



**Victorian
Public Sector
Commission**



Annual Report 2022 to 2023

Read our annual report for the financial
year 2022 to 2023.

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Message from the Commissioner

A message from Victorian Public Sector Commissioner Brigid Monagle.

I'm proud to share the Victorian Public Sector Commission's Annual Report 2022-23. This was the final year of activity under our previous Strategic Plan 2020-23 aligned to our vision – a trusted public sector that delivers exceptional outcomes for the Victorian community.

Over the past three years, the Commission has worked to achieve 4 outcomes:

1. An integrated and future-focused public sector
2. An inclusive, high-performing and engaged workforce
3. Empowering and engaged leaders
4. A trusted Victorian public sector.

This report details what we delivered in the 2022-23 financial year, under 4 strategic priorities:

1. Promoting workforce reform
2. Supporting a positive employee experience
3. Developing outstanding leadership and stewardship
4. Promoting public trust.

In presenting this annual report, I acknowledge the stewardship of Adam Fennessy PSM, Commissioner until September 2022, and the important roles of interim Commissioner Greg Wilson and Deputy Commissioner Ella McPherson in steering the organisation prior to my commencement in April 2023.

I commend the achievements of the experienced team here at the Commission, as well as our collaborators across departments and in public entities, and everyone who



participated in our engagements, policy consultations and employment programs.

Thank you all for the work you do in supporting the Victorian public sector.

Brigid Monagle
Commissioner
Victorian Public Sector Commission



About us

Our objectives, functions and powers, and vision and strategy to 30 June 2023.

Objectives

Our objectives are set out in the [Public Administration Act 2004](#).

They are to:

- strengthen the efficiency, effectiveness and capability of the public sector to meet existing and emerging needs and deliver high quality services
- maintain and advocate for public sector professionalism and integrity.

Functions and powers

Our functions are:

- assessing, advising and supporting on issues relevant to public sector administration, governance, service delivery and workforce management and development
- researching and disseminating best practice in relation to public sector administration, governance, service delivery and workforce management and development
- collecting and reporting on whole of government data
- conducting inquiries as directed by the Premier
- advocating for an apolitical and professional public sector
- issuing and applying codes of conduct and standards
- monitoring and reporting to public sector body Heads on compliance with the public sector values, codes of conduct, and public sector employment principles



and standards

- reviewing employment related actions and making recommendations following those reviews
- maintaining a register of lobbyists and a register of instruments.

The powers of the Commission are listed in section 41 of the [Public Administration Act 2004](#). To perform its functions, the Commission can:

- do all things necessary or convenient
- require a public sector body to provide any document or information in a specific form
- require personal information about an employee of a public sector body.

Vision and strategy

Our 2022-23 work program was delivered under the 2020-23 strategy, in line with the vision we set three years ago – a trusted public sector that delivers exceptional outcomes for the Victorian community.

We focused on 4 outcomes:

1. An integrated and future-focused public sector
2. An inclusive, high-performing and engaged workforce
3. Empowering and engaged leaders
4. Victorians trust the public sector.

Key highlights are grouped under 4 strategic priorities:

1. Promoting workforce reform
2. Supporting a positive employee experience
3. Developing outstanding leadership and stewardship
4. Promoting public trust.



Priority 1: Promoting workforce reform

The outcome of this work is an integrated and future-focused public sector.

Providing WOVG people data analytics and insights

Our website includes [workforce data and research](#), facts and visuals on key trends and issues. We published an annual workforce data snapshot of the Victorian public sector and a summary of how the public sector performed according to respondents of the annual [People matter survey](#).

This year we published a report on the experiences of Aboriginal employees. The report combines quantitative data with focus groups and seeks to understand workplace issues like racism, cultural load, career development and feeling safe to speak up. [Acknowledging the experience of Aboriginal employees](#) is critical to the public sector's ongoing commitment to provide a culturally safe workplace and grow the number of Aboriginal employees in the public sector.

We also developed workforce insights for several industries drawing on both People matter survey data and workforce data to support secretaries in their role of overseeing public entities.

We undertook People matter surveys for 231 organisations, conducted in October 2022 and June 2023, providing reports and insights on diversity, inclusion, employee wellbeing and engagement. Public entities used the results to inform their interim workplace gender audits under the *Gender Equality Act 2020*.

In partnership with WorkSafe and departments, we developed an occupational health and safety data dashboard and convened a leadership group that takes an evidence informed approach to mental health and wellbeing in the Victorian Public Service (VPS).

We collaborated with the Victorian Centre for Data Insights to design a modern and secure workforce data hub. In the future, the hub will integrate fragmented and siloed datasets, combining them for synthesis and analysis. Work is already underway to improve legacy systems to future-proof our practices.

Supporting a digitally enabled and flexible workforce

We developed a VPS workforce framework to guide policy development, strategic planning and decision making. It maps areas of focus across the 3 domains of: employees and leaders; operating models; systems and platforms; and the Victorian community.

The Suburban Hubs trial tested feasibility and demand for cross-departmental workspaces in five locations outside the CBD. While employees were working flexibly, we analysed office use and ways of working to inform future accommodation strategy.

The [Innovation Network](#) increased to 18,000 members, up from 15,000 in 2021-22. The Commission partnered with Digital Victoria to develop and host the Digital Academy, an online hub for VPS staff to learn the latest in digital, data, cyber and cloud.

Through the Innovation Network we designed and delivered over 30 events online, in person and hybrid for over 5,500 attendees. These sessions covered topics as varied as digital literacy, systems thinking, workplace culture and flexible and hybrid working. The Innovation Network also developed a hybrid event toolkit to support government appetite for innovative event formats.

We delivered a suite of short courses and microcredentials which were promoted across the Jobs and Skills Exchange (JSE), designed to further develop a range of transferable skills. More than 1,100 people completed a short course. Another 950 completed a micro-credential in a coaching or technical capability.



Providing workforce planning advice

We led a whole of government working group to co-design the VPS Job Family Architecture (JFA), a workforce segmentation tool that enables better workforce planning and improved consistency across agencies. With 18 defined job families, the JFA can assist employers in benchmarking, environmental scanning and labour market analysis. Findings informed the VPS Workforce Framework.

We also continued to grow the Strategic Workforce Planning community of practice, building internal capability and connecting practitioners across government.



Priority 2: Supporting a positive employee experience

The outcome of this work is an inclusive, high-performing and engaged workforce.

Promoting diverse, inclusive and healthy workplaces

In 2022-23, we published a [guide to gender affirmation in Victorian public sector workplaces](#). It aims to educate managers on good practice for supporting inclusive workplaces and positive wellbeing for trans, gender diverse and non-binary employees. The guide explains a manager's legal obligations and aims to keep our workplace free of discrimination, bullying, sexual harassment, vilification, and victimisation and to ensure inclusive workplaces and positive wellbeing for trans, gender diverse and non-binary employees.

We analysed the Victorian public sector People matter survey results and published our analysis on top 5 drivers of positive employee engagement. This aimed to enable organisations to focus their action planning efforts on critical domains that will make an impact to employee experiences.

We conducted in-depth analyses of People matter survey data with the objective of catering to a diverse set of stakeholders. This included Commission for Gender Equality in the Public Sector, Enablers network, Victorian Multicultural Commission and LGBTIQ communities. The dissemination of these insights meant workforce experiences of various staff cohorts could be better understood and improved leading to tangible positive outcomes.

We coordinated a mentoring program for employees with disability. 120 participants embraced the opportunity to network, absorb new ideas, receive guidance on professional issues and explore their unique strengths. Mentoring can be an effective

support for personal growth and uplifting organisational capability.

10 people with lived experience of disability explored leadership roles and learned career management skills through Leading Together, a pilot program under the [Getting to Work](#) disability employment action plan. The program aims to build confidence through self-awareness, connecting inspired people and building a leadership pipeline for the future.

We worked with Melbourne Disability Institute to help us improve the way we collect disability data through the People matter survey. We also commenced work to develop a common set of diversity data indicators that can be applied consistently across VPS employee systems.

We launched 2 more disability awareness eLearns – one on workplace adjustments and another on inclusive recruitment. The content was developed with the support of the Deputy Secretaries Disability Champion Roundtable. The eLearns were distributed to all departments and Victoria Police for upload to their learning management systems.

We re-established the Barring Djinang Advisory Group to reflect on achievements and consider the future of the [Barring Djinang Aboriginal employment strategy](#). In 2022, there were 688 Aboriginal and Torres Strait Islander people in the VPS, approximately 1.2% of the total VPS workforce. This is short of the 2% target we set 5 years ago.

41 people participated in an Aboriginal employment program under Barring Djinang including career development, leadership and internships.

We set up a new staff network for Aboriginal employees in the VPS, called Nyanak Lotpja, a Yorta Yorta word for 'we all talk'. More than 120 people joined the first meeting. Aboriginal employees can connect with Nyanak Lotpja on the Innovation Network to find peers, share information and build relationships across government.

By strengthening opportunities for Aboriginal people to steer their own professional path, the VPS becomes a culturally safe employer of choice and more attractive to Aboriginal people as a long-term, meaningful career option.

Supporting employment and career pathways

We delivered the 39th year of the Victorian Government graduate program, recruiting 96 graduates who completed rotations across 14 VPS organisations. About 16% of graduates participated in a diversity pathway, designed for Aboriginal graduates and graduates with disability. We ran a recruitment campaign for the 2024 program, through which we expect another 150 graduates start their career in the VPS.

Victoria's strength is its diversity of backgrounds and lived experience. Internship programs support public sector agencies in attracting talent, contributing to greater workforce diversity to make sure we reflect the communities we serve.

The Victorian Government Refugee and Asylum Seeker Internship program placed 30 people from refugee and asylum seeker backgrounds in roles across the VPS. This work experience is an opportunity to build a professional network and learn about the public service. The Barring Djinang internship program placed 15 Aboriginal and Torres Strait Islander people in public sector roles.

In 2022-23, the Jobs and Skills Exchange (JSE) platform processed 92,000 applications for 25,000 jobs, an increase of 23% in applications on the previous year. The CareersVic website processed 348,000 applications for 86,000 jobs attracting 1.9 million visits. We improved the user experience for both websites, by redesigning verification, login, site architecture, accessibility and campaign functionality.

In partnership with the Department of Families, Fairness and Housing, we commenced the creation of a toolkit that supports inclusion outcomes by providing guidance on employing bicultural workers. It contains advice on funding, recruitment, onboarding, learning and development and career opportunities. By educating hiring managers to recognise and value the contribution of bicultural workers, we provide access to VPS roles supporting public engagement strategies.

We continued to deliver supportive career pathways for Aboriginal people and people with disability. Twenty-three Aboriginal leaders completed the [Barring Djinang leadership program](#). Ten people with lived experience of disability explored leadership roles and learned career management skills through Leading Together, a pilot program under the Getting to Work disability employment action plan. The program aims to build confidence through self-awareness, connecting inspired people and building a leadership pipeline for the future.



Developing leading practice to support whole-of-government people initiatives

We continued to develop the JSE Recruitment Policy in consultation with Industrial Relations Victoria and departmental recruitment managers, ensuring alignment with redeployment policy, contemporary recruitment practices and interjurisdictional policy settings.

As domain owners for the VPS workforce policy, we worked closely with Digital Victoria to support the implementation of VicGov People, a new Human Capital Management System (HCMS) including the roll out of the platform to the Department of Transport and Planning.

We supported critical government recruitment priorities, tailoring campaigns and recruitment approaches to quickly mobilise resourcing for the Victorian state election and other government priorities such as the implementation office for the State Electricity Commission and the new Department of Government Services.

As part of a partnership with WorkSafe, we reviewed the governance and reporting framework for Occupational Health and Safety management across the VPS. The review recommendations were approved by the OHS Leadership Group and are under development in close collaboration with relevant stakeholders across the sector.



Priority 3: Develop outstanding leadership and stewardship

The outcome of this work is empowered and engaged leaders.

Supporting high-quality leadership development and strengthening executive leadership capability

In 2022-23, we established the Organisational Executive Development Group (OEDG). Its purpose is to connect, collaborate and consult across the VPS on topics of leadership development, peer support models, common core learning, career pathways and mobility, strategic workforce planning and diversity, equity and inclusion. The group aims to ensure investment and effort is directed to initiatives that add unique value, deliver greatest impact and achieve scale and efficiency.

We hosted 400 executives at the Navigating the Caretaker Terrain forum. A VPS panel discussed the need for leaders to understand and maintain their obligations in the lead up to and during the state election period. We discussed caretaker conventions, preparing incoming government briefings and engaging with ministers and their offices.

Through our partnership with the Australian Graduate School of Management, University of New South Wales, we delivered Leading through Challenging Times, an online program designed to support participants build knowledge and skills to use human-centred, agile and adaptive leadership to lead through disruption and challenging times. Since it commenced in 2020, more than 700 executives and people leaders participated in the program.

Promoting a connected and collaborative senior

executive service

We convened 900 leaders in cross-departmental development and peer support initiatives. There were opportunities to learn from senior VPS leaders, build networks for collaboration, share challenges and solve problems together, develop strategies to improve wellbeing and self-care, and feel inspired and connected.

We partnered with IPAA Victoria to present the Top 50 Public Sector Women and Leadership in the Public Sector Awards, acknowledging exceptional examples of policy making, people leadership and service delivery.

Through the Commissioner's conference workplan, we're partnering with ANZSOG on the public research agenda, working with other jurisdictions to develop a more robust evidence base to inform decision making on the future of hybrid workforces and processes.

Supporting executive mobility and career pathways

More than 200 new VPS executives completed the Executive Induction Program this year, designed to accelerate their transition into public service leadership. The program supports new executives to demonstrate the highest standards of professionalism and integrity, providing critical knowledge to deliver on government priorities.

We partnered with Emergency Management Victoria to prototype an operating model for mobilising the workforce in response to emergencies such as fire, flood and pandemic. Our work on the Jobs Family Architecture is also critical to underpinning our ability to move executives where they are most needed.



Priority 4: Promoting public trust

The outcome of this work is that Victorians trust the public sector.

Promoting and advocating for an impartial and professional public sector

For officers and executives, we published a new supplement to the [Informing and Advising Ministers](#) guidance previously provided for Secretaries. It contains general advice, relevant to all public servants and specific advice for executives and officers without delegated-secretary authority. It's written broadly to capture a range of circumstances public servants might encounter when considering whether to brief the minister. This work was completed in response to recommendations made by the Victorian Auditor-General's Office.

We provided guidance for employees and managers on how to remain impartial and avoid conflicts of interest during election periods. The Commissioner advocated for and promoted an apolitical and impartial public sector by speaking at staff events across the sector, leading up to the state election.

We issued a [Commissioner's circular](#) in response to the Independent Broad-based Anti-corruption Commission (IBAC) Operation Daintree report to remind public servants of their obligations under the Code of Conduct and the requirement to deliver frank and fearless advice openly, transparently and apolitically.

We responded to queries on executive employment, maintaining the standard contract and handbooks that aim to ensure a consistent approach to public sector executive employment. This year we completed the final work value assessments for executive positions within public entities, finalising a program of work commenced in 2020 which consisted of around 850 work value assessments. We also trained staff from departments and public entities in how to apply the respective executive classification frameworks.



Driving a preventative approach to integrity and governance issues

We published a [Commissioner's circular and guidance](#) to help VPS employees and employers comply with their obligations under the codes of conduct and the public sector values in the lead up to the referendum to recognise the First Peoples of Australia by establishing an Aboriginal and Torres Strait Islander Voice.

We developed an integrity framework which will assist agencies by capturing integrity-related obligations in a central place and guide our legislated compliance and monitoring functions. We also shared People matter survey data with IBAC to inform its assessment of integrity risks.

We provided tools and guidance to aid employees in applying for process reviews of employment-related action in the VPS. We also provided support via email and phone to improve access. We received and closed off 11 requests for reviews of action. One application was accepted, a review was conducted, and resulted in recommendations which were adopted by the relevant public service body.

We undertook annual confirmation of more than 200 lobbyists and government affairs directors, and maintained the lobbyist register in accordance with legislation.

Strengthening integrity and governance capability

We delivered 3 online sessions for board directors of public entities to improve their awareness of integrity obligations with a combined audience of over 900. At each, a panel of experienced board directors provided example scenarios, explaining how to put the public sector values and codes of conduct into practice.

We published new [resources](#) for public entity boards, providing a consolidated and comprehensive suite of integrity and governance resources for both new and established public board directors. The resources were developed to support board chairs and directors of Victorian public entities to comply with the Code of Conduct for Directors of Victorian Public Entities and the Public Administration Act 2004.

The resources provide boards with practical advice to help strengthen governance

processes, focusing on integrity, governance, financial management, compliance and risk, and recruiting and overseeing the CEO. To promote the resources, we ran a joint webinar with IBAC on good governance and why it matters, attended by 670 people.

We developed 2 eLearns, on Integrity and Working in Government. They support consistent and efficient provision of foundational learning to VPS employees.

Reviewing and enquiring into critical issues

We conducted 3 fee-for-service reviews at the invitation of departments under our review and advisory function. Two of these included consideration of best practice in corporate service delivery for the public service.

As part of the reviews, we consulted the public service and benchmarked performance and FTE with other Victorian government departments, Australian jurisdictions and the private sector. We conducted data analysis and research to support findings, identifying areas for improvement and providing recommendations for change.



Performance

Our performance over five years.

Five-year financial summary



	2023 \$	2022 \$	2021 \$	2020 \$	2019 \$
Total income from transactions	40,141,888	39,866,515	17,925,861	19,932,142	17,792,385
Total expenses from transactions	34,706,630	40,907,425 ¹	20,388,510	20,091,717	19,434,276
Net result from transactions	5,435,258	(1,040,880)	(2,462,649)	(159,575)	(1,641,891)
Other economic flows included in net result ²	(15,669)	(209,745)	(220,915)	(26,568)	(90,827)
Net result for the period	5,419,589	(831,135)	(2,242,454)	(186,143)	(1,732,718)
Net cash flow from operating activities	189,037	(2,490,148)	718,478	712,109	360,839
Total assets	21,104,281	16,653,760	11,583,033	13,783,258	13,023,799
Total liabilities	8,108,237	9,077,305	5,847,223	5,825,576	4,885,613

End of table.

Notes

1. Total expenses from transactions were published incorrectly in the five-year financial summary of the Annual Report 2021-22 as \$4,0907,425. This did not affect the financial statements. The correct figure is \$40,907,395 in the table above.
2. Includes gains or losses from disposal of non-financial assets and revaluation of leave liabilities for changes in the government bond rate.

Current financial year review and significant changes in financial position

In 2022-23, the Commission reported a \$5.44 million net surplus, primarily attributed to the Graduate Recruitment Scheme, Innovation Network and People Matter Survey transactions. Under Public Entity Executive Classification, the majority of projects were commenced in earlier years. However, the surplus has arisen subsequent to the completion of projects and the accounting recognition of \$1.90 million in revenue for the present year.

Financial position – balance sheet

The Commission's net asset base as at 30 June 2023 is \$13.00 million. There is an increase of \$5.42 million from 2021-22. The increase in net asset base can be attributed mainly to a \$4.45 million rise in receivables and a \$0.90 million decrease in unearned income within the liabilities.

Significant changes in the financial position and major factors affecting performance

There were no significant changes which affected the Commission's performance during the reporting period.

Capital projects

During 2022-23 financial year, the Commission has not completed any capital projects.

Disclosure of grants and transfer payments

During 2022-23 financial year, the Commission provided a total grant of \$1,548,838.ⒶA sum of \$80,000 was provided to the CSIRO, \$ 1,463,838 to the Department of Education and Training and \$5,000 to Non-Profit Organisation Life Saving Victoria.

Subsequent events

No significant events have occurred since 30 June 2023 that will have a material impact on the information disclosed in the financial statements.

Financial performance

	Target	Actual	Achieved
Operating position			
Net result from transactions is within budget (Y/N +/- 5%) ¹	5%	5%	Yes
Liquidity position			
Current ratio (current assets / current liabilities >1)	1%	2.47%	Yes
Efficiency			
Average accounts receivable collection period (target 30 days)	90%	68%	No
Average time for accounts payable (target 30 days)	90%	80%	No

End of table.

Notes

1. Net results of output appropriation and does not include trust funds.

Non-financial performance

The section provides information about the Commission's performance against our output performance measures. Commentary is provided where there are variances of more than five per cent between targets and actual results for performance measures.

Promote workforce reform

Provide WoVG people, data, analytics and insights, support a digitally enabled and flexible workforce, provide workforce planning advice.



Strategic Priority	2022-23 Target	2022-23 Actual	Variance	Achieved
Percentage of process completion of Victorian public sector annual workforce data within target timeframes	95%	95%	0%	Yes
Percentage of agencies that rated VPSC's leadership of the People Matter survey as good, very good or excellent	70%	98%	40% ¹	Yes
Percentage of Innovation Network event attendees who indicate satisfaction with the delivered event	85%	95.4%	12.2% ²	Yes
Percentage of users who indicated they were satisfied with their Suburban Hubs experience	90%	99%	10% ³	Yes

End of table.

Support a positive employee experience

Promote diverse, inclusive and healthy workplaces, support employment and career pathways, develop leading practice to support WoVG people initiatives.

Strategic Priority	2022-23 Target	2022-23 Actual	Variance	Achieved
Proportion of graduates participating in the Aboriginal and disability streams	10%	16%	60% ⁴	Yes
Overall satisfaction with engagement, consultation and responsiveness from the VPSC GRADS team	85%	94%	10.6% ⁵	Yes
Number of engagement and promotion activities undertaken by the JSE	20	31	55% ⁶	Yes
Satisfaction with response to user queries on the JSE	80%	95%	15% ⁷	Yes
Percentage of Victorian Public Service workforce registered with the JSE	70%	87%	24.3% ⁸	Yes
Percentage of Victorian Public Service jobs advertised through the JSE	90%	95%	5.6%	Yes

End of table.

Develop outstanding leadership and stewardship

Support high quality leadership development and strengthen executive leadership capability, promote a connected and collaborative senior executive service, support executive mobility and career pathways.

Strategic Priority	2022-23 Target	2022-23 Actual	Variance	Achieved
Proportion of survey respondents expressing satisfaction with the Executive Leadership Program overall, relevance and suitability	80%	96%	20%	Yes
Percentage of new to VPS executives participating in the induction program	78%	89%	14.1% ⁹	Yes

End of table.

Promote public trust

Promote and advocate for an impartial and professional public sector, drive a preventative approach to integrity and governance issues, strengthen integrity and

governance capability.

Strategic Priority	2022-23 Target	2022-23 Actual	Variance	Achieved
Percentage of agencies that indicated that VPSC advice assisted in improving their integrity capability	90%	90%	0%	Yes

End of table.

Notes

1. Ratings for the Commission's People Matter survey leadership this year were overwhelmingly positive.
2. Reflects both the increased appetite for learning and collaboration across the VPS, and the increased maturity and sophistication of the Innovation Networks offerings.
3. Reflects the prioritised focus on user experience by the Suburban Hubs team, spanning both VPSC and DTF/DGS.
4. 2,311 applications to the 2024 Victorian Government graduate program were received in March/April 2023. Of these applicants 6.8% applied via either the Aboriginal and/or Disability pathway. The portion of the graduates participating in the Aboriginal and/or Disability pathway at assessment centres increased to 16.5%. The number of



graduates commencing the 2023 Victorian Government graduate program via the Aboriginal and/or Disability pathway was 14.7% of the total cohort.

5. At the end of each rotation, graduates are surveyed on their satisfaction with engagement, consultation and responsiveness from the GRADS team. The increase from the target to the actual result is due to the proportion of graduates that completed the survey. The most recent survey (May 2023) included 69 responses from 141 graduates representing 49% of the overall population.
6. This variance is primarily due to an increased usage of the JSE platform for surge and other recruitment campaigns.
7. The variance is mostly due to further customer service and technology training for staff, review and improvement of internal processes and technology remediations focused on improved user experience.
8. This variance is due to the increased usage and awareness of the JSE platform across the VPS.
9. This variance is due to an increased uptake of participants in the program with few program withdrawals/deferrals.



Leadership

The Commission's leadership arrangements including Minister, Commissioner and Deputy Commissioner as at November 2023.

Minister

During the 2022-23 reporting period, the Commission was overseen by the Minister for Government Services, Hon Danny Pearson MP. The Minister for Government Services oversees the public sector, cyber security and citizen digital transaction reform.

As at 2 October 2023, the Premier of Victoria has responsibility for the Commission.

Commissioner

Brigid Monagle – from April 2023

Brigid Monagle is the Commissioner of the Victorian Public Sector Commission. Brigid commenced as Victorian Public Sector Commissioner in April 2023.

Before being appointed Commissioner, Brigid acted as Secretary for the Department of Families, Fairness and Housing (DFFH) and before that was the department's Associate Secretary. Prior, Brigid held various Deputy Secretary roles in DFFH from its formation in February 2021. The roles included leading the Readiness, Response and Emergency Management Division, which was responsible for working to minimise the impact of emergencies on Victorians, including the COVID-19 health emergency. In the second half of 2020, Brigid was seconded to serve as Deputy Secretary, Public Health Policy and Strategy, within the former Department of Health and Human Services, supporting the emergency response of COVID-19.

In 2018, Brigid established and led the Fairer Victoria Division as Deputy Secretary in the Department of Premier and Cabinet (DPC). Fairer Victoria supported the Multicultural Affairs, Equality, Youth, Veterans, Senior Victorians, Women and Prevention of Family Violence portfolios.



Prior to this, Brigid was an Executive Director at DPC, leading advice in the areas of Aboriginal Affairs Policy, including the formation of Treaty Authority legislation and self-determination, health policy and reform, and inter-governmental strategy.

Brigid previously held various roles at DPC and spent some years working at The Treasury in New Zealand. She holds a Masters of Public Policy from Victoria University of Wellington and a Bachelor of Arts (Honours) from the University of Melbourne.

Greg Wilson – acting from October 2022 to March 2023

Greg Wilson was the Acting Commissioner of the Victorian Public Sector Commissioner. He joined the Commission in October 2022 and departed in March 2023.

He worked for many years as a senior public servant in the Victorian Public Service and broader public sector, including as Secretary of the then Department of Justice and Regulation.

Prior to that he held roles of Secretary of the Department of Sustainability and Environment, Deputy Secretary (Policy and Cabinet) at the Department of Premier and Cabinet, Deputy Secretary (Water Sector) at the Department of Sustainability and Environment, and General Manager (Regulatory Policy) at the Essential Services Commission.

Greg has led wide-ranging reforms across the justice, environment, water and treasury portfolios in Victoria. He led the establishment of the Royal Commission into Victoria's Mental Health System. He also chairs several public sector boards including the Transport Accident Commission (TAC), State Emergency Services (SES) and the Country Fire Authority (CFA)

Greg is a Fellow on the Institute of Public Administration Australia Victorian branch (IPAA) and a Member of the Australian Institute of Company Directors.

Adam Fennessy – until September 2022

Adam Fennessy PSM was the Commissioner of the Victorian Public Sector Commission. He joined the Commission in July 2020 and departed in September 2022.

Adam has over 20 years of public sector experience at state and federal levels, including 4 years as Secretary of the Victorian Department of Environment, Land, Water and



Planning and prior to that the Department of Environment and Primary Industries. Adam has worked in the private sector as a partner with advisory firm Ernst & Young. Adam has served on several boards including the Institute of Public Administration Australia (IPAA Victoria), Infrastructure Victoria, Monash Sustainable Development Institute and Women & Leadership Australia.

In 2018, Adam received a public service medal for leadership in the Victorian public sector.

Deputy Commissioner

Ella McPherson is the Deputy Commissioner of the Victorian Public Sector Commission. She joined the Commission in November 2021 and was Acting Commissioner from 17 September to 25 October 2022.

Following an early career in journalism and consulting, she has more than 15 years experience in the Victorian Public Service, during which time she has worked across a wide range of portfolios and agencies including: youth affairs, community development, business and innovation, the Victorian Equal Opportunity and Human Rights Commission, health and human services, education and infrastructure.

Ella held senior roles in communications, change strategy, executive and ministerial services and knowledge management, before taking on the role of Chief Operating Officer for the Victorian School Building Authority. Her last role before joining the Commission was Assistant Deputy Secretary, Schools and Regional Service and COVID-19 Commander for the Department of Education and Training. She has Masters qualifications in Communications, Business Administration and Law.



Organisational structure

This chart reflects the Commission's organisational structure at 30 June 2023.

Organisational chart

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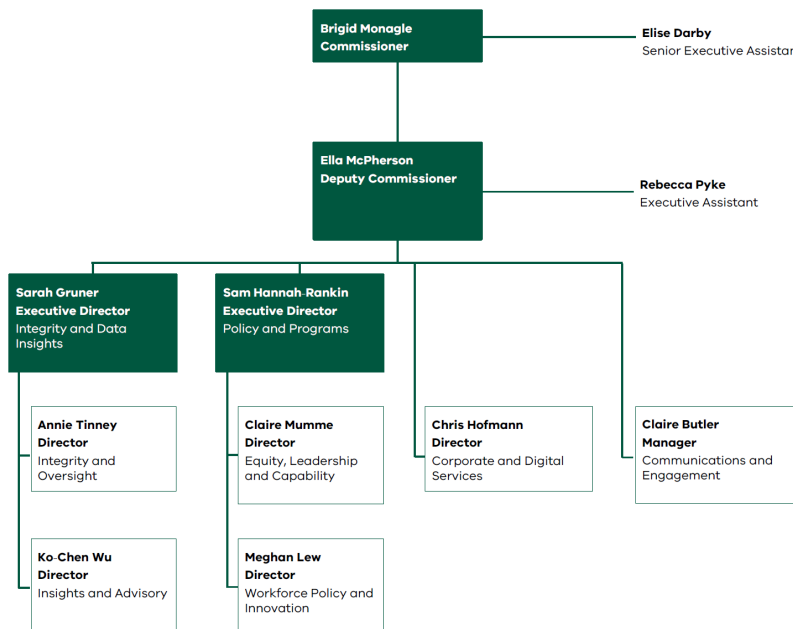


Chart summary

Commissioner

- Brigid Monagle (from April 2023)

Deputy Commissioner

- Ella McPherson

Executive Directors

- Sarah Gruner, Integrity and Data Insights
- Sam Hannah-Rankin, Equity, Leadership and Capability

Workgroups

Integrity and Data Insights:

- Integrity and Oversight – Annie Tinney, Director
- Insights and Advisory – Ko-Chen Wu, Director

Policy and Programs:

- Workforce Policy and Innovation – Meghan Lew, Director
- Equity, Leadership and Capability – Claire Mumme, Director

Office of the Deputy Commissioner:

- Corporate and Digital Services – Chris Hofmann, Director
- Communications and Engagement – Claire Butler, Manager



Governance

The Commission is a statutory authority accountable to the Minister for Government Services. Our integrity functions are independent from ministerial direction or control.

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For administrative arrangements, the Commission is supported by the Department of Premier and Cabinet. Our work is complementary, and we align in pursuit of providing central coordination, leadership and stewardship of the public sector.

Advisory Board

On 6 June 2022, the Minister for Government Services appointed Tasneem Chopra OAM, Professor Janine O'Flynn and Greg Smith AM to the Victorian Public Sector Commission Advisory Board. They joined existing Chair, Jeremi Moule, Secretary, Department of Premier and Cabinet.

The role of the Advisory Board is to provide to the Commission:

- advice in relation to the preparation of the annual plan and strategic plan of the Commission; and
- strategic advice in relation to matters relevant to the objectives and functions of the Commission.

The Advisory Board meets quarterly.

Audit and Risk Management Committee

The Commission has an Audit and Risk Management Committee. The Committee consists of the following members:

- Cynthia Lahiff, Chair (independent member)
- Shaun Condron (independent member)
- Annie Tinney (non-executive member)

Greg Wilson was Chair of the ARMC from July to October of the 2022-23 reporting period. We welcomed Cynthia Lahiff in March 2023.

The committee provides independent assurance and advice to the Commissioner on the Commission's audit risk, control and compliance framework, and its statutory financial reporting obligations.

The committee is responsible for:

- improving the Commission's effectiveness and efficiency
- ensuring compliance with applicable laws and regulations
- coordinating audits, considering recommendations and implementing actions
- overseeing operation of the risk management framework
- reviewing the annual report and financial information.

In 2022-23, internal auditors performed a Monitoring Code of Conduct & Employment Standards Review. The audit concluded that the Commission should develop a framework to proactively monitor compliance to the public sector values, codes of conduct, employment principles and standards across the VPS. It recommended approaches for using the framework to undertake this monitoring, recognising that this may need to be managed within existing resources.

A review of Compliance with Legislation at the Commission was also completed within the reporting period. The audit concluded that the Commission has systems, processes and controls in place to govern its legislative compliance management related activities. However, an improvement opportunity was noted whereby the Commission does not have a formally documented and centralised compliance register in place.



Our people

We know that to deliver great outcomes for the Victorian public sector, we need to focus on our people, and on making the Commission a great place to work.

We know that to deliver great outcomes for the Victorian public sector, we need to focus on our people, and on making the Commission a great place to work.

This year, we established a people and culture committee to help drive people-related initiatives that support a positive, inclusive and high performing culture.

We developed a new people and culture plan, which sets out our priority focus areas and actions that will support us in building a capable and credible organisation that supports the Victorian public sector to deliver.

Supporting a safe, inclusive and respectful workplace

We want everyone to be able to be themselves at work, to feel safe, respected and able to speak up, and have the support and tools they need to do their jobs.

We continue to ensure people are aware of their obligations and responsibilities under the VPS code of conduct and relevant policies through our induction program and internal engagement channels.

In addition, this year we have:

- developed a new Workplace Adjustment Policy and Guideline, to support the Commission in providing an accessible and inclusive workplace where people with disability can participate fully in all aspects of employment
- acknowledged key points in our calendar to celebrate diversity and inclusion in our workplace, for example Wear it Purple Day, IDAHOBIT, International Women's Day, International Day of People with Disability, NAIDOC and Cultural Diversity Week



- facilitated discussions in our staff meetings on a range of wellbeing and inclusion topics including how the employee assistance program can help staff navigate change, the importance of building accessibility into our everyday work, and exploring the results from our staff survey.

Building our capability

Our approach to building our knowledge and skills recognises that much of our learning and development comes through experiential and social learning in the workplace and a smaller proportion from formal training.

To support this approach, this year we have:

- embedded a learning and development plan into our performance and development plan (PDP) process
- increased the use of our internal communication channels and platforms to showcase the breadth of learning and development opportunities available to us
- undertaken a range of knowledge sharing activities at the Branch and team levels, to build skills and capabilities
- focused on building reflective practice more purposefully into how we work, through retrospectives on key projects and regular opportunities to reflect on what's working and where we can improve.

We have also supported staff to participate in a range of formal learning programs, including public sector short courses, micro-credential programs and leadership development programs. Staff have also been supported to undertake higher duties and secondments, providing them with valuable experience to support their learning and career development.

Connected and working together

We know that as an organisation we are more than the sum of our parts, and that to deliver great work we need to draw on the full range of expertise and experience across our teams.



This year we have:

- worked collectively and collaboratively across the Commission to develop our new Strategic Plan and Annual Plan
- developed a common approach to how we collaborate and built this into our performance development plans
- established cross-Commission, multi-disciplinary teams to deliver all our key strategic initiatives.



Workforce data

A summary of employment in our organisation to 30 June 2023.

Public sector values and employment principles

The Commission's employees adhere to the public sector values and the code of conduct for Victorian public sector employees.

The public sector values are responsiveness, integrity, impartiality, accountability, respect, leadership and human rights.

Our employment principles aim to ensure that:

- employment decisions are based on merit
- employees are treated fairly and reasonably
- equal employment opportunity is provided
- human rights are upheld
- employees have an avenue of redress against unfair or unreasonable treatment
- career public service is fostered.

These principles set the right conditions for productive and harmonious working relationships by ensuring employees are treated well, have access to career opportunities and can safely raise their concerns.

Our selection process ensures that applicants are evaluated fairly and equitably on the basis of the key selection criteria and other accountabilities without discrimination. The Commission advised its employees on how to avoid conflicts of interest, how to respond to offers of gifts and how it deals with misconduct.

Comparative workforce data

Employees have been correctly classified in workforce data collections.

Staffing trends from 2021 to 2023 at 30 June

	2023	2022	2021
Headcount (Not including statutory appointments)	115	125	112
Full time equivalent	109.19	118.85	107.18

End of table.

Summary of employment levels at 30 June

	2023		2022	
Item	Headcount	FTE	Headcount	FTE
Total (Not including statutory appointments)	115	109.19	125	118.85
Ongoing full time	68	68	63	63
Ongoing part time	14	9.33	15	10.46
Fixed term full time	24	24	41	41
Fixed term part time	5	4.1	4	2.8
Inoperative paid maternity leave	2	2	1	1
Inoperative paid long service leave	1	1	0	0
Casual	1	0.76	1	0.59

End of table.

Staff by age at 30 June

2023				2022		
Age	Woman	Man	Self-described	Woman	Man	Self-described
Under 25	1	0	0	1	1	0
25-34	14	11	2	17	15	1
35-44	28	8	1	29	13	0
45-54	20	12	0	14	12	0
55-64	12	2	0	15	3	0
Over 65	2	2	0	1	2	0
Total	77	35	3	77	46	2

End of table.

Staff by grade at 30 June

Grade	2023			2022		
	Woman	Man	Self-described	Woman	Man	Self-described
Casual	1	0	0	1	0	0
VPS1	0	0	0	0	0	0
VPS2	2	1	0	3	3	0
VPS3	9	2	0	11	7	1
VPS4	13	8	1	13	7	0
VPS5	27	11	1	24	17	0
VPS6	17	12	1	21	11	1
STS	0	0	0	0	0	0
SES1	5	1	0	0	1	0
SES2	2	0	0	3	0	0
SES3	1	0	0	1	0	0

End of table.

Annualised total salary at 30 June

Income band (salary)	Executives	Senior Technical Specialists	Other
\$160,000 – \$179,999	0	0	0
\$180,000 – \$199,999	3	0	0
\$200,000 – \$219,999	1	0	0
\$220,000 – \$239,999	1	0	0
\$240,000 – \$259,999	2	0	0
\$260,000 – \$279,999	0	0	0
\$280,000 – \$299,999	0	0	0
\$300,000 – \$319,999	0	0	0
\$320,000 – \$339,999	0	0	0
\$340,000 – \$359,999	0	0	0
\$360,000 – \$379,999	1	0	0
Total	9	0	0

End of table.

Notes: The salaries reported above are for full financial year, at a 1 FTE-rate, and exclude superannuation.

Occupational health and safety

Item	2022-23	2021-22
Ergonomic assessments	7	4
Ergonomic aids recommended	7	0
Flu vaccinations	44	45
Incidents reported	4	0
Hazards reported	1	0
Staff trained in OH&S	0	2
Claims made	0	0

End of table.

Workforce inclusion policy

The Commission adopts the comparable policy of the Department of Premier and Cabinet. We offer an inclusive working environment where equal opportunity and diversity are valued, and our workforce reflects the communities we serve consistent with the *Gender Equality Act 2020*.

The Commission values staff with non-binary gender identities at all levels. We acknowledge that due to historic and current barriers to disclosure of non-binary

gender identities, staff may choose not to disclose this information. As a result, targets or quotas are not currently a useful way to promote opportunities for gender diverse staff at all levels.

Executive data

All the Commission's executives are contract-appointed, ensuring no executive is appointed as ongoing or for special projects. The Executive data is based on the 30 June payroll FTE report for the period 2022 and 2023. It does not include statutory appointments.

Grade	2023			2022		
	Woman	Man	Self-described	Woman	Man	Self-described
SES1	5	1	0	0	1	0
SES2	2	0	0	3	1	0
SES3	1	0	0	1	0	0

End of table.

Other disclosures

A complete list of all Commission disclosures in the 2022 to 2023 financial year.

Local jobs first

Nil reports. The Commission did not commence or complete any Local Jobs First projects in 2022-23.

The Local Jobs First Act 2003 introduced in August 2018 brings together the Victorian Industry Participation Policy (VIPP) and Major Project Skills Guarantee (MPSG) policy which were previously administered separately.

Departments and public sector bodies are required to apply the Local Jobs First policy in all projects valued at \$3 million or more in Metropolitan Melbourne or for state-wide projects, or \$1 million or more for projects in regional Victoria.

MPSG applies to all construction projects valued at \$20 million or more. The MPSG guidelines and VIPP guidelines will continue to apply to MPSG-applicable and VIPP applicable projects respectively where contracts have been entered prior to 15 August 2018.

Government advertising expenditure

Nil reports. The Commission did not have any advertising campaigns with a total media spend of \$100,000 or greater (exclusive of GST) in 2022-23.

Consultancy expenditure

Details of consultancies valued at \$10,000 or greater

In 2022-23 there were 3 consultancies where the total fees payable to consultants were \$10,000 or greater. The total expenditure incurred during 2022-23 in relation to these consultancies is \$230,021 (excluding GST). Details of individual consultancies are outlined in the table below.

Consultant	Purpose	Start date	End date	Total approved project fee (excl. GST)	Expenditure 2022-23 (excl. GST)	Future Expenditure (excl. GST)
Deloitte Consulting Pty Ltd	Review of the JSE engagement	16/11/22	14/12/22	\$109,725	\$99,750	\$0
PricewaterhouseCoopers Consulting (Australia) Pty Ltd	Talent Platform Strategy Engagement	2/11/22	2/12/22	\$77,273	\$75,088	\$0
Best Practice Information Management Pty Ltd	Business Security Expertise – Info Management	27/03/23	30/09/23	\$115,708	\$55,183	\$60,525

End of table.

Details of consultancies under \$10,000

In 2022-23, there were no consultancies engaged during the year, where the total fees payable to the individual consultancies was less than \$10,000. The total expenditure incurred during 2022-23 in relation to these consultancies was \$0 (excluding GST).

Information and communication technology expenditure

For the 2022-23 reporting period, the Commission had a total information and Communication Technology (ICT) expenditure of \$3,640,796, with the details shown below.

	All operational ICT expenditure	ICT expenditure related to projects to create or enhance ICT capabilities		
	Business as Usual (BAU) ICT expenditure (Total)	Non-Business as Usual (non BAU) (Total = operational expenditure and capital expenditure)	Operational expenditure	Capital expenditure
Appropriation account	\$1,952,270	\$393,160	–	\$393,160
Trust account	\$1,295,366	–	–	–

End of table.

ICT expenditure refers to the Commission's costs in providing business enabling ICT services within the current reporting period. It comprises Business as Usual (BAU) ICT expenditure and Non-Business as Usual (Non-BAU) ICT expenditure.

Non-BAU ICT expenditure related to extending or enhancing the Commission's current ICT capabilities. BAU ICT expenditure is all remaining ICT expenditure that primarily

relates to ongoing activities to operate and maintain the current ICT capability.

Disclosure of major contracts

During the 2022-23 financial year, the Commission did not enter any contract for greater than \$10 million.

Freedom of information

The Commission is subject to the *Freedom of Information Act 1982*. The Act allows the public a right of access to documents held by the Commission. The purpose of the Act is to extend as far as possible the right of the community to access information held by government departments, local councils, ministers and other bodies subject to the Act.

An applicant has a right to apply for access to documents held by a department. This comprises documents both created by the department or supplied to the department by an external organisation or individual, and may also include maps, films, microfiche, photographs, computer printouts, computer discs, tape recordings and videotapes. Information about the type of material produced by the Department is available on the Department's website under its Part II Information Statement.

The Act allows a department to refuse access, either fully or partially, to certain documents or information. Examples of documents that may not be accessed include cabinet documents; some internal working documents; law enforcement documents; documents covered by legal professional privilege, such as legal advice; personal information about other people; and information provided to a department in-confidence and information that is confidential under another Act.

Under the Act, the FOI processing time for requests received is 30 days. However, when external consultation is required under ss29, 29A, 31, 31A, 33, 34 or 35, the processing time is 45 days. Processing time may also be extended by periods of 30 days, in consultation with the applicant. With the applicant's agreement this may occur any number of times. However, obtaining an applicant's agreement for an extension cannot occur after the expiry of the timeframe for deciding a request.

If an applicant is not satisfied by a decision made by the Department, under section 49A

of the Act, they have the right to seek a review by the Office of the Victorian Information Commissioner (OVIC) within 28 days of receiving a decision letter.

Making a request

FOI requests can be lodged online at ovic.vic.gov.au. An application fee of \$30.60 applies. Access charges may also be payable if the document pool is large and the search for material time consuming.

Access to documents can also be obtained through a written request to the Victorian Public Sector Commission as detailed in s17 of the *Freedom of Information Act 1982*. When making an FOI request, applicants should ensure requests are in writing and clearly identify what types of material and documents are being sought.

Requests for documents in the possession of the Commission should be addressed to:

Freedom of Information
Victorian Public Sector Commission
3 Treasury Place
East Melbourne VIC 3002

FOI statistics/timing

During 2022-23 the Commission received five FOI requests. The Commission finalised five FOI requests during the 12 months ending 30 June 2023. The average time taken to finalise requests in 2022-23 was 33 days. Three access decisions were made within the statutory time period. Of the decisions made outside time, one was made within a further 45 days and one decision was made in greater than 45 days. Two decisions made outside the statutory time period were made after mandatory extensions had been applied or extensions were agreed upon by the applicant. No requests were subject to a complaint or internal review by the OVIC.



Further information

Further information regarding the operation and scope of FOI can be obtained from the Act, regulations made under the Act and ovic.vic.gov.au.

Compliance with the Building Act 1993

Competitive neutrality requires government businesses to ensure where services compete, or potentially compete with the private sector, any advantage arising solely from their government ownership be removed if it is not in the public interest.

Government businesses are required to cost and price these services as if they were privately owned. Competitive neutrality policy supports fair competition between public and private businesses and provides government businesses with a tool to enhance decisions on resource allocation.

This policy does not override other policy objectives of government and focuses on efficiency in the provision of service. As a portfolio agency, the Commission's information on compliance is included in the Department of Premier and Cabinet's Annual Report.

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Compliance with the Public Interest Disclosures Act 2012

The *Public Interest Disclosures Act 2012* encourages and assists people in making disclosures of improper conduct by public officers and public bodies. The Act provides protection to prepare people who make disclosures in accordance with the Act and establishes a system for the matters to be disclosed, investigated and rectifying action to be taken.

The Commission does not tolerate improper conduct of employees, nor the taking of reprisals against those who come forward to disclose such conduct. It is committed to ensuring transparency and accountability in its administrative and management practices and supports the making of disclosures that reveal corrupt conduct, conduct involving substantial mismanagement of public resources, or conduct involving a substantial risk to public health and safety or the environment.

The Commission will take all reasonable steps to protect people who make such disclosures from any detrimental action in reprisal for making the disclosure to the extent it is legally possible.

Reporting procedures

At the Victorian Public Sector Commission, you can make your disclosure to:

- the Public Interest Disclosure Coordinator
- the manager of the person you're making the disclosure about
- the Commissioner
- a person acting in any of the positions above.

Alternatively, disclosures may also be made directly to the Independent Broad-based Anti-Corruption Commission (IBAC):

Level 1, North Tower
459 Collins Street
Melbourne VIC 3000
Phone: 1300 735 135
ibac.vic.gov.au

Further information

The Public Interest Disclosures Policy and Procedures, which outline the procedure for reporting disclosures of improper conduct or detrimental action by the Commission or any of its employees and officers, are available on the Commission's website.

Disclosures under the Protected Disclosure Act 2012

The table below indicates the number of disclosures made by an individual to the Commission and notified to IBAC.

	2022-23	2021-22	2020-21
Assessable disclosures	0	0	1

End of table.

Compliance with the Carers Recognition Act 2012

The Commission has taken all practical measures to comply with its obligations under the Act. This includes considering the carer relationship principles set out in the Act when setting policies and providing services (for example, reviewing our employment

policies such as flexible working arrangements and leave provisions to ensure these comply with the statement of principles in the Act.

Compliance with the Disability Act 2006

The *Disability Act 2006* reaffirms and strengthens the rights of people with a disability and recognises that this requires support across the government sector and within the community.

The Commission has complied with its obligations under the *Disability Act 2006* to prepare a [Disability Action Plan](#) for the purpose of: reducing barriers to access goods, services and facilities, reducing barriers to person with a disability obtaining and maintaining employment, promoting inclusion and participation in community and achieving tangible changes in attitudes and practices that discriminate against people with a disability.

Reducing barriers to accessing goods, services and facilities

- Continued to ensure the built environment is accessible to all employees and stakeholders. In 2022-23 glass doors on the ground level of 3 Treasury Place were removed and low light rooms were made available.
- Actively reviewed communications content we develop and support all teams to ensure it is accessible and inclusive, and continues to meet AA accessibility standards.

Reducing barriers to persons with a disability obtaining and maintaining employment

- Continued to ensure our recruitment and selection practices are inclusive to people with disability.
- In 2022-23 the Commission drafted their first workplace adjustment policy and procedure.
- Continued to support flexible work arrangements.
- Undertook workplace adjustment check with all new employees during various

stages of the recruitment and onboarding process.

Promoting inclusion and participation in the community

- Continued membership with the Australia Network on Disability.
- Commission employees attended VPS wide events for International Day of People with Disability, including the hallmark event from the VPS Enablers.

Achieving tangible changes in attitudes and practices that discriminate against people with a disability

- Work commenced on the Commission's future Accessibility Action Plan (AAP).
- Continued to include the AAP as required reading in induction materials for all new employees.
- Disability awareness is included in the Commission's employee induction program.
- Provided disability awareness training to all employees through e-learns and internal meetings. In 2022-23 the Commission ran two internal sessions to create awareness and share skills in accessibility.
- Held a training event called 'Stressless Fairness' which was an introduction for employees to inclusive design with practical tips that could be applied to their work immediately.

Disclosure of emergency procurement

Nil reports. The Commission did not activate any Emergency Procurements in 2022-23 in accordance with the requirements of government policy and accompanying guidelines.

Office-based environmental impacts

The Commission is committed to environmental sustainability in its operations. The Commission supports the Victorian public sector in adopting new technology that lowers emissions and increases environmental sustainability.

The environmental report has been prepared in accordance with the Financial Reporting Directions (FRD) issued by the Minister for Finance.

Energy, paper and water



	2022-23	2021-22
Energy		
Total electricity usage (gigajoules)	563	379
Total green electricity (gigajoules)	0	0
Total gas usage (gigajoules)	244	135
Percentage of electricity purchased as green power (%)	0	0
Units of energy used per full time employee (megajoules per FTE) ¹	6,922	4,325
Paper		
Total units of paper used (A4 reams equivalent)	51	14
Reams of paper used per FTE	0.44	0.12
Percentage of recycled content paper purchased (%)	100	100
Water		
Total units of metered water consumed (kilolitres)	286	101
Units of metered water consumed per FTE (kilolitres/FTE)	2.45	0.85
Units of measured water consumed in offices per unit of office area (kilolitres/m2)	0.14	0.05

End of table.

Transport

	2022-23	2021-22
Total energy consumption by vehicles (MJ)	6,772	4,338
Total distance travelled by fleet vehicles (km)	2,614	1,204
Total greenhouse gas emissions from vehicle fleet (t CO ₂ e)	0.482	0.20
Greenhouse gas emissions from vehicle fleet 1000km travelled (t CO ₂ e)	0.184	0.17
Total distance travelled by air (km)	18,446	6,745
Total greenhouse gas emissions from air travel (t CO ₂ e)	2.91	1.07

End of table.

Greenhouse gas emissions

	2022-23	2021-22
Total greenhouse gas emissions from energy use (tonnes Co2 equivalent)	134.08	88.56
Total greenhouse gas emissions from vehicle fleet (tonnes CO2-e)	0.482	0.20
Total greenhouse gas emissions from air travel (tonnes CO2-e)	2.91	1.07
Total greenhouse gas emissions from waste ² (tonnes CO2-e)	N/A	N/A
Total greenhouse gas emissions from paper use (t CO2 e)	0.3	0.08
Total greenhouse gas emissions (t CO2 e)	137.77	89.91

End of table.

Waste

A waste audit was not carried out during 2022-23.

Notes:

1. Based on 116.58 average FTE for period 2022-23.

2. Greenhouse gas emissions associated with waste disposal and greenhouse gas emissions from was could not be reported for 2022-23.

Additional information available on request

In compliance with the requirements of the Standing Directions 2018 under the *Financial Management Act 1994*, details in respect to the terms listed below have now been retained by the Commission and are available on request, subject to the provisions of the *Freedom of Information Act 1982*.

- A statement that declarations of pecuniary interest have been duly completed by all relevant officers.
- Details of shares held by a senior officer as nominee or held beneficially in a statutory authority or subsidiary.
- Details of publications produced by the entity, about the entity, and the places where publications can be obtained.
- Details of changes in prices, fees, charges, rates and levies charged by the entity.
- Details of any major external reviews carried out by the entity.
- Details of any major research and development activities undertaken by the entity.
- Details of overseas visits undertaken including a summary of the objectives and outcomes of each visit.
- Details of major promotional, public relations and marketing activities undertaken by the entity to develop community awareness of the entity and the services it provides.
- Details of assessments and measures undertaken to improve the occupational health and safety of employees.
- A general statement on industrial relations within the entity and details of time lost through industrial action and disputes.
- A list of major committees sponsored by the entity, the purposes of each committee, and the extent to which the purposes have been achieved.



Attestation for financial management compliance with Standing Directions 5.1.4

Victorian Public Sector Commission Financial Management Compliance Attestation Statement

The Victorian Public Sector Commission has not identified any Material Compliance Deficiencies for the financial year ended 30 June 2023.

I, Brigid Monagle, certify that the Victorian Public Sector Commission has complied with respect to the Standing Directions under the *Financial Management Act 1994* and Instructions.

Brigid Monagle

Commissioner

Victorian Public Sector Commission

21 September 2023

Compliance with DataVic access policy

Consistent with the DataVic Access Policy issued by the Victorian Government in 2012, the Commission made 2 data sets available on the DataVic website in 2022²³.

Disclosure index

This annual report of the Victorian Public Sector Commission is prepared in accordance with all relevant Victorian legislations and pronouncements. This index has been prepared to facilitate identification of compliance with statutory disclosure and other requirements.

Legislation	Requirements	Page
Charter and purpose		
FSD 22	Manner and establishment of relevant Minister	About us
FSD 22	Objectives, functions, powers and duties	About us
FSD 22	Key initiatives and projects	Strategic directions and future vision
FSD 22	Nature and range of services provided	Our services
Management and structure		
FSD 22	Organisational structure	Organisational structure
Financial and other information		
FSD 22	Audit committee	Governance
FSD 22	Occupational health and safety	Workforce data
FSD 8	Performance against output performance measures	Performance
FSD 10	Disclosure index	Other disclosures
FSD 12	Disclosure of major contracts	Other disclosures
FSD 15	Executive disclosures	Other disclosures
FSD 22	Employment and conduct principles	Workforce data
FSD 22	Summary of financial results for the year	Performance
FSD 22	Significant changes in financial position for the year	Performance
FSD 22	Major changes or factors affecting performance	Performance
FSD 22	Subsequent events	Performance
FSD 12	Application and operation of the Freedom of Information Act 1982	Other disclosures
FSD 22	Compliance with building and maintenance provisions of Building Act 1993	Other disclosures
FSD 22	Application and operation of the Public Interest Disclosures Act 2012	Other disclosures
FSD 12	Application and operation of the Cover's Recognition Act 2017	Other disclosures
FSD 22	Details of consultancies over \$10,000	Other disclosures
FSD 22	Details of consultancies under \$10,000	Other disclosures
FSD 22	Disclosure of government advertising expenditure	Other disclosures
FSD 22	Disclosure of ICT expenditure	Other disclosures
FSD 22	Statement of availability and other information	Other disclosures
FSD 24	Reporting of office based environmental impacts	Other disclosures
FSD 25	Local Jobs First	Other disclosures
FSD 29	Workforce data disclosures	Workforce data
SD 5.2	Specific requirements under Standing Direction 5.2	
Compliance attestation and declaration		
SD 5.4.1	Attestation for compliance with Ministerial Standing Direction	Other disclosures
SD 5.2.3	Declaration in report of operations	Message from the Commissioner
SD 5.2.2	Declaration in financial statements	Other disclosures
Other requirements under Standing Directions 5.2		
SD 5.2.5(a)	Compliance with Australian accounting standards and other authoritative pronouncements	Statement of compliance to standards
SD 5.2.5(a)	Compliance with Standing Directions	Financial disclosures
SD 5.2.5(b)	Compliance with model financial report	Financial disclosures
Other disclosures as required by FSDs in notes to financial statements		
FSD 10	Balance sheet	Balance sheet
FSD 10	Cash flow statement	Cash flow statement



End of table.

Legislation

Act	Page
<i>Freedom of Information Act 1982</i>	Other disclosures
<i>Building Act 1993</i>	Other disclosures
<i>Public Interest Disclosures Act 2012</i>	Other disclosures
<i>Carers Recognition Act 2012</i>	Other disclosures
<i>Disability Act 2006</i>	Other disclosures
<i>Local Jobs First Act 2003</i>	Other disclosures
<i>Financial Management Act 1994</i>	Financial declaration

End of table.

Financial declaration

Accountable officer's and chief financial officer's declaration.

The attached financial statements for the Victorian Public Sector Commission have been prepared in accordance with Direction 5.2 of the Standing Directions of the Assistant Treasurer under the *Financial Management Act 1994*, applicable Financial Reporting Directions, Australian Accounting Standards including interpretations, and other mandatory professional reporting requirements.

We further state that, in our opinion, the information set out in the comprehensive operating statement, balance sheet, cash flow statement, statement of changes in equity and accompanying notes, presents fairly the financial transactions during the year ended 30 June 2023 and the financial position of the Victorian Public Sector Commission as at 30 June 2023.

At the time of signing, we are not aware of any circumstance which would render any particulars included in the financial statements to be misleading or inaccurate.

We authorise the attached financial statements for issue on 6 September 2023.

Anthony Bale

Chief Financial Officer

Brigid Monagle

Victorian Public Sector Commissioner



Comprehensive operating statement

For the financial year ended 30 June 2023.



	Notes	2023 \$	2022 \$
Continuing operations			
Income from transactions			
Grants	2.2	28,893,771	32,040,306
Provision of services	2.3	11,248,117	7,826,209
Total income from transactions		40,141,888	39,866,515
Expenses from transactions			
Employee benefits	3.2.1	17,918,142	20,391,790
Depreciation	4.3	478,206	464,401
Interest expense		182	88
Grant expenses	3.3	1,548,838	1,567,200
Other operating expenses	3.4	14,761,262	18,483,916
Total expenses from transactions		34,706,630	40,907,395
Net result from transactions (net operating balance)		5,435,258	(1,040,880)
Other economic flows included in net result			
Net (loss)/gain on non-financial assets		–	22,307
Net (loss)gain arising from revaluation of leave liabilities		(15,669)	187,438
Total other economic flows included in net result		(15,669)	209,745
Net result		5,419,589	(831,135)
Comprehensive result		5,419,589	(831,135)

End of table.

The accompanying notes form part of these financial statements.



Balance sheet

As at 30 June 2023.



	Notes	2023 \$	2022 \$
Assets			
Financial assets			
Receivables	5.1	18,652,158	14,155,735
Total financial assets		18,652,158	14,155,735
Non-financial assets			
Property, plant and equipment	4.1	211,981	254,300
Intangible assets	4.2	1,893,893	1,914,844
Prepayments	5.4	346,249	328,881
Total non-financial assets		2,452,123	2,498,025
Total assets		21,104,281	16,653,760
Liabilities			
Employee benefits	3.2.2	4,057,945	4,373,859
Payables	5.2	2,367,336	2,146,642
Borrowings	6.1	–	19,003
Unearned income	5.3	1,573,106	2,447,361
Other provisions	5.5	109,850	90,440
Total liabilities		8,108,237	9,077,305
Net assets		12,996,044	7,576,455
Equity			
Accumulated surplus		6,036,737	617,148
Contributed capital		6,959,307	6,959,307
Total equity		12,996,044	7,576,455
Net worth		12,996,044	7,576,455

End of table.

The accompanying notes form part of these financial statements.



Cash flow statement

For the financial year ended 30 June 2023.



	Notes	2023 \$	2022 \$
Cash flows from operating activities			
Receipts			
Receipts from government		35,645,465	34,482,078
Total receipts		35,645,465	34,482,078
Payments			
Payments to suppliers and employees		(33,882,408)	(35,429,938)
Grants and transfer payments		(1,573,838)	(1,542,200)
Interest payments		(182)	(88)
Total payments		(35,456,428)	(36,972,226)
Net cash flows from/(used in) operating activities	6.2	189,037	(2,490,148)
Cash flows from/(used in) investing activities			
Payments for property, plant and equipment		(20,000)	(100,000)
Payment for intangible assets		(167,667)	(90,633)
Proceeds from disposal of motor vehicles		–	42,273
Net cash flows used in investing activities		(187,667)	(148,360)
Cash flows from/ (used in) financing activities			
Cash transferred in – machinery of government changes		–	2,671,781
Repayment of leases		(1,370)	(33,273)
Net cash flows from / (used in) financing activities		(1,370)	2,638,508
Net increase/(decrease) in cash and cash equivalents		–	–
Cash at the start of the year		–	–
Cash at end of the year		–	–

End of table.

The accompanying notes form part of these financial statements.



Statement of changes in equity

For the financial year ended 30 June 2023.



	Contributed capital \$	Accumulated surplus/(deficit) \$	Total \$
	\$	\$	\$
Balance at 1 July 2021	4,287,527	1,448,283	5,735,810
Administrative Restructure – Net assets transferred	2,671,780	–	2,671,780
Net result for the year	–	(831,135)	(831,135)
Balance at 30 June 2022	6,959,307	617,148	7,576,455
Administrative Restructure – Net assets transferred	–	–	–
Net result for the year	–	5,419,589	5,419,589
Balance at 30 June 2023	6,959,307	6,036,737	12,996,044

End of table.

About this report

For the financial year ended 30 June 2023.

The Victorian Public Sector Commission (the Commission) was established on 1 April 2014 through an amendment to the *Public Administration Act 2004* (the Act) and replaced the State Services Authority which was abolished pursuant to clause 3 of Schedule 3 of the Act.

The Commission's principal address is:

3 Treasury Place
East Melbourne Victoria 3002

A description of the nature of the principal services is included in the "Report of operations" of the Annual Report which does not form part of these financial statements.

Basis of preparation

These financial statements are prepared in Australian dollars and the historical cost convention is used unless a different measurement basis is specifically disclosed in the note associated with the item.

The accrual basis of accounting has been applied in the preparation of these financial statements whereby assets, liabilities, equity, income, and expenses are recognised in the reporting period to which they relate, regardless of when cash is received or paid.

Consistent with the requirements of AASB 1004 Contributions, contributions by owners (that is, contributed capital and its repayment) are treated as equity transactions and, therefore, do not form part of the income and expenses of the Commission.

Judgements, estimates, and assumptions are required to be made about the carrying values of assets and liabilities that are not readily apparent from other sources. The



estimates and associated assumptions are based on professional judgements derived from historical experience and various other factors that are believed to be reasonable under the circumstances.

These judgements and assumptions made by management in applying Australian Accounting Standards (AASs) that have significant effects on the financial statements and estimates are disclosed in the notes to which they relate. Actual results may differ from these estimates.

Revisions to accounting estimates are recognised in the period in which the estimate is revised and in future periods that are affected by the revision.

These financial statements cover the Commission as an individual reporting entity and include all the controlled activities of the Commission.

Compliance

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

Where appropriate, those AASs paragraphs applicable to not-for-profit entities have been applied. Accounting policies selected and applied in these financial statements ensure that the resulting financial information satisfies the concepts of relevance and reliability, thereby ensuring that the substance of the underlying transactions or other events are reported.

Other accounting policies

Significant and other accounting policies that summarise the recognition and measurement basis used and are relevant to an understanding of the financial statements are provided throughout the notes to the financial statements.

Funding of our services

For the financial year ended 30 June 2023.

Introduction

The Commission's services include:

- strengthening the efficiency, effectiveness, and capability of the public sector in order to meet existing and emerging needs and deliver high quality services; and
- maintaining, and advocating for, public sector professionalism and integrity.

The Commission is predominantly funded by Parliamentary appropriations for the provision of outputs. The Parliamentary appropriations are received by the Department of Premier and Cabinet (DPC) and on-forwarded to the Commission in the form of grants. Other than grants from DPC the Commission also receives grants and fee for service income from other Victorian Government agencies.

2.1 Income that funds the delivery of our services

	Notes	2023 \$	2022 \$
Income from transactions			
Grants	2.2	28,893,771	32,040,306
Provision of services	2.3	11,248,117	7,826,209
Total income		40,141,888	39,866,515

End of table.

2.2 Grants

	2023 \$	2022 \$
Grants from Department of Premier and Cabinet	28,243,771	29,836,157
Other grants from Victorian Government agencies	650,000	2,204,149
Total grants	28,893,771	32,040,306

End of table.

Income from grants (other than contribution by owners) is recognised when the Commission obtains control over the contribution. The Commission has determined that this grant income is recognised as income of not-for-profit entities in accordance with AASB 1058, except for grants that are reciprocal in nature (i.e. equal value is given back by the recipient of the grant to the provider) and are enforceable with sufficiently specific performance obligations, they are accounted for as revenue from contracts with customers in accordance with AASB 15.

Income from grants that are enforceable and with sufficiently specific performance obligations and accounted for as revenue from contracts with customers.

Income from grants without any sufficiently specific performance obligations, or that are not enforceable, is recognised when the Commission has an unconditional right to

receive cash which usually coincides with raising of invoices by the Commission. In the situation of grants from the Department of Premier and Cabinet, income is recognised when the grants are transferred to the Commission.

2.3 Provision of services

	2023 \$	2022 \$
Training income	2,622,705	1,967,911
Other services	8,625,412	5,858,298
Total provision of services	11,248,117	7,826,209

End of table.

The Provision of service income includes transactions that the Commission has determined to be classified as revenue from contracts with customers in accordance with AASB 15.

Performance obligations and revenue recognition policies

Revenue is measured based on the consideration specified in the contract with the customer. The Commission recognises revenue when it transfers control of a service to the customer, i.e. when, or as, the performance obligations for the provision of services to the customer are satisfied.

For services rendered, where customers simultaneously receive and consume the services as it is provided, revenue is recognised progressively as contract assets until the customer is subsequently invoiced in accordance with the terms of the service agreement. For other customers that are only able to consume the services when they have been completed, revenue is only recognised upon completion and delivery of the services. In rare circumstance where there may be a change in the scope of services provided, the customer will be provided with a new contract for the additional services to be rendered and revenue is recognised consistent with accounting policy above.

Consideration received in advance of recognising the associated revenue from the customer is recorded as a contract liability. Where the performance obligations are satisfied but not yet billed, a contract asset is recorded.



Cost of delivering our services

For the year ended 30 June 2023.

Introduction

This section provides an account of the expenses incurred by the Commission in delivering its services. The funds that enable the provision of the services were disclosed in Note 2.

3.1 Expenses incurred in the delivery of services

	Notes	2023 \$	2022 \$
Employee benefits	3.2.1	17,918,142	20,391,790
Grant expenses	3.3	1,548,838	1,567,200
Other operating expenses	3.5	14,761,262	18,483,916
Total expenses incurred in the delivery of services		34,228,242	40,442,906

End of table.

3.2 Employee benefits

3.2.1 Employee benefits in the comprehensive operating statement

	2023 \$	2022 \$
Salaries and wages, annual leave and long service leave	16,261,011	18,772,379
Defined contribution superannuation expense	1,627,530	1,545,021
Defined benefit superannuation expense	29,601	74,390
Total employee benefits	17,918,142	20,391,790

End of table.

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

3.2.2 Employee benefits in the balance sheet

	2023 \$	2022 \$
Current provisions:		
Annual leave	1,314,862	1,916,170
Long service leave	2,213,162	2,024,649
Total current provisions	3,528,024	3,940,819
Non-current provision:		
Long service leave	529,921	433,040
Total employee benefits	4,057,945	4,373,859

End of table.

Provision is made for benefits accruing to employees in respect of annual leave and long service leave for services rendered up to the reporting date and recorded as an expense during the period the services are delivered.

Current provisions

The annual leave liability is classified as a current liability as the Commission does not have an unconditional right to defer settlement of the liability for at least 12 months after the end of the reporting period.

Unconditional long service leave is disclosed as a current liability; even where the Commission does not expect to settle the liability within 12 months because it will not have the unconditional right to defer the settlement of the entitlement should an employee take leave within 12 months.

No provision has been made for sick leave as all sick leave is non-vesting and it is not considered probable that the average sick leave taken in the future will be greater than the benefits accrued in the future. As sick leave is non-vesting, an expense is recognised in the Statement of Comprehensive Income as it is taken.

Employment on-costs such as payroll tax, workers compensation and superannuation are included as a component of the provision for employee benefits.

Non-current provisions

Conditional long service leave is disclosed as a non-current liability where there is an unconditional right to defer the settlement of the entitlement until the employee has completed the requisite years of service. This non-current long service leave is measured at present value.

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

The Commission does not recognise any defined benefit liabilities because it has no legal or constructive obligation to pay future benefits relating to its employees. Instead, the Department of Treasury and Finance (DTF) discloses in its annual financial statements the net defined benefit cost related to the members of these plans as an administered liability (on behalf of the State as the sponsoring employer).

3.3 Grant expenses

	2023 \$	2022 \$
Specific purpose grants for on-passing	1,548,838	1,567,200
Total grant expenses	1,548,838	1,567,200

End of table.

Grant expenses are contributions of the Commission's resources to other parties for specific or general purposes where there is no expectation that the amount will be repaid in equal value (either by goods or services). These grants are reported in specific purpose grants for on passing.

Grants can either be operating or capital in nature. Grants can be paid as general-purpose grants, which refer to grants that are not subject to conditions regarding their use. Alternatively, they may be paid as specific purpose grants, which are paid for a particular purpose and have conditions attached regarding their use.

Grant expenses are recognised in the reporting period in which they are paid or payable. Grants can take the form of money, assets, goods, or services.

3.5 Other operating expenses

	2023 \$	2022 \$
Supplies and services	7,854,558	10,898,617
Purchases of services	3,659,069	3,657,182
Information technology	3,247,635	3,928,117
Total other operating expenses	14,761,262	18,483,916

End of table.

Other operating expenses generally represent the day-to-day running costs incurred in delivering services of the Commission.

Other operating expenses are recognised as an expense in the reporting period in which they are incurred.

Key assets available to support delivery of our services

For the year ended 30 June 2023.

Introduction

The Commission controls property, plant and equipment in fulfilling its objectives and conducting its activities. These assets represent the key resources that the Commission uses for the delivery of these services.

4.1 Property, plant, and equipment

	Gross carrying amount		Accumulated depreciation		Net carrying amount	
	2023	2022	2023	2022	2023	2022
	\$	\$	\$	\$	\$	\$
Leasehold improvements	–	387,164	(221,051)	(162,053)	185,522	225,111
Office and computer equipment	16,147	16,146	(9,688)	(6,458)	6,459	9,688
Assets under construction at cost	20,000	–	–	–	20,000	–
Leased motor vehicles	–	49,397	–	(29,896)	–	19,501
Net carrying amount	442,720	452,707	(230,739)	(198,407)	211,981	254,300

End of table.

Initial recognition

Items of property, plant, and equipment are measured initially at cost. Where an asset is acquired for nil or nominal cost, the cost is its fair value at the date of acquisition.

The cost of leasehold improvements is capitalised and depreciated over the remaining term of the lease or the estimated useful life of the improvements, whichever is the shorter.

The cost of motor vehicle under a lease is measured at amounts equal to the fair value of the leased asset or, if lower, the present value of the minimum lease payments, as determined at the inception of the lease.

Subsequent measurement

Property, plant, and equipment is subsequently measured at fair value less accumulated depreciation and impairment. Fair value is determined with regard to the asset's highest and best use (considering legal or physical restrictions imposed on the asset, public announcements or commitments made in relation to the intended use of the asset).

Impairment

Property, plant, and equipment is tested for impairment whenever there is an indication that an asset may be impaired.

The assets concerned are tested as to whether their carrying value exceeds their recoverable amount. Where an asset's carrying value exceeds its recoverable amount, the difference is considered to be an impairment and is written off as an 'other economic flow', except to the extent that it can be offset to an asset revaluation surplus amount applicable to that class of asset.

The recoverable amount for most assets is measured at the higher of current replacement cost and fair value less costs to sell. Recoverable amount for assets held primarily to generate net cash inflows is measured at the higher of the present value of future cash flows expected to be obtained from the asset and fair value less costs to sell.

4.1.1 Reconciliation of movements in carrying amount of property, plant, and equipment

	Leasehold improvements		Office and computer equipment		Assets under construction at cost		Leased motor vehicles		Total	Total
	2023 \$	2022 \$	2023 \$	2022 \$	2023 \$	2022 \$	2023 \$	2022 \$	2023 \$	2022 \$
Opening balance	225,111	159,191	9,688	12,917	–	–	19,501	52,501	254,300	224,609
Additions	19,410	100,001	–	–	20,000	–	–	–	39,410	100,001
Disposals	–	–	–	–	–	–	(17,633)	(19,967)	(17,633)	(19,967)
Depreciation	(58,999)	(34,081)	(3,229)	(3,229)	–	–	(1,868)	(13,033)	(64,096)	(50,343)
Closing balance	185,522	225,111	6,459	9,688	20,000	–	–	19,501	211,981	254,300

End of table.

4.2 Intangible assets

	Gross carrying amount		Accumulated depreciation		Net carrying amount	
	2023 \$	2022 \$	2023 \$	2022 \$	2023 \$	2022 \$
Capitalised software	3,290,202	3,290,202	(1,872,078)	(1,457,968)	1,418,124	1,832,234
Work-in-progress	475,769	82,610	–	–	475,769	82,610
Net carrying amount	3,765,971	3,372,812	(1,872,078)	(1,457,968)	1,893,893	1,914,844

End of table.

4.2.1 Reconciliation of movements in carrying amounts of intangible assets

	Capitalised software		Work-in-progress		Total	
	2023 \$	2022 \$	2023 \$	2022 \$	2023 \$	2022 \$
Opening balance	1,832,235	1,433,243	82,609	805,027	1,914,844	2,238,270
Additions	–	–	393,160	91,232	393,160	91,232
Reclassification	–	–	–	(600)	–	(600)
Transfer	–	813,050	–	(813,050)	–	0
Depreciation	(414,111)	(414,058)	–	–	(414,111)	(414,058)
Closing balance	1,418,124	1,832,235	475,769	82,609	1,893,893	1,914,844

End of table.

Intangible assets which comprise capitalised software and work-in-progress represent separately identifiable assets without physical substance. Work-in-progress represents the enhancement work on the Victorian Government Careers website and the development work on the State Workforce Data Analysis and Collection Application.

Initial recognition

Purchased intangible assets are initially measured at cost when the recognition criteria in AASB 138 *Intangible Assets* are met. Costs incurred subsequent to initial acquisition are capitalised when it is expected that additional future economic benefits will flow to the Commission.

Subsequent measurement

Intangible assets with finite useful lives are amortised as an 'expense from transactions' on a straight-line basis over their useful lives.

Impairment

Intangible assets with finite useful lives are tested for impairment annually and whenever an indication of impairment is identified.

4.3 Asset depreciation

	2023 \$'000	2022 \$'000
Capitalised software	414,111	414,058
Leased motor vehicles	1,868	13,033
Leasehold improvements	58,999	34,081
Office and computer equipment	3,229	3,229
Total depreciation	478,207	464,401

End of table.

Depreciation is calculated on a straight-line basis, at rates that allocate the asset's value, less any estimated residual value, to its useful life. Depreciation begins when the asset is available for use in the location and condition necessary for it to be capable of operating in the manner intended by the Commission.

The estimated useful lives, residual values and depreciation method are reviewed at least annually. Typical estimated useful lives applicable for the different classes are included in the table below.

Useful life of assets

Asset Class	Useful life (years)
Leasehold improvements	10
Office and computer equipment	4-5
Leased motor vehicles	2-3
Intangible assets	7

End of table.

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

Other assets and liabilities

For the financial year ended 30 June 2023.

Introduction

This section sets out those assets and liabilities that arose from the Commission's delivery of services.

5.1 Receivables



	2023 \$	2022 \$
Contractual		
Receivables	1,636,797	1,936,943
Statutory		
Amounts receivable from government departments ⁽ⁱ⁾	17,011,658	12,171,215
GST recoverable	3,703	47,577
Total receivables	18,652,158	14,155,735
Represented by:		
Current receivables	18,122,237	14,026,101
Non-current receivables	529,921	129,634

End of table.

Notes

(i) Amounts receivable from government departments represent funds including trusts

held in the Public Account within the Department of Treasury and Finance. The monies held in trust account are disclosed as cash and cash equivalents in DPC's administered items note to financial statements. These funds belong to, and are available for operations of, the Commission.

Contractual receivables

Contractual receivables are classified as financial instruments and measured at amortised cost. They are initially recognised at fair value plus any directly attributable transaction costs. Subsequent to initial recognition they are measured at amortised cost using the effective interest method, less any impairment.

There are no financial assets that have had their terms renegotiated so as to prevent them from being past due or impaired, and they are stated at the carrying amounts as indicated.

Statutory receivables

Statutory receivables do not arise from contracts and are recognised and measured similarly to contractual receivables (except for impairment) but are not classified as financial instruments.

5.2 Payables

	2023 \$	2022 \$
Contractual		
Creditors and accruals	2,367,336	2,146,642
Total payables	2,367,336	2,146,642
Represented by:		
Current payables	2,367,336	2,146,642

End of table.

Payables represent liabilities for goods and services provided to the Commission that are unpaid at the end of the financial year. Payables are initially measured at fair value, being the cost of the goods and services, and then subsequently measured at amortised cost.

5.3 Unearned income

	2023 \$	2022 \$
Unearned income	1,573,106	2,447,361
Total payables	1,573,106	2,447,361

End of table.

Unearned income predominantly represents fees and charges received for training courses and assessments to be held in future periods for the Graduate Recruitment Scheme and Classification Assessment Implementation, which are disclosed in other income. Such income is recognised as unearned income within the liabilities section of the balance sheet.

5.4 Prepayments

	2023 \$	2022 \$
Prepayments	346,249	328,881
Total prepayments	346,249	328,881

End of table.

Prepayments represent payments in advance of receipt of goods or services, or the payments made for services covering a term extending beyond that financial accounting period.

5.5 Other provisions

	2023 \$	2022 \$
Make-good provision	109,850	90,440
Total other provisions	109,850	90,440

End of table.

The make-good provision is recognised in accordance with the agreement over the leased premises. The Commission is required to remove any leasehold improvements from the leased premises and restore the premises to its original condition at the end of the lease term.

How we financed our operations

For the financial year ended 30 June 2023.

Introduction

This section provides information on the sources of finance available to the Commission during its operations, along with interest expenses (the cost of lease liabilities) and other information related to financing activities of the Commission.

This section also includes disclosures on commitments for expenditure.

6.1 Borrowings

	2023 \$	2022 \$
Secured		
Current lease liabilities	–	19,003
Total Borrowings	–	19,003

End of table.

Borrowings of the Commission relate to lease liabilities on motor vehicles.

Leases are recognised as assets and liabilities of the Commission at amounts equal to the fair value of the lease asset or, if lower, the present value of the minimum lease payments, each determined at the inception of the lease. The lease asset is depreciated over the shorter of the estimated useful life of the asset or the term of the lease.

Minimum lease payments are apportioned between reduction of the lease liability and periodic finance charges which are calculated using the interest rate implicit in the lease and charged directly to the comprehensive operating statement. Leases are secured borrowings as the rights to the leased assets will revert to the lessor in the event of a default.

There were no defaults and breaches of any lease condition during the current or previous year.

6.2 Reconciliation of net result for the year to cash flow from operating activities

	2023 \$	2022 \$
Net result for the year	5,419,589	(831,135)
Non-cash movements		
Depreciation	478,206	464,401
Loss/(gain) on disposal of non-financial assets	–	(22,307)
Total non-cash movements	478,206	442,094
Change in operating assets and liabilities		
(Increase) in receivables	(4,496,423)	(5,384,437)
(Increase)/decrease in prepayments	(17,368)	19,975
(Decrease)/increase in creditors and accruals	(879,053)	1,014,841
Increase in provisions	(315,914)	956,538
Increase in other liabilities	–	1,291,976
Net cash flows from/(used in) operating activities	189,037	(2,490,148)

End of table.

6.3 Commitments for expenditure

Commitments for future expenditure include operating and capital commitments arising from contracts. These commitments are recorded below at their nominal value and inclusive of GST. Where it is considered appropriate, additional relevant information such as the net present values of significant individual projects are stated. These future expenditures cease to be disclosed as commitments once the related liabilities are

recognised in the balance sheet.



	2023 \$	2022 \$
Outsourcing commitments		
Commitments for outsourcing recruitment services and other contractual obligations, are payable as follows:		
Within one year	1,405,728	2,744,705
Later than one year but not later than five years	939,752	65,180
Total commitments (inclusive of GST)	2,345,480	2,809,885
Less GST recoverable	(213,225)	(121,682)
Total commitments (exclusive of GST)	2,132,255	2,688,203
Centralised Accommodation Management (CAM) commitments ⁽ⁱ⁾		
Commitments for management of accommodation leases by Department of Treasury and Finance (DTF) as follows:		
Within one year	849,136	849,136
Later than one year but not later than five years	–	–
Total commitments (inclusive of GST)	849,136	849,136
Less GST recoverable	(77,194)	(77,194)
Total commitments (exclusive of GST)	771,942	771,942

End of table.

Notes:

(i) In accordance with a Government initiative, from 1 November 2019 most of the Government accommodation leases are centrally managed by DTF. These commitments represent amounts payable to DTF to meet costs associated with the Commissions use of these accommodation facilities that are included in an occupancy agreement between the Commission and DTF.

Risks, contingencies, and valuation judgement

For the financial year ended 30 June 2023.

Introduction

The Commission is exposed to risk from its activities and outside factors. In addition, it is often necessary to make judgements and estimates associated with recognition and measurement of items in the financial statements.

This section sets out financial instrument specific information (including exposures to financial risks) as well as those items that are contingent in nature or require a higher level of judgement to be applied, which for the Commission relates mainly to fair value determination.

7.1. Financial instruments specific disclosures

Financial instruments arise out of contractual agreements between entities that give rise to a financial asset of one entity and a financial liability or equity instrument of another entity. Due to the nature of the Commission's activities, certain financial assets and financial liabilities arise under statute rather than a contract. Such financial assets and financial liabilities do not meet the definition of financial instruments in AASB 132 *Financial Instruments: Presentation*. For example, statutory receivables do not meet the definition of financial instruments as they do not arise under contract. The Commission's statutory receivables are disclosed in note 5.1.

Categories of financial assets

Financial assets at amortised cost

Financial assets are measured at amortised costs. These assets are initially recognised at fair value plus any directly attributable transaction costs and subsequently measured at amortised cost using the effective interest method less any impairment.

The Commission recognises the following assets in this category:

- trade receivables (excluding statutory receivables).

Categories of financial liabilities

Financial liabilities at amortised cost

Financial instrument liabilities are initially recognised on the date they are originated. They are initially measured at fair value plus any directly attributable transaction costs.

Financial instrument liabilities measured at amortised cost include all of the Commission's contractual payables and borrowings.

Derecognition of financial assets and liabilities

Derecognition of financial assets

A financial asset (or, where applicable, a part of a financial asset or part of a group of similar financial assets) is derecognised when the rights to receive cash flows from the asset have expired.

Derecognition of financial liabilities

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

7.2 Categorisation of financial instruments

			Carrying amount	
	Note	Category	2023 \$	2022 \$
Financial assets				
Receivables ⁽ⁱ⁾	5.1	Financial assets at amortised cost	1,636,797	1,936,943
			1,636,797	1,936,943
Financial liabilities				
Payables	5.2	Financial liabilities at amortised cost	2,367,336	2,146,642
Borrowings	6.1	Financial liabilities at amortised cost	–	19,003
			2,367,336	2,165,645

End of table.

Note:

(i) Receivables disclosed here exclude statutory receivables (i.e. amounts receivable from government departments and GST recoverable).

7.3 Financial risk management objectives and policies

As a whole, the Commission's financial risk management program seeks to manage the risks arising from volatility in financial instruments.

The Commission's main financial risks include credit risk, liquidity risk and market risk. The Commission manages these financial risks in accordance with its financial risk management policy.

Credit risk

Credit risk arises from the financial assets of the Commission, which comprise cash and receivables. The Commission's exposure to credit risk arises from the potential default of counterparties on their contractual obligations resulting in financial loss to the Commission. Credit risk is measured at fair value and is monitored on a regular basis.

Credit risk associated with the Commission's financial assets is minimal because the main debtor is the Victorian Government.

Liquidity risk

Liquidity risk arises when the Commission is unable to meet its financial obligations as they fall due. The Commission operates under the Victorian Government's fair payments policy of settling financial obligations within 30 days and in the event of a dispute, making payments within 30 days from the date of resolution.

The Commission's exposure to liquidity risk is deemed insignificant based on prior period data and a current assessment of this risk. Maximum exposure to liquidity risk is the carrying amount of financial liabilities. The Commission manages its liquidity risk by

maintaining an adequate level of uncommitted funds that can be used at short notice to meet its short-term obligations.

Market risk

The Commission has no material exposure to interest rate, foreign currency or other price risks. Interest rates on the Commission's lease liabilities are fixed.

7.4 Contingent assets and contingent liabilities

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

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

Contingent assets

Contingent assets are possible assets that arise from past events, whose existence will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the entity.

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

There were no contingent assets relating to the Commission as at 30 June 2023 (30 June 2022: Nil).

Contingent liabilities

Contingent liabilities are:

- possible obligations that arise from past events, whose existence will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the entity; or

- present obligations that arise from past events but are not recognised because:
- it is not probable that an outflow of resources embodying economic benefits will be required to settle the obligations; or
- the amount of the obligations cannot be measured with sufficient reliability.

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

There were no contingent liabilities relating to the Commission as at 30 June 2023 (30 June 2022: Nil).



Other disclosures

For the financial year ended 30 June 2023.

Introduction

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

8.1 Responsible persons

In accordance with the Ministerial Directions issued by the Assistant Treasurer under the *Financial Management Act 1994*, the following disclosures are made regarding responsible persons for the reporting period.

Names

The persons who held the positions of Minister and Accountable Officer in the Commission during the financial year were as follows:

Position	Name	Term
Responsible Minister	The Hon Danny Pearson, MP, Minister for Government Services	01 July 2022 to 30 June 2023
Accountable Officer	Adam Fennessy PSM, Commissioner	01 July 2022 to 16 September 2022
Accountable Officer	Ella McPherson, Acting Commissioner	17 September 2022 to 25 October 2022
Accountable Officer	Greg Wilson, Acting Commissioner	26 October 2022 to 02 April 2023
Accountable Officer	Brigid Monagle, Commissioner	03 April 2023 to 30 June 2023

End of table.

Remuneration

Remuneration received or receivable by the Accountable Officer, in connection with the management of the Commission during the reporting period was in the range of \$460,000 – \$469,999 (\$570,000 – \$579,999 in 2021-22).

Amounts relating to the Minister are reported in the financial statements of the Department of Parliamentary Services.

8.2 Remuneration of executives

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

Remuneration comprises employee expenses in all forms of consideration paid, payable or provided by the entity or on behalf of the entity, in exchange for services rendered, and is disclosed in the following categories:

- short-term employee expenses include amounts such as wages, salaries, annual leave or sick leave that are usually paid or payable on a regular basis, as well as non-monetary benefits such as allowances and free or subsidised goods or services;
- post-employment benefits include employer contributions for members of both defined benefit and defined contribution superannuation plans;
- other long-term benefits include long service leave, other long-service benefit or deferred compensation; and
- termination benefits include termination of employment payments, such as severance packages.

Remuneration of executive officers

Remuneration of executive officers	2023 \$	2022 \$
Short-term employee benefits	2,065,377	1,537,570
Post-employment benefits	199,623	203,064
Other long-term benefits	23,236	113,262
Total remuneration	2,288,236	1,853,896
Total number of executives⁽ⁱ⁾	10	9
Total annualised employee equivalents⁽ⁱⁱⁱ⁾	8.5	6.7

End of table.

Notes:

(i) The total number of executive officers includes persons who meet the definition of key management personnel of the entity under AASB 124 *Related Party Disclosures* and are also reported within the related parties note disclosure (Note 8.3).

(ii) Annualised employee equivalent is based on paid working hours of 38 ordinary hours per week over the 52 weeks for the reporting period

8.3 Related parties

The Commission is a wholly owned and controlled entity of the State of Victoria. Related parties of the Commission include:

- all key management personnel and their close family members;
- all cabinet ministers and their close family members; and
- all departments and public sector entities that are controlled and consolidated into the whole of State consolidated financial statements.

Significant transactions with government-related entities

The Commission received grants from the Department of Premier and Cabinet of \$28.9 million (2022: \$32.0 million)

Key management personnel (KMP) of the Commission during the financial year include the Portfolio Minister, the Commissioner and the members of the Senior Executive Team as detailed below.



Key management personnel	Role
Brigid Monagle	Commissioner (3 April 2023 to 30 June 2023)
Adam Fennessy PSM	Commissioner (1 July 2022 to 16 September 2022)
Greg Wilson	Acting Commissioner (26 October 2022 to 2 April 2023)
Ella McPherson	Deputy Commissioner (1 July 2022 to 30 June 2023)
Sam Hannah-Rankin	Executive Director (1 July 2022 to 30 June 2023)
Sarah Gruner	Executive Director (1 July 2022 to 30 June 2023)
Annie Tinney	Director (20 July 2022 to 30 June 2023)
Christian Hofmann	Director (1 July 2022 to 30 June 2023)
Claire Mumme	Director (25 July 2022 to 30 June 2023)
Ko-Chen Wu	Director (18 July 2022 to 30 June 2023)
Meghan Lew	Director (1 July 2022 to 30 June 2023)

End of table.

The compensation detailed below excludes the salary and benefit the Portfolio Minister

receives. The Minister's remuneration and allowance are set by the *Parliamentary Salaries and Superannuation Act 1968* and are reported in the financial report of the Department of Parliamentary Services.

Compensation of KMP	2023 \$	2022 \$
Short-term employee benefits	2,332,846	2,087,332
Post-employment benefits	199,622	223,951
Other long-term benefits	25,078	115,783
Termination benefits	28,967	–
Total remuneration	2,586,513	2,427,066

End of table.

Transactions with KMPs and other related parties

Given the breadth and depth of State government activities, related parties transact with the Victorian public sector in a manner consistent with other members of the public. Further employment of processes within the Victorian public sector occur on terms and conditions consistent with the *Public Administration Act 2004* and Codes of Conduct and Standards issued by the Victorian Public Sector Commission. Procurement processes occur on terms and conditions consistent with the Victorian Government Procurement Board requirements.

Outside of normal citizen type transactions with the Commission, there were no related party transactions that involved KMPs and their close family members. No provision has been required, nor any expense recognised, for impairment of receivables from related parties.

8.4 Remuneration of auditor

	2023 \$	2022 \$
Audit fees paid or payable to the Victorian Auditor-General's Office		
Audit of the annual financial statements	25,000	18,400

End of table.

No other direct services to the Commission were provided by the Victorian Auditor-General's Office.

8.5 Australian Accounting Standards issued that are not yet effective which are applicable to the Commission

Other accounting policies – contributions by owners

In relation to machinery of government changes and consistent with the requirements

of *AASB 1004 Contributions*, contributions by owners, contributed capital and its repayments are treated as equity transactions and do not form part of the department's income and expenses.

Additions to net assets that have been designated as contributions by owners are recognised as contributed capital. Other transfers that are contributions to, or distributions by, owners are designated as contributions by owners.

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

Australian Accounting Standards issued but not yet effective

Certain new and revised accounting standards have been issued but are not effective for the 2022-23 reporting period. These accounting standards have not been applied to the department's financial statements. The State is reviewing its existing policies and assessing the potential implications of these accounting standards which includes:

Standard/Interpretation	Summary	Applicable for annual reporting periods beginning on	Impact on public sector entity financial statements
AASB 2022-10 Amendments to Australian Accounting Standards – Fair Value Measurement of Non-Financial Assets of Not-for-Profit Public Sector Entities	<p>AASB 2022-10 amends AASB 13 Fair Value Measurement by adding authoritative implementation for fair value measurements of non-financial assets of not-for-profit public sector entities not held primarily for their ability to generate net cash inflows.</p> <p>The standard specifies that an entity needs to consider whether an asset's highest and best use differs from its current use only when it is held for sale or held for distributions to owners and clarifies that an asset's use is financially feasible if market participants are willing to invest and guidance to apply the cost approach to fair value</p>	1 January 2024	The impact is yet to be assessed

End of table.

Several other amending standards and AASB interpretations have been issued that apply to future reporting periods but are considered to have limited impact on department's reporting.

- AASB 2020-1 Amendments to Australian Accounting Standards – Classification of Liabilities as Current or Non-Current and AASB 2022-6 Amendments to Australian

8.6 Subsequent events

No significant events have occurred since 30 June 2023 that will have a material impact on the information disclosed in the financial statements.

Independent auditor's report

Victorian Auditor General's Office to the Commissioner of the Victorian Public Sector Commission.

Below is a copy of independent auditor's report.

If you are having trouble reading this or require an accessible version, [contact the Victorian Auditor General's Office](#).



Independent Auditor's Report

To the Commissioner of the Victorian Public Sector Commission

Opinion	<p>I have audited the financial report of the Victorian Public Sector Commission (the Commission) which comprises the:</p> <ul style="list-style-type: none"> • balance sheet as at 30 June 2023 • comprehensive operating statement for the year then ended • statement of changes in equity for the year then ended • cash flow statement for the year then ended • notes to the financial statements, including significant accounting policies • Accountable Officer's and Chief Financial Officer's declaration. <p>In my opinion the financial report presents fairly, in all material respects, the financial position of the Commission as at 30 June 2023 and its financial performance and cash flows for the year then ended in accordance with the financial reporting requirements of the <i>Financial Management Act 1994</i> and applicable Australian Accounting Standards.</p>
Basis for opinion	<p>I have conducted my audit in accordance with the Audit Act 1994 which incorporates the Australian Auditing Standards. I further describe my responsibilities under that Act and those standards in the Auditor's Responsibilities for the Audit of the Financial Report section of my report.</p> <p>My independence is established by the Constitution Act 1975. My staff and I are independent of the Commission in accordance with the ethical requirements of the Accounting Professional and Ethical Standards Board's APES 110 Code of Ethics for Professional Accountants (the Code) that are relevant to my audit of the financial report in Victoria. My staff and I have also fulfilled our other ethical responsibilities in accordance with the Code.</p> <p>I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my opinion.</p>
The Commissioner's responsibilities for the financial report	<p>The Commissioner is responsible for the preparation and fair presentation of the financial report in accordance with Australian Accounting Standards and the Financial Management Act 1994, and for such internal control as the Commissioner determines is necessary to enable the preparation and fair presentation of a financial report that is free from material misstatement, whether due to fraud or error.</p> <p>In preparing the financial report, the Commissioner is responsible for assessing the Commission's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless it is inappropriate to do so.</p>

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Auditor's responsibilities for the audit of the financial report	<p>As required by the <i>Audit Act 1994</i>, my responsibility is to express an opinion on the financial report based on the audit. My objectives for the audit are to obtain reasonable assurance about whether the financial report as a whole is free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes my opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with the Australian Auditing Standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of this financial report.</p> <p>As part of an audit in accordance with the Australian Auditing Standards, I exercise professional judgement and maintain professional scepticism throughout the audit. I also:</p> <ul style="list-style-type: none"> • identify and assess the risks of material misstatement of the financial report, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for my opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control • obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Commission's internal control • evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Commissioner • conclude on the appropriateness of the Commissioner's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Commission's ability to continue as a going concern. If I conclude that a material uncertainty exists, I am required to draw attention in my auditor's report to the related disclosures in the financial report or, if such disclosures are inadequate, to modify my opinion. My conclusions are based on the audit evidence obtained up to the date of my auditor's report. However, future events or conditions may cause the Commission to cease to continue as a going concern • evaluate the overall presentation, structure and content of the financial report, including the disclosures, and whether the financial report represents the underlying transactions and events in a manner that achieves fair presentation. <p>I communicate with the Commissioner regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that I identify during my audit.</p>
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MELBOURNE
2 October 2023


 Janaka Kumara
as delegate for the Auditor-General of Victoria