as well as the depreciation expense associated with this.
Support Services Delivery	4.0	Unused Appropriation - Section 32 of the <i>Financial Management Act 1994</i>	Delays in the rollout of initiatives and signing of contracts with suppliers for the delivery of services in regions including School Focussed Youth Services, Maternal and Child Health services, kindergarten cluster management and principal performance training in 2013-14 has resulted in higher carry-over of funding into 2014-15 than expected.

Question 3 (Department of Treasury and Finance only)

This question does not apply to your department.

SECTION B: Asset investment (departments only)**Question 4**

Please provide the following details about each of the selected asset investment projects:

Project	Estimated expenditure in 2013-14 (2013-14 budget papers) (\$ million)	Actual expenditure in 2013-14 (\$ million)	Explanation for any variances greater than ±10 per cent or \$100 million between estimated and actual expenditure	Estimated completion date in 2013-14 budget papers	Estimated completion date in 2014-15 budget papers	Explanation for any changes to the estimated completion date
Western Heights regeneration - regeneration - western Heights Secondary College - Stage 2 (Hamlyn Heights)	10.40	8.05	Variance is due to project being delayed as a result of additional flood mitigation works required by council.	mid 2014	qtr 3 2014-15	Delay due to flood mitigation works.
Ashwood Secondary College - modernisation - construction of administration, new learning areas and gymnasium (Ashwood)	8.60	6.08	Variance is due to minor delays in tender documentation which impacted on construction commencement.	mid 2014	qtr 1 2014-15	Delays in tender documentation completion impacted on construction commencement and completion.
Trade Training Centres - Government schools (state-wide)	56.40	40.17	Variance is due to project commencement delays, due to delay of contracts with the Federal Government.	mid 2015	qtr 2 2016-17	Delays in signing contracts with Federal Government impacted on completion dates.
Chisholm Institute of TAFE - new facility - Berwick Trade Careers Centre (Berwick)	11.00	14.46	Additional costs incurred due to latent ground conditions and redesign of foundations.	late 2014	qtr 2 2014-15	Delays due to latent ground conditions and redesign of foundations.
School Improvement Fund - refurbishment and minor capital works (statewide)	10.00	2.41	Variance is due to delays in project identification and asset management plans which delayed implementation stage.	mid 2014	qtr 4 2014-15	Delays in project identification and asset management plans delayed implementation stage.
TAFE Structural Adjustment Fund (statewide)	5.00	0.00	Variance is due to the delayed finalisation of funding agreements and milestones.	various	qtr 4 2016-17	N/A
Galvin Park Secondary College - modernisation - refurbishment and enhancement of school facilities (Werribee)	12.30	6.98	Variance is due to the project being delivered over multiple stages which was not reflected in original cash flow projections.	mid 2014	qtr 1 2014-15	N/A

Land acquisitions (statewide)	23.10	15.79	The variance is due to land acquisitions costs being less than estimated. The unspent funds were carried forward to 2014-15, and were utilised for the Connewarre land purchase.	various	qtr 4 2014-15	N/A
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Project	Estimated expenditure in 2014-15 (2014-15 budget papers) (\$ million)	Actual expenditure in 2014-15 (\$ million)	Explanation for any variances greater than ±10 per cent or \$100 million between estimated and actual expenditure	Estimated completion date in 2014-15 budget papers	Estimated completion date in 2015-16 budget papers	Explanation for any changes to the estimated completion date
Horsham College (Horsham)	3.00	0.06	Variance is due to delay in finalising Asset Management Plan for school.	qtr 4 2017-18	qtr 4 2017-18	N/A
Officer Secondary College - new school (stage 2) (Officer)	3.90	3.90	N/A	qtr 3 2015-16	qtr 3 2015-16	N/A
Trade training centres - government schools (statewide)	19.40	18.45	N/A	qtr 2 2016-17	qtr 2 2016-17	N/A
Doreen Secondary College - new school (stage 2) (Doreen)	3.60	0.74	Variance is because the project could not commence until Stage 1 development was completed.	qtr 3 2015-16	qtr 1 2016-17	Project commencement delayed until Stage 1 completed.
Prahran Secondary School - new school (Prahran)	1.00	0.08	Variance is due to delay in identifying preferred site for new school.	tbc	qtr 4 2018-19	N/A
TAFE structural adjustment fund (statewide)	28.00	16.91	Variance is due to the delayed finalisation of funding agreements and milestones. Variance will be corrected pending revised budget allocation.	qtr 4 2016-17	qtr 4 2016-17	N/A

Question 5

Please provide the following details for all of the asset projects listed below, which were expected to be completed in 2013-14 or 2014-15:

Project	TEI in the 2013-14 or 2014-15 budget papers (\$ million)	Total actual investment (\$ million)	Explanation for any variances greater than ±10 per cent or \$100 million	Impact of any variances	Estimated completion date	Actual completion date	Explanation for any variance in completion date
Doreen South Primary School – new school (Doreen)	10.00	9.95	N/A	N/A	mid 2014	January 2014	This project was completed ahead of schedule.
Phoenix P–12 Community College – modernisation – construction of three learning precincts and specialist teaching facilities (Sebastopol)	10.00	9.52	N/A	N/A	mid 2014	April 2014	N/A
Point Cook South-East P–9 – new school – construction of new P–9 school – stage 1 (Point Cook)	10.00	9.91	N/A	N/A	mid 2013	Oct 2013	Documentation changes caused delays to this project.
Bairnsdale Secondary College – modernisation – construction of administration and new learning areas (Bairnsdale)	10.00	10.16	N/A	N/A	mid 2014	September 2014	N/A
Dandenong High School – regeneration – major redevelopment and provision of new school facilities – stage 3 (Dandenong)	10.00	9.96	N/A	N/A	early 2014	September 2014	Inclement weather and the discovery of concealed asbestos caused construction delays.

Wodonga Senior Secondary College – regeneration – construction of new administration and learning areas (Wodonga)	10.00	10.85	N/A	N/A	early 2014	June 2014	This project experienced delays due to inclement weather and permit delays.
Boronia K–12 College – regeneration (Boronia)	15.00	14.08	N/A	N/A	mid 2014	January 2015	Discovery of concealed asbestos resulted in construction delays.
Officer Special School – new school – new special school construction (Officer)	15.00	14.71	N/A	N/A	late 2013	February 2014	Inclement weather caused minor delays to this project.
University of Ballarat TAFE – Manufacturing Technology Training Centre (Ballarat)	18.10	19.60	N/A	N/A	late 2013	July 2013	N/A
Land acquisitions – Connewarre School Precinct, Heather Grove (various)	20.38	16.48	The variance is due to savings made after completing the required site acquisitions.	The savings are currently allocated for various site related capital expenditure.	mid 2014	Heather Grove completed 26 June 2013, Connewarre not yet completed, South Melbourne completed 7 March 2014, Sale SS completed 6 June 2014.	Connewarre project stalled until road access and services are provided to the proposed site.
Northern Melbourne Institute of TAFE – campus redevelopment – Teaching and Learning Centre (Preston)	24.00	24.00	N/A	N/A	mid 2013	July 2013	N/A

Torquay Secondary College – new school – new full size secondary college construction (Torquay)	26.50	26.00	N/A	N/A	early 2014	March 2014	N/A
Box Hill Institute of TAFE – Integrated and Technical Centre – Elgar Road Campus – Commonwealth-supported project (Box Hill)	34.00	32.72	N/A	N/A	late 2013	July 2013	N/A
Technical Education Centres (Ballarat)	35.25	34.48	N/A	N/A	late 2013	June 2014	Project delayed pending funding approval by DTF to reallocate funding from another project that was discontinued to decontaminate site.
TAFE Student Management System (statewide)	96.93	93.75	N/A		early 2014	February 2014	N/A
Truganina P-9 (stage 1) - new school (Truganina)	10.00	8.96	The variance is due to delays in the documentation stage which had an impact on construction commencement.		qtr 3 2014-15	February 2015	N/A
Ashwood Secondary College - modernisation - construction of administration, new learning areas and gymnasium (Ashwood)	10.50	9.80	N/A	N/A	qtr 1 2014-15	August 2014	N/A
Doreen Secondary College (stage 1) - new school (Doreen)	11.50	10.66	N/A	N/A	qtr 2 2014-15	December 2014	N/A

Melton North West Primary School - new school (Melton West)	11.50	10.50	N/A	N/A	qtr 2 2014-15	March 2015	The school was open in time for the 2015 school year. A separable portion was completed post opening.
Officer Secondary College (stage 1) - new school (Officer)	11.50	10.69	N/A	N/A	qtr 3 2014-15	December 2014	N/A
Wyndham Vale South Primary School - new school (Wyndham Vale)	11.50	10.68	N/A	N/A	qtr 4 2014-15	March 2015	N/A
Relocatables program (various)	12.10	11.91	N/A	N/A	qtr 3 2015-16	May 2015	N/A
Western Heights regeneration - regeneration - Western Heights Secondary College - stage 2 (Hamlyn Heights)	13.00	12.38	N/A	N/A	qtr 3 2014-15	December 2014	N/A
Galvin Park Secondary College - modernisation - refurbishment and enhancement of school facilities (Werribee)	14.00	13.41	N/A	N/A	qtr 1 2014-15	November 2015	Project involved the refurbishment of existing school and buildings. During construction, unforeseen building conditions resulted in delays.

School improvement fund - refurbishment and minor capital works (statewide)	20.00	11.28	Delays in the planning process as well as delays with site access for all projects has resulted in delayed construction activities.	All these works occur in school operational areas without the capacity for the schools to vacate therefore the builders can only carryout work during school holidays. The works program occurs over multiple holiday periods.	qtr 4 2014-15	June 2016	Delays in the planning process and issues with site access resulted in delayed construction activities. It is anticipated that all projects funded in 13/14 will be completed by mid-2016.
Land acquisitions (statewide)	23.00	20.69	The variance is due to savings made after completing the required site acquisitions. The savings are currently allocated for various site related capital expenditure (e.g. Albert park site costs, Doreen compulsory acquisition). The underspend has been reallocated to other projects for completion during the 2015/16 year.		qtr 4 2014-15	June 2015	N/A
Chisholm Institute of TAFE - Berwick Trade Careers Centre	26.00	26.00	N/A	N/A	qtr 2 2014-15	December 2014	N/A

Question 6

Please indicate the amount included in the following line items in your financial statements for 2013-14 and 2014-15 (using the budget portfolio outcomes for departments) which related to payments for commissioned public private partnerships (PPPs).

Line item	Amount within this line item reflecting payments for PPPs (\$ million)	
	2013-14	2014-15
<i>Operating statement</i>		
Interest expense	14.1	14.0
'Other operating expenses'	7.5	7.0
Other line items within expenses from transactions	3.2	3.2
<i>Cash flow statement</i>		
Payments to suppliers and employees	7.5	7.0
Interest and other costs of finance paid	14.1	14.0
Repayment of finance leases	3.8	4.1
Other line items in the cash flow statement	0.0	0.0
<i>Administered items statement</i>		
Expenses on behalf of the State	0.0	0.0
Interest and depreciation expense	0.0	0.0
Other line items within 'administered expenses'	0.0	0.0

Question 7

Regarding the 'net cash flows from investments in financial assets for policy purposes' in the general government sector cash flow statement for 2013-14 and 2014-15, please provide the following details about any sources of cash inflows and cash outflows included in that line item which are connected with your department or its controlled entities:

- (a) the project related to the cash flow (using the same project names as are used in Budget Paper No.4 where possible)
- (b) the initial budget estimate (**not** the revised estimate) for cash flow in 2013-14 and 2014-15; and
- (c) the actual cash flow in 2013-14 and 2014-15.

Cash inflows

Project	Estimated cash inflow in 2013-14 (\$ million)	Actual cash inflow in 2013-14 (\$ million)	Estimated cash inflow in 2014-15 (\$ million)	Actual cash inflow in 2014-15 (\$ million)
Repayment of Section 37 Greener Government Buildings Advance (Administered entity)	0.0	0.2	0.0	0.0
Correction of Section 37 Greener Government Buildings Advance recognition (Administered entity)	0.0	0.0	0.0	15.1

Cash outflows

Project	Estimated cash outflow in 2013-14 (\$ million)	Actual cash outflow in 2013-14 (\$ million)	Estimated cash outflow in 2014-15 (\$ million)	Actual cash outflow in 2014-15 (\$ million)
Elimination of repayment of Section 37 Greener Government Buildings Advance (Controlled entity)	0.0	0.2	0.0	0.0
Elimination for correction of Section 37 Greener Government Buildings Advance recognition (Controlled entity)	0.0	0.0	0.0	15.1

Question 8

Regarding the 'net cash flows from investments in financial assets for policy purposes' in the State of Victoria cash flow statement for 2013-14 and 2014-15, please provide the following details about any sources of cash inflows and cash outflows included in that line item which are connected with your department or its controlled entities:

- (a) the project related to the cash flow (using the same project names as are used in Budget Paper No.4 where possible)
- (b) the initial budget estimate (**not** the revised estimate) cash flow in 2013-14 and 2014-15; and
- (c) the actual cash flow in 2013-14 and 2014-15.

Cash inflows

Project	Estimated cash inflow in 2013-14 (\$ million)	Actual cash inflow in 2013-14 (\$ million)	Estimated cash inflow in 2014-15 (\$ million)	Actual cash inflow in 2014-15 (\$ million)
Repayment of Section 37 Greener Government Buildings Advance (Administered entity)	0.0	0.2	0.0	0.0
Correction of Section 37 Greener Government Buildings Advance recognition (Administered entity)	0.0	0.0	0.0	15.1

Cash outflows

Project	Estimated cash outflow in 2013-14 (\$ million)	Actual cash outflow in 2013-14 (\$ million)	Estimated cash outflow in 2014-15 (\$ million)	Actual cash outflow in 2014-15 (\$ million)
Elimination of repayment of Section 37 Greener Government Buildings Advance (Controlled entity)	0.0	0.2	0.0	0.0
Elimination for correction of Section 37 Greener Government Buildings Advance recognition (Controlled entity)	0.0	0.0	0.0	15.1

Question 9 (Department of Treasury and Finance only)

This question does not apply to your department.

SECTION B: Asset investment (non-departments only)**Question 10**

This question does not apply to your department.

Question 11

This question does not apply to your department.

SECTION C: Revenue and appropriations

Question 12

Please explain any variances greater than ± 10 per cent or \$100 million between the prior year's actual result and the actual result for 2013-14 and 2014-15 for each revenue/income category detailed in your operating statement. Please also indicate what any additional revenue was used for or how any reduced amounts of revenue impacted on service delivery.

For departments, please provide data consolidated on the same basis as the budget portfolios outcomes statement in your annual reports.

If there were no revenue/income categories for your department/agency for which the 2013-14 and 2014-15 expenditure varied from the prior year's expenditure by more than ± 10 per cent or \$100 million, you do not need to answer this question. If this is the case, please indicate 'no relevant line items' in the table(s) below.

Revenue category	2012-13 actual (\$ million)	2013-14 actual (\$ million)	Explanations for variances greater than ± 10 per cent or \$100 million	How the additional revenue was used/the impact of reduced revenue
Output appropriations	10,375.8	10,516.9	The \$141 million increase reflects increased funding in the delivery of output initiatives and general inflation-related indexation of \$205 million, offset by a decrease in Commonwealth specific purpose funding of \$63 million including Digital Education Revolution initiative, Low SES School Communities program and Universal Access to Early Education program.	Additional revenue was used to support service delivery.
Interest	45.6	32.3	The \$13 million decrease to prior year actuals is related to \$7 million reduction in TAFEs and \$6 million in schools due to a decrease in interest rates.	Reduction in revenue is offset by an increase in other revenue, resulting in a nil budget impact.
Grants	125.5	103.6	The \$22 million decrease to prior year actuals in grants revenue is driven by the \$30 million reduction in Commonwealth grants to TAFEs, the former Victorian Skills Commission and other departmental projects; which were partially offset by an increase of \$8 million in Commonwealth English as a Second Language and Temporary Visa Holders funding.	Reduction in revenue is offset by an increase in other revenue, resulting in a nil budget impact.

Revenue category	2013-14 actual (\$ million)	2014-15 actual (\$ million)	Explanations for variances greater than ± 10 per cent or \$100 million	How the additional revenue was used/the impact of reduced revenue
Output appropriations	10,516.9	10,683.3	The \$166 million increase primarily reflects increased funding in the delivery of output initiatives and general inflation-related indexation.	Additional revenue was used to support service delivery.
Grants	103.6	43.0	The \$61 million decrease mainly reflects a decrease in Commonwealth grants to TAFEs due to the transfer of dual sector TAFEs [^] out of the general government sector in 2013-14.	The dual sectors TAFEs are no longer part of the Education Portfolio, and there was no impact on service delivery.

[^] Dual sector TAFEs: RMIT, Swinburne University, University of Ballarat and Victoria University

Question 13

Please explain any variances greater than ± 10 per cent or \$100 million between the initial budget estimate (**not** the revised estimate) and the actual result for 2013-14 and 2014-15 for each revenue/income category detailed in your operating statement. Please also identify any actions taken in response to the variations, either to mitigate or take advantage of the impact.

For departments, please provide data consolidated on the same basis as the budget portfolios outcomes statement in your annual reports.

If there were no revenue/income categories for your department/agency for which the 2013-14 and 2014-15 expenditure varied from the initial budget estimate by more than ± 10 per cent or \$100 million, you do not need to answer this question. If this is the case, please indicate 'no relevant line items' in the table(s) below.

Revenue category	2013-14 budget estimate (\$ million)	2013-14 actual (\$ million)	Explanations for variances greater than ± 10 per cent or \$100 million	Actions taken in response
Output appropriations	10,236.2	10,516.9	The variance is mainly due to additional funding provided post 2013-14 published budget. The increase of the output appropriation primarily relates to Schools Enrolment Based Funding and additional Victoria Training Guarantee.	The additional funding has been fully accessed in the 2013-14 financial year.

Special appropriations	26.5	0.2	The variance is primarily due to the extended rollout of the Commonwealth Digital Education Revolution initiative (\$26.2 million).	This funding will be accessed in future years.
Interest	46.1	32.3	The variance is mainly due to the published budget not reflecting the deconsolidation of the dual sector TAFE's assets from the general government sector.	N/A
Sales of Goods and Services	816.1	691.1	The variance is mainly due to lower enrolment and the transfer of dual sector TAFEs out of the general government sector.	The variance was due to external factors. No action was required as the variance had no impact on service delivery.
Grants	67.1	103.6	This variance is primarily driven by a higher than expected Commonwealth Own-Purpose Expenses (COPE) payment from Commonwealth to the TAFEs sector directly.	The variance was due to external factors. No action was required as the variance had no impact on service delivery.
Revenue category	2014-15 budget estimate	2014-15 actual	Explanations for variances greater than ±10 per cent or \$100 million	Actions taken in response
	(\$ million)	(\$ million)		
Output appropriation	10,817.9	10,683.3	The variance primarily reflects lower enrolments, fewer concessional enrolments, the timing of the delivery of programs (such as the Victorian Training Guarantee); grant payments to non-government schools; and the rollout of maintenance funding to schools following the condition assessment process. The underspend is offset by the enrolment growth for schools and kindergartens' expenditure.	The underspend has been carried over into 2015-16 financial year.
Special appropriation	13.0	0.2	The variance is primarily due to the extended rollout of the Commonwealth Digital Education Revolution initiative (\$12.7 million).	This funding will be accessed in future years.
Interest	35.2	29.3	The variance is due to less than expected interest earned by TAFEs and schools.	The variance is due to external factors which are outside the Department's control and thus no action has been taken.
Grants	20.1	43.0	The variance is primarily due to unbudgeted Commonwealth grants for Temporary Visas for international students from Department of Immigration and Border Protection.	The variance is due to external factors. No action was required as there was no impact on service delivery. Funding was allocated to the associated programs.

Question 14 (departments only)

Please provide a break-down of the Department's income from transactions (as calculated for the Department's comprehensive operating statement in the departmental financial statements in Budget Paper No.5 and in the budget portfolio outcomes in the annual report) into the following sources. If the variance between any budget and actual exceeds ± 10 per cent or \$100.0 million, please provide reasons for the variance. Part of the table has been pre-filled from the 2014-15 budget papers – please fill all blank spaces.

	2013-14 initial budget estimate (\$ million)	2013-14 actual (\$ million)	Explanation for variances greater than ± 10 per cent
Output appropriations	10,236.2	10,516.9	The variance was mainly due to the additional funding provided post 2013-14 published budget. The increase of the output appropriation primarily relates to Schools Enrolment Based Funding and additional Victoria Training Guarantee.
Special appropriations	26.5	0.2	The variance is due to the extended roll out of the Commonwealth Digital Education Revolution initiative.
Trust funds	77.5	100.8	The variance is driven by the accounting treatment associated with the transfer of revenue related to the Notebooks for Teachers and Principals.
Funds received and held outside the Public Account	1,396.6	1,271.4	The variance reflects the decrease in student fees revenue due to the TAFE dual sector deconsolidation.
Other (please specify)	0.0	0.0	N/A
Total income from transactions	11,736.7	11,889.3	N/A

	2014-15 initial budget estimate	2014-15 actual	Explanation for variances greater than ± 10 per cent
	(\$ million)	(\$ million)	
Output appropriations	10,817.9	10,683.3	The variance primarily reflects lower enrolments, fewer concessional enrolments, the timing of the delivery of programs (such as the Victorian Training Guarantee); grant payments to non-government schools and the rollout of maintenance funding to schools following the condition assessment process. The underspend is offset by enrolment growth for schools and kindergartens expenditure.
Special appropriations	13.0	0.2	The variance is due to the extended roll out of the Commonwealth Digital Education Revolution initiative.
Trust funds	75.3	84.1	The variance is primarily due to higher than budgeted fees revenue from international students.
Funds received and held outside the Public Account	1,245.1	1,233.4	N/A
Other (please specify)	0.0	0.0	N/A
Total income from transactions	12,151.3	12,001.0	N/A

Question 15 (departments only)

Regarding the 'funds received and held outside the Public Account' figures provided in the previous question, please break these down into the most significant funds, quantify the income coming from each fund to the Department in each year and explain the sources and activities providing revenue into these funds.

Fund	2013-14 actual payments from fund to the Department (\$ million)	2014-15 actual payments from fund to the Department (\$ million)	Sources and activities providing revenue to the fund
Schools	654.0	692.6	<p>This mostly reflects revenue received for camps, excursions and school based activities, subject contributions, fundraising activities, donations and other locally raised funds: 2013-14: \$495 million and 2014-15: \$510 million.</p> <p>Sales of Goods and Services (2013-14: \$157 million and 2014-15: \$160.8 million). This includes revenue from the sale of class materials, uniforms and other fundraising revenue, and fees for services provided for before and after school care and the hiring of schools facilities and equipment.</p> <p>Interest received from school bank accounts: 2013-14: \$20 million and 2014-15: \$19.9 million.</p>
TAFE Entities	611.8	536.2	<p>Sales of Goods and Services. This includes regulatory fees received for vocational education and training services provided to students, revenue from individuals and private organisations for training programs, and other revenue from TAFEs international onshore and offshore operations: 2013-14: \$481.9 million and 2014-15: \$465.4 million.</p> <p>Grants received from other government departments and the Commonwealth: 2013-14: \$86.2 million and 2014-15: \$24.5 million.</p> <p>Other revenue including private donations: 2013-14: \$31.7 million and 2014-15: \$37.2 million.</p> <p>Interest received from TAFE bank accounts: 2013-14: \$12 million and 2014-15: \$9.1 million.</p>

Question 16

Regarding the trust accounts listed in the 'trust account balances' note to the financial statements in your entity's annual report, please identify any accounts from which payments were passed directly to other bodies without being counted in your entity's comprehensive operating statement. For each relevant account, please identify:

- (a) the value of payments;
- (b) the recipients of the payments; and
- (c) the purpose of the payments.

Trust account	Total payments from the account to bodies other than the Department, 2013-14 (\$ million)	Recipient of the payment	Purpose of the payment
Prizes and Scholarships	1.6	Eligible individuals or organisations awarded the prize or scholarship or the Trustee administering the prize or scholarship on behalf of the recipient.	To provide financial and other support to eligible recipients.
Commuter Club	0.5	Department of Economic Development, Jobs, Transport and Resources.	The Department is acquiring transport tickets under the Commuter Club Ticket Arrangements as an Agent on behalf of its employees.
On-passing from the Commonwealth	2,445.4	Non-government schools and systems that represent non-government schools, including independent schools.	On-pass funds administered by the Department on behalf of the Commonwealth.
Trust account	Total payments from the account to bodies other than the Department, 2014-15 (\$ million)	Recipient of the payment	Purpose of the payment
Prizes and Scholarships	0.9	Eligible individuals or organisations awarded the prize or scholarship or the Trustee administering the prize or scholarship on behalf of the recipient.	To provide financial and other support to eligible recipients.

Commuter Club	0.8	Department of Economic Development, Jobs, Transport and Resources	The Department is acquiring transport tickets under the Commuter Club Ticket Arrangements as an Agent on behalf of its employees.
On-passing from the Commonwealth	2,682.5	Non-government schools and systems that represent non-government schools, including independent schools.	On-pass funds administered by the Department on behalf of the Commonwealth.

SECTION D: Expenses

Question 17

Please explain any variances greater than ± 10 per cent or \$100 million between the prior year's actual result and the actual result for 2013-14 and 2014-15 for each category of expenses detailed in your operating statement. Please also detail the outcomes in the community² achieved by any additional expenses or the impact on the community of reduced expenses (if there was no impact, please explain how that was achieved).

For departments, please provide data consolidated on the same basis as the budget portfolios outcomes statement in your annual reports.

If there were no categories of expenses for your department/agency for which the 2013-14 and 2014-15 expenditure varied from the prior year's expenditure by more than ± 10 per cent or \$100 million, you do not need to answer this question. If this is the case, please indicate 'no relevant line items' in the table(s) below.

Expenses category	2012-13 actual (\$ million)	2013-14 actual (\$ million)	Explanations for variances greater than ± 10 per cent or \$100 million	Outcomes achieved by additional expenses/impact of reduced expenses
Employee benefits	6,207.7	6,076.0	The \$132 million decrease mainly reflects decrease in employee expenses reported in the portfolio following the transfer of dual sector TAFEs out of the general government sector in 2013-14.	The dual sector TAFEs are no longer part of the Education Portfolio. There was no impact on service delivery.
Other operating expenses	3,047.5	3,151.7	The \$104 million increase is mainly due to the reclassification of payments to dual-sector TAFEs from grants to other operating expenses in 2013-14 as a result of the dual-sector TAFE deconsolidation in the same financial year.	The dual sector TAFEs are no longer part of the Education Portfolio. There was no impact on service delivery.

² That is, the impact of service delivery on the community rather than a description of the services delivered.

Question 18

Please explain any variances greater than ± 10 per cent or \$100 million between the initial budget estimate (**not** the revised budget) and the actual result for 2013-14 and 2014-15 for each category of expenses detailed in your operating statement. Please also detail the outcomes in the community³ achieved by any additional expenses or the impact on the community of reduced expenses (if there was no impact, please explain how that was achieved).

For departments, please provide data consolidated on the same basis as the budget portfolios outcomes statement in your annual reports.

If there were no categories of expenses for your department/agency for which the 2013-14 and 2014-15 expenditure varied from the initial budget estimate by more than ± 10 per cent or \$100 million, you do not need to answer this question. If this is the case, please indicate 'no relevant line items' in the table(s) below.

³ That is, the impact of service delivery on the community rather than a description of the services delivered.

Expenses category	2013-14 budget estimate	2013-14 actual	Explanations for variances greater than ±10 per cent or \$100 million	Outcomes achieved by additional expenses/impact of reduced expenses
	(\$ million)	(\$ million)		
Employee benefits	6,241.6	6,076.0	The variance is primarily driven by the TAFEs dual sector deconsolidation which was not being reflected in the published budget but included in the 2013-14 actuals. The decrease is offset by additional funding for the schools' enrolment growth provided post the 2013-14 published budget.	There is no impact of service delivery on the community as it is a delay in the timing of spending and a change in accounting treatment for the dual sector TAFEs.
Depreciation and amortisation	386.3	425.7	The variance is primarily due to the fair value adjustment on economic obsolescence.	There is no impact of service delivery on the community as it is not a cash item related to a prior period adjustment.
Other operating expenses	2,835.9	3,151.7	The variance is primarily driven by the TAFEs dual sector deconsolidation which was not being reflected in the published budget but included in the 2013-14 actuals. The funding provided to the dual sector TAFEs for the later of the financial year is reflected in the other operating grant.	The variance was due to external factors. No action was required as the variance had no impact on service delivery.

Expenses category	2014-15 budget estimate	2014-15 actual	Explanations for variances greater than ±10 per cent or \$100 million	Outcomes achieved by additional expenses/impact of reduced expenses
	(\$ million)	(\$ million)		
Other operating expenses	3,393.9	3,213.6	The variance is primarily due to the delayed timing of spending in relation to the Victorian Training Guarantee, TAFE Structural Adjustment Fund and programs in Early Childhood Development.	There is no impact of service delivery on the community as it is a delay in the timing of spending.

Question 19 (departments only)

Please provide the following details about the realisation of expenditure reduction targets in 2013-14 and 2014-15. In providing targets, please provide the cumulative target rather than the change in savings from one year to the next (i.e. provide the target on the same basis as the budget papers). Please provide figures for the Department including its controlled entities.⁴

Initiative	Total value of efficiencies/savings expected to be realised from that initiative (\$ million)		Explanation for any variances greater than ± 10 per cent between estimated and actual expenditure reductions	How the efficiencies/savings have been achieved (i.e. what measures or changes have been introduced)
	in 2013-14	in 2014-15		
Government election commitment savings (2011-12 Budget)	71.4	73.1	N/A	In 2011-12, a range of strategies were implemented to deliver efficiencies. The additional required amount achieved in 2013-14 and 2014-15 stemmed from continued implementation of these strategies.
Measures to offset the GST reduction (2011-12 Budget)	44.0	46.7	N/A	In 2011-12, a range of strategies were implemented to deliver efficiencies. The required amount achieved in 2013-14 and 2014-15 stemmed from continued implementation of these strategies.
Maintain a sustainable public service (2011-12 Budget Update)	37.4	40.8	N/A	These efficiencies have been achieved through critical management of attrition and downsizing of non-front line staff.
Capping departmental expenditure growth (2011-12 Budget Update)	20.6	39.7	N/A	In 2011-12, a range of strategies were implemented to deliver efficiencies. The additional required amount achieved in 2013-14 and 2014-15 stemmed from continued implementation of these strategies.

⁴ That is, please provide this information for the Department on the same basis of consolidation as is used in the budget papers.

'Total savings' line item in 2012-13 Budget	55.6	56.3	N/A	<p>These savings were achieved through ceasing the School Start Bonus (which occurred in 2013) and removing the school funding portion of the Education Maintenance Allowance.</p> <p>In addition, savings were made through efficiencies in grants programs and smarter procurement processes including use of contractors and consultants.</p>
Efficiency measures (2012-13 Budget Update)	6.6	20.0	N/A	<p>These efficiencies were predominately achieved through the flow on impacts of the previous Sustainable Government Initiative reductions and relate to flow on items such as accommodation, information technology, communications and other overheads.</p>
Efficiency and expenditure reduction measures (2013-14 Budget)	7.9	16.2	N/A	<p>The Trade Bonus was discontinued as a saving in the 2013 Budget. Funding was not paid to apprentices commencing after 30 June 2013. Payments will continue to those that commenced prior to this date.</p> <p>In addition, the increase in the government efficiency dividend will be met through efficiencies in non-frontline service delivery.</p>
Efficiency measures (2013-14 Budget Update)	0.0	20.0	N/A	<p>The savings were achieved through adjusting subsidy levels and eligibility rules for the Victorian Training Guarantee to manage the budget for the contestable training system.</p>
Application of an efficiency dividend to non-frontline departmental expenditure (2014-15 Budget)	0.0	2.9	N/A	<p>Efficiencies will be targeted to areas such as reductions in back office/corporate expenditure, including stationery, travel and accommodation, and non-frontline service delivery in non-school areas of the Department.</p>

Question 20

Please detail any changes to your department's/agency's service delivery as a result of expenditure reduction initiatives, e.g. changes to the timing and scope of specific programs or discontinued programs:

(a) in 2013-14

Please see responses at Question 19.

(b) in 2014-15

Please see responses at Question 19.

Question 21 (departments only)

The 2013-14 and 2014-15 budget papers both include targets for the ‘reprioritisation of resources previously allocated to departments’ to fund new initiatives (2013-14 Budget Paper No.2, p.54; 2014-15 Budget Paper No.2, p.61). This is in addition to any savings or efficiencies resulting from expenditure reduction measures. For your department (including all controlled entities),⁵ please indicate:

- (a) what areas of expenditure (including projects and programs if appropriate) the funding was reprioritised from (i.e. what the funding was initially provided for);
- (b) for each area of expenditure (or project or program), how much funding was reprioritised in each year; and
- (c) the impact of the reprioritisation on those areas.

Area of expenditure originally funded	Value of funding reprioritised (\$ million)		Impact of reprioritisation of funding
	2013-14	2014-15	
Budget Paper 2014-15:	32.9	33.7	
Early childhood funding	5.1	9.1	No impact on service delivery, as funding was reallocated within the same portfolio.
Education Maintenance Allowance	-	21.3	The Education Maintenance Allowance ceased at the end of 2014. The remaining \$21.3 million was redirected into the 2014-15 Resourcing Schools to Raise Performance initiative, which was established to improve student outcomes and

⁵ That is, please provide this information for the Department on the same basis of consolidation as is used in the budget papers.

			provide financial assistance for students from low socio economic backgrounds.
Resourcing schools to raise performance (Fair funding reallocation)	10.1	-	No impact on service delivery, as funding was reallocated within the same portfolio.
Vocational education and training reform	16.6	3.3	No impact on service delivery, as funding was reallocated within the same portfolio.
Bushfire recovery package	1.1	-	No impact on service delivery.
Budget Paper 2013-14:	7.1	36.1*	
International Education	2.6	2.7	No impact on service delivery, as funding was reallocated within the same portfolio.
TAFE Teaching Equipment Grants	0.8	19.7	No impact on service delivery, as funding was reallocated within the same portfolio.
Strong foundations - better and earlier support for children with a disability or developmental delay	3.7	3.7	No impact on service delivery, as funding was reallocated within the same portfolio.
School transformation	-	10.0	No impact on service delivery, as funding was reallocated within the same portfolio.

**Rounding variance*

Question 22 (Department of Treasury and Finance only)

This question does not apply to your department.

Question 23 (PNFC and PFC entities only)

This question does not apply to your department.

SECTION E: Public sector workforce

Question 24

Please detail the total full-time equivalent number of staff in your department/agency as at 30 June 2013, 30 June 2014 and 30 June 2015 in each of the following bands of levels, and explain the changes:

Level	Total FTE (30 June 2013)	Total FTE (30 June 2014)	Total FTE (30 June 2015)	Explanation for changes
VPS Grades 1-3	380.7	382.8	389.1	Modest increase.
VPS Grade 4	322.2	343.1	349.9	Modest increase.
VPS Grades 5-6 and STS	889.9	925.0	940.2	Modest increase.
EO	80.7	80.3	74.3	Modest decrease.
Other*	55,018.4	56,118.1	56,927.9	Increase is driven by growth in school enrolments between 2013 and 2015 resulting in the hiring of additional teachers and education support staff.
Total of all staff (including non-VPS grades)	56,691.9	57,849.3	58,681.4	Increase is driven by growth in school enrolments.

**Other includes: Executive class, Principal class, Teacher class, Education Support class, Allied Health, Nurses, Ministerial Drivers, Senior Medical Advisors and LOTE Advisor.*

Question 25

In the table below, please detail the salary costs for 2012-13, 2013-14 and 2014-15, broken down by ongoing, fixed-term and casual, and explain any variances greater than ± 10 per cent or \$100 million between the years for each category.

Employment category	Gross salary 2012-13 (\$ million)	Gross salary 2013-14 (\$ million)	Gross salary 2014-15 (\$ million)	Explanation for any year-on-year variances greater than ± 10 per cent or \$100 million
Ongoing	3,893.7	3,987.8	4,130.6	\$142.8 million (4%) increase from 2013-14 to 2014-15 is primarily due to the increase associated with the Victorian Government Schools Enterprise Agreement and the increase in student enrolment.
Fixed-term	1,147.0	1,180.0	1,344.7	\$164.7 million (14%) increase from 2013-14 to 2014-15 is primarily due to the increase associated with the Victorian Government Schools Enterprise Agreement and the increase in student enrolment.
Casual	2.4	2.1	2.1	N/A
Total	5,043.1	5,169.9	5,477.5	

Note: Figures reported include salary costs incurred by the Department and schools as published in the Department's annual reports. It excludes salary costs incurred by TAFE institutes and statutory reporting entities. Figures reported are estimates because the Department does not maintain records which enable direct tracking of expenditure in these categories. The figures are based on an estimate using total payroll expenditure and the average number of staff in these categories in each financial year. Casual data is classified only for VPS casual staff; excluding schools casual staff.

Question 26

Please detail the number of executives who received increases in their base remuneration in 2013-14 and 2014-15, breaking that information down according to what proportion of their salary the increase was, and explaining the reasons for executives' salaries increasing in each bracket.

Increase in base remuneration	Number of executives receiving increases in their base rate of remuneration of this amount in 2013-14	Reasons for these increases
0-3 per cent	2	Contract renewal/Work value.
3-5 per cent	1	Contract renewal/Work value.
5-10 per cent	0	N/A
10-15 per cent	0	N/A
greater than 15 per cent	2	Promotions.

Increase in base remuneration	Number of executives receiving increases in their base rate of remuneration of this amount in 2014-15	Reasons for these increases
0-3 per cent	1	Contract renewal/Work Value.
3-5 per cent	0	N/A
5-10 per cent	1	Contract renewal/Work Value.
10-15 per cent	0	N/A
greater than 15 per cent	2	Promotions.

Note: Figures relate to remuneration decisions taken outside of the average 2.5% increase process which is effective from 1 July each year.

SECTION F: Inter-sector flows**Question 27 (Department of Treasury and Finance only)**

This question does not apply to your department.

SECTION G: Government decisions impacting on the finances**Question 28**

- (a) Please detail any costs incurred during 2014-15 in the following categories as a result of machinery-of-government changes:

	(\$ million)
Consultants and contractors (including legal advice)	0.0
Relocation	0.0
Telephony	0.0
IT and records management	0.0
Rebranding	0.0
Furniture and fit-out	0.0
Other	0.0

- (b) If these costs were met out of existing budgets, please indicate what projects, programs or areas the money was originally budgeted for.

N/A

- (c) Please identify any benefits achieved during 2014-15 as a result of machinery-of-government changes, quantifying the benefits where possible.

N/A

Question 29

Please identify any Commonwealth Government decisions during 2013-14 or 2014-15 which had not been anticipated in the State budget but which impacted on your entity's finances or activities during those years (including new funding agreements, discontinued agreements and changes to funding levels). Please quantify the impact on income and expenses where possible.

Commonwealth Government decision	Impact in 2013-14		Impact in 2014-15	
	on income (\$ million)	on expenses (\$ million)	on income (\$ million)	on expenses (\$ million)
National Skills and Workforce Development SPP	-1.9	-1.9	1.8	1.8
Low SES	-20.5	-20.5	0.0	0.0
Early childhood education - Universal access to early education **	-36.0	-36.0	29.2	29.2
Indigenous Early Childhood Development **	0.4	0.4	0.0	0.0
Digital Education Revolution - Government Schools	-29.6	-29.6	0.0	0.0
More support for students with disabilities	7.4	7.4	0.0	0.0
TAFE fee waivers for childcare qualifications	-2.5	-2.5	-2.1	-2.1
Healthy Kids Health Checks	-0.4	-0.4	0.0	0.0
Indigenous early childhood development - children and family centres	-2.3	-2.3	0.0	0.0
Reward for School Improvement - Government Schools	-2.1	-2.1	0.0	0.0
Helping our kids understand finances	0.2	0.2	0.0	0.0
Joint group training program	3.2	3.2	3.1	3.1
Industry and Indigenous skills centre	0.1	0.1	0.0	0.0

Improving Literacy and Numeracy - Non Government Schools NP	3.9	3.9	0.0	0.0
National Solar Schools Plan (Government Schools)	5.4	5.4	0.0	0.0
MoneySmart Teaching	0.1	0.1	0.0	0.0
Building Australia's future workforce: Training Places for Single and Teen Parents	N/A	N/A	-6.3	-6.3
Independent Public Schools **	N/A	N/A	2.3	2.3
National quality agenda for early childhood education and care	N/A	N/A	6.9	6.9
National School Chaplaincy Program **	N/A	N/A	12.6	12.6

** Commonwealth Government decisions also applicable to Question 30

Question 30

Please identify any COAG decisions during 2013-14 or 2014-15 which had not been anticipated in the State budget but which impacted on your entity's finances or activities during those years (including new funding agreements, discontinued agreements and changes to agreements). Please quantify the impact on income and expenses where possible.

COAG decision	Impact in 2013-14		Impact in 2014-15	
	on income (\$ million)	on expenses (\$ million)	on income (\$ million)	on expenses (\$ million)
Youth Attainment and Transitions	0.0	0.0	0.0	0.0
Indigenous Early Childhood Development **	<i>Refer to Q29</i>	<i>Refer to Q29</i>	<i>Refer to Q29</i>	<i>Refer to Q29</i>
Independent Public Schools **	<i>Refer to Q29</i>	<i>Refer to Q29</i>	<i>Refer to Q29</i>	<i>Refer to Q29</i>
National Chaplaincy Program **	<i>Refer to Q29</i>	<i>Refer to Q29</i>	<i>Refer to Q29</i>	<i>Refer to Q29</i>
Early childhood education - Universal access to early education **	<i>Refer to Q29</i>	<i>Refer to Q29</i>	<i>Refer to Q29</i>	<i>Refer to Q29</i>
Occasional Care #	0.0	0.0	0.0	0.0

** COAG decisions also applicable to Question 29

2014-15 funding of \$1.1 million for this initiative was announced in the 2015-16 Commonwealth Budget, however the payment was not received by the Department in 2014-15.

SECTION H: Fiscal and financial management strategies (Department of Treasury and Finance only)**Question 31**

This question does not apply to your department.

Question 32

This question does not apply to your department.

SECTION I: Economic environment**Question 33 (Department of Treasury and Finance only)**

This question does not apply to your department.

Question 34 (Department of Treasury and Finance only)

This question does not apply to your department.

Question 35 (Department of Treasury and Finance only)

This question does not apply to your department.

Question 36 (Department of Treasury and Finance only)

This question does not apply to your department.

Question 37

Please identify any key economic variables for which there were variances in 2013-14 and 2014-15 between what was estimated in the initial budget for each year (**not** the revised estimate) and what actually occurred which had a significant impact on your department's/agency's finances, service delivery or asset investment. For each variance, please indicate:

- (a) what had been expected at budget time
- (b) what actually occurred
- (c) how the variance impacted on the budget outcomes (quantifying the impact where possible)
- (d) what decisions were made in response (including changes to service delivery, asset investment, borrowings etc.).

Expected economic result in 2013-14	Actual result in 2013-14	Impact of the variance on budget outcomes	Decisions made in response
No student enrolment growth in schools and kindergartens reflected in the 2013-14 Budget.	Funding required for the enrolment growth in schools and kindergartens was higher than expected in the budget.	\$122.1 million for enrolment growth in schools since 2011-12. \$0.7 million for enrolment growth in kindergarten in 2013-14.	Additional funding was provided to the Department to address the budgetary cost pressures by the end of the financial year.
Expected economic result in 2014-15	Actual result in 2014-15	Impact of the variance on budget outcomes	Impact of the variance on service delivery
Six months estimated student enrolment growth in schools in 2014 and no enrolment growth in kindergartens.	Schools – an increase in enrolments in 2014 from the estimate included in the published budget and six months enrolment growth in 2015. Kindergartens– enrolment growth in 2014-15.	\$68.4 million for enrolment growth in schools, inclusive of \$10.6 million additional funding for 2013-14 seeding into the Department's base budget. \$5.3 million for enrolment growth in kindergarten in 2014-15, inclusive of \$0.7 million additional funding for 2013-14 seeding into the Department's base budget.	Additional funding was provided to the Department to address the budgetary cost pressures by the end of the financial year.

SECTION J: Previous recommendations

Question 38 (departments only)

For each of the following recommendations from the Committee’s *Report on the 2012-13 Financial and Performance Outcomes* (report number 119) or the *Review of the Performance Measurement and Reporting System* (report number 118) that relates to an area relevant to your department or one of its portfolio agencies, please indicate:

- (a) whether or not the action specified in the recommendation has been implemented;
- (b) if so, how it has been implemented and what publicly available information (if any) demonstrates the implementation of the recommendation; and
- (a) if not, why not.

Report No.	Rec. No.	Recommendation	Has the action specified in the recommendation been implemented?	If yes:		If no:
				How has it been implemented?	What publicly available information, if any, shows the implementation (include exact URL if applicable)?	Why not?
119	2	That the Department of Education and Early Childhood Development review its costing methodology for its Higher Education and Skills output to more accurately forecast related student demand.	No			<p>The Government is currently undertaking a review of VET funding, with a focus on VET funding models and settings intended to manage expenditure within the existing budget. The Government will consider the review’s recommendations and any alternative reform directions before the start of the 2016 training year.</p> <p>In the 2014-15 State Budget, the Government allocated</p>

						additional funding to meet the demand for training.
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