

Delivering excellence in Court and Tribunal Administration

Annual Report 2020-21

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Court Services Victoria acknowledges Aboriginal and Torres Strait Islander peoples as the First Peoples and Traditional Owners and Custodians of the land and waterways upon which our lives depend. Court Services Victoria acknowledges and pays respects to ancestors of this country, Elders, knowledge holders and leaders – past and present. Court Services Victoria extends that respect to all Aboriginal and Torres Strait Islander peoples. Court Services Victoria acknowledges the ongoing leadership of Aboriginal communities across Victoria in striving to build on these strengths to address inequalities and improve Aboriginal justice outcomes.

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Responsible Body's Declaration

In accordance with the Financial Management Act 1994 and the Court Services Victoria Act 2014, I am pleased to present the Court Services Victoria Annual Report for the year ending 30 June 2021.



**The Honourable Chief Justice
Mary Anne Ferguson
Chair of the Courts Council**



Message from the Chair

I am very pleased to present Court Services Victoria's Annual Report.

The 2020-21 reporting period was again marked by operational changes made in response to the ongoing COVID-19 pandemic.

More than 470,000 remote hearings were conducted across the courts and VCAT between June 2020 and early June 2021.

I commend and thank all those who worked so diligently to support the Victorian courts and tribunals to continue to administer justice fairly, transparently, impartially and with integrity.

It is against this backdrop of change that Court Services Victoria continued to deliver a number of key strategic initiatives.

In September 2020, Courts Council endorsed a new 2020-2025 Strategic Plan. It identifies five priorities that, in combination, ensure those who use Victoria's courts and tribunals are respected, heard and helped. The work of Court Services Victoria outlined in this report reflects those priorities.

We strengthened our commitment to Aboriginal Victorians with work beginning on Court Services Victoria's Self-determination Plan 2021-2025. The diverse and unique experiences of Koori people bring great depth to our justice system and I am grateful to all those who took time to contribute to the formation of this plan.

Technology has never been more important to our operations than it was this past year. The commitment over many years to improving processes through technology proved its value in enabling continuity of access for the community. That commitment continues and the Court Services Victoria Digital Strategy that was finalised this year reflects that.

In July 2020, the former Attorney-General, the Hon Jill Hennessy, and I commissioned an independent Review of Sexual Harassment in Victorian Courts and VCAT. The final report was released in April 2021 and significant progress has been made towards implementation over the two-year timeframe we have set. This work is a priority for Court Services Victoria, together with court and tribunal leadership, as part of our broad commitment to ensuring we foster a respectful environment for all of our people.

Ensuring courts are contemporary, safe and integrated venues is another priority of our strategic plan. The new Bendigo Law Courts Development is a great example of what is possible. Construction began in November 2020 and, when complete, it will be home to the Magistrates' Court of Victoria, Children's Court of Victoria, VCAT, the Supreme Court of Victoria, County Court of Victoria and Federal Circuit and Family Court of Australia on a circuit basis.

The 2020-21 reporting period was again marked by operational changes made in response to the ongoing COVID-19 pandemic.

Acknowledgements

I acknowledge and thank our Chief Executive Officer, Louise Anderson, who continued to provide outstanding support to Courts Council and leadership of Court Services Victoria during the reporting year.

I also commend Court Services Victoria's executive group and dedicated staff for their commitment to Victoria's courts, tribunals, the Judicial College of Victoria and the Judicial Commission of Victoria.

I extend my gratitude to the Courts Council and all Committee members, and I acknowledge Judge Amanda Chambers for her work on the Council, and welcome Judge Jack Vandersteen as the new President of the Children's Court.

I acknowledge and thank everyone working within Court Services Victoria for their professionalism in supporting the administration of justice. Often expected to respond and adapt at short notice because of the pandemic, the efforts of each individual are greatly appreciated.



The Honourable Anne Ferguson
Chief Justice of the Supreme
Court of Victoria
Chair of the Courts Council



Message from the Chief Executive Officer

We deliver the Court Services Victoria Annual Report for 2020-21 after navigating a period of significant disruption, as the COVID-19 pandemic impacted almost all aspects of the justice system.

Court Services Victoria comprises more than 2,500 people within the Courts Group and the administrative and corporate centre, who together support the Victorian courts and VCAT to deliver justice to the community. These people are the essence of Court Services Victoria. They are at the forefront of operationalising the values that underpin our workplace culture, and they influence how we deliver an independent court system with people at its heart.

Throughout 2020-21, those who contributed to the functioning of the Victorian courts and VCAT continued to adapt and respond with a shared determination. Court Services Victoria made important physical changes to our built environments, along with many digital innovations, all aimed at minimising the impact of the pandemic on the administration of justice.

Collaboratively we addressed these challenges by:

- Modifying the use of our built assets to ensure the health and safety of all court users, and strongly investing in remote hearings – improving their effectiveness with greater support and appropriate technology.
- Digitising processes and expanding capacity to support matters being heard online.
- Continuing to engage with court users and the justice sector to continuously improve our services.

The Court Services Victoria Strategic Plan 2020-2025 will continue to guide this work. The Plan sets out how courts, VCAT and Court Services Victoria will continue to deliver justice effectively and efficiently while pursuing new approaches to justice into the future. Court Services Victoria is committed to delivering on this important strategy and working towards the Council's vision of world class administration of justice in Victoria.

During this period, we have also continued our significant commitment to building cultural awareness, competency capability and strengthening the respect and understanding of Koori cultural values, traditions and customs through the delivery of our Self-determination Plan.

I thank all those who have supported the work of Court Services Victoria, including our executives and staff. I would particularly like to express my appreciation for the considered stewardship of the Chief Justice, the Honourable Anne Ferguson, and the Courts Council.

As always, I look forward to leading Court Services Victoria in the year ahead to ensure that Victorian courts and VCAT meet their responsibility to administer justice fairly, transparently, impartially and with integrity.



Louise Anderson
Chief Executive Officer



SECTION 1:

Governance and Organisational Structure



About Court Services Victoria

Court Services Victoria was established by legislation in 2014 to support the operation of the courts and tribunals independently of the direction of the executive branch of government.

Its function is to provide, or arrange for the provision of, the administrative services and facilities necessary or desirable to support the performance of the judicial, quasi-judicial and administrative functions of the Victoria's courts and tribunal, Judicial College and Judicial Commission.

Collectively, Victoria's Supreme, County, Magistrates', Children's and Coroners courts, the Victorian Civil and Administrative Tribunal (VCAT), the Judicial College of Victoria and the Judicial Commission of Victoria, and Court Services Victoria are referred to in this Annual Report as the 'Courts Group'.

Courts Council is the governing body of Court Services Victoria – it directs Court Services Victoria's strategy, governance and risk management, and to that extent has a leadership and governance role in relation to aspects of the Courts Group. With these arrangements in place, Victoria has a self-administered courts system.

In performing its functions, Court Services Victoria serves the Victorian community through the efficient and effective delivery of court and tribunal services, thereby supporting Victoria's system of responsible government and the rule of law.

To understand more about the work of the Victorian courts, VCAT, College, and Commission, please refer to those entities Annual Reports.

Establishment and Ministerial Powers

The Courts Council appoints the Chief Executive Officer to lead the functions of Court Services Victoria consistent with the governance, strategy, plans, procedures and policies of the Courts Council. The Chief Executive Officer is the accountable officer under Section 42 of the Financial Management Act 1994, responsible for financial management compliance, planning and reporting of Court Services Victoria. The Chief Executive Officer also has the rights, powers and authorities of a public service body head, on behalf of the Crown, for employees of Court Services Victoria. The Chief Executive Officer of Court Services Victoria is the employer of all staff members within the Courts Group.

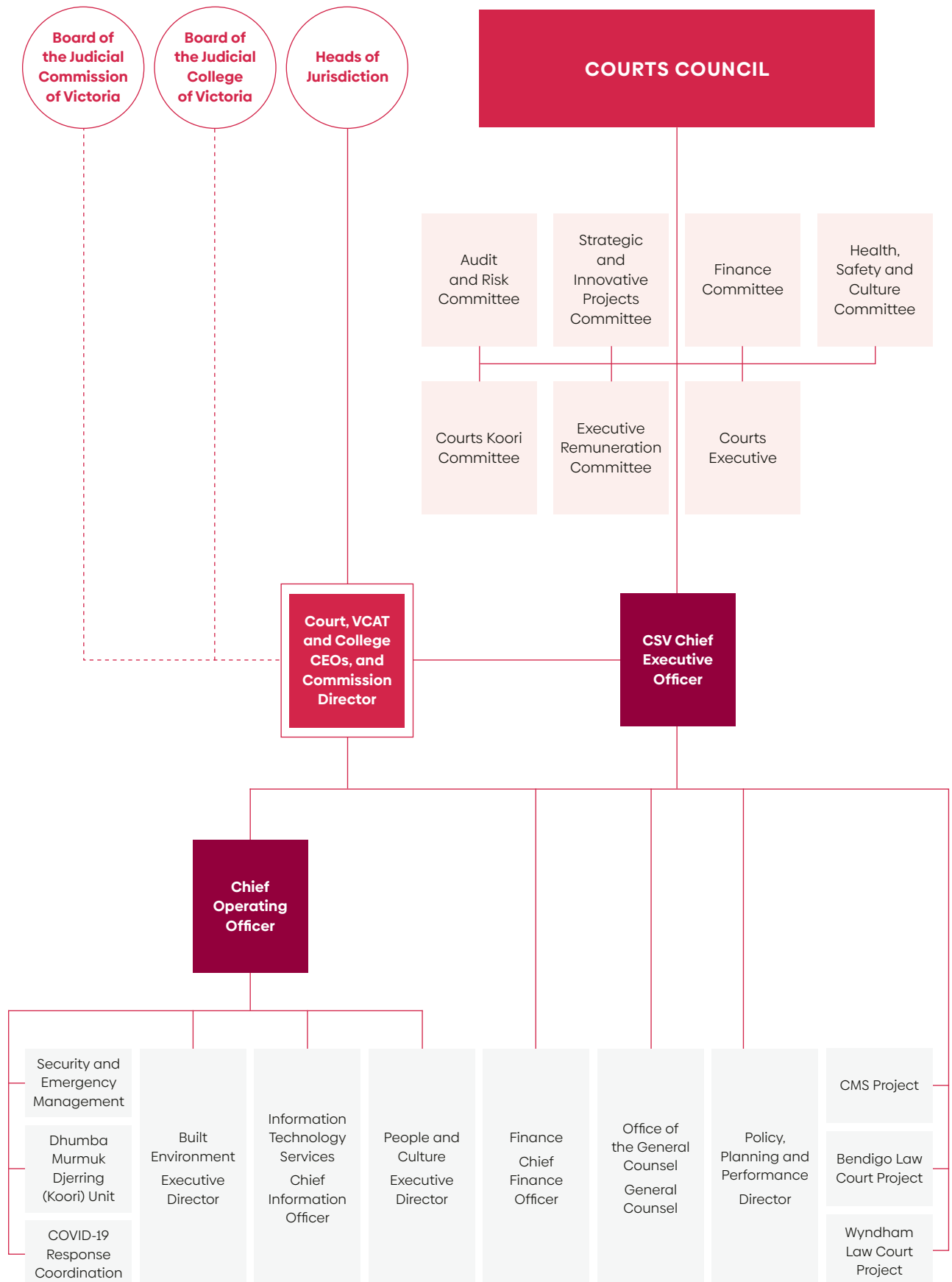
The Courts Council on the nomination of the relevant head of jurisdiction appoints Chief Executive Officers for each court and VCAT. Chief Executive Officers ensure that appropriate supports are provided to their jurisdictions and are responsible directly to their Head of Jurisdiction in relation to those operations.

The jurisdiction Chief Executive Officers exercise delegated authority necessary to assist the Head of Jurisdiction in the administration of their jurisdiction, and to support the effective and efficient operations of Court Services Victoria. The Chief Executive Officer of the Judicial College and the Director of the Judicial Commission are appointed by the Court Services Victoria Chief Executive Officer, pursuant to nomination by the respective Boards of the College and the Commission.

Court Services Victoria receives a direct appropriation from the parliament to enable it to carry out its functions and manage its own budget. The Court Services Victoria Chief Executive Officer is the Accountable Officer for the Courts' appropriation, and the Courts Council is the Responsible Body. Court Services Victoria has accountabilities to both the parliament and the executive for the way in which it carries out its operations within its allocated budget.

The Attorney-General is the relevant Victorian Minister with portfolio responsibility for Court Services Victoria. The Attorney-General's statutory powers with respect to Court Services Victoria are budget approval, agreement to allocation statements, and recommending the vesting of Crown Land to Court Services Victoria.

Governance Structure



Governing Body

COURTS COUNCIL

The Court Services Victoria governing body is the Courts Council. It is chaired by the Chief Justice of the Supreme Court of Victoria and consists of the six Heads of Jurisdiction and up to two non-judicial members appointed by the Heads of Jurisdiction. As at 30 June 2020, the Courts Council has two non-judicial appointed members.

The Courts Council is responsible for the general direction and superintendence of Court Services Victoria and, subject to the Court Services Victoria Act, may perform the functions and exercise the powers of Court Services Victoria. In addition, the Courts Council has the following functions and powers.

To direct the strategy, governance and risk management of Court Services Victoria.

To appoint the Court Services Victoria Chief Executive Officer.

To appoint the Chief Executive Officer for each jurisdiction on the recommendation of the relevant Head of Jurisdiction

Any other functions that are conferred on the Courts Council by the Court Services Victoria Act, or any other Act.

COURTS COUNCIL MEMBERS



Chief Justice of the Supreme Court of Victoria

The Honourable Chief Justice Anne Ferguson was first appointed as a judge of the Supreme Court of Victoria in 2010, and subsequently appointed Chief Justice on 2 October 2017.



Chief Judge of the County Court of Victoria

The Honourable Justice Peter Kidd was appointed Chief Judge of the County Court of Victoria in September 2015.



Chief Magistrate of the Magistrates' Court of Victoria

Her Honour Judge Lisa Hannan commenced in the role of Chief Magistrate on 17 November 2019, having served for eight years as a Magistrate and Coroner, and 13 years as a County Court Judge.



President, Victorian Civil and Administrative Tribunal

The Honourable Justice Michelle Quigley was appointed as a Judge of the Supreme Court of Victoria in December 2017 and appointed as President of the Victorian Civil and Administrative Tribunal on 1 June 2018.



State Coroner, Coroners Court of Victoria

His Honour Judge John Cain was appointed as a Judge of the County Court of Victoria and State Coroner on 2 December 2019.



President of the Children's Court of Victoria

His Honour Judge Jack Vandersteen was appointed as a Judge of the County Court of Victoria and appointed as President of the Children's Court of Victoria on 1 January 2021. Her Honour Judge Amanda Chambers was President until 31 December 2020.



Independent Member

Dr Philip Williams AM heads the legal and competition team of Frontier Economics (Australia). Dr Williams' area of expertise is the relationship between economics and the law, and he is a co-author of The Australasian Institute of Judicial Administration's Report on Court Governance.



Independent Member

Ms Susan Friend was appointed to the Courts Council as an independent member on 1 March 2021. Ms Friend is a Chartered Accountant with extensive experience in finance, governance, audit and risk management. Ms Friend is a director of Sapere Research Group, and she holds a number of board and committee positions in the public sector.

Committees

To ensure full and effective governance arrangements, Courts Council is supported by six standing and ad hoc (time-limited) committees.

Courts Council recognises the importance of good governance to Court Services Victoria's ability to effectively achieve its objectives under the Strategic Plan. Court Services Victoria regularly considers and reviews governance arrangements to ensure they remain practical, appropriate, and otherwise help to support Courts Council in the performance of its functions and the exercise of its powers.

Courts Council has streamlined the role, composition and strategic priorities of the Committees to enable them to undertake work in a way that supports the realisation of Courts Council and Court Services Victoria's strategic intent as well as legislative accountability. These changes took effect from February 2021.

Committees are tasked with the responsibility to monitor and guide the development of key strategic priorities where Council is required to approve a strategy, policy or a course of action, and report to Council on all matters of strategic importance.

Committees meet regularly, except for the Executive Remuneration Committee that meets as and when required.

AUDIT AND RISK COMMITTEE

(formerly the Audit and Risk Portfolio Committee)

The Audit and Risk Committee assists the Council to fulfil its governance responsibilities and obligations in relation to financial reporting and accuracy of the Court Services Victoria Financial Statements. The Committee also advises on risk management; the development of the internal audit annual program; internal control functions; external audit; and ensures the financial systems and processes of Court Services Victoria are consistent with the requirements of the *Financial Management Act 1994*, the *Audit Act 1994*, and other legislation and prescribed requirements.

In accordance with the Financial Reporting Directions under the *Financial Management Act*, the members of the committee during the 2020-21 financial year were:

- Susan Friend, Independent Member, Courts Council (Appointed as Chair in October 2020)
- Dr Philip Williams, Independent Member, Courts Council
- Justice Michael McDonald, Supreme Court of Victoria
- Judge Philip Ginnane, County Court of Victoria
- Magistrate Phillip Goldberg, Magistrates' Court of Victoria
- Elizabeth Camilleri, Independent Member
- Stewart Leslie (Retired as Chair and Independent Member in October 2020)

COURTS KOORI COMMITTEE **(formerly the Courts Koori** **Portfolio Committee)**

Co-chaired by Justice Stephen Kaye,
Justice Richard Niall, Magistrate Rose Falla
(Judicial Representatives)

The Courts Koori Committee advises the Courts Council on Indigenous issues, provides leadership and guidance on the implementation of the Self-determination Plan, advising on infrastructure considerations to ensure culture is visible and inclusive across all Court Services Victoria venues, and advocates on the design and delivery of Aboriginal Justice court-based initiatives.

EXECUTIVE REMUNERATION COMMITTEE

Chaired by Professor Peter Allen
(Independent Chair)

The Executive Remuneration Committee meets as required to consider matters relating to executive remuneration, performance and governance for the assessment and approval of executive salaries, terms and conditions.

FINANCE COMMITTEE **(formerly the Finance Portfolio Committee)**

Chaired by Dr Philip Williams
(Independent Courts Council Member)

The Finance Committee supports and advises the Courts Council on issues affecting financial sustainability, strategy and performance, and to assist it in fulfilling its fiduciary responsibilities and obligations. It also advises Council on matters relating to the Court Services Victoria budget and financial risk management, reviewing operating and capital budgets and monitoring performance against budget.

HEALTH, SAFETY AND CULTURE COMMITTEE **(formerly the Human Resources** **Portfolio Committee)**

Chaired by Judge Amanda Chambers
(Judicial Representative)

The Health, Safety and Culture Committee assists the Courts Council by providing guidance and leadership on strategy, policy and practice associated with the leadership, management, support and development of Court Services Victoria's people.

STRATEGIC AND INNOVATIVE PROJECTS COMMITTEE **(Subsumed responsibilities of the former Information Technology Portfolio Committee** **and the Strategic Planning, Infrastructure and Services Portfolio Committee)**

Chaired by Chief Judge Peter Kidd (Courts Council Member)

The Strategic and Innovative Projects Committee assists the Courts Council by providing guidance and leadership on Court Services Victoria's reform agenda in respect of strategy, policy and practice associated with the development and implementation of Court Services Victoria's court facilities and technology related initiatives.

Courts Executive

The Courts Executive is committed to the efficient and effective functioning of Court Services Victoria through best practice provision of corporate services, planning and management.

Senior Executive



COURT SERVICES VICTORIA CHIEF EXECUTIVE OFFICER

Louise Anderson is the Court Services Victoria Chief Executive Officer, appointed by the Courts Council under section 22 of the *Court Services Victoria Act*.

Her functions and powers include the management of the support services and functions of Court Services Victoria in accordance with the strategy, plan, procedures and functions of the Courts Council. The Court Services Victoria Chief Executive Officer is also responsible for the appointment and management of Court Services Victoria staff (other than the appointment of the jurisdiction Chief Executive Officers).

OPERATIONAL DIVISIONS

Court Services Victoria supports the operations of the courts, Victorian Civil and Administrative Tribunal, the College and the Commission through:

- Facilitating the planning and provision of facilities and infrastructure through Built Environment
- Financial management and strategies for sustainability through the Finance division
- Best practice and fit for purpose governance, efficient legal, procurement, records management and risk, audit and insurances services through the Office of the General Counsel
- Innovative and effective technology through Information Technology Services
- Delivery of a Case Management System, and the development of Bendigo and Wyndham Law Courts
- Workforce engagement and support through People and Culture
- Strategic planning and integration through Performance and Planning

The Senior Executives, as at 30 June 2021, who have a leadership role in respect of the delivery of these services are:



Justin Bree,
Interim Project Director,
CMS Project (see note 1)



Michael Carroll,
Director, Major Projects



Fiona Chamberlain,
Chief Operating Officer



Salvatore Costanzo,
Chief Finance Officer



Jewil Fulton,
Executive Director People
and Culture (see note 2)



Anna Guglielmucci,
General Counsel (see note 3)



Ameya Khandekar,
Acting Chief Information
Officer (see note 4)



Bradley Medcroft,
Executive Director
Performance and Planning
(see note 5)

Notes:

- (1) Simon Broun was the Project Director, CMS Project until April 2021.
- (2) Voula Haig was the Acting Executive Director People and Culture to 14 August 2020.
- (3) Anna Guglielmucci commenced as General Counsel on 31 August 2020. Marion van Rooden was the Chief Corporate Officer to 30 September 2020.
- (4) Justin Bree, substantive Chief Information Officer, commenced secondment on 7 April 2021.
- (5) Bill O'Connor was the Director Performance and Planning to 11 December 2020.

Jurisdiction Chief Executive Officers

Each of the CEOs oversees the administration of their jurisdiction and provides support to their Head of Jurisdiction.

They come together with the Court Services Victoria CEO and senior executives as the Courts Executive, to focus collaboratively on the delivery of strategy, quality administration, and continuous improvement.

The Chief Executive Officers at 30 June 2021 are listed below.



Matt Hall,
Supreme Court of Victoria



Daniel Caporale,
County Court of Victoria



Simon Hollingsworth,
Magistrates' Court of Victoria
(see note 1)



Simon McDonald,
Children's Court of Victoria



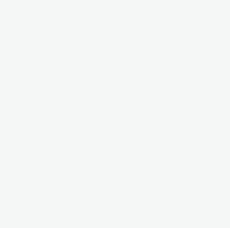
Carolyn Gale,
Coroners Court of Victoria



Mary Amiridis,
Victorian Civil and
Administrative Tribunal



Samantha Burchell,
Judicial College of Victoria



Alexis Eddy,
Director Judicial Commission
of Victoria

Notes:

- (1) Elissa Scott was the Acting Chief Executive Officer Magistrates' Court of Victoria to 16 August 2020.

SECTION 2:

Year in Review



Since early 2020, Australia has been affected by one of the greatest social and economic disruptions in modern history. Coronavirus (COVID-19) has rapidly swept across the globe, taking lives, placing pressure on health services, constraining the movement of people and goods, and having a major economic impact.

The Courts Group's approach to the administration of justice throughout coronavirus (COVID-19) has been human-centred, focusing on the challenges and needs of people (internal to the courts and court users) as a way of ensuring service continuity. The Courts Group's operations required innovation and rapid reform, and throughout, Court Services Victoria was critically focused on supporting the Courts Group in their pandemic responses.

At the same time, Court Services Victoria led and delivered on several key initiatives which in turn drive reform. The development of the Strategic Plan, the Digital Strategy and enabling the Sexual Harassment Review are examples of Courts Services Victoria's commitment to being a capable, open, inclusive and accountable entity.

In 2019, CSV commenced development of its five-year strategic plan. The plan was endorsed by Courts Council in September 2020, with the finalisation of the plan delayed due to the considerable amount of effort focused on supporting the operations of the courts and tribunals throughout the pandemic.

The Strategic Plan 2020-2025 sets out the clear role and responsibilities for Court Services Victoria. The Plan outlines a vision, supported by Courts Council, for how Court Services Victoria will support and work with the jurisdictions to effectively and efficiently administer justice.

The Plan identifies five priorities that will guide Court Services Victoria's actions over 2020-2025. In delivering these priorities, Court Services Victoria strives to deliver integrated services for the community that respond to the needs of users, through excellence in our processes, technology and people.

This 'Year in Review' section details performance highlights of operational areas within Court Services Victoria's corporate centre against the five priorities of the Strategic Plan 2020-2025.





Priority One:

Excellence in Court and Tribunal Administration

Throughout the reporting period, Court Services Victoria's commitment to excellence in the delivery of services to its users, the community and government was evidenced through the following initiatives.

SOUND GOVERNANCE NECESSARY TO SUPPORT OPERATIONS

Strengthening Courts Council's and Courts Services Victoria's governance has been key to Courts Services Victoria's effective operations during the pandemic, as well as positioning us well to support the Courts Group recovery and to build a future ready model, enabling agile responses to unanticipated challenges.

Reviewing governance arrangements in parallel to agreeing a comprehensive strategic agenda for the next five years required that Courts Services Victoria was clear as to its purposes, refocused on its values, strengthened in its culture and focused on a Courts Group 'system' perspective.

In July 2021, Court Services Victoria strengthened the organisation's commitment to Aboriginal Victorians through the release of the Court Services Victoria Self-determination Plan 2021-2025.

The Court Services Victoria Plan sits alongside the Self-determination Plans of the courts and VCAT, and Court Services Victoria commits to supporting the jurisdictions to realise these Plans.

Court Services Victoria's Plan adopts the four priority areas, or self-determination enablers, as set out in the Victorian Aboriginal Affairs Framework 2018-2023:

- Prioritise culture
- Address trauma and support healing
- Address racism and promote cultural safety
- Transfer power and resources to communities.

The Self-determination Plan includes a Koori Governance Framework that sets out the process for both internal and external consultation on Koori matters at courts and VCAT.

Court Services Victoria Self-determination Plan 2021-2025

"I know that Koori people carry unique shared and lived experiences that can bring enormous value to our justice system and restore agency to people who come into contact with it. That is why it's so important we fully embrace the principles of change outlined in this Self-determination plan."

"I recognise that Koori voices must play an active part in the day-to-day business of our courts. Your voices can lead and shape the discussion. As Chair of the Courts Council, I am committed to ensuring the Plan's implementation is rigorously monitored so we can be confident change is delivered. I am a strong believer that when workplaces, professions and institutions reflect the communities they serve, they will always be better equipped to serve the interests of those communities."

Chief Justice Anne Ferguson,
Chair of Courts Council

THE RAPID DEPLOYMENT OF TECHNOLOGY

Throughout the reporting period, coronavirus (COVID-19) continued to significantly impact court users and the operations of the Courts Group, and measures were rapidly implemented to move from in-person to remote hearings for a large volume of matters. This enabled all Victorian courts and VCAT to remain operational and continue to deliver justice.

The Courts Group has over many years identified the critical need to digitise processes and embed technology into practice. At the onset of the pandemic, some courts were more ready than others as they were more progressed on their digital transformation journeys.

In this context, audio and video technology capability was rapidly expanded, enabling judges and magistrates to conduct many more remote hearings so court users could have their cases heard. The rollout of software such as WebEX, Zoom and Microsoft Teams cloud-based AV platforms was accelerated, and these methods of delivering remote hearings are now used extensively in all courts. This is clearly demonstrated through the large number of remote hearings held between July 2020 and June 2021 – with more than 470,000 remote hearings conducted across all the courts and VCAT.

In addition to increasing remote hearings in courts with the established capacity to hear matters online, the 'Online Magistrates' Court' was introduced. Pre-pandemic, the Magistrates' Court had limited capacity to hear matters remotely, with processes being predominantly paper-based and the delivery of justice reliant on in-person attendance at court. The courts fast-tracked the design, piloting and scaling of an online court to enable the end-to-end hearing of priority matters remotely.

Online Magistrates' Court

In response to the pandemic, to reduce the number of people attending court, all non-urgent matters were initially adjourned by the Magistrates' Court. Within eight weeks an Online Magistrates' Court had been established to facilitate remote hearings. The following measures were also implemented soon after to support the remote hearing of matters:

- Triage Recovery Team and Business Transformation Unit
- Expanded Family Violence Contact Centre
- Fast-tracked rollout of Magistrates' e-docs portal to enable electronic filing
- Flexible utilisation of Judicial Registrars
- Development of an online plea portal

The Magistrates' Court credits the rapid implementation of the Online Magistrates' Court with the stabilisation of the growth in its pending caseload.

DEVELOPMENT OF A CAPABLE, FLEXIBLE AND MORE RESPONSIVE APPROACH TO RISK, PROCUREMENT AND EMERGENCY MANAGEMENT

Throughout the reporting period, Court Services Victoria's Emergency Management Team (EMT) provided cross-jurisdictional leadership of emergency incidents and continued to be central to the Courts Group's management of the pandemic. EMT is comprised of all jurisdiction CEOs and Court Services Victoria executives. During 2020-21, EMT met weekly to manage strategic and critical operational issues related to the pandemic. EMT is supported by a multi-disciplinary group of operational leads, providing expert advice and implementation support for the work necessary to sustain safe and secure court operations.

Court Services Victoria established the role of Senior Manager, COVID-19 Response, to bring to bear Occupational Health and Safety, public health, and clinical expertise on the Courts Group's pandemic management. This role was instrumental to implementing strategies to minimise the risk of coronavirus (COVID-19) transmission in courtrooms and other Courts Group workplaces.

The Risk, Audit and Insurance function continued to refine and embed Court Services Victoria's risk management approach, including strengthened reporting to support informed and evidence-based decision making; a revised risk management framework and policy to support and promote a culture of continuous improvement, while promoting transparency and accountability; and continued education on appropriate management of organisational risks.

During 2020-21, the Procurement Group implemented the Procurement Improvement Program. This delivered a refreshed Procurement Framework designed to establish a streamlined procurement function, with digital workflows through new e-Sourcing technology, improved visibility over all procurements, and a training and development program.

Court Services Victoria's Records Management unit supports the Courts Group in driving records management improvements. In 2020-21, the importance of the public record was elevated throughout Court Services Victoria through knowledge sharing, awareness and training. This was facilitated through a community of practice and Records Management Advisory Group, both of which were successfully established in 2020-21.

Risk Management Practice Leadership Group

Established in 2020-21, the Risk Management Practice Leadership Group is a gathering of senior risk managers from Court Services Victoria and the jurisdictions who meet bi-monthly in a collegiate forum. The Group works collaboratively to share information, ideas and approaches to identify areas of best practice and potential opportunities for improvement that benefit the whole of the Courts Group.

Working in this way, the Practice Leadership Group is able to jointly develop responses to any relevant matters raised by the Courts Council, Audit and Risk Committee and Courts Executive.

BUILDING A RESILIENT AND ADAPTIVE ORGANISATION

Measures to protect the health and wellbeing of all court users continued as a high priority and were adapted with the developing public health advice. Courts Services Victoria prioritised keeping people safe and well in their workplaces – in the office and at home – and helping them adapt to changing living conditions.

An extensive range of hygiene and physical distancing measures were introduced across court locations, including increased general and 'deep' cleaning; installation of hand sanitisers; physical distancing and hygiene signage and decals; provision of face masks; installation of hygiene screens; and pre-emptive implementation of a QR code registration system.

Operational changes were designed considering the impact on court users and communicated frequently through multiple channels including jurisdictional websites, practice directions, social media, press releases and onsite signage.



Priority Two:

Reliable, Integrated and Innovative Technology and Digital Capabilities

Court Services Victoria's use of data and technology drives opportunity creation, informs decision making, and simplifies access to justice through integrated, people-centric solutions.

Court Services Victoria is continuing to invest in technology solutions and digital transformation as a key enabler of change, ensuring the people who use and work in the courts are at the centre of service design and delivery.

ENABLING THE COURT OF THE FUTURE

Over the last five years the Courts Group has focused on the adoption of modern and responsive technology solutions, many designed and delivered by CSV's Information Technology Services division. The progress made has been crucial in enabling the Courts Group to digitise manual processes and change ways of working to operate remotely during the COVID-19 pandemic.

However, pressures on the justice system continue to compound and new digital solutions are essential to address the increased backlog of pending matters and enable the continued service delivery transformation of the Courts Group.

Considering the growing importance of digital capabilities to respond to increases in demand and citizens' expectations for modern, digitally enabled services, the Court Services Victoria Digital Strategy was developed in 2020-21.

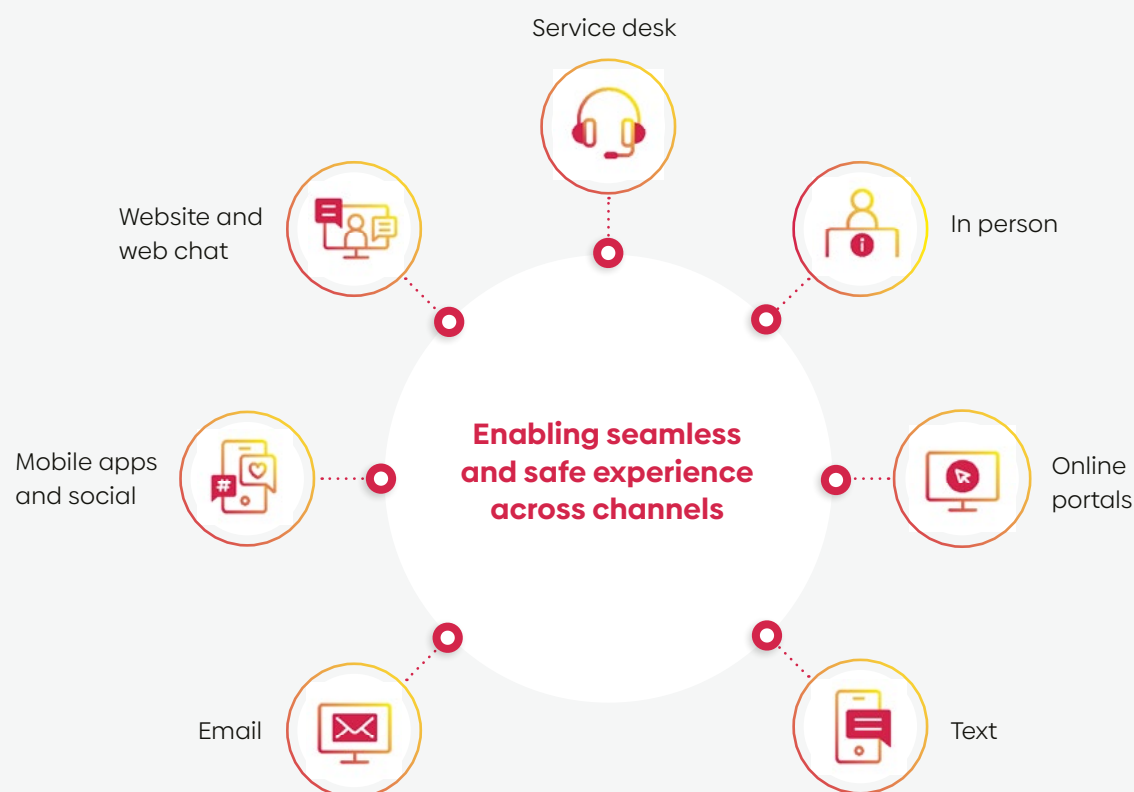
Underpinning the digital vision are five strategic focus areas, which will guide the future digital service catalogue, architecture and roadmap.

The Digital Strategy highlights that Court Services Victoria is accountable for the delivery of consistent, secure, digitally enabled services, providing seamless digital experiences for the Courts Group, court users and broader Victorian community, now and into the future.

Putting people at the heart of digital design and delivery

All Victorians are entitled to safe, accessible services, regardless of how they engage with the courts and tribunals. Strategic Focus Area 1 of the Digital Strategy will interrogate how Court Services Victoria's digital services, delivered across a range of channels, meet the needs of the Victorian community.

Courts of the future are user-centric and focus on creating seamless and safe experiences across channels. They provide access to relevant information and adapt to the needs of different court users, particularly those most vulnerable in the community and guides them through the experience with clarity and transparency.



BOOSTING THE CAPACITY AND FUNCTIONALITY OF IN-COURT TECHNOLOGY

Audio-visual technology played a vital role in ensuring continuity of business operations in 2020-21, not only providing seamless access to services for court and tribunal users, but also demonstrating the power of technology to enable innovation.

With a transition to remote hearings occurring across several jurisdictions in response to the COVID-19 pandemic, over 1,000 daily connections were facilitated between remote parties and the courts and VCAT, assisted by the expansion and capabilities of video-conferencing technology.

The Victorian Government Reporting Service (VGRS) supports the courts, particularly for criminal trials, by ensuring that the court and the involved

parties have timely access to an accurate record of court proceedings. During 2020-21, VGRS continued to manage a significant demand for recording and transcript services, dealing with approximately 21,555 matters.

VGRS also had to adapt to recording and transcribing matters utilising different technologies in response to the coronavirus (COVID-19) pandemic and matters being heard remotely, managing more than 1,000 e-hearings through 2020-21.

Using technology to enable in-court innovation

To ensure the provision of services to communities outside metropolitan Melbourne, upgrades to the audio-visual technology were undertaken in 13 courtrooms across regional Magistrates' Court sites. Additional work across most Magistrates' courtrooms saw the enabling of video-conferencing features to allow Counsel to make private audio calls to a client in custody, via phone from the Bar table.

As part of ongoing enhancements to the County Court, 18 courtrooms were upgraded, including the installation of a video wall in two Ceremonial courts, to allow a more modern display of video conferencing and evidence playback to the court. In response to social distancing requirements, the audio-visual technology in jury pool rooms was upgraded to enable juries to be selected online.

DELIVERING A NEW CASE MANAGEMENT SYSTEM

Courts Services Victoria commenced the development of a Case Management System for the Magistrates' Court and Children's Court in 2017. The system will strengthen the ability to capture and share critical information as appropriate across the justice sector, reduce reliance on paper, and minimise manual practices, allowing the courts' processes to operate more efficiently.

Technology partner, Journal Technologies, was engaged in 2019 to deliver the system and are working closely with the courts and Court Services Victoria to deliver a highly configurable system that ensures the best possible solution for the courts and court users.

The CMS Project successfully delivered eDocs in November 2020 in support of the courts' move to a COVID-19 digital operating model.

eDocs is a web portal for external court users to securely exchange documents digitally with courts without the need for physical interaction. More than 19,000 portal users from Victoria Police, lawyers, and other justice agencies have access to eDocs, with more than 24,000 Magistrates' Court and 700 Children's Court lodgements submitted in 2020-21.

The project is currently in the Implementation Phase, and there are six further releases scheduled for delivery in 2022.



Priority Three:

Diverse, Collaborative, Ethical and Capable People

Foundational to effective service delivery is maintaining a dedicated, professional and passionate workforce. Court Services Victoria believes it is important that every person working within the Courts Group feels connected to and understands our purpose and strives for the highest ethical standards in everything they do.

To achieve these standards, we are building an inclusive and diverse workforce that reflects the community we serve.

ESTABLISHING FUTURE DIRECTIONS THAT SUPPORT AND DEVELOP OUR PEOPLE

The Court Services Victoria's inaugural People and Culture Strategy is in development. The purpose of the Strategy is to ensure the Courts Group has the people required to deliver justice in Victoria in line with the strategic priorities of Courts Council.

In June 2021, a strategic framework, which is a provisional framework for developing the full People and Culture Strategy, was endorsed by the Health, Safety and Culture Committee. The strategic framework identifies four key objectives for the People and Culture Strategy:

- Attract, develop and reward a highly capable workforce
- Create a workplace that inspires commitment
- Foster a culture of inclusivity, safety, health and wellbeing
- Create a great employee experience

The strategic framework focuses on building capability; promoting collaboration; increasing commitment; valuing diversity and inclusion; protecting safety, health and wellbeing; safeguarding integrity; and improving people management across the Courts Group.

HR Practice Leadership Group

The Human Resources Practice Leadership Group (HR PLG) was established in response to the COVID-19 pandemic, initially to bring the HR community together to ensure that administrative services continued to support the Courts Group through a period of uncertainty.

This group has enabled HR leaders to share information, knowledge and initiatives in a connected way on a regular basis. Meetings were aligned to the changing needs associated with the pandemic, including holding twice weekly meetings for a time – one dedicated to guidance and policy related matters, and the other focused on health and wellbeing.

The benefits of the HR PLG include:

- Shared responsibility for the continued effective operations of HR services across the Courts Group
- Regular, clear and effective communication among practice leaders
- Cross-jurisdictional collaboration across HR groups that ensured a continued and meaningful focus on safety and wellbeing across the Courts Group

WORKING IN PARTNERSHIP WITH VICTORIAN ABORIGINAL COMMUNITIES

The Court Services Victoria Self-determination Plan 2021-2025 strengthens the Court Group's commitment to Aboriginal Victorians and to embracing the principle of self-determination and moving to action.

Court Services Victoria is continuing to build cultural awareness and competency capability across all areas of courts and tribunals to strengthen the respect and understanding of the cultural values, traditions and customs that underpin the essence of Koori staff and the Koori Community accessing court services.

The implementation of the Self-determination Plan will build a more Koori inclusive courts environment for Koori staff, agencies and communities in Victoria.

During 2020-21, Court Services Victoria continued to implement initiatives funded through the Aboriginal Justice Agreement 4, including these significant developments across the courts and VCAT.

- VCAT's Koori Engagement team has filled all positions, along with the launch of a Koori Hearing room at Bundoora
- Marram-Ngala Ganbu formally launched the Koori Family Hearing Day Program in Shepparton
- A review of the Koori Court Integrated Services Program was undertaken informing the future cultural implementation of the program
- Employment of an additional Koori Family Engagement Support Officer at the Coroners Court to assist in the case management of Koori coronial cases, which will improve the experience of Koori families and ensure culturally appropriate practices
- Implementation of the capital works project to ensure culturally safe court rooms across the state

Attracting, developing and retaining Koori talent

In line with the Victorian Government's Barring Djinang Aboriginal Employment Strategy, Court Services Victoria led the review and development of the 2021-2025 Koori Employment Plan, pledging to work towards a three per cent Koori employment rate across the organisation.

In June 2021, 66 (full-time equivalent) staff identified as Aboriginal and/or Torres Strait Islander, representing a 2.65 per cent Koori employment rate.

Including casually employed Elders and Respected Persons takes the Koori employment rate across Court Services Victoria to more than five per cent.

STRENGTHENING HEALTH, SAFETY AND WELLBEING

Court Services Victoria is committed to ensuring all its employees remain safe and healthy at work and promotes a positive, preventative safety culture across all jurisdictions. It continues to develop wholistic strategies and initiatives to improve the health, safety and wellbeing of employees and to ensure access to information. The organisation also engages and consults with court users to understand the changing nature of the courts environment and to implement systems and create workplaces that minimise risks to health and safety.

In 2020, Court Services Victoria established the Health, Safety and Culture Committee to support Courts Council in fulfilling its responsibilities and obligations under the Occupational Health and Safety Act 2004. The Health, Safety and Culture Committee replaced the Human Resources Portfolio Committee and the Workplace Health and Safety Sub-Committee.

The COVID-19 pandemic has significantly disrupted the way people live and work, impacting people's health and wellbeing and their quality of life. Court Services Victoria instituted a wide range of health and wellbeing measures to support staff during the pandemic and bolster the performance of the courts and VCAT. These efforts have included a comprehensive wellbeing program – including mindfulness, Yoga, Pilates, fitness programs, and healthy workspace sessions – along with access to psychological support, health and wellbeing webinars, an online wellbeing hub, frequent pulse check surveys and regular communications with staff.

Group Listening Strategy

In response to the COVID-19 pandemic, Court Services Victoria established an integrated approach to understanding the employee experience, utilising a combination of pulse surveys, and facilitated discussions through interactive listening workshops. Each of these listening techniques were designed to hear the unique experiences of individuals, harness their ideas, and feedback, and identify common themes to improve processes, structures and actions that support the safety, wellbeing, and productivity of our staff.

Through 21 listening sessions and nine surveys, 1,336 responses were received from across the Courts Group, resulting in:

- Insights into the benefits to staff in accessing flexible work arrangements, health, safety and wellbeing programs, ensuring a continued focus on these
- Increased communication and resources developed for staff and managers to deal with the challenges experienced with the sustained nature of the pandemic, workloads and constant change
- The expressed opportunity to continue to access flexible work arrangements beyond the pandemic

REVIEW OF SEXUAL HARASSMENT IN VICTORIAN COURTS

On 13 July 2020, the Chief Justice of Victoria, the Hon Anne Ferguson and the former Attorney-General, the Hon Jill Hennessy commissioned Dr Helen Szoke to conduct an independent Review of Sexual Harassment in Victorian courts and VCAT.

On 19 April 2021, the final report of the Review into Sexual Harassment in Victorian Courts was released. The report found that sexual harassment does occur in Victorian courts and VCAT; that there are significant barriers preventing victim-survivors and witnesses from reporting; and that the courts and VCAT should work to create a workplace where this is not tolerated.

The report made 20 recommendations to prevent sexual harassment and build safe, positive and accountable workplace cultures throughout Victorian courts and VCAT. The recommendations were supported by the Heads of Jurisdiction, Court Services Victoria, the Judicial College and the Judicial Commission.

The recommendations encompass seven measurable outcomes:

- Strong and effective leadership driving successful, long term reform
- A positive workplace culture
- Diversity and gender equality
- Victim-centred support, reporting and response
- Organisation capability and knowledge
- Ensuring integrity and accountability
- Effective monitoring and evaluation

A dedicated project team was established to lead implementation of the eleven recommendations made to Court Services Victoria, and provide a coordination point for, and contribute to, the recommendations made to the Judicial Commission, the Judicial College, and the Chief Justice.

GENDER EQUALITY

With the Gender Equality Act 2020 coming into effect on 31 March 2021, Court Services Victoria recognises its important role in ensuring that our culture and practices are inclusive for all employees and members of the community.

Court Services Victoria is taking positive action towards achieving workplace gender equality and promoting gender equality in its policies, programs and services by:

- Undertaking a workplace gender audit
- Conducting gender impact assessments when developing new policies, programs and services (or those under review) that have a direct and significant impact to the public
- Developing a four-year Gender Equality Action Plan in consultation with Courts Council, executives, employees, employee representatives, the Community and Public Sector Union and other relevant people.

The Gender Equality Action Plan will be a key tool for translating our commitment into action. It will enable CSV to implement strategies to improve our intersectional approach and gender equity performance based on unique organisational insights.



Priority Four:

Contemporary, Safe and Integrated Venues

The courts are important public spaces. They are where justice is delivered for the community, and are workplaces for judicial officers, staff and practitioners attending court.

In 2021, Court Services Victoria operated 75 separate buildings in 66 locations across Victoria. Forty-one per cent of our buildings are over 50 years old and 50 per cent are single-courtroom facilities.

To meet the needs of the jurisdictions and diverse, rapidly growing communities across Victoria, Court Services Victoria continues to invest in modernising our existing venues and building the 'courts of the future', to provide facilities that prioritise user experience, support new and emerging operating models, are technology-enabled, safer and more sustainable.

TRANSFORMING THE BUILT ENVIRONMENT

Court Services Victoria has developed its second Strategic Asset Plan 2021-36. The Plan presents a strategy for securing future court infrastructure that is evidence-based, integrated, and responsive to the evolving operating environment.

The benefits of the Strategic Asset Plan include:

- Enhanced court user experience with fit-for-purpose and safe venues
- Economic benefits providing critical investments aligned with Victoria's priority growth areas
- Improved accessibility and timeliness of justice
- Efficiencies enabling modern work practices and greater adoption of digital and technologically enabled justice services delivery models.

Evidence-based modelling has forecast service demand against capacities over five-, ten- and fifteen-year horizons.

The investment strategy proposed under the Plan is to bring the portfolio to a fit-for-purpose standard that will meet the forecast demand for services for all jurisdictions, in locations that best meet the demand of court users.

The onset of the COVID-19 pandemic highlighted the constraints that the physical asset base places on operational resilience. In addition, court user expectations have changed in terms of public building health and safety.

The Strategic Asset Plan leverages lessons learned from our response to the COVID-19 pandemic to improve business continuity and resilience. It also reviews the use of technology to rethink and improve processes, enable appropriate matters to be dealt with remotely, and simplify access to justice through integrated, user-centric solutions.

BUILDING THE COURTS OF THE FUTURE

Bendigo Law Courts Development

The delivery of a regional court for Bendigo that puts people and community first is well underway, with construction commencing onsite in November 2020.

Bendigo's future court will service the Magistrates' Court of Victoria, Children's Court of Victoria, and the Victorian Civil and Administrative Tribunal, as well as the Supreme Court of Victoria, County Court of Victoria and Federal Circuit and Family Court of Australia on a circuit basis.

It will be the first regional court in Victoria to provide specialist courts for the Koori community, for family violence, drug and mental health matters, as well as a specialist Children's Court response.

Anchored in Bendigo's unique heritage and culture, and informed by significant collaboration with the Dja Dja Wurrung, Bendigo's Traditional Owners, the future court will strengthen community safety by supporting people, where appropriate, to address the issues that contribute to offending.

With people at the heart of its service delivery model, and supported by advanced technology to enable a range of digital services such as remote hearings, display of digital evidence, video conferencing, and livestreaming, the future court will provide:

- Easy access to information and services for all court users, whether they engage with the courts and tribunals online or in-person
- Individualised assessment of court user needs
- Delivery of justice in the Bendigo and Loddon Mallee region using the most appropriate method for each matter, either via online or remote hearing, or in-person
- Cross-jurisdictional collaboration to deliver the best outcomes for court users
- Clear and timely communication so that people interacting with courts and tribunals know what to expect

The court project's steering committee met six times in 2020-21, chaired by the CEO of Court Services Victoria, and comprised of Judicial Officers, executive officers of court and tribunal jurisdictions and Court Services Victoria, and specialist experts. Further specialist advice was provided by committees and working groups addressing service transformation; local community needs; court technology; and custody, security and emergency management arrangements.

Court Services Victoria has established a Bendigo project office and continues to work closely with the City of Greater Bendigo, other government agencies in the region, and the local community.

The project is on track to meet the requirement under the Local Jobs First Policy to source 92 per cent local content (Australia and New Zealand), with much of this content sourced from Bendigo and surrounding areas.

Key project events and milestones achieved during 2020-21 include:

- Awarding of the early works contract to the Delta Group, October 2020
- Awarding of the main works contract to Kane Nicholson Joint Venture, April 2021
- Public release of design imagery informed by collaboration with the Dja Dja Wurrung, April 2021
- Delivery of Law Week event, held in partnership with the Bendigo Law Association, Victoria Legal Aid, and the Loddon Campaspe Community Legal Centre, May 2021

With independent reviews confirming positive progress against key performance measures including schedule and budget, construction of the court is on track for completion in December 2022, with court operations due to commence in early 2023.

Setting the scene for a culturally sensitive court

Bendigo's future law courts will be anchored in Bendigo's unique heritage and culture.

Collaboration with Bendigo's Traditional Owners, the Dja Dja Wurrung has informed elements of the design, and set the scene for a culturally sensitive and inclusive court for the people of Bendigo and the Loddon Mallee.

A representation of creation being Bundjiyl (Bunjil) has been built into the building's façade, and external landscaping features designs

that symbolise a smoking ceremony and the distinctive granite outcrops, water features and native flora of Dja Dja Wurrung Country.

The designs were launched in April 2021 with a smoking ceremony onsite. Videos about this significant collaboration featuring interviews with Traditional Owners, Judicial Officers, and John Wardle Architects can be viewed on the Court Services Victoria website.



Wyndham Law Courts Development

A new state-of-the-art court facility is being delivered in Melbourne's west. The 2020-21 state budget committed \$271.1m to deliver the Wyndham Law Courts Development, after receiving funding for the purchase of land in the 2018-19 State Budget.

Wyndham's will be the largest court complex outside of Melbourne's central business district, bringing together multiple Victorian court jurisdictions and specialist courts to the rapidly growing Wyndham area.

Wyndham's future court will prioritise user experience, safety, sustainability, and technological capability. It will deliver specialist family violence court services and meet the recommendations of the Royal Commission into Family Violence. Specialist drug and mental health assessment and referral court services, as well as culturally sensitive services for the Koori community will be available.

The court will be located adjacent to the new Werribee Police Station.

The Wyndham Law Courts Development is overseen by a steering committee which met three times in 2020-21, chaired by the CEO Court Services Victoria, and comprised of Judicial Officers, specialist experts, and executive officers of jurisdictions and Court Services Victoria, and the Department of Justice and Community Safety.

Construction is scheduled to commence in late 2022 and be completed in September 2024, with court operations commencing in early 2025.

DELIVERING SAFE AND ACCESSIBLE JUSTICE TO VULNERABLE COMMUNITIES

As a result of the recommendations of the 2016 Royal Commission into Family Violence Report, the Victorian Government invested \$130 million to deliver courts for the new Special Family Violence Division at all headquarter courts within the next five years.

Court Services Victoria delivered two new VCAT venues at Frankston and Bundoora, allowing the relocation of VCAT hearings and creation of Specialist Family Violence Courts at Frankston and Heidelberg courts. This allowed for the expansion of the family violence program at these venues.

The Courts Family Violence Reform program covers various initiatives to strengthen the court system's response to family violence. The 2016 Royal Commission into Family Violence Report identified the quality of the court user's experience as a critical contributor to satisfaction with court outcomes.

In September 2020, the Courts Family Violence Steering Committee approved the delivery of works at Melbourne Magistrates', Broadmeadows, Wodonga, Seymour, Wangaratta, and Sale courts to improve the experience of the built environment for all courts users. Works included improving the design and amenities in public areas via upgrades to waiting area layouts, furniture, and ambience.

ENSURING SOUND PROJECT GOVERNANCE AND EXCELLENT PROJECT DELIVERY

In 2020-21, Asset Management Plans were developed and implemented for half of all Court Services Victoria's assets, with the remaining plans to be implemented by 30 June 2022.

These four-year plans set out the operational, maintenance, condition monitoring, and forward investment plans necessary to ensure optimal asset utilisation and reliable operation for the lowest lifecycle cost. Court Services Victoria will review each Asset Management Plan annually, taking guidance from the Strategic Asset Plan.

Court Services Victoria also introduced a new Quality Management System to further embed and improve the implementation, maintenance, and performance of the Asset Management Accountability Framework (AMAF).

The Quality Management System is a practical, robust, and sustainable tool that supports Court Services Victoria's strategy to deliver safe, secure, and sustainable court and tribunal assets.

Underpinned by the principles of ISO 9001, the Quality Management System defines the set of internal rules that govern how Court Services Victoria creates and delivers its services, ensuring they are under consistent control and meet a certain level of quality.

Court Services Victoria has also developed an Asset Project Management Framework with the strategic intent of providing a tool for the ongoing and efficient lifecycle management of Court Services Victoria's assets and capturing data for future strategic planning.

The Asset Project Management Framework Business Rules, which apply to all employees and service partners across Court Services Victoria, establish key administrative processes for the efficient and consistent delivery of projects within Court Services Victoria and support the provision of exemplary client service.

MAINTAINING AND IMPROVING OUR BUILT ENVIRONMENT TO IMPROVE SAFETY AND SECURITY

To maintain safe access and amenities for court users, staff and support agencies, a program of work was implemented at selected court buildings during 2020-21 to update and improve stairs and ramps, lighting, and entryways.

Following a comprehensive review of equipment at every security entrance across the State, a program was initiated to replace obsolete and outdated equipment, such as x-rays, walk-through metal detectors and handheld metal detectors, resulting in the installation of new security equipment at 13 entry screening points, including Horsham and Echuca Magistrates' Courts.

This program also included installation at vulnerable-persons entrance points as part of Specialist Family Violence Courts program at Frankston, Moorabbin, Ballarat and Heidelberg Magistrates' Courts.

In 2020-21, the Court Services Victoria Security Framework was implemented to promote operational and policy consistency across jurisdictions and sites, as well as a robust security culture across the Courts Group, and outline the desired end-state security results that Court Services Victoria aims to achieve.

Guided by external security expertise and developed in consultation with the jurisdictions and relevant internal groups, the Framework is a package of security protocols that align with international and Australian industry standards, conform with Victorian and Commonwealth legislation and regulations, reflect best practice, and align with the Australian Government's Protective Security Policy Framework.

Court Services Victoria also established a Technical Security Services Panel with approved suppliers for the cost-competitive design, supply, installation and maintenance of security equipment to Court Services Victoria sites across Victoria.



Priority Five:

Building Understanding, Confidence and Trust

The Victorian courts and VCAT contribute to social cohesiveness and economic prosperity by resolving disputes and deciding cases according to law, in a timely, fair and accessible manner.

Building confidence and trust across our stakeholders and the Victorian community is fundamental to the operation of courts and the justice system.

The Courts Group engaged and worked collaboratively with justice sector stakeholders to respond to coronavirus (COVID-19), convening 'Justice Sector Forums' online. These meetings were vital to inform decisions taken by the Courts Group and ensured they considered the needs and constraints of justice sector stakeholders, and vice versa.

Operational changes were designed and implemented considering the impact on court users and were communicated frequently through multiple channels including jurisdictional websites.

We will continue to enhance trust and confidence by building an understanding of the role and value of courts, demonstrating our commitment to meeting stakeholder needs through improved service delivery across the Courts Group, and performing in a manner consistent with our values of fairness, integrity, inclusiveness and independence.

Capital Projects

Funding for Capital Projects provided by the State Government is allocated to Court Services Victoria for use by the courts and VCAT. The following information provides details regarding new and in progress capital projects.

Aboriginal Justice Agreement 4 (\$1.3 million estimated capital investment)

Initiatives focus on crime prevention and reducing re-offending of Koori people in the criminal justice system. Further information is available on page 24 of this report. Estimated completion - June 2022.

Bendigo law courts development (\$152 million estimated capital investment)

Funding for a multi-jurisdictional regional headquarter court facility for Bendigo and the wider Loddon Mallee region. Further information is available on page 28 of this report. Estimated completion - Sept 2022.

Children's Court (\$6.9 million estimated capital investment)

Holding cell works at Melbourne Children's Court and Moorabbin Children's Court refurbishment. Work is in progress. Estimated completion - June 2022.

Courts case management system (\$61.7 million estimated capital investment)

A new case management system will operate across the Magistrates' Court and the Children's Court. Further information is available on page 22 of this report. Estimated completion - June 2023.

COVID response (\$12.5 million estimated capital investment)

To ensure Victoria's courts continue to operate effectively and efficiently during the coronavirus (COVID-19) pandemic. This work has been completed.

Disability Discrimination Act compliance works

(\$9.1 million estimated capital investment)

A program to complete works at selected court buildings, including updating stairs and ramps, lighting, and entry way improvements to ensure safe and secure access and amenities. Work is in progress. Estimated completion - June 2022.

Echuca Court safety and security**(\$4.8 million estimated capital investment)**

Upgrade to critical infrastructure to improve the safety, security and operation of the court in Echuca. Work is in progress. Estimated completion - June 2022.

Fit for purpose security upgrades**(\$4.5 million estimated capital investment)**

Provision of security equipment, including entry screening equipment, CCTV upgrades and duress alarms, to ensure the safety of court staff and users, including in regional locations. Further information is available on page 31 of this report. Estimated completion - June 2022

Forensic mental health implementation plan - priority services reform**(\$1.7 million estimated capital investment)**

Expansion of forensic mental health services to increase public safety. Work is in progress. Estimated completion - June 2022.

Horsham Judicial safety upgrades**(\$0.95 million estimated capital investment)**

Security, amenity and accessibility upgrades at Horsham Law Courts. Work is in progress. Estimated completion - June 2022.

Implementation of Youth Justice Reform**(\$13.7 million estimated capital investment)**

The project aims to provide new building infrastructure at three separate sites to support the implementation of Youth Control Orders and Intensive Monitoring and Control Bail Supervision Scheme. Work is in progress. Estimated completion - June 2022.

New Wyndham law court development**(\$271 million estimated capital investment)**

Funding for a new western metropolitan headquarter court that will meet the long-term demand for justice services in Wyndham and the surrounding growth corridor. Further information is available on page 30 of this report. Estimated completion - Sept 2024.

Online courts pilot**(\$2 million estimated capital investment)**

Funding to help reduce the backlog of hearings through an online pilot to hear more complex matters using remote technology and supporting infrastructure. Work is in progress. Estimated completion - Dec 2021.

Regional Drug Court**(\$6.7 million estimated capital investment)**

Funding to expand drug court services in Metropolitan and regional areas to address drug use and reoffending. Work is in progress. Estimated completion - June 2022.

Safe and sustainable Victorian courts**(\$7.2 million estimated capital investment)**

Upgrades to critical infrastructure and bolstering of maintenance funding for Victorian courts, to ensure courts remain safe and sustainable in the future. Work is in progress. Estimated completion - Sept 2021.

Security upgrades to strengthen court safety**(\$5 million estimated capital investment)**

Funding to support new security equipment, including CCTV upgrades and duress alarms, to ensure the safety of court staff and users, including in regional locations. Work is in progress. Estimated completion - Dec 2021.

Sunshine law courts redevelopment**(\$16.3 million estimated capital investment)**

Funding to upgrade and expand the Sunshine Law Courts by two new court rooms to meet the demand for additional services in Melbourne's west. Work is in progress. Estimated completion - June 2023.

Victorian Civil and Administrative Tribunal remote hearing services**(\$9.8 million estimated capital investment)**

Funding for VCAT for a Digital Service Transformation project and immediate information and communications technology infrastructure upgrades, to enable VCAT to hear important planning and other matters remotely and ensure projects can continue and Victorians still have access to justice. Work is in progress. Estimated completion - Dec 2021.

Werribee essential compliance upgrade**(\$2.6 million estimated capital investment)**

Security, amenity and accessibility upgrades at Werribee Law Courts. Work is in progress. Estimated completion - June 2022.

Output Performance

The Court Services Victoria operational and budgetary objectives and performance are aligned with the jurisdictions' performance. The Victorian Budget 2020-21 outlined the mission statement, objectives and performance indicators for the courts output.

COURTS MISSION STATEMENT

Victoria's courts and tribunals safeguard and maintain the rule of law through the fair, timely and efficient dispensing of justice.

COURTS OBJECTIVE

The fair, timely and efficient dispensing of justice.

COURTS INDICATORS

- Clearance of criminal caseload (finalisations/lodgements)
- Clearance of civil case load (finalisations/lodgements)

There were no changes to the courts output structure for 2020-21.

Data in relation to the two clearance rate indicators is included in Table 1 with each of the jurisdictions' output measure results.

For more information about the outcomes and data presented below, refer to the individual annual reports of each jurisdiction.

INTERNATIONAL FRAMEWORK FOR COURT EXCELLENCE

The International Framework for Court Excellence (IFCE) is a management framework designed to help courts improve their performance. Developed for court use internationally, the framework covers values, concepts and tools to assess and improve the quality of justice and court administration within the court and tribunal system.

The courts' output performance measures incorporate four of the IFCE Global Measures of Court Performance.

Performance Against Measures

Table 1: Courts Output – Performance Against Measures 2020-21

| Performance measures | Unit of measure | 2020-21 estimate | 2020-21 actual | Performance variation (%) |
|--|-----------------|------------------|----------------|---------------------------|
| Quantity | | | | |
| Average cost per case – Civil matters disposed in the Supreme Court | dollars | 2,934 | 3,244 | 10.6 |
| <i>The variance between the estimate and full-year result is largely due to changes associated with the pandemic including regulations that lead to reduced mortgage defaults and winding up applications and associated finalisations.</i> | | | | |
| Average cost per case – Civil matters disposed in the County Court | dollars | 7,538 | 8,473 | 12.4 |
| <i>The variance between the estimate and full-year result is largely due to a decrease in the number of cases finalised due to the ongoing impact of the pandemic on operations.</i> | | | | |
| Average cost per case – Civil matters disposed in the Magistrates' Court | dollars | 1,019 | 1,101 | 8.0 |
| <i>The variance between the estimate and full-year result is largely due to a decrease in the number of cases finalised due to the ongoing impact of the pandemic on operations.</i> | | | | |
| Average cost per case – Family Division matters disposed in the Children's Court | dollars | 1,468 | 1,357 | -7.6 |
| <i>The variance between the estimate and full-year result is largely due to an increase in the number of cases finalised – attributable to online hearings, higher than usual availability of judicial officers, as well as listing strategies including readiness hearings that increased efficiencies and case finalisation.</i> | | | | |
| Average cost per case – Civil matters disposed in Victorian Civil and Administrative Tribunal | dollars | 982 | 1,413 | 43.9 |
| <i>The variance between the estimate and full-year result is largely due to a decrease in the number of cases finalised due to the pandemic's impact on operations. It was observed that teleconference hearings, particularly in the high-volume Residential Tenancies List, increased participation and lengthened hearings, leading to a reduced number of matters per member per day. VCAT also had significantly reduced sessional member availability.</i> | | | | |
| Average cost per case – Coronial matters disposed in the Coroners Court | dollars | 4,309 | 4,123 | -4.3 |
| Average cost per case – Criminal matters disposed in the Supreme Court | dollars | 51,040 | 47,761 | -6.4 |
| <i>The variance between the estimate and full-year result is due to an increase in the number of applications filed during the financial year, including the highest number of bail applications on record. Applications are heard and determined more quickly than substantive criminal proceedings and typically have far more limited hearing days.</i> | | | | |
| Average cost per case – Criminal matters disposed in the County Court | dollars | 17,874 | 29,589 | 65.5 |
| <i>The variance between the estimate and full-year result is largely due to a decrease in the number of cases finalised due to the ongoing impact of the pandemic on operations.</i> | | | | |
| Average cost per case – Criminal matters disposed in the Magistrates' Court | dollars | 1,262 | 1,882 | 49.1 |
| <i>The variance between the estimate and full-year result is largely due to a decrease in the number of cases finalised due to the ongoing impact of the pandemic on operations.</i> | | | | |
| Average cost per case – Criminal matters disposed in the Children's Court | dollars | 1,155 | 1,741 | 50.7 |

| Performance measures | Unit of measure | 2020-21 estimate | 2020-21 actual | Performance variation (%) |
|--|-----------------|------------------|----------------|---------------------------|
| Quantity | | | | |
| <i>The variance between the estimate and full-year result is largely due to the pandemic's impact on court operations. The Court prioritised custodial matters but it was often not appropriate for other serious matters to be dealt with online. Engagement with legal representation was also reduced during the pandemic, leading to a reduction in cases being finalised.</i> | | | | |
| Case clearance rate – Civil matters disposed in the Supreme Court | per cent | 100 | 98.3 | -1.7 |
| Case clearance rate – Civil matters disposed in the County Court | per cent | 100 | 94.6 | -5.4 |
| <i>The variance between the estimate and full-year result is due to an increase in Common Law initiations of 15 per cent (569 initiations) over the last 24 months.</i> | | | | |
| Case clearance rate – Civil matters disposed in the Magistrate's Court | per cent | 100 | 87.4 | -12.6 |
| <i>The variance between the estimate and full-year result is largely due to pandemic restrictions from July to October 2020. Easing of restrictions, the growth of MCV's online court, and agile listing practices from late October improved the clearance rate to 98.5 per cent (for November 2020 to June 2021).</i> | | | | |
| Case clearance rate – Family Division matters disposed in the Children's Court | per cent | 100 | 103 | 3.0 |
| Case clearance rate – Civil matters disposed in Victorian Civil and Administrative Tribunal | per cent | 100 | 81.8 | -18.2 |
| <i>The variance between the estimate and full-year result is largely due to a decrease in the number of cases finalised due to the pandemic's impact on operations. It was observed that teleconference hearings, particularly in the high-volume Residential Tenancies List, increased participation and lengthened hearings, leading to a reduced number of matters per member per day. VCAT also had significantly reduced sessional member availability.</i> | | | | |
| Case clearance rate – Coroner matters disposed in the Coroners Court | per cent | 100 | 93.4 | -6.6 |
| <i>The variance between the estimate and full-year result is largely due to continuing high caseloads and service demands. The recent appointment of three new Coroners in 2021 is expected to help manage demand and improve case clearance rates.</i> | | | | |
| Case clearance rate – Family violence intervention orders disposed in the Magistrates' and Children's Courts | per cent | 100 | 84.0 | -16.0 |
| <i>The variance between the estimate and full-year result is largely due to pandemic restrictions from July to October 2020. Easing of restrictions, the growth of MCV's online court, and agile listing practices from late October improved the clearance rate to 95 per cent (for November 2020 to June 2021).</i> | | | | |
| Case clearance rate – Criminal matters disposed in the Supreme Court | per cent | 100 | 92.9 | -7.1 |
| <i>The variance between the estimate and full-year result is largely due to restrictions associated with the pandemic including suspension of jury trials from March to November 2020 with intermittent returns requiring physical distancing from December 2020 onwards. A 39 per cent decrease in the Trial Division was mitigated by a 99 per cent clearance rate in the Court of Appeal which was enabled through remote hearing capabilities (the number of criminal appeals to the Court of Appeal decreased just 4 per cent despite the suspension of jury trials in the higher courts). The fast-tracking of homicide cases from the Magistrates' Court led to the highest number of cases committed in the last six financial years. In addition, applications increased significantly, particularly bail applications.</i> | | | | |

| Performance measures | Unit of measure | 2020-21 estimate | 2020-21 actual | Performance variation (%) |
|---|-----------------|------------------|----------------|---------------------------|
| Quantity | | | | |
| Case clearance rate – Criminal matters disposed in the County Court | per cent | 100 | 83.4 | -16.6 |
| <i>The variance between the estimate and full-year result can be attributed to the pandemic's impact on operations, particularly the suspension of jury trials between March 2020 and mid-November 2020 and the reduced number of trials that could be held prior to the density quotients/physical distancing exemptions for jury trials and jury processes.</i> | | | | |
| Case clearance rate – Criminal matters disposed in the Magistrates' Court | per cent | 100 | 80.0 | -20.0 |
| <i>The variance between the estimate and full-year result is largely due to pandemic restrictions from July to October 2020. Easing of restrictions, the growth of MCV's online court, and agile listing practices from late October improved the clearance rate to 105.3 per cent (for November 2020 to June 2021).</i> | | | | |
| Case clearance rate – Criminal matters disposed in the Children's Court | per cent | 100 | 107.2 | 7.2 |
| <i>The variance between the estimate and full-year result can be attributed to fewer initiations than expected, due to pandemic restrictions and police resourcing.</i> | | | | |

| Performance measure | Unit of measure | 2020-21 estimate | 2020-21 actual | Performance variation (%) |
|---|-----------------|------------------|----------------|---------------------------|
| Quality | | | | |
| Court file integrity in the Supreme Court – availability, accuracy and completeness | per cent | 90 | 93.0 | 3.3 |
| Court file integrity in the County Court – availability, accuracy and completeness | per cent | 90 | 94.5 | 5.0 |
| <i>The variance between the estimate and full-year result can be attributed to suspension of audits in 2020 due to pandemic restrictions. Audits resumed in early 2021.</i> | | | | |
| Court file integrity in the Magistrates' Court – availability, accuracy and completeness | per cent | 90 | 89.5 | -0.6 |
| Court file integrity in the Children's Court – availability, accuracy and completeness | per cent | 90 | 90.4 | 0.4 |
| Court file integrity in the Coroners Court – availability, accuracy and completeness | per cent | 90 | N/A | N/A |
| <i>In response to the pandemic, the Coroners Court moved to an electronic file management system. The Court will update standard operating procedures to recommence audits to enable court file integrity to be measured.</i> | | | | |
| Court file integrity in Victorian Civil and Administrative Tribunal – availability, accuracy and completeness | per cent | 90 | 79.0 | -12.2 |
| <i>The variance between the estimate and full-year result can be attributed to changes in VCAT's operations in response to the pandemic, including remote hearings and work from home practices, which reduced current paper-based file availability. There was also reduced file availability due to file digitisation and office relocations.</i> | | | | |

| Performance measure | Unit of measure | 2020-21 estimate | 2020-21 actual | Performance variation (%) |
|--|-----------------|------------------|----------------|---------------------------|
| Timeliness | | | | |
| On time case processing – Civil matters resolved or otherwise finalised within established timeframes in the Supreme Court | per cent | 90 | 86.8 | -3.6 |
| On time case processing – Civil matters resolved or otherwise finalised within established timeframes in the County Court | per cent | 90 | 88.7 | -1.4 |
| On time case processing – Civil matters resolved or otherwise finalised within established timeframes in the Magistrates' Court | per cent | 80 | 66.0 | -17.5 |
| <i>The variance between the estimate and full-year result can be attributed to the pandemic's impact on operations between July and October 2020, including the prioritisation of urgent matters such as family violence and personal safety interim orders that are not counted for BP3 purposes. Easing of restrictions, the growth of MCV's online court, and agile listing practices from late October improved capacity and increased finalisations, including older cases.</i> | | | | |
| On time case processing – Family Division matters resolved or otherwise finalised within established timeframes in the Children's Court | per cent | 90 | 80.0 | -11.1 |
| <i>The variance between the estimate and full-year result can be attributed to the pandemic's impact on court operations. The majority of matters were listed online, reducing the ability to conduct lengthy and complex contested hearings. Once contested hearings were resumed, matters experienced additional delay due to the reduced capacity resulting in increased processing times.</i> | | | | |
| On time case processing – Civil matters resolved or otherwise finalised within established timeframes in Victorian Civil and Administrative Tribunal | per cent | 90 | 87.8 | -2.4 |
| On time case processing – Coronial matters resolved or otherwise finalised within established timeframes in the Coroners Court | per cent | 80 | 79.6 | -0.5 |
| On time case processing – Criminal matters resolved or otherwise finalised within established timeframes in the Supreme Court | per cent | 85 | 81.2 | -4.5 |
| On time case processing – Criminal matters resolved or otherwise finalised within established timeframes in the County Court | per cent | 90 | 75.8 | -15.8 |
| <i>The variance between the estimate and full-year result can be attributed to the pandemic's impact on court operations, including suspension of jury trials and a decrease in appeals matters filed, which are less time consuming, following suspension of hearings in the Magistrates' Court.</i> | | | | |
| On time case processing – Criminal matters resolved or otherwise finalised within established timeframes in the Magistrates' Court | per cent | 85 | 44.2 | -48.0 |
| <i>Between July and October 2020, the court focused on complying with restrictions and finalising urgent matters (including bail applications which are not included in BP3 measures). Easing of restrictions coupled with the growth of the MCV online court and use of agile listing practices from late October saw an increase in cases finalised with a greater focus on older cases.</i> | | | | |
| On time case processing – Criminal matters resolved or otherwise finalised within established timeframes in the Children's Court | per cent | 90 | 72.7 | -19.2 |
| <i>The variance between the estimate and full-year result can be attributed to the pandemic's impact on court operations including reduced capacity to hear criminal matters. Priority was given to young people in custody.</i> | | | | |

| | | | | |
|---|----------|----|------|-------|
| On-time case processing – Family violence intervention orders resolved or otherwise finalised within established timeframes in the Magistrates' and Children's Courts | per cent | 90 | 68.8 | -23.6 |
| <i>Between July and October 2020, the court focused on complying with restrictions and finalising urgent matters (including family violence interim orders which are not included in BP3 measures). Easing of restrictions coupled with the growth of the MCV online court and use of agile listing practices from late October saw an increase in cases finalised with a greater focus on older cases.</i> | | | | |

| Performance measure | Unit of measure | 2020-21 estimate | 2020-21 actual | Performance variation (%) |
|---------------------|-----------------|------------------|----------------|---------------------------|
| Cost | | | | |
| Total output cost | \$ million | 722.7 | 704.3 | 2.5 |

Notes

(1) The case clearance rate is calculated as (number of cases disposed/number of cases initiated).

Financial Summary and Review

The budget outcomes provide a comparison between the actual financial statements of Court Services Victoria and the forecast financial information (initial budget estimates) published in Budget Paper No.5 Statement of Finances.

The budget outcomes statement is not subject to audit by the Victorian Auditor-General's Office and is not prepared on the same basis as the Court Services Victoria financial statements.

Refer to the financial statements for comparison of budget and actual.

FIVE-YEAR FINANCIAL SUMMARY

Table 2: Five-Year Financial Summary

| Item | 2020-21 \$'000 | 2019-20 \$'000 | 2018-19 \$'000 | 2017-18 \$'000 | 2016-17 \$'000 |
|--|-------------------|-------------------|-------------------|-------------------|-------------------|
| Revenue from Government | 683,529 | 647,903 | 586,423 | 521,896 | 457,763 |
| Total income from transactions | 711,520 | 673,520 | 614,588 | 546,574 | 490,874 |
| Total expenses from transactions | 711,286 | 669,003 | 612,360 | 540,393 | 493,412 |
| Net result from transactions – surplus / (deficit) | 235 | 4,517 | 2,228 | 6,182 | (2,539) |
| Comprehensive result | 68,766 | 44,337 | 49,258 | 69,838 | 5,577 |
| Net cash flow from operating activities | 79,196 | 52,948 | 74,563 | 51,693 | 31,646 |
| Total assets | 1,441,644 | 1,328,449 | 1,128,001 | 1,196,741 | 1,086,817 |
| Total liabilities | 259,662 | 286,581 | 199,630 | 191,357 | 187,139 |

COURT SERVICES VICTORIA CURRENT YEAR FINANCIAL REVIEW

- For the financial year 2020-21, Court Services Victoria's revenue from government grew by \$35.6 million compared to last year, mainly reflecting the increased output revenue arising from budget initiatives. The funding was utilised to further enhance service delivery through the support of additional staffing and technological advancement which is reflected in the "Net result from transactions" of \$0.23 million.
- The comprehensive result for the period has increased by \$24.4 million compared to last year, primarily due to favourable revaluation of Court Services Victoria's fixed assets and long service liabilities.
- Total assets increased by \$113.2 million reflecting the substantial asset building work being done to optimise courts and associated facilities for the use of modern technology and to simplify access to justice systems, and the favourable revaluation of fixed assets.
- Total liabilities reduced by \$26.9 million compared to prior year mainly due to reduction in lease liabilities and the favourable revaluation of long service liabilities.

BUDGET ALLOCATION

Court Services Victoria's budget is allocated to each of the jurisdictions, Jurisdiction Services, the College and the Commission, in accordance with budgets approved by the Attorney-General under section 41 of the *Court Services Victoria Act*.

The Court Services Victoria budget breakdown for the purposes of corporate functions, the jurisdictions, the College, and the Commission is shown in Table 4, and includes funding from annual and special appropriations, as well as trust funding. Charges relating to the corporate functions set out below include the whole of Court Services Victoria charges, such as capital asset charges and depreciation.

Built into appropriation funding is depreciation, rent, accommodation and a capital asset charge. These are classified as non-discretionary items and funding is held and managed centrally by Court Services Victoria.

The budget allocation profiles of Jurisdiction Services and Shared Support Services, the jurisdictions, the College, and the Commission are based on an historical allocations profile adjusted for savings, indexation and new funding.

Table 3: Court Services Victoria's Budget Allocation by Jurisdiction

| By business area | 2020-21 Published budget \$m | 2020-21 Revised budget \$m |
|---|------------------------------------|----------------------------------|
| Supreme Court of Victoria | 88.0 | 88.0 |
| County Court of Victoria | 114.9 | 114.9 |
| Magistrates' Court of Victoria | 243.7 | 245.7 |
| Victorian Civil & Administrative Tribunal | 68.2 | 70.0 |
| Children's Court of Victoria | 32.6 | 35.3 |
| Coroners Court of Victoria | 22.1 | 22.7 |
| Judicial College of Victoria | 4.7 | 4.7 |
| Judicial Commission of Victoria | 3.0 | 3.0 |
| Jurisdiction Services | 83.0 | 86.5 |
| Shared Support Services | 62.5 | 65.5 |
| Total Court Services Victoria | 722.7 | 736.3 |

Notes:

- (1) The total Court Services Victoria budget is income from transactions. Refer to Budget Paper No. 3 for further information.
- (2) Shared Support Services captures expenditure for non-discretionary contract commitments entered into and managed by Court Services Victoria on behalf of the jurisdictions.

DISCLOSURE OF GRANTS AND TRANSFER PAYMENTS (OTHER THAN CONTRIBUTIONS BY OWNERS)

Court Services Victoria has provided assistance to certain companies and organisations. Financial assistance provided in 2020-21 is detailed below.

Table 4: Grant and Other Transfer Payments

| Organisation | Nature of grant and other transfer payment | Expenditure (excluding GST) \$ |
|---|--|--------------------------------------|
| Corrections Victoria | 2020-21 Drug Court Funding Contribution - Case Management Services | 400,000 |
| McAuley Community Services for Women | Support for Women and Children | 30,333 |
| National Judicial College of Australia | 2020-21 Grant Contribution - Victoria | 92,971 |
| Western Sydney University | Developing a virtual court | 81,400 |
| Department of Health and Human Services | Alcohol and Other Drug Treatment Services for Participants of the Court Integrated Services Program (CISP) | 3,715,477 |
| Department of Health and Human Services | WAYYS Emergency Housing Support | 264,532 |
| Court Network | Court Services Network Agreement | 1,284,565 |
| The Allannah & Madeline Foundation | 2020-21 Grant Contribution (Cubby House Program) | 250,000 |
| Supreme Court Law Library | 2020-21 Grant - Operating Contribution Monthly Release | 995,495 |
| Australian Bureau of Statistics | National Criminal Courts Statistics Unit Inter-Governmental Agreement | 82,249 |
| Judicial College of Victoria | 2020-21 Output Appropriation Funding | 4,355,300 |
| Judicial Commission of Victoria | 2020-21 Output Appropriation Funding | 2,465,481 |
| Grand Total | | 14,017,802 |

SECTION 3:

Workforce Data



Workforce Data

The People and Culture division monitors CSV statewide workforce data. The following table includes data for actual full-time equivalent (FTE) Victorian Public Service (VPS) employees and does not include statutory appointees.

Table 5: Details of Employment Levels in June 2020 and June 2021

| | 30 June 2020 | | | | | | | |
|----------------------------|-----------------------|-------------------------|--------------------------|--------------------------|-------------------------|-----------------------|-------------------------|--|
| | All employees | | Ongoing | | | Fixed term and casual | | |
| | Number (headcount) | Full-time Equivalent | Full-time (headcount) | Part-time (headcount) | Full-time Equivalent | Number (headcount) | Full-time Equivalent | |
| Demographic data | | | | | | | | |
| Gender | | | | | | | | |
| Women | 1,664 | 1,535.9 | 1,114 | 272 | 1,285.4 | 278 | 250.5 | |
| Men | 704 | 678.5 | 507 | 33 | 527.5 | 164 | 151 | |
| Self-described | 2 | 1.9 | 1 | 1 | 1.9 | 0 | 0 | |
| Age | | | | | | | | |
| Under 25 | 233 | 229.7 | 192 | 2 | 193 | 39 | 36.7 | |
| 25-34 | 848 | 817.8 | 567 | 64 | 606.5 | 217 | 211.3 | |
| 35-44 | 509 | 462.8 | 327 | 113 | 398.4 | 69 | 64.4 | |
| 45-54 | 380 | 351.4 | 261 | 68 | 304 | 51 | 47.4 | |
| 55-64 | 302 | 277.6 | 215 | 47 | 245.9 | 40 | 31.7 | |
| Over 64 | 98 | 77 | 60 | 12 | 67 | 26 | 10 | |
| Classification data | | | | | | | | |
| Victorian Public Service 1 | 2 | 2 | 0 | 0 | 0 | 2 | 2 | |
| Victorian Public Service 2 | 347 | 322.8 | 231 | 54 | 265.8 | 62 | 57 | |
| Victorian Public Service 3 | 504 | 482.7 | 273 | 46 | 302 | 185 | 180.7 | |
| Victorian Public Service 4 | 373 | 349 | 261 | 61 | 300.3 | 51 | 48.7 | |
| Victorian Public Service 5 | 289 | 253.9 | 163 | 33 | 187.2 | 93 | 66.7 | |
| Victorian Public Service 6 | 184 | 178 | 128 | 13 | 136.2 | 43 | 41.8 | |
| Allied Health 3 | 2 | 1.1 | 0 | 2 | 1.1 | 0 | 0 | |
| Trainee Registrar | 252 | 248.3 | 243 | 9 | 248.3 | 0 | 0 | |
| Deputy Registrar | 50 | 46.1 | 41 | 9 | 46.1 | 0 | 0 | |
| Registrar Grade 3 | 216 | 194 | 161 | 53 | 193.2 | 2 | 0.8 | |
| Registrar Grade 4 | 43 | 40.3 | 36 | 7 | 40.3 | 0 | 0 | |
| Registrar Grade 5 | 50 | 45.7 | 38 | 12 | 45.7 | 0 | 0 | |
| Registrar Grade 6 | 17 | 17 | 17 | 0 | 17 | 0 | 0 | |

| | 30 June 2021 | | | | | | |
|----------------------------|-----------------------|-------------------------|--------------------------|--------------------------|-------------------------|-----------------------|-------------------------|
| | All employees | | Ongoing | | | Fixed term and casual | |
| | Number (headcount) | Full-time Equivalent | Full-time (headcount) | Part-time (headcount) | Full-time Equivalent | Number (headcount) | Full-time Equivalent |
| Demographic data | | | | | | | |
| Gender | | | | | | | |
| Women | 1,806 | 1,690.8 | 1,201 | 280 | 1,378.5 | 325 | 312.3 |
| Men | 753 | 737.7 | 547 | 29 | 566.4 | 177 | 171.3 |
| Self-described | 4 | 4 | 2 | 0 | 2 | 2 | 2 |
| Age | | | | | | | |
| Under 25 | 237 | 234.5 | 184 | 2 | 185.2 | 51 | 49.3 |
| 25-34 | 950 | 919.5 | 617 | 58 | 650.1 | 275 | 269.4 |
| 35-44 | 553 | 512.2 | 365 | 108 | 436.4 | 80 | 75.8 |
| 45-54 | 404 | 376.1 | 283 | 72 | 329 | 49 | 47.1 |
| 55-64 | 334 | 312.4 | 240 | 54 | 275.4 | 40 | 37 |
| Over 64 | 85 | 77.8 | 61 | 15 | 70.8 | 9 | 7 |
| Classification Data | | | | | | | |
| Victorian Public Service 1 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| Victorian Public Service 2 | 374 | 353.3 | 233 | 47 | 263.3 | 94 | 90 |
| Victorian Public Service 3 | 538 | 517.4 | 264 | 48 | 295 | 226 | 222.4 |
| Victorian Public Service 4 | 427 | 402.9 | 295 | 56 | 330.8 | 76 | 72.1 |
| Victorian Public Service 5 | 287 | 272.8 | 197 | 34 | 221.8 | 56 | 51 |
| Victorian Public Service 6 | 203 | 195.5 | 139 | 20 | 152.8 | 44 | 42.7 |
| Allied Health 3 | 2 | 1.3 | 0 | 2 | 1.3 | 0 | 0 |
| Trainee Registrar | 257 | 254.5 | 250 | 7 | 254.5 | 0 | 0 |
| Deputy Registrar | 69 | 65.8 | 60 | 9 | 65.8 | 0 | 0 |
| Registrar Grade 3 | 246 | 221.8 | 182 | 59 | 217.4 | 5 | 4.4 |
| Registrar Grade 4 | 46 | 43.5 | 39 | 7 | 43.5 | 0 | 0 |
| Registrar Grade 5 | 47 | 42.7 | 36 | 11 | 42.7 | 0 | 0 |
| Registrar Grade 6 | 17 | 17 | 17 | 0 | 17 | 0 | 0 |

| | 30 June 2020 | | | | | | |
|-----------------------------------|-----------------------|-------------------------|--------------------------|--------------------------|-------------------------|-----------------------|-------------------------|
| | All employees | | Ongoing | | | Fixed term and casual | |
| | Number (headcount) | Full-time Equivalent | Full-time (headcount) | Part-time (headcount) | Full-time Equivalent | Number (headcount) | Full-time Equivalent |
| Solicitor Grade 3 | 1 | 1 | 1 | 0 | 1 | 0 | 0 |
| Total | 2,330 | 2,181.9 | 1,593 | 299 | 1,784.2 | 438 | 397.7 |
| Senior Technical Specialist | 22 | 16.8 | 12 | 6 | 13 | 4 | 3.8 |
| Executive Officer 1 | 1 | 1 | 1 | 0 | 1 | 0 | 0 |
| Executive Officer 2 | 6 | 5.6 | 5 | 1 | 5.6 | 0 | 0 |
| Executive Officer 3 | 11 | 11 | 11 | 0 | 11 | 0 | 0 |
| Total Senior employees | 40 | 34.4 | 29 | 7 | 30.6 | 4 | 3.8 |
| Total employees | 2,370 | 2,216.3 | 1,622 | 306 | 1,814.8 | 442 | 401.5 |

Notes

- (1) All figures reflect active employees in the last pay period of June each year. The figures exclude those persons on leave without pay or absent on secondment, external contractors/consultants and temporary staff employed through recruitment agencies. 'Ongoing employee' means people engaged on open-ended contracts of employment and executive officers on a standard executive contract who were active in the last pay period of June each year. Judicial officers are not included.
- (2) The above figures include all employees defined as CSV staff in section 3 of the CSV Act; the CSV Chief Executive Officer; a Court Chief Executive Officer; a person employed under section 36; a judicial employee.
- (3) The above figures do not include the Chief Executive Officer of the College; staff employed under section 16 (2) of the Judicial College of Victoria Act 2001; the Director of the Commission or staff of the Commission under the Judicial Commission of Victoria Act 2016, as the College and the Commission are separate reporting entities.
- (4) For the purposes of practicality, as a true reflection of the Court Services Victoria workforce, and for ease of comparison with data reported in previous years, Full-time Equivalent figures have not been rounded to the nearest whole number.

| | 30 June 2021 | | | | | | |
|-----------------------------------|-----------------------|-------------------------|--------------------------|--------------------------|-------------------------|-----------------------|-------------------------|
| | All employees | | Ongoing | | | Fixed term and casual | |
| | Number (headcount) | Full-time Equivalent | Full-time (headcount) | Part-time (headcount) | Full-time Equivalent | Number (headcount) | Full-time Equivalent |
| Solicitor Grade 3 | 1 | 0.6 | 0 | 1 | 0.6 | 0 | 0 |
| Total | 2,514 | 2,389.1 | 1712 | 301 | 1,906.5 | 501 | 482.6 |
| Senior Technical Specialist | 26 | 21 | 17 | 6 | 18 | 3 | 3 |
| Executive Officer 1 | 1 | 1 | 1 | 0 | 1 | 0 | 0 |
| Executive Officer 2 | 11 | 10.5 | 10 | 1 | 10.5 | 0 | 0 |
| Executive Officer 3 | 11 | 10.9 | 10 | 1 | 10.9 | 0 | 0 |
| Total Senior employees | 49 | 43.4 | 38 | 8 | 40.4 | 3 | 3 |
| Total employees | 2,563 | 2,432.5 | 1,750 | 309 | 1,946.9 | 504 | 485.6 |

Executive Officer Data

An executive officer is defined as a person employed as a public service body head or other executive under Part 3, Division 5 of the Public Administration Act 2004. All figures reflect employment levels at the last full pay period in June of the current and corresponding previous reporting year.

The definition of executive officer does not include Governor in Council appointments as statutory office holders.

Table 6: Number of Executive Officers by Gender at 30 June 2021

| Class | All | | Women | | Men | | Self-described | |
|--------------|-----------|-----------|-----------|-----------|----------|-----------|----------------|----------|
| | Number | Variance | Number | Variance | Number | Variance | Number | Variance |
| EO-1 | 1 | 0 | 1 | 0 | 0 | 0 | 0 | 0 |
| EO-2 | 11 | +5 | 4 | +1 | 7 | +4 | 0 | 0 |
| EO-3 | 11 | 0 | 9 | +2 | 2 | -2 | 0 | 0 |
| Total | 23 | +5 | 14 | +3 | 9 | +2 | 0 | 0 |

Note

'Variance' refers to the variation in number between the current and previous reporting periods.

The number of executives in the Report of Operations is based on the number of executive positions that are occupied at the end of the financial year. Note 9.3 in the Financial Statements lists the actual number of executive officers and the total remuneration paid to executive officers over the course of the reporting period. Note 9.3 does not include the Court Services Victoria Chief Executive Officer (Accountable Officer), the Chief Executive Officer of the College, or the Director of the Commission, nor does it distinguish between executive levels or disclose separations. Separations are executives who have left CSV during the relevant reporting period. To assist readers, these numbers are reconciled in Table 7.

Table 7: Reconciliation of Executive Numbers

| Item | 2020 | 2021 |
|---|-----------|-----------|
| Executives (as listed in Financial Statement) | 22 | 26 |
| Accountable Officer | 1 | 1 |
| Less Separations | (5) | (4) |
| Total executive numbers at 30 June | 18 | 23 |

Note

The Chief Executive Officer of the College and the Director of the Commission are excluded from the above table. The College and the Commission are separate reporting entities and produce their own annual reports.

The following table discloses the annualised total salary for senior employees of CSV, categorised by classification. The salary amount is reported as the full-time annualised salary.

Table 8: Annualised Total Salary for Executives and Other Senior Employees

| Income Band | Executives | Senior Technical Specialist |
|---------------------|----------------|-----------------------------|
| < \$160,000 | 2 ³ | 1 |
| \$160,000–\$179,999 | 1 ⁴ | 4 |
| \$180,000–\$199,999 | 7 | 5 |
| \$200,000–\$219,999 | 1 | 6 |
| \$220,000–\$239,999 | 4 | 10 ⁵ |
| \$240,000–\$259,999 | 2 | 0 |
| \$260,000–\$279,999 | 1 | 0 |
| \$280,000–\$499,999 | 4 | 0 |
| Total | 22 | 26 |

Notes

- (1) The contracted remuneration of executives and payments to senior staff is the total salary amount, excluding superannuation (company and employee), and vehicle leasing arrangements as at the last full pay period in June of the reporting period.
- (2) This table does not include the CSV Chief Executive Officer (Accountable Officer), the Chief Executive Officer of the College, or the Director of Commission as the College and the Commission are separate reporting entities.
- (3) One executive is employed on a part-time basis at a 0.5 FTE rate.
- (4) Executive employed on a part-time basis at a 0.9 FTE rate.
- (5) There are six senior employees employed on a part-time basis: 2 at 0.1 FTE rate, 4 at 0.2 FTE rate.

Employment and Conduct Principles

CSV continued to respect and uphold the Victorian Public Sector Employment Principles and Standards of fair and reasonable treatment, merit in employment, equal employment opportunity, upholding human rights, ensuring a reasonable avenue of redress, and fostering the development of a career public service.

CSV is committed to applying merit and equity principles when appointing staff. Selection processes ensure applicants are assessed fairly and equitably on the basis of the key selection criteria and key accountabilities without discrimination. Training, advice and resources are provided to hiring managers, and selection and recruitment processes are continuously improved to ensure merit-based, fair and equitable processes. Employees have been correctly classified in workforce data collections.

Performance Against OH&S Measures

There were nine standard WorkSafe claims lodged during 2020-21, compared with 18 claims for the previous financial year. The number of claims exceeding 13 weeks of paid compensation increased from three to five during 2020-21. Court Services Victoria's continued focus in supporting injured workers back to sustainable return to work remains a high priority. Not only is it beneficial for the injured worker, but it also has a positive impact to their manager, colleagues, jurisdiction and overall workplace culture. The return-to-work planning process commences as soon as the injury notification and/or certificate of capacity is received, with proposed RTW Arrangement Plans offered.

During 2020-21, there was a total of 267 reported incidents compared to 251 in 2019-2020. The number of incidents reported by Court Services Victoria staff was 211 and a further 56 incidents were lodged by court users. The increase in the number of reported incidents can be attributed in part to the coronavirus (COVID-19) pandemic, with staff encouraged to report when they sought a coronavirus (COVID-19) test, and any incidents, including potential hazards and near misses, are used to inform a proactive approach to health, safety, and risk management.

Court Services Victoria will continue to promote the importance of reporting health and safety issues and potential hazards to assist in minimising the risks to staff and court users. The raising and reporting of issues is an effective method of capturing data to identify future risks to enable a proactive approach to health and safety.

Table 9: Performance Against OH&S Measures

| Measure | KPI | 2018-19 | 2019-20 | 2020-21 |
|--------------------------------|--|--------------|-------------|--------------|
| Incidents | Number of incidents ⁽¹⁾ | 164 | 251 | 267 |
| Incidents | Rate per 100 Full-time Equivalent ⁽²⁾ | 6.7 | 6.4 | 7.4 |
| Incidents | Number of incidents requiring first aid and/or further medical treatment | 87 | 119 | 135 |
| Claims ⁽³⁾ | Number of standard claims | 17 | 18 | 9 |
| Claims ⁽³⁾ | Rate per 100 Full-time Equivalent | 0.69901 | 0.68702 | 0.31612 |
| Claims ⁽³⁾ | Number of lost time claims | 6 | 8 | 4 |
| Claims ⁽³⁾ | Rate per 100 Full-time Equivalent | 0.24671 | 0.30534 | 0.1405 |
| Claims ⁽³⁾ | Number of claims exceeding 13 weeks | 5 | 3 | 5 |
| Claims ⁽³⁾ | Rate per 100 Full-time Equivalent | 0.20559 | 0.1145 | 0.24587 |
| Fatalities ⁽³⁾ | Fatality claims | 0 | 0 | 0 |
| Claims costs ⁽³⁾ | Average cost per standard claim ⁽⁴⁾ | \$104,041.00 | \$25,761.00 | \$268,786.00 |
| Return to work | Percentage claims with RTW plan >30 days | 100% | 100% | 100% |
| Management commitment | Evidence of OH&S policy statement, OH&S objectives, regular reporting to senior management of OH&S, and OH&S plans (signed by Chief Executive Officer or equivalent) | Completed | Completed | Completed |
| Management commitment | Evidence of OH&S criteria(s) in purchasing guidelines (including goods, services and personnel) | Completed | Completed | Completed |
| Consultation and participation | Evidence of agreed structure of designated workgroups (DWGs), health and safety representatives (HSRs), and issue resolution procedures (IRPs) | Completed | Completed | Completed |
| Consultation and participation | Compliance with agreed structure on DWGs, HSRs and IRPs | Completed | Completed | Completed |
| Risk Management | Number of Improvement Notices issued across Court Services Victoria by WorkSafe Inspector | 6 | 2 | 3 |

Notes:

(1) Includes staff and court users.

(2) Full-time Equivalent is based on number of staff incidents only.

(3) WorkSafe Victoria data for 2020-21 was extracted on 25 August 2021.

(4) The average claim costs reported each financial year is subject to change as costs vary over time to incorporate payments made to date and estimated future payments.

Regular Internal Audits Conducted and Issues Identified and Actioned during 2020-21

- Court Services Victoria and the jurisdictions continued to monitor and undertake workplace inspections to identify physical, psychological and environmental risks, and implement changes to address risks.
- All Provisional Improvement Notices and WorkSafe notices were 100% actioned during 2020-21.
- Extensive coronavirus (COVID-19) risk assessments and audits continued to be conducted to ensure safety for those essential staff who were permitted to attend workplaces, and for staff returning to the workplace.
- Risks when working from home are continually monitored and staff consulted on control measures and supports to minimise risks and improve health and wellbeing.

Managers, Health and Safety Representatives and Other Staff Trained during 2020-21

- Court Services Victoria managers and staff are encouraged to undertake professional development opportunities including those relating to health, safety and wellbeing.
- Health and Safety Representatives continue to be encouraged to undertake the initial five-day training and refresher training to better equip them to undertake their roles.
- A range of mental health and wellbeing programs were developed to support managers and assist staff working remotely because of the coronavirus (COVID-19) pandemic. This included sessions on leading in anxious times for managers; taking care of mental health and wellbeing for both managers and staff; and mindfulness.

SECTION 4:

Other Disclosures



Local Jobs First

The *Local Jobs First Act 2003* introduced in August 2018 brings together the Victorian Industry Participation Policy (VIPPP) 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 statewide projects, or \$1 million or more for projects in regional Victoria.

Major Project Skills Guarantee applies to all construction projects valued at \$20 million or more.

PROJECTS COMMENCED – LOCAL JOBS FIRST STANDARD

During 2020-21, Court Services Victoria commenced three Local Jobs First standard projects totalling \$9.09 million. Of those projects, two were located in regional Victoria, with an average commitment of 83 per cent of local content, and one in metropolitan Melbourne, with an average commitment of 91 per cent local content.

The outcomes expected from the implementation of the Local Jobs First policy to these projects where information was provided, are as follows:

- An average of 86 per cent of local content.
- A total of 23 jobs (annualised employee equivalent (AEE)), including the creation of nine new jobs and the retention of 14 existing jobs (AEE).
- A total of seven positions for apprentices, traineeships, and cadets.

PROJECTS COMPLETED – LOCAL JOBS FIRST STANDARD

During 2020-21, Court Services Victoria did not complete any Local Jobs First standard projects.

PROJECTS COMMENCED – LOCAL JOBS FIRST STRATEGIC

During 2020-21, Court Services Victoria commenced two Local Jobs First strategic projects totalling \$4.23 million. Of those projects, one was located in regional Victoria, with an average commitment of 92 per cent of local content, and one in metropolitan Melbourne, with an average commitment of 100 per cent local content. The Major Project Skills Guarantee applies to both projects.

The outcomes expected from the implementation of the Local Jobs First policy to these projects where information was provided, are as follows:

- An average of 96 per cent of local content.
- A total of 161 jobs (annualised employee equivalent (AEE)), including the creation of 15 new jobs and the retention of 146 existing jobs (AEE).
- A total of 16 positions for apprentices, traineeships, and cadets.

PROJECTS COMPLETED – LOCAL JOBS FIRST STRATEGIC

During 2020-21, Court Services Victoria did not complete any Local Jobs First Strategic projects.

REPORTING REQUIREMENTS – ALL PROJECTS

During 2020-21, there were five small-to-medium sized businesses that prepared a Local Industry Development Plan for contracts successfully appointed as Lead Contractor.

During 2020-21, 1,300 small-to-medium sized businesses were engaged through the supply chain on these projects.

REPORTING REQUIREMENTS – GRANTS

There were no grants during 2020-21 which entailed a conversation with the Industry Capability Network (Victoria) Ltd.

Compliance with Building Act 1993

Court Services Victoria complies with the building and maintenance provisions of the *Building Act 1993*, the Building Regulations 2018, and relevant provisions of the National Construction Code.

Court Services Victoria applies the guidance to the Asset Management Accountability Framework in so far as it relates to the compliance with building regulations, the safety and fitness to occupy facilities, and application to new building and construction works.

SCOPE OF PROPERTIES

Court Services Victoria manages a diverse asset base of 51 owned facilities that range from major purpose-built court buildings concentrated in the CBD and metropolitan Melbourne, to single-room court facilities dispersed throughout regional Victoria. In some cases, Court Services Victoria manages and maintains facilities where there is a co-shared arrangement with the Department of Justice and Community Safety. Many Court Services Victoria facilities also include custody suites which are managed by Victoria Police and/or Corrections Victoria.

NEW AND EXISTING BUILDING STANDARDS

During 2020-21, Court Services Victoria conducted 103 major works projects (valued over \$50,000) in court locations across Victoria. All new work, and redevelopment of existing properties, is carried out to conform to current Building Regulations and the provisions of the Building Act.

The municipal Building Surveyor or the relevant building surveyor issues either a Certificate of Final Inspection for upgrades or alterations to an existing building for which an Occupancy Permit has already been issued or deemed to be issued, or an Occupancy Permit for all new facilities and change of use and/or classification.

MAINTENANCE OF OWNED FACILITIES

Court Services Victoria owned buildings satisfy the maintenance provisions of building regulations through management by internal resources and external contractors. Court Services Victoria administers the issues on which maintenance standards rely, such as competencies of personnel, monitoring, reporting and auditing of servicing and maintenance systems.

During 2020-21 Court Services Victoria implemented the Courts Asset Information Management System. This allows for enhanced lifecycle management, centralised contractor management and improved overall asset data information and reporting across Court Services Victoria. All works are now captured and processed via this system.

Asset Management Plans have been completed for half of all Court Services Victoria assets, with the remaining half to be completed by 30 June 2022.

Court Services Victoria receives maintenance statements from contractors and ensures evidence-based asset compliance is achieved by auditing all maintenance logbooks, records and databases and providing the annual Essential Safety Measures Report for each facility.

In 2020-21, any identified and prioritised non-compliances were scheduled to be undertaken as part of the upgrade works across all facilities.

The Victorian Government Shared Services Provider manages maintenance for leased facilities, excluding the County Court of Victoria building, which is managed through a public private partnership.

Occupational health and safety, functionality for service delivery and upkeep of plant and equipment are key priorities for the allocation of funding for maintenance. All legislative requirements for asbestos inspections and monitoring have been met and coordinated to the satisfaction of the Victorian Asbestos Eradication Agency.

Legionella risks are managed by ensuring compliance with Legionella-related Acts and Regulations.

To date there are no emergency orders or building orders issued in relation to Court Services Victoria owned facilities.

As part of the audit of government buildings for risks associated with the presence of Aluminium Composite Panel cladding, it was identified that cladding at the Melbourne Children's Court should be replaced. Court Services Victoria worked with Cladding Safety Victoria and the Melbourne Children's Court to successfully deliver a cladding rectification program for the building.

Aluminium Composite Panel cladding has also been identified at both Moorabbin and Geelong courts. Court Services Victoria is working with Cladding Safety Victoria to deliver a cladding rectification program for both courts.

Asset Management Accountability Framework Maturity Assessment

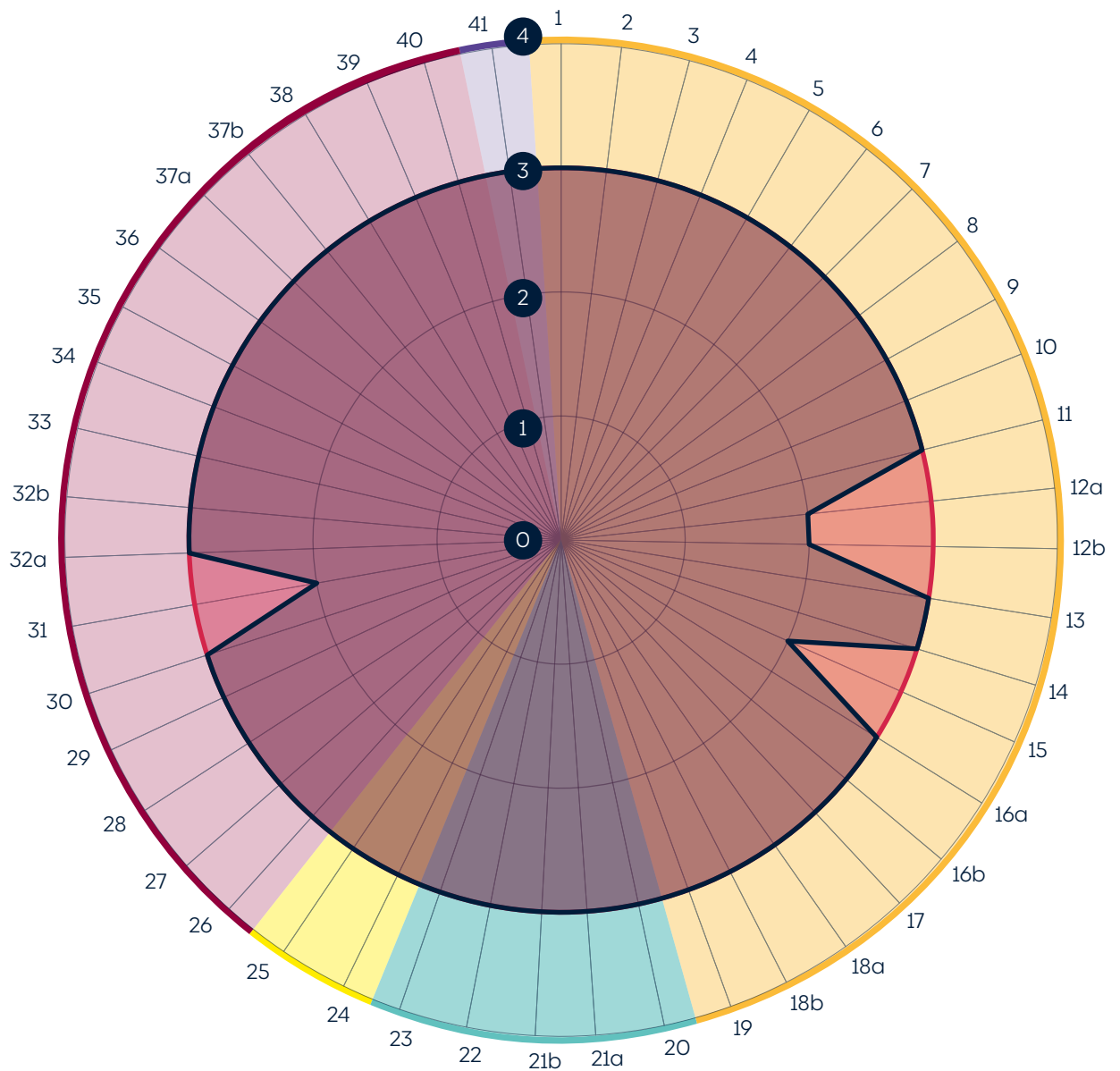
The following sections summarise Court Services Victoria's assessment of maturity against the requirements of the Asset Management Accountability Framework (AMAF). The AMAF is a non-prescriptive, devolved accountability model of asset management that requires compliance with 41 mandatory requirements.

Court Services Victoria commissioned an independent assessment that found there are no AMAF material compliance deficiencies. While Court Services Victoria still has work to do to meet all of its mandatory AMAF obligations, the current gaps in process, systems or documentation are not sufficient to constitute a material deficiency.

- Court Services Victoria can demonstrate compliance to 38 AMAF mandatory requirements.
- Court Services Victoria can demonstrate significant foundation capability against the remaining three AMAF mandatory requirements.
- Current activity would indicate that Court Services Victoria will meet compliance for these three outstanding clauses within the next twelve months.
- Court Services Victoria's approach aligns with central government expectations.

Court Services Victoria's target maturity rating is 'competence', meaning systems and processes fully in place, consistently applied and systematically meeting the AMAF requirement, including a continuous improvement process to expand system performance above AMAF minimum requirements.

Figure 1 - Overall maturity June 2021

**Legend:**

| Status | Scale |
|----------------|-------|
| Not Applicable | N/A |
| Innocence | 0 |
| Awareness | 1 |
| Developing | 2 |
| Competence | 3 |
| Optimising | 4 |
| Unassessed | U/A |

— Target
— Overall

LEADERSHIP AND ACCOUNTABILITY (REQUIREMENTS 1-19)

Court Services Victoria met or exceeded its target maturity level under most requirements within this category.

Court Services Victoria did not comply with some requirements in the areas of monitoring asset performance and asset management system performance. There is no material non-compliance reported in this category. A plan for improvement is in place to improve Court Services Victoria's maturity rating in these areas.

PLANNING (REQUIREMENTS 20-23)

Court Services Victoria met or exceeded its target maturity level in this category.

ACQUISITION (REQUIREMENTS 24 AND 25)

Court Services Victoria met or exceeded its target maturity level in this category.

OPERATION (REQUIREMENTS 26-40)

Court Services Victoria met or exceeded its target maturity level under most requirements within this category. Court Services Victoria did not comply with some requirements in the area of maintenance of assets. There is no material non-compliance reported in this category. A plan for improvement is in place to improve Court Services Victoria's maturity rating in these areas.

DISPOSAL (REQUIREMENT 41)

Court Services Victoria met its target maturity level in this category.

Office-based Environmental Impacts

INAUGURAL REPORTING YEAR

Court Services Victoria has elected to report on its office-based environmental impacts for the first time, covering the 2020-21 financial year. The report is in line with FRD-24D reporting requirements.

FRD-24D calls for reporting office-based environmental impacts, however, the structure of courts, tribunals, and administrative support services does not lend itself to isolating impacts from office-based activity as a standalone measure. Therefore, activities at office and court and tribunal facilities have been captured in the data reported. The data covers the 2020-21 period, and includes usage data for the following aspects:

- Electricity usage and generation
- Natural gas usage
- Water usage
- Waste and recycling
- Vehicle fuels
- Air travel
- Paper use

EMISSIONS REDUCTION INITIATIVES

Much of Court Services Victoria's greenhouse gas emissions are attributed to energy usage, specifically electricity. Consequently, energy efficiency has been the focus of emissions reduction efforts during the year.

Activities included:

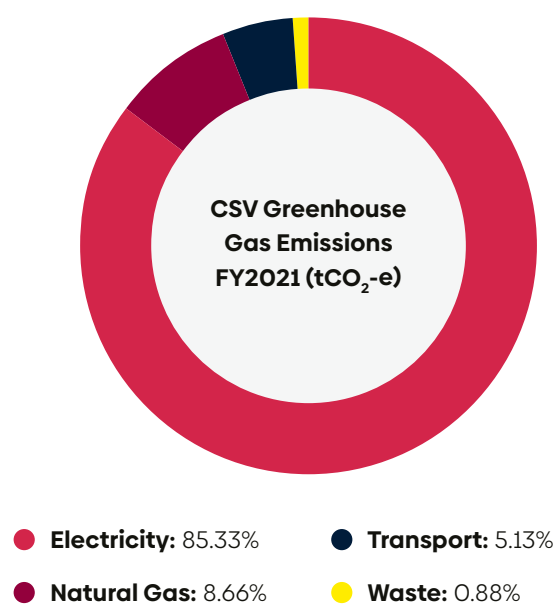
- Formal energy audits of the highest energy consuming facilities
- Investigations into procurement of renewable electricity via Power Purchasing Agreements
- Environmentally Sustainable Design review of projects delivered by Court Services Victoria
- Environmentally Sustainable Design targets for new facilities (Green Star)
- Commenced implementation of the ISO14001 Environmental Management System
- Local power generation feasibility study into solar photo voltaic panels
- Benchmarking 21 owned facilities using the NABERS Energy intensity rating system

Court Services Victoria continues to direct available capital to sustainability initiatives identified by the energy audits and feasibility studies. ISO14001 is the recognised framework to facilitate quality reporting of emissions activities, and to facilitate the development of corporate policy, target setting and risk management. Court Services Victoria is in the process of developing internal targets in addition to those handed down by government.

EMISSIONS SUMMARY

The chart below indicates the emissions breakdown as captured under FRD-24D. Electricity reduction was the subject of Court Services Victoria's emissions reduction efforts for both emissions and cost reduction due to electricity constituting most of Court Services Victoria's emissions.

Figure 2 - Greenhouse Gas Emissions by source



TOWARDS NET ZERO

In line with the state government target to reduce emissions by 45-50 per cent by 2030, new facilities delivered by Court Services Victoria exclude the use of natural gas, since this is a non-renewable resource. By procuring renewable electricity, Court Services Victoria will reduce the emissions from operating such facilities and reduce the volume of offsets required for natural gas consumption across the portfolio.

Environmental sustainability is a key component of new facility design. Court Services Victoria targets the latest innovations to reduce the environmental impact of building construction and operation while considering the wellbeing of its occupants.

ENERGY USE

The following table details electricity and gas usage and emissions across Court Services Victoria's leased and owned facilities, both regional and metropolitan.

Table 10 - Energy Use

| Energy Use | |
|--|------------|
| Total energy usage (including Green Power) – Electricity (Kilowatt hours) | 17,191,326 |
| Total energy usage (including Green Power) - Electricity (Megajoules) | 61,888,775 |
| Total energy usage (including Green Power) – Electricity (Tonnes CO ₂ -e) | 16,847 |
| Total energy usage - Natural Gas (Megajoules) | 33,282,263 |
| Total energy usage - Natural Gas (Tonnes CO ₂ -e) | 1,711 |
| Percentage of electricity purchased as Green Power | 0 |
| Units of energy used per full time employee (Megajoules / FTE) | 25,577 |
| Units of office energy used per unit of office area (Megajoules / m ²) | 429 |

Energy consumption data is a combination of owned and leased facilities, where most facilities feature either a tenancy or whole building electricity/gas meter. Some facilities are co-located with Victoria Police, and feature only one meter for both facilities. For these cases, utility consumption is estimated, and apportioned in line with the cost recovery split method. Where meter data is not available, consumption has been estimated. The table consists of 93 per cent metered electricity by area, and 97 per cent of staff. For natural gas, the table consists of 90 per cent metered data by area, and 92 per cent of staff.

DATA SOURCES

Usage data has been obtained from utility retailer or service provider billing systems. Where unavailable, it has been estimated and disclosed.

Court Services Victoria's greenhouse gas inventory has been prepared using the National Greenhouse Accounts Factors 2020 updated by the Federal Department of Environment.

WASTE AND RECYCLING

Landfill, comingled, and paper are the main waste streams generated by Court Services Victoria activities. Printer cartridge recycling is also deployed at selected sites. The following table represents Court Services Victoria's waste disposal by weight and by FTE.

Table 11 - Waste and Recycling

| Waste | |
|---|---------|
| Total units of waste - Landfill (kg) | 133,091 |
| Total units of waste - Comingled Recycling (kg) | 93,359 |
| Total units of waste per FTE - Landfill (kg/FTE) | 36 |
| Total units of waste per FTE - Comingled Recycling (kg/FTE) | 25 |
| Recycling rate % of total waste by weight (%) | 41% |
| Greenhouse gas emissions associated with waste disposal (Tonnes CO ₂ -e) | 173 |

Due to the COVID-19 pandemic, a waste audit was not considered appropriate for this reporting period. Building occupancy levels varied greatly throughout 2020-21, and since a waste audit is conducted at only a few sites over a short period, this would exacerbate its limitations. Waste data is not collected for all streams, at all facilities, and is not metered by all waste collectors. For leased/shared sites, some waste data is indistinguishable due to co-location with other tenants. Paper waste streams are nearly all unmetered and do not represent statistically meaningful volumes for extrapolation. Waste volumes for landfill and comingled streams have been collated in the above table and consist of 36 per cent metered waste by area, and 40 per cent of staff.

PAPER USE

Court Services Victoria uses paper for case management documentation, and for general office printing. Court Services Victoria has several initiatives in place to reduce paper consumption. All of Court Services Victoria's multi-function printers are environmentally efficient models with double sided, black and white print by default. Court Services Victoria offers all mobile staff members with tablet or laptop computers to encourage digital, rather than paper-based consumption of information. Indigenous A4 recycled paper is 100 per cent recycled, made in Victoria, and approved by Kinaway as an Indigenous supplied product.

Table 12 - Paper Use

| Paper Use | |
|--|--------|
| Total units of A4 equivalent copy paper used (Reams) | 49,834 |
| Units of A4 equivalent copy paper used per FTE (Reams/FTE) | 13.6 |
| Percentage of recycled content in copy paper purchased (%) | 63.8% |
| Indigenous | 20.16% |

Data for printer paper use was obtained from Court Services Victoria's expenditure report provided by the approved office stationery supplier covering consumption across all Court Services Victoria jurisdictions and facilities. It covers all known (100 per cent of) paper purchased during the reporting period.

WATER USE

Most water usage is divided between domestic (kitchenette, amenities), cooling towers, and shower amenities. The table below presents Court Services Victoria's water use for 2020-21 based on water meter readings across metropolitan and regional sites.

Table 13 - Water Use

| Water Use | |
|--|--------|
| Total units of metered water consumed (Kilolitres) | 63,561 |
| Units of metered water consumed per FTE by usage type (Kilolitres / FTE) | 17.08 |
| Units of metered water consumed per unit of office space (Kilolitres / m2) | 0.29 |

Water volumes have been collated for most sites covering 2020-21, metered results representing 88 per cent of area and 85 per cent of FTE's.

TRANSPORTATION

Court Services Victoria's transport footprint includes all corporate vehicles, air travel and pool vehicle commuting. Corporate vehicles include those that are leased by judicial officers and VCAT members. The table below shows Court Services Victoria's energy consumption and greenhouse gas emissions performance for 2020-21. Data was obtained from fuel card and flight bookings through the mandated travel provider.

Court Services Victoria encourages the use of fuel-efficient vehicles, with 55 vehicles featuring electric hybrid technology, approximately 16 per cent of the fleet. To accommodate the state government target to replace all government vehicles with zero emissions electric vehicles by 2031, Court Services Victoria has incorporated this requirement into the design of new facilities providing the required electrical distribution for vehicle charging.

Table 14 - Transportation

| Transportation | |
|---|-------------------|
| Total energy consumption segmented by fuel type (Megajoules) | |
| - Unleaded | 12,591,178 |
| - Diesel | 2,355,881 |
| - Sub Total | 14,947,059 |
| Total vehicle travel associated with Entity operations segmented by fuel type (Kilometres) | |
| - Unleaded | 3,681,919 |
| - Diesel | 689,115 |
| - Sub Total | 4,371,034 |
| Greenhouse gas emissions from vehicle fleet segmented by fuel type – per 1,000 km (Tonnes CO ₂ -e/1,000km) | |
| - Unleaded | 0.23 |
| - Diesel | 0.24 |
| - Sub Total | 0.23 |
| Greenhouse gas emissions from vehicle fleet segmented by fuel type – total (Tonnes CO ₂ -e) | |
| - Unleaded | 849 |
| - Diesel | 165 |
| - Sub Total | 1,013 |
| Total distance travelled by air (kilometres) | 126,130 |

The transportation table is a compilation of odometer readings, fuel card data, and flights booked through the corporate travel provider. It represents 100 per cent of flights and 100 per cent of corporate vehicles.

Government Advertising Expenditure

Court Services Victoria did not conduct any advertising campaign in the financial year 2020-21.

Compliance with the DataVic Access Policy

Consistent with the DataVic Access Policy issued by the Victorian Government in 2012, the information included in this Annual Report will be available on our website in machine-readable format.

Statement of Competitive Neutrality Policy

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.

Court Services Victoria is further considering the development of a documented approach to competitive neutrality in accordance with Victoria's Competitive Neutrality Policy.

Compliance with the Public Interest Disclosures Act

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

Court Services Victoria does not tolerate improper conduct by employees, nor reprisals against those who come forward to disclose such conduct. Court Services Victoria is committed to ensuring transparency and accountability in administrative and management practices and supports the making of disclosures that reveal improper conduct including corrupt conduct, dishonest performance of public functions, substantial mismanagement of public resources, or conduct involving a substantial risk to public health and safety, or the environment.

Court Services Victoria will take all reasonable steps to protect people who make such disclosures from any detrimental action in reprisal for making the disclosure. Court Services Victoria will also afford natural justice to the person who is the subject of the disclosure to the extent it is legally possible.

REPORTING PROCEDURES

Disclosure of improper conduct or detrimental action by Court Services Victoria, or any of its employees or officers, may be made to:

The Independent Broad-based Anti-Corruption Commission (IBAC)
Level 1, North Tower, 459 Collins Street,
Melbourne Vic 3000
Telephone: 1300 735 135
www.ibac.vic.gov.au

FURTHER INFORMATION

Further Information about what constitutes improper conduct, how to make a disclosure, what happens when a disclosure is made, the protections and support available to disclosers, and the support available to a Court Services Victoria employee who is being investigated can be found in the Making and Handling Public Interest Disclosures Policy. To request a copy of the Policy, please contact feedback@courts.vic.gov.au.

Compliance with the Carers Recognition Act 2012

Court Services Victoria has taken all practical measures to comply with its obligations under the *Carers Recognition Act 2012* by providing all new employees with information about their rights under the legislation and ensuring that existing employees who have carer responsibilities are supported to balance work responsibilities and caring commitments.

Court Services Victoria also considers the care relationship principles when setting policies and developing programs. A number of Court Services Victoria people management policies, resources and programs reflect the guiding principles of the

Carers Recognition Act. During 2020-21, several initiatives were provided to support employees with caring responsibilities during the COVID-19 pandemic. This included extended Employee Assistance Program provisions, the establishment of a new specialist wellbeing and support service, additional leave provisions, Frequently Asked Questions information, targeted supports for working parents, and guidance regarding return to the workplace, and flexible and hybrid working arrangements.

Consultancy Expenditure

DETAILS OF CONSULTANCIES VALUED AT \$10,000 OR GREATER

In 2020-21, there were 39 consultants engaged across 61 engagements where the total fees payable to the consultants were \$10,000 or greater. The total expenditure incurred during 2020-21 in relation to these consultancies is \$16.334 million (excluding GST).

Table 15: Consultancies Valued at \$10,000 or Greater

| Consultant | Purpose of Consultancy | Total Approved project fee (excl.GST) | 2020-21 Expenditure \$(excl .GST) | Future Expenditure (excl.GST) |
|---|--|---------------------------------------|-----------------------------------|-------------------------------|
| Agile Solutions Pty Ltd | Coroners Court Change Management Services | \$45,455.00 | \$45,455.00 | \$0 |
| Allen and Clarke Consulting Pty Ltd | CCV Evaluation of Court Reform | \$143,525.00 | \$116,960.00 | \$0 |
| Atlin Pty Ltd | VCAT Change Management Services | \$183,900.00 | \$182,880.00 | \$1,020.00 |
| Atlin Pty Ltd | MCV CMS Organisational Change Support Services | \$8,447,920.00 | \$3,266,628.00 | \$3,019,342.55 |
| Australian Continuous Improvement Group Pty Ltd | NJC Process Improvement Review | \$20,900.00 | \$21,000.00 | \$0 |
| Bevington Consulting Pty Ltd | CSV Modelling COVID19 Recovery Plan | \$331,360.00 | \$289,620.00 | \$41,740.00 |
| Bevington Consulting Pty Ltd | CSV Courts Recovery Plan Modelling | \$188,589.09 | \$195,120.00 | \$37,629.09 |
| Biruu Pty Ltd | CSV - COVID-19 - Resumption of Jury Trials - Develop Business Case | \$37,400.00 | \$37,400.00 | \$0 |
| Biruu Pty Ltd | CSV Policy and Capability Framework development | \$67,715.82 | \$38,708.82 | \$29,207.00 |
| Biruu Pty Ltd | CSV Strategic Asset Plan Business Case Development | \$148,104.00 | \$81,774.00 | \$0 |

| Consultant | Purpose of Consultancy | Total Approved project fee (excl.GST) | 2020-21 Expenditure \$(excl .GST) | Future Expenditure (excl.GST) |
|---|--|--|---|-------------------------------------|
| Biruu Pty Ltd | CSV Review of options for Law Library of Victoria | \$65,395.00 | \$59,450.00 | 5,945.00 |
| Biruu Pty Ltd | CSV - Operational Plan for VCAT & Children's Court, Dandenong | \$89,665.45 | \$60,927.00 | \$0 |
| Clear Horizon Consulting Pty Ltd | Evaluation of MCV FVIO Breaches Pilot Project | \$107,759.09 | \$89,812.00 | \$3,389.87 |
| Deloitte Risk Advisory Pty Limited | CSV Financial Advisory – BMRS tender advisory services | \$50,850.00 | \$50,850.00 | \$0 |
| Deloitte Touche Tohmatsu | CCV PPP Future Accommodation & Service Needs | \$1,336,569.09 | \$147,228.17 | \$203,383.07 |
| Deloitte Touche Tohmatsu | Specialist Children's Court - Formative Evaluation and Cost Benefit Analysis | \$226,792.73 | \$109,920.00 | \$116,872.73 |
| Elizabeth Grainger | CSV Business Case Development | \$119,100.00 | \$82,500.00 | \$8,400.00 |
| Energetics Pty Ltd | CSV Corporate PPA Market Study Consultant Services | \$25,000.00 | \$25,000.00 | \$0 |
| Equifax Aust Credit Ratings Pty Ltd | CSV Financial Assessments | \$59,700.00 | \$59,700.00 | \$0 |
| FBG Group Pty Ltd | Coroners Court Supervision Program Development | \$31,500.00 | \$15,850.00 | \$0 |
| Fenton Strategic Communications Pty Ltd | Neighbourhood Justice Centre Communication and Stakeholder Engagement Strategy Development | \$25,950.00 | \$20,950.00 | \$5,000.00 |
| Geraldine Ann Maher | Professional Design Services for CSV Specialist Family Violence Courts Peer Design Review | \$14,500.00 | \$11,600.00 | \$0 |
| Gerard Brandrick Architects | Echuca Court Upgrade - Feasibility Design | \$26,717.23 | \$26,717.23 | \$0 |
| Grosvenor Management Consulting Pty Ltd | Developing CSV Future Directions and Strategic Plan | \$120,000.00 | \$42,500.00 | \$35,000.00 |
| Guymer Bailey Architects Pty Ltd | CCV PPP Future Accommodation & Service Needs | \$159,116.36 | \$159,116.36 | \$0 |
| Hassell Ltd | VCAT Accommodation Design for market approach | \$383,100.00 | \$250,100.00 | \$75,296.55 |
| Infrastructure Advisory Group Pty Ltd | CCV PPP Commercial Strategy and Contract Negotiation Services | \$4,294,243.79 | \$1,486,532.50 | \$618,370.45 |

| Consultant | Purpose of Consultancy | Total Approved project fee (excl.GST) | 2020-21 Expenditure \$(excl .GST) | Future Expenditure (excl.GST) |
|--|---|--|---|-------------------------------------|
| Jacobs Group Aust Pty Ltd | Asset Management Consultancy | \$67,516.00 | \$67,516.00 | \$0 |
| Juliet Frizzell Consulting | Koori Strategic Plan Development | \$72,272.73 | \$58,636.37 | \$13,636.36 |
| Kerstin Thompson Architects Pty Ltd | Design framework for the Supreme Court of Victoria heritage sites | \$362,926.00 | \$135,624.26 | \$52,119.38 |
| KPMG | VCAT Member Resourcing Forecast Model | \$120,000.00 | \$120,000.00 | \$0 |
| KPMG | MCV Lifecycle Replacement Cost Planning | \$103,318.88 | \$103,318.88 | \$0 |
| Lydia Phillips | MCV Policy Design | \$48,400.00 | \$43,615.00 | \$4,785.00 |
| M21 Advisory Pty Ltd | CSV Strategic Asset Plan Implementation Strategy | \$85,075.00 | \$58,307.50 | \$26,767.50 |
| Mercer Consulting Australia Pty Ltd | CSV Advice on the Victorian Disability Insurance Scheme | \$63,636.36 | \$54,360.00 | \$9,276.36 |
| NS Projects Pty Ltd | CSV DDA Program Review | \$30,000.00 | \$30,000.00 | \$0 |
| Peddle Thorp Interiors Pty Ltd | CSV - Courts Family Violence Reform - Client Experience Feasibility Study | \$196,135.00 | \$95,800.00 | \$534.73 |
| Peddle Thorp Interiors Pty Ltd | CSV - Online Pop-Up Courts Project - PTID | \$146,445.00 | \$88,735.00 | \$57,710.00 |
| Price Waterhouse Coopers | CSV - Strategic Asset Plan- Stage 2 | \$1,786,981.80 | \$837,395.50 | \$318,806.30 |
| Price Waterhouse Coopers | VCAT Long Term CBD Legal Precinct Accommodation Market Approach | \$204,545.45 | \$136,419.00 | \$68,126.45 |
| Price Waterhouse Coopers | Drug Court Commercial Advisory Services in CBD & Dandenong | \$116,980.00 | \$43,227.20 | \$34,105.60 |
| Price Waterhouse Coopers | CSV - Accelerated Temporary Courts - Accommodation Search | \$154,545.45 | \$51,225.00 | \$89,970.45 |
| Price Waterhouse Coopers | CSV FY22 Budget Analysis - Phase 1 | \$25,000.00 | \$24,078.00 | \$922 |
| Price Waterhouse Coopers Consulting Aust Pty Ltd | VCAT COVID-19 PEL Digital Response - Casework decommissioning project | \$4,956,023.19 | \$4,700,021.84 | \$255,881.35 |
| Price Waterhouse Coopers Consulting Aust Pty Ltd | CSV - Business Case Development of Temporary Courts - COVID-19 | \$291,860.36 | \$291,860.36 | \$0 |
| Price Waterhouse Coopers Consulting Aust Pty Ltd | VCAT- Development of Business Case | \$450,909.10 | \$450,625.00 | \$284.10 |

| Consultant | Purpose of Consultancy | Total Approved project fee (excl.GST) | 2020-21 Expenditure \$(excl .GST) | Future Expenditure (excl.GST) |
|---|---|--|---|-------------------------------------|
| Price Waterhouse Coopers Consulting Aust Pty Ltd | CSV - COVID-19 Response Business Case Development | \$296,700.00 | \$296,700.00 | \$0 |
| Price Waterhouse Coopers Consulting Aust Pty Ltd | VCAT Guardianship Design & Analysis Project | \$329,305.00 | \$329,305.00 | \$0 |
| Price Waterhouse Coopers Consulting Aust Pty Ltd | CSV Digital Strategy, Operating model and roadmap | \$500,000.00 | \$500,000.00 | \$0 |
| Price Waterhouse Coopers Consulting Aust Pty Ltd | VCAT IT Operating Model Diagnostic | \$50,650.00 | \$50,650.00 | \$0 |
| Price Waterhouse Coopers Consulting Aust Pty Ltd | VCAT ERC Business Case Development CMS | \$30,997.80 | \$30,997.80 | \$0 |
| Project Willoughby | CSV Asset Project Management Framework and Maturity Assessment | \$47,070.00 | \$32,814.00 | \$0 |
| RSM Aust Pty Ltd | Probity Services for the CCV PPP Renewal Project | \$144,854.97 | \$28,986.50 | \$54,332.22 |
| SGS Economics and Planning Pty Ltd | VCAT Accommodation Plan Model | \$20,997.00 | \$20,997.00 | \$0 |
| SGS Economics and Planning Pty Ltd | CSV Demand Modelling SAP2 | \$99,029.09 | \$49,974.00 | \$49,055.09 |
| SGS Economics and Planning Pty Ltd | CSV Scenario Analysis SAP2 | \$82,568.18 | \$23,612.90 | \$0 |
| Strategic Project Partners | Development of VCAT Registry Operating model | \$45,454.55 | \$45,454.55 | \$0 |
| Swinburne University of Technology | Evaluation of MCV Family Violence Reforms | \$801,194.55 | \$247,549.10 | \$492,235.45 |
| Tarina Fanning Aboriginal Consultancy Training Services | Koori Cultural Intensive Support Program Position Review | \$48,504.60 | \$44,540.00 | \$3,964.60 |
| Versa Agency | Consultancy work for Stage 2 build of Children's Court website development project | \$175,612.80 | \$36,329.60 | \$11,564.80 |
| Watermark Search International Pty Ltd | Development of CSV Strategic Asset Plan | \$231,750.00 | \$231,750.00 | \$0 |
| Total Consultancy above \$10,000 | | \$28,938,086.51 | \$16,334,724.44 | \$5,744,674.05 |

DETAILS OF CONSULTANCIES VALUED UNDER \$10,000

In 2020-21, five consultancy organisations were engaged where the total fee payable to the individual consultancy engagement was less than \$10,000. Consultancies under \$10,000 totalled \$42,746 (excl. GST).

DISCLOSURE OF MAJOR CONTRACTS

Court Services Victoria entered into three contracts greater than \$10 million in the year ended 30 June 2021.

Table 16: Contracts Greater than \$10 Million

| Company | Descriptions | Start date | End date | Contract value \$ (excl. GST) |
|--|---|------------|------------|----------------------------------|
| St John Ambulance Aust Vic Inc | Transportation of deceased persons | 1/7/2020 | 30/6/2023 | \$21,058,749 |
| Kane Nicholson Joint Venture | Bendigo Law Courts Development – Main Works | 13/4/2021 | 16/12/2023 | \$103,700,000 |
| Newpolis Pty Ltd (t/a Lyons Architects) | Wyndham Law Courts Development – Principal Consultant | 15/2/2021 | 28/2/2025 | \$12,173,276 |

Information and Communication Technology Expenditure

For the 2020-21 reporting period, Court Services Victoria had a total ICT expenditure of \$110.2 million, with the details shown below.

Table 17: Information and Communication Technology Expenditure

| All operational ICT expenditure | ICT expenditure related to projects to create or enhance ICT capabilities | ICT expenditure related to projects to create or enhance ICT capabilities | ICT expenditure related to projects to create or enhance ICT capabilities |
|---|---|---|---|
| Business-as-usual (BAU) ICT expenditure (\$ thousand) | Non business-as-usual (non-BAU) ICT expenditure (\$ thousand) | Operational expenditure (\$ thousand) | Capital expenditure (\$ thousand) |
| 52,068 Total | 58,107 | 11,001 | 47,106 |
| (Total = Operational expenditure and capital expenditure) | | | |

Notes:

- (1) ICT expenditure refers to Court Services Victoria's costs in providing business-enabling ICT services within the current reporting period. It comprises BAU ICT expenditure and non-BAU ICT expenditure.
- (2) Non-BAU ICT expenditure relates to extending or enhancing Court Services Victoria's current ICT capabilities.
- (3) BAU ICT expenditure is all remaining ICT expenditure that primarily relates to ongoing activities to operate and maintain the current ICT capability.

Freedom of Information

During 2020-21, Court Services Victoria received 47 Freedom of Information (FOI) requests and finalised four FOI requests which were received in the last financial year.

Of the requests received, 26 were requests for personal documents and 18 were non-personal requests.

Court Services Victoria made nine FOI decisions during the 12 months ending 30 June 2021. Seven of the decisions were made within the 30-day statutory time period, one decision was made outside the time period, and one decision was made within an extended timeframe as agreed with the applicant.

During 2020-21, three requests were subject to review by the Office of the Victorian Information Commissioner (OVIC). OVIC's decision differed from Court Services Victoria in two matters, and one matter is ongoing. One review from 2019-20 was finalised by OVIC in 2020-21, with OVIC affirming Court Services Victoria's decision. Five complaints were received by OVIC. Three of these complaints were dismissed by OVIC and two complaints are ongoing. One request was reviewed by the Victorian Civil and Administrative Tribunal (VCAT), with VCAT affirming Court Services Victoria's decision.

Table 18: Freedom of Information Outcomes

| Freedom of Information Outcome | Number of requests |
|---|--------------------|
| Court documents excluded from the Freedom of Information Act or documents that are publicly available or available to the public for a fee (sections 14(1)(a) and 14(1)(b) of the Freedom of Information Act) | 30 |
| Invalid requests – total | 6 |
| Valid requests (application fee paid or waived) – total | 16 |
| • Access granted in full | 1 |
| • Access granted in part | 2 |
| • Access denied | 0 |
| • No document exists/no document located | 1 |
| • Transferred to another agency | 4 |
| • Refused without identifying documents | 5 |
| • Not processed | 0 |
| • Not proceeded with | 0 |
| • Withdrawn | 0 |
| • In process | 3 |
| Total outcomes | 52 |

COURT DOCUMENTS

The Freedom of Information Act does not apply to documents held by courts in respect of their judicial functions (section 6 of the Freedom of Information Act). Each court or tribunal has its own arrangements for accessing such documents and applicants are encouraged to contact the relevant court or tribunal in the first instance for these types of documents. Contact details can be found on each court or tribunal's website.

MAKING A REQUEST

Access to documents available under Freedom of Information may be obtained by making a written request to Court Services Victoria Freedom of Information, in accordance with section 17 of the Freedom of Information Act. Requests for documents in the possession of Court Services Victoria should be made in writing, accompanied by the application fee or request for a fee waiver, and be addressed to:

Court Services Victoria Freedom of Information
PO Box 13193
Law Courts Vic 8010
Email foi@courts.vic.gov.au

Requests can also be lodged online at the Office of the Victorian Information Commissioner website – www.ovic.vic.gov.au.

Access charges may also apply once documents have been processed and a decision on access is made (e.g. photocopying or search and retrieval charges).

Further information regarding Freedom of Information can be found on the OVIC website – www.ovic.vic.gov.au. Court Services Victoria's Part 2 Information Statement can be found on our website.

Court Services Victoria Financial Management Compliance Attestation Statement

I, the Honourable Chief Justice Mary Anne Ferguson, on behalf of the Responsible Body, certify that Court Services Victoria has complied with the applicable Standing Directions of the Minister for Finance under the Financial Management Act 1994 and Instructions.



**The Honourable Chief Justice
Mary Anne Ferguson
Chair of the Courts Council**

22 October 2021

Statement of Availability of Other Information

Under Financial Reporting Direction (FRD) 22I Standard Disclosures in the Report of Operations, Court Services Victoria is required to retain the following information for the 2020-21 financial year and make it available upon request (subject to freedom of information requirements, if applicable).

- (a) A statement that declarations of pecuniary interests have been duly completed by all relevant officers.
- (b) Details of shares held by a senior officer as nominee or held beneficially in a statutory authority or subsidiary.
- (c) Details of publications produced by Court Services Victoria about itself, and how these can be obtained.
- (d) Details of changes in prices, fees, charges, rates and levies charged by Court Services Victoria.
- (e) Details of any major external reviews carried out on Court Services Victoria.
- (f) Details of major research and development activities undertaken by Court Services Victoria.
- (g) Details of overseas visits undertaken including a summary of the objectives and outcomes of each visit.
- (h) Details of major promotional, public relations and marketing activities undertaken by Court Services Victoria to develop community awareness of Court Services Victoria and its services

- (i) Details of assessments and measures undertaken to improve the occupational health and safety of employees.
- (j) A general statement on industrial relations within Court Services Victoria and details of time lost through industrial accidents and disputes.
- (k) A list of major committees sponsored by Court Services Victoria, the purposes of each committee and the extent to which the purposes have been achieved.
- (l) Details of all consultancies and contractors including:
 - (i) consultants/contractors engaged,
 - (ii) services provided, and
 - (iii) expenditure committed to for each engagement.

The information is available on request from:

Court Services Victoria
 PO Box 13193
 Law Courts Vic 8010
 Email: feedback@courts.vic.gov.au

Disclosure Index

The Court Services Victoria Annual Report 2020-21 is prepared in accordance with all relevant Victorian legislation and pronouncements. This index has been prepared to facilitate identification of Court Services Victoria's compliance with statutory disclosures requirements.

MINISTERIAL DIRECTIONS AND FINANCIAL REPORTING DIRECTIONS REPORT OF OPERATIONS

Charter and purpose

| Legislation | Requirement | Page |
|-------------|--|-------|
| FRD 22I | Manner of establishment and the relevant ministers | 6 |
| FRD 22I | Purpose, functions, powers and duties | 6 |
| FRD 8D | Objectives, indicators and outputs | 34 |
| FRD 22I | Key Initiatives and projects | 16-33 |
| FRD 22I | Nature and range of services provided | 16-33 |

Management and structure

| Legislation | Requirement | Page |
|-------------|--------------------------|------|
| FRD 22I | Organisational structure | 7 |

Financial and other information

| Legislation | Requirement | Page |
|-------------|--|-------|
| FRD 8D | Performance against output performance measures | 35-39 |
| FRD 8D | Budget portfolio outcomes | 41 |
| FRD 10A | Disclosure index | 74-76 |
| FRD 12B | Disclosure of major contracts | 69 |
| FRD 15E | Executive Officer disclosures | 48-49 |
| FRD 22I | Employment and conduct principles | 49 |
| FRD 22I | Occupational health and safety policy | 50-52 |
| FRD 22I | Summary of the financial results for the year | 40 |
| FRD 22I | Significant changes in financial position during the year | NA |
| FRD 22I | Major changes or factors affecting performance | NA |
| FRD 22I | Subsequent events | 144 |
| FRD 22I | Application and operation of Freedom of Information Act 1982 (Vic) | 71-72 |
| FRD 22I | Compliance with building and maintenance provisions of Building Act 1993 (Vic) | 55-56 |
| FRD 22I | Statement on National Competition Policy | 64 |
| FRD 22I | Application and operation of the Public Interest Disclosures Act 2012 (Vic) | 64 |
| FRD 22I | Application and operation of the Carers Recognition Act 2012 (Vic) | 65 |
| FRD 22I | Details of consultancies over \$10,000 | 65-68 |
| FRD 22I | Details of consultancies under \$10,000 | 69 |
| FRD 22I | Disclosure of government advertising expenditure | 64 |

| | | |
|---------|---|-------|
| FRD 22I | Disclosure of ICT expenditure | 70 |
| FRD 22I | Statement of availability of other information | 73 |
| FRD 22I | Asset Management Accountability Framework maturity assessment | 56-58 |
| FRD 24D | Reporting of office-based environmental impacts | 59-63 |
| FRD 25D | Local Jobs First | 54 |
| FRD 29C | Workforce data disclosures | 44-47 |

Compliance attestation and declaration

| Legislation | Requirement | Page |
|-------------|--|------|
| SD 5.143 | Attestation for compliance with Ministerial Standing Direction | 72 |
| SD 5.2.3 | Declaration in report of operations | 1 |

FINANCIAL STATEMENTS

Declaration

| Legislation | Requirement | Page |
|-------------|-------------------------------------|------|
| SD 5.2.2 | Declaration in financial statements | 79 |

Other requirements under Standing Directions 5.2

| Legislation | Requirement | Page |
|-------------|--|--------|
| SD 5.2.1(a) | Compliance with Australian accounting standards and other authoritative pronouncements | 87 |
| SD 5.2.1(a) | Compliance with Ministerial Directions | 82-148 |
| SD5.2.1(b) | Compliance with Model Financial Report | 82-148 |

Other disclosures as required by FRDs in notes to the financial statements

| Legislation | Requirement | Page |
|-------------|---|---------|
| FRD 9B | Departmental disclosure of administered assets and liabilities by activity | 104-107 |
| FRD 11A | Disclosure of ex-gratia expenses | 140 |
| FRD 13 | Disclosure of parliamentary appropriations | 90-92 |
| FRD 21C | Disclosures of responsible persons, executive officers and other personnel (contractors with significant management responsibilities) in the Financial Report | 141 |
| FRD 103H | Non-financial physical assets | 108-117 |
| FRD 110A | Cash flow statements | 84 |
| FRD 112D | Defined benefit superannuation obligations | 94-97 |

LEGISLATION

| Legislation | Page |
|--------------------------------------|-------------|
| Court Services Victoria Act 2014 | 41 |
| Building Act 1993 | 55 |
| Carers Recognition Act 2012 | 65 |
| Financial Management Act 1994 | 87 |
| Freedom of Information Act 1982 | 71-72 |
| Local Jobs First Act 2003 | 54 |
| Public Interest Disclosures Act 2012 | 64 |

SECTION 5

Financial statements

For the Financial year ended June 2021



How this report is structured

Court Services Victoria (CSV) has presented its audited general purpose financial statements for the financial year ended 30 June 2021 in the following structure to provide users with the information about CSV's stewardship of resources entrusted to it.

Contents

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| 140 | 9. Other disclosures |
| 146 | 10. Glossary of technical terms and style conventions |

Declaration in the Financial Statements

The attached financial statements for Court Services Victoria 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 2021 and financial position of Court Services Victoria at 30 June 2021.

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

We authorise the attached financial statements for issue on 22 October 2021.



**The Honourable Chief Justice
Mary Anne Ferguson**

Chair of the Courts Council
Court Services Victoria

Melbourne
22 October 2021



Louise Anderson

Chief Executive Officer
Court Services Victoria

Melbourne
22 October 2021



Salvatore Costanzo

Chief Finance Officer
Court Services Victoria

Melbourne
22 October 2021



Victorian Auditor-General's Office

Independent Auditor's Report

To the Courts Council of Court Services Victoria

| | |
|---|---|
| Opinion | <p>I have audited the financial report of Court Services Victoria (the Authority) which comprises the:</p> <ul style="list-style-type: none"> • balance sheet as at 30 June 2021 • 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 • declaration in the financial statements. <p>In my opinion the financial report presents fairly, in all material respects, the financial position of the Authority as at 30 June 2021 and its financial performance and cash flows for the year then ended in accordance with the financial reporting requirements of part 7 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 <i>Audit Act 1994</i> which incorporates the Australian Auditing Standards. I further describe my responsibilities under that Act and those standards in the <i>Auditor's Responsibilities for the Audit of the Financial Report</i> section of my report.</p> <p>My independence is established by the <i>Constitution Act 1975</i>. My staff and I are independent of the Authority in accordance with the ethical requirements of the Accounting Professional and Ethical Standards Board's APES 110 <i>Code of Ethics for Professional Accountants</i> (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 Courts Council's responsibilities for the financial report | <p>The Courts Council is responsible for the preparation and fair presentation of the financial report in accordance with Australian Accounting Standards and the <i>Financial Management Act 1994</i>, and for such internal control as the Courts Council determines is necessary to enable the preparation of a financial report that is free from material misstatement, whether due to fraud or error.</p> <p>In preparing the financial report, the Courts Council is responsible for assessing the Authority'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> |

| | |
|---|---|
| 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 the 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 Authority's internal control. • evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Courts Council. • conclude on the appropriateness of the Courts Council'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 Authority'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 Authority 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 Courts Council 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> |
|---|---|

MELBOURNE
25 October 2021



Janaka Kumara
as delegate for the Auditor-General of Victoria

Comprehensive operating statement

For the financial year ended 30 June 2021

| | Note | 2021 \$'000 | 2020 \$'000 |
|--|-------------|----------------|----------------|
| CONTINUING OPERATIONS | | | |
| Income from transactions | | | |
| Output appropriations | 2.2 | 513,448 | 480,167 |
| Special appropriations | 2.2 | 170,080 | 167,736 |
| Grants | 2.4 | 27,992 | 25,617 |
| Total income from transactions | | 711,520 | 673,520 |
| Expenses from transactions | | | |
| Employee expenses and Judicial Officer remuneration | 3.1.1 | 403,916 | 374,614 |
| Depreciation and amortisation | 5.1.1 | 76,147 | 72,923 |
| Interest expense | 7.1.2 | 3,361 | 4,807 |
| Grants and other transfers | 3.2 | 14,140 | 15,108 |
| Capital asset charge | 3.3 | 48,296 | 46,362 |
| Supplies and services | 3.4 | 165,427 | 155,189 |
| Total expenses from transactions | | 711,286 | 669,003 |
| Net result from transactions (net operating balance) | | 235 | 4,517 |
| OTHER ECONOMIC FLOWS INCLUDED IN NET RESULT | | | |
| Net gain/(loss) on revaluation of building | 5.1.3/9.1 | (11,225) | 0 |
| Net gain/(loss) on non-financial assets | 9.1 | 1,421 | 346 |
| Net gain/(loss) on financial instruments | 9.1 | 0 | 190 |
| Other gains/(losses) from other economic flows | 9.1 | 9,154 | (1,916) |
| Total other economic flows included in net result | | (650) | (1,379) |
| Net result | | (415) | 3,138 |
| OTHER ECONOMIC FLOWS - OTHER COMPREHENSIVE INCOME ITEMS THAT WILL NOT BE RECLASSIFIED TO NET RESULT | | | |
| Changes in physical asset revaluation surplus | 5.1.3/8.3.2 | 69,181 | 44,337 |
| Total other economic flows - other comprehensive income | | 69,181 | 44,337 |
| Comprehensive result | | 68,766 | 47,475 |

The accompanying notes form part of these financial statements.

Balance sheet

As at 30 June 2021

| | Note | 2021 \$'000 | 2020 \$'000 |
|---|-----------|------------------|------------------|
| FINANCIAL ASSETS | | | |
| Cash and deposits | 7.2/8.1.1 | 22,230 | 19,888 |
| Receivables | 6.1 | 145,305 | 134,706 |
| Total financial assets | | 167,535 | 154,594 |
| NON-FINANCIAL ASSETS | | | |
| Property, plant and equipment | 5.1 | 1,226,694 | 1,134,163 |
| Intangible assets | 5.2 | 40,065 | 31,622 |
| Prepayments | | 7,174 | 7,892 |
| Non-financial physical assets classified as held for sale | | 176 | 178 |
| Total non-financial assets | | 1,274,109 | 1,173,855 |
| Total assets | | 1,441,644 | 1,328,449 |
| LIABILITIES | | | |
| Payables | 6.2 | 58,288 | 61,996 |
| Leases | 7.1 | 91,362 | 119,299 |
| Provisions | 3.1.2 | 110,012 | 105,123 |
| Other Provisions | | 0 | 164 |
| Total liabilities | | 259,662 | 286,581 |
| Net assets | | 1,181,982 | 1,041,868 |
| EQUITY | | | |
| Accumulated surplus/(deficit) | | (30,532) | (30,117) |
| Contributed capital | | 898,469 | 827,120 |
| Physical asset revaluation surplus | | 314,045 | 244,864 |
| Net worth | | 1,181,982 | 1,041,868 |

The accompanying notes form part of these financial statements.

Cash flow statement

For the financial year ended 30 June 2021

| | Note | 2021 \$'000 | 2020 \$'000 |
|--|-------|------------------|------------------|
| CASH FLOWS FROM OPERATING ACTIVITIES | | | |
| Receipts | | | |
| Receipts from Government | | 667,411 | 602,737 |
| Receipts from other entities | | 27,727 | 30,209 |
| Goods and services tax recovered from the Australian Taxation Office | | 27,665 | 27,040 |
| Total receipts | | 722,803 | 659,986 |
| Payments | | | |
| Payments to suppliers, employees and Judicial Officers | | (584,651) | (547,266) |
| Payments of grants and other transfers | | (7,300) | (7,602) |
| Capital assets charge payments | | (48,296) | (46,362) |
| Interest and other costs of finance paid | | (3,361) | (4,807) |
| Total payments | | (643,608) | (606,037) |
| Net cash flows from/(used in) operating activities | 7.2.1 | 79,196 | 53,948 |
| CASH FLOWS FROM INVESTING ACTIVITIES | | | |
| Purchases of non-financial assets | | (119,493) | (95,205) |
| Proceeds from sales of non-financial assets | | 3,299 | 2,569 |
| Net cash flows from/(used in) investing activities | | (116,194) | (92,636) |
| CASH FLOWS FROM FINANCING ACTIVITIES | | | |
| Owner contributions by State Government | | 71,349 | 66,021 |
| Repayment of borrowings and principal portion of lease liabilities | | (32,008) | (25,344) |
| Net cash provided by/(used in) financing activities | | 39,340 | 40,677 |
| Net increase (decrease) in cash held | | 2,342 | 1,989 |
| Cash and cash equivalents at the beginning of the financial year | | 19,888 | 17,899 |
| Cash and cash equivalents at the end of the financial year | 8.1.1 | 22,230 | 19,888 |

The accompanying notes form part of these financial statements.

Statement of changes in equity

For the financial year ended 30 June 2021

| 2021 | Note | Physical asset revaluation surplus \$'000 | Accumulated surplus/ (deficit) \$'000 | Contributed capital \$'000 | Total \$'000 |
|--|-------|---|--|----------------------------------|------------------|
| BALANCE AS AT 1 JULY 2020 | | 244,864 | (30,117) | 827,120 | 1,041,868 |
| Net result for the year | | | (415) | | (415) |
| Other comprehensive income | 5.1.3 | 69,181 | | | 69,181 |
| Transactions with the State in its capacity as owners ⁽ⁱ⁾ | | | | 71,349 | 71,349 |
| Balance at 30 June 2021 | | 314,045 | (30,532) | 898,469 | 1,181,982 |

| 2020 | Note | Physical asset revaluation surplus \$'000 | Accumulated surplus/ (deficit) \$'000 | Contributed capital \$'000 | Total \$'000 |
|---|-------|---|--|----------------------------------|------------------|
| BALANCE AS AT 1 JULY 2019 | | 200,527 | (33,255) | 761,099 | 928,372 |
| Net result for the year | | | 3,138 | | 3,138 |
| Other comprehensive income | 5.1.3 | 44,337 | | | 44,337 |
| Transactions with the State in its capacity as owners | | | | 66,021 | 66,021 |
| Balance at 30 June 2020 | | 244,864 | (30,117) | 827,120 | 1,041,868 |

Note

- (i) Transfers with the State in its capacity as owner relates to asset additions funded from output initiatives and special appropriations. The accompanying notes form part of these financial statements.

1. About This Report

Court Services Victoria (CSV) was established on 1 July 2014 under the *Court Services Victoria Act 2014* as an independent statutory body to provide administrative services and facilities to support the Victorian courts and tribunals, the Judicial College of Victoria and the Judicial Commission of Victoria. CSV supports the performance of the judicial, quasi-judicial and administrative functions of the Supreme Court of Victoria, the County Court of Victoria, the Magistrates' Court of Victoria, the Children's Court of Victoria, the Coroners Court of Victoria and the Victorian Civil and Administrative Tribunal (VCAT).

CSV's status as a statutory body allows the courts to operate independently of the direction of the executive branch of government, thus supporting the independence of the judiciary.

CSV's activities include overseeing court facilities and providing the people, information technology and financial management to deliver enhanced administrative services to the Victorian courts, VCAT, Judicial College of Victoria, and the Judicial Commission of Victoria. Some or all of these activities are provided through CSV's administration functions.

The Courts Council is CSV's governing body and comprises the head of each court jurisdiction and VCAT and up to two independent members. There are six committees that inform the work of the Courts Council.

CSV's principal address is:

223 William Street, Melbourne, Vic 3000

Basis of preparation

These financial statements are 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 measured on a different basis.

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 CSV.

Additions to net assets that have been designated as contributions by owners are recognised as contributed capital. Other transfers that are in the nature of contributions to or distributions by owners have also been designated as contributions by owner.

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

Judgments, estimates and assumptions are required to be made about financial information being presented. Significant judgments made in the preparation of these financial statements are disclosed in the notes where amounts affected by those judgments are disclosed. Estimates and associated assumptions are based on professional judgment derived from historical experience and various other factors that are believed to be reasonable under the circumstances. Actual results may differ from these estimates.

Revisions to accounting estimates are recognised in the period in which the estimate is revised and also in future periods that are affected by the revision. Judgments and assumptions made by management in applying Australian Accounting Standards (AAS) that have significant effects on the financial statements and estimates are disclosed in the notes under the heading 'Change in accounting policies'.

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

All amounts in the financial statements have been rounded to the nearest \$1,000 unless otherwise stated.

Compliance information

These general purpose financial statements have been prepared in accordance with the *Financial Management Act 1994* (FMA) and applicable Australian Accounting Standards (AASs), which include 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 is reported.

Assessment of impairment on financial statements due to COVID-19

CSV has considered the impact of COVID-19 on its financial statements in the following areas:

- Cleaning cost (Note 3.4);
- Administered Court fee (Note 4.3);
- Cash flow (Note 7.2.1);
- Changes in expected credit losses for loans and other financial assets (Note 8.1.3); and
- Changes in Fair value of Assets. (Note 8.3.2).

2. Funding Delivery of Our Services

Introduction

CSV's overall objective is the fair, timely and efficient dispensing of justice.

To enable CSV to fulfil its objective and provide outputs as described in Note 4, it receives income which is predominantly accrual based Parliamentary appropriations.

Structure

- 2.1 Summary of income that funds the delivery of our services
- 2.2 Appropriations
- 2.3 Summary of compliance with annual Parliamentary and special appropriations
- 2.4 Income from transactions
- 2.5 Annotated income agreements

2.1 SUMMARY OF INCOME THAT FUNDS THE DELIVERY OF OUR SERVICES

| | Note | 2021 \$'000 | 2020 \$'000 |
|---------------------------------------|-------|----------------|----------------|
| Output appropriations | 2.2 | 513,448 | 480,167 |
| Special appropriations | 2.2 | 170,080 | 167,736 |
| Grants | 2.4.1 | 27,992 | 25,617 |
| Total income from transactions | | 711,520 | 673,520 |

Revenue and income that fund delivery of CSV's services are accounted for consistently with all the requirements of the relevant accounting standards disclosed in the following notes. All amounts of income over which CSV does not have control are disclosed as administered income (see note 4.3).

2.2 APPROPRIATIONS

Once annual Parliamentary appropriations are applied by the Treasurer, they become controlled by CSV and are recognised as income when applied to the purposes defined under the relevant Appropriations Act. After considering the requirements of relevant accounting standards and FRDs, CSV has concluded that parliamentary appropriations fall within the scope of AASB 1058.

Output appropriations

Income received to deliver the outputs CSV provides to the Government is recognised when those outputs have been delivered and the relevant minister has certified delivery of those outputs in accordance with specified performance criteria.

Special appropriations

Income from special appropriations is recognised on a cash basis, with the exception of long service leave and annual leave which includes income for unpaid leave on an accrual basis.

2.3 SUMMARY OF COMPLIANCE WITH ANNUAL PARLIAMENTARY AND SPECIAL APPROPRIATIONS

The following table discloses the details of the various annual Parliamentary appropriations received by CSV for the year.

In accordance with accrual output-based management procedures, 'provision of outputs' and 'additions to net assets' are disclosed as 'controlled' activities of CSV. Administered transactions are those that are undertaken on behalf of the State over which CSV has no control or discretion.

| 2021 | Appropriation Act | | Financial Management Act 1994 | | |
|-------------------------|-----------------------------|-------------------------------|-------------------------------|-------------------|--------------------|
| | Annual appropriation \$'000 | Advance from Treasurer \$'000 | Section 28 \$'000 | Section 29 \$'000 | Section 31A \$'000 |
| CONTROLLED | | | | | |
| Provision of outputs | 448,511 | 23,245 | 0 | 58,806 | 0 |
| Additions to net assets | 117,304 | 7,675 | 0 | 0 | 0 |
| | 565,815 | 30,920 | 0 | 58,806 | 0 |

| 2020 | Appropriation Act | | Financial Management Act 1994 | | |
|-------------------------|-----------------------------|-------------------------------|-------------------------------|-------------------|--------------------|
| | Annual appropriation \$'000 | Advance from Treasurer \$'000 | Section 28 \$'000 | Section 29 \$'000 | Section 31A \$'000 |
| CONTROLLED | | | | | |
| Provision of outputs | 405,029 | 10,559 | 0 | 71,566 | 1,986 |
| Additions to net assets | 79,266 | 385 | 0 | | (1,986) |
| | 484,295 | 10,945 | 0 | 71,566 | 0 |

Note

- (1) Section 34 Financial Management Act 1994 (FMA): s34 provides the legal authority to reduce the appropriation in the current financial year to meet future payments. CSV utilised s34 where detailed implementation planning for recent government initiatives resulted in outputs being rescheduled into the forward estimate years.
- (2) The variance is primarily related to rescheduling committed projects for delivery in future years.
- (3) Owners contributions by State Government is appropriations applied for additions to net assets from annual parliamentary appropriations and special appropriations. The variance between the applied provision of outputs \$512.526m and note 2.1 output appropriations \$513.443m relates to \$0.917m revenue subsequently recognised post the certification of applied revenue on 13 August 2021.

| Financial Management Act 1994 | | | | | |
|----------------------------------|-------------------------------------|----------------------|---|--|-----------------------------------|
| Section 32 \$'000 | Section 34 ⁽¹⁾ \$'000 | Section 35 \$'000 | Total Parliamentary authority \$'000 | Appropriations applied ⁽³⁾ \$'000 | Variance ⁽²⁾ \$'000 |
| 2,909 | (15,667) | 0 | 517,804 | 512,526 | 5,279 |
| 7,340 | (21,258) | 0 | 111,061 | 69,391 | 41,670 |
| 10,249 | (36,925) | 0 | 628,865 | 581,917 | 46,949 |

| Financial Management Act 1994 | | | | | |
|----------------------------------|-------------------------------------|----------------------|---|--|-----------------------------------|
| Section 32 \$'000 | Section 34 ⁽¹⁾ \$'000 | Section 35 \$'000 | Total Parliamentary authority \$'000 | Appropriations applied ⁽³⁾ \$'000 | Variance ⁽²⁾ \$'000 |
| 5,549 | (10,408) | 0 | 484,281 | 480,167 | 4,114 |
| 24,034 | (30,204) | 0 | 71,495 | 64,155 | 7,340 |
| 29,583 | (40,612) | 0 | 555,776 | 544,322 | 11,454 |

A) Summary of compliance with special appropriations

The following table discloses the details of the compliance with special appropriations received by CSV for the year:

| Authority | | Purpose: Operating Costs | 2021 \$'000 | 2020 \$'000 |
|--|--|---|----------------|----------------|
| 1 | <i>Constitution Act 1975</i> (No. 8750/1975), s.82 (7) | Remuneration of Judges of the Supreme Court of Victoria and the Chief Justice | 28,235 | 27,577 |
| 2 | <i>Constitution Act 1975</i> (No. 8750/1975), s.82 (7) | Remuneration of the President and Judges of the Court of Appeal Division of the Supreme Court of Victoria | 8,546 | 8,554 |
| 3 | <i>County Court Act 1958</i> (No. 6230/1958) s.10 (7) | Remuneration of Judges of the County Court of Victoria | 37,509 | 37,233 |
| 4 | <i>Victims of Crime Assistance Act 1996</i> (No. 81/1996), s.69 | Operating costs of the Victims of Crime Assistance Tribunal | 4,111 | 3,554 |
| 5 | <i>Magistrates' Court Act 1989</i> (No. 51/1989), sch.1 Pt 1 cl.10 | Remuneration of Magistrates of the Magistrates' Court of Victoria | 69,446 | 69,315 |
| 6 | <i>Victorian Civil and Administrative Tribunal Act 53 of 1998 section 17AA</i> | Remuneration of Members of the Victorian Civil and Administrative Tribunal | 22,191 | 21,476 |
| 7 | <i>Juries Act 2000</i> (No. 53/2000), s.59 | Compensation to jurors from the WorkCover Authority Fund under the <i>Accident Compensation Act 1985</i> | 6 | 16 |
| 8 | <i>Constitution Act 1975</i> (No. 8750/1975), s. 87AAT (5) | Judicial Commission Investigation Panel | 37 | 10 |
| | | | 170,080 | 167,736 |
| Authority | | Purpose: Capital Component | 2021 \$'000 | 2020 \$'000 |
| 9 | <i>Constitution Act 1975</i> (No. 8750/1975), s.82 (7) | Remuneration of Judges of the Supreme Court of Victoria | 337 | 341 |
| 10 | <i>Constitution Act 1975</i> (No. 8750/1975), s.82 (7) | Remuneration of Judges of the Court of Appeals Supreme Court of Victoria | 97 | 111 |
| 11 | <i>County Court Act 1958</i> (No. 6230/1958) s.10 (7) | Remuneration of Judges of the County Court of Victoria | 569 | 531 |
| 12 | <i>Magistrates' Court Act 1989</i> (No. 51/1989), sch.1 Pt 1 cl.10 | Remuneration of Magistrates of the Magistrates' Court of Victoria | 771 | 716 |
| 13 | <i>Victorian Civil and Administrative Tribunal Act 53 of 1998 section 17AA</i> | Remuneration of Members of the Victorian Civil and Administrative Tribunal | 184 | 167 |
| | | | 1,958 | 1,866 |
| Administered Special Appropriations Applied: Victims of Crime Assistance Act 1996 (No 81/1996), s.69 | | Costs incurred by the Victims of Crime Assistance Tribunal and payments to victims of crime | 46,444 | 45,146 |
| | | | 46,444 | 45,146 |

2.4 INCOME FROM TRANSACTIONS

2.4.1 Grants

| | 2021 \$'000 | 2020 \$'000 |
|------------------------|----------------|----------------|
| General government | 27,663 | 25,238 |
| Other specific purpose | 329 | 379 |
| Total grants | 27,992 | 25,617 |

CSV has determined that all Grant Revenue is recognised as income in accordance with AASB 1058 as all Grants received are not enforceable and does not have sufficiently specific performance obligations to be accounted for as contracts with customers in accordance with AASB 15.

2.5 ANNOTATED INCOME AGREEMENTS

CSV is permitted under section 29 of the FMA to have certain income annotated to the annual appropriation. The income which forms part of section 29 agreement is recognised by CSV as an administered item and the receipts paid into the consolidated fund. At the point of income recognition, section 29 provides for an equivalent amount to be added to the annual appropriation.

The Treasurer has approved the Court Fees, Victorian WorkCover Authority, and Retail Sale of Courts Data annotated income agreement of \$74.8 million (2020: \$73.0 million).

The annotated income forms part of the annual appropriation received from the Victorian Government as disclosed in Note 2.3.

3. The Cost of Delivering Services

Introduction

This section provides an account of the expenses incurred by CSV in delivering the services and outputs it received income for, as outlined in section 2.

Structure

- 3.1 Expenses incurred in delivery of services
- 3.2 Grant and other transfers
- 3.3 Capital asset charge
- 3.4 Supplies and services

3.1 EXPENSES INCURRED IN DELIVERY OF SERVICES

| | Note | 2021 \$'000 | 2020 \$'000 |
|---|-------|----------------|----------------|
| Employee benefit and Judicial Officer remuneration expenses | 3.1.1 | 403,916 | 374,614 |
| Grants and other transfers - Judicial College & Judicial Commission | 3.2 | 6,821 | 7,855 |
| Other grants and other transfers | 3.2 | 7,319 | 7,253 |
| Capital asset charge | 3.3 | 48,296 | 46,362 |
| Supplies and services | 3.4 | 165,427 | 155,189 |
| Total expenses incurred in delivery of services | | 631,779 | 591,273 |

3.1.1 Employee benefit and Judicial Officer remuneration expenses in the comprehensive operating statement

| | Note | 2021 \$'000 | 2020 \$'000 |
|---|-------|----------------|----------------|
| Defined contribution superannuation expense | 3.1.3 | 25,945 | 22,865 |
| Defined benefit superannuation expense | 3.1.3 | 1,621 | 1,636 |
| Termination benefits | | 254 | 433 |
| Salaries and wages | | 317,904 | 294,198 |
| Leave expenses (annual leave and long service leave) | | 34,467 | 32,192 |
| Other on-costs (fringe benefits tax, payroll tax, training and workcover levy) | | 23,725 | 23,290 |
| Total employee expenses and Judicial Officer remuneration | | 403,916 | 374,614 |

Employee expenses and Judicial Officer remuneration encompasses all costs related to employment, including wages and salaries, fringe benefits tax, leave entitlements, termination payments and WorkCover premiums.

The amount recognised in the comprehensive operating statement in relation to superannuation is employer contributions for members of both defined benefit and defined contribution superannuation plans that are paid or payable during the reporting period. CSV 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).

Termination benefits are payable when employment is terminated before normal retirement date, or when an employee or Judicial Officer accepts an offer of benefits in exchange for the termination of employment. Termination benefits are recognised when CSV is demonstrably committed to terminating the employment of current employees according to formal plans without possibility of withdrawal, or providing termination benefits as a result of an offer made to encourage voluntary redundancy. Termination benefits of judicial officers are recognised when the employment of a Judicial Officer is terminated. Benefits due more than 12 months after the end of the reporting period are discounted to present value.

3.1.2 Employee benefits and Judicial Officer remuneration in the balance sheet

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

| | 2021 \$'000 | 2020 \$'000 |
|---|----------------|----------------|
| CURRENT PROVISIONS | | |
| Annual leave | | |
| Unconditional and expected to settle within 12 months | 18,524 | 15,189 |
| Unconditional and expected to settle after 12 months | 6,605 | 3,940 |
| Long service leave | | |
| Unconditional and expected to settle within 12 months | 5,822 | 5,147 |
| Unconditional and expected to settle after 12 months | 52,554 | 55,969 |
| Provisions for on-costs | | |
| Unconditional and expected to settle within 12 months | 5,733 | 4,744 |
| Unconditional and expected to settle after 12 months | 8,135 | 7,677 |
| Total current provisions for employee benefits and Judicial Officer remuneration | 97,375 | 92,666 |
| NON-CURRENT PROVISIONS | | |
| Employee benefits and Judicial Officer remuneration | 11,277 | 11,142 |
| On-costs | 1,361 | 1,315 |
| Total non-current provisions for employee benefits and Judicial Officer remuneration | 12,637 | 12,456 |
| Total provisions for employee benefits and Judicial Officer remuneration | 110,012 | 105,123 |

Reconciliation of movement in on-cost provision

| | 2021 \$'000 | 2020 \$'000 |
|---|------------------------|------------------------|
| Opening balance | 13,736 | 12,177 |
| Additional provisions recognised | 4,574 | 4,935 |
| Reductions arising from payments/other sacrifices of future economic benefits | (3,080) | (3,376) |
| Closing balance | 15,229 | 13,736 |
| Current | 13,869 | 12,421 |
| Non-current | 1,361 | 1,315 |
| Total | 15,229 | 13,736 |

Wages and salaries, annual leave and sick leave

Liabilities for wages and salaries (including non-monetary benefits, annual leave and on-costs) are recognised as part of the employee benefit and Judicial Officer remuneration provision as current liabilities, because CSV does not have an unconditional right to defer settlements of these liabilities.

The liability for salaries and wages are recognised in the balance sheet at remuneration rates that are current at the reporting date. As CSV expects the liabilities to be wholly settled within 12 months of reporting date, they are measured at undiscounted amounts.

The annual leave liability is classified as a current liability and measured at the undiscounted amount expected to be paid, as CSV does not have an unconditional right to defer settlement of the liability for at least 12 months after the end of the reporting period.

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 Comprehensive Operating Statement as it is taken.

Employment on-costs such as payroll tax, workers compensation and superannuation are not employee benefits and Judicial Officer remuneration. They are disclosed separately as a component of the provision for employee benefits and Judicial Officer remuneration when the employment to which they relate has occurred.

Unconditional long service leave is disclosed as a current liability even where CSV does not expect to settle the liability within 12 months, as it does not have the unconditional right to defer the settlement of the entitlement should an employee and Judicial Officer take leave within 12 months.

The components of the current long service leave liability are measured at:

- undiscounted value – if CSV expects to wholly settle within 12 months; or
- present value – if CSV does not expect to wholly settle within 12 months.

Conditional long service leave is disclosed as a non-current liability. 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 liability 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.

3.1.3 Superannuation contributions

Employees and judicial officers of CSV are entitled to receive superannuation benefits and CSV contributes to both defined benefit and defined contribution plans. The defined benefit plans provide benefits based on years of service and final average salary. Judicial Officer pension schemes are non-contributory.

As noted previously, the defined benefit liability is recognised by DTF as an administered liability. However, superannuation contributions paid or payable for the reporting period are included as part of employee benefits and Judicial Officers in the comprehensive operating statement of CSV.

| | Paid contribution for the year | | Contribution outstanding at year end | |
|--|-----------------------------------|----------------|--|----------------|
| | 2021 \$'000 | 2020 \$'000 | 2021 \$'000 | 2020 \$'000 |
| Defined benefit plans: | | | | |
| Emergency Services and State Super - revised and new | 1,572 | 1,592 | 48 | 44 |
| Defined contribution plans: | | | | |
| VicSuper | 14,353 | 13,297 | 489 | 381 |
| Various other | 10,718 | 8,921 | 384 | 267 |
| Total | 26,644 | 23,809 | 922 | 692 |

Note

The basis for determining the level of contributions is determined by the various actuaries of the defined benefit superannuation plans.

3.2 GRANTS AND OTHER TRANSFERS

Grant expenses represent contributions of CSV resources to another party for specific or general purposes where there is no expectation that the amount will be repaid in equal value (either by money, goods or services).

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/or 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, services or forgiveness of liabilities.

Grants and other transfers include payments to the Judicial College Victoria \$4.4m (2020: \$4.8m), and Judicial Commission Victoria \$2.5m (2020: \$3.1m).

3.3 CAPITAL ASSET CHARGE

A capital asset charge is a charge levied on the written down value of controlled non-current physical assets in CSV's balance sheet. It aims to attribute to CSV's outputs, a cost of capital used in service delivery. Imposing this charge provides incentives for CSV to identify and dispose of underutilised or surplus non-current physical assets. The capital asset charge ceased on 30 June 2021 due to changes in government policy.

3.4 SUPPLIES AND SERVICES

| | 2021 \$'000 | 2020 \$'000 |
|---|----------------|----------------|
| Accommodation and property services | 33,507 | 30,940 |
| Lease rental expenses - Low Value/Short-term leases | 832 | 825 |
| Outsourced contracts | 23,869 | 24,438 |
| Contractors, professional services and consultants | 40,312 | 37,764 |
| Printing, stationery and other office expenses | 12,631 | 12,040 |
| Technology services | 29,577 | 23,295 |
| Juror payments | 1,634 | 2,790 |
| Repairs and maintenance | 5,258 | 7,980 |
| Deceased removals and transfer costs (Coroners Court) | 4,746 | 5,015 |
| Interpreter and translation services | 2,573 | 3,366 |
| Ex-gratia expenses | 3 | 6 |
| Other | 10,485 | 6,730 |
| Total supplies and services | 165,427 | 155,189 |

Supplies and services expenses generally represent day-to-day running costs incurred in normal operations and COVID-19 related preventative cleaning to protect the health and well being of staff and court users

Supplies and services are recognised as an expense in the reporting period in which they are incurred.

Lease rental expenses are recognised on a straight-line basis only when:

- They are Short-term leases (lease term is less than 12 months); and
- They are Low-value leases (leases where the underlying asset's fair value, when new, regardless of the age of the asset being leased is no more than \$10,000)

Variable lease payments that are not included in the measurement of the lease liability (i.e. variable lease payments that do not depend on an index, or a rate and which are not, in substance fixed) such as those based on performance or usage of the underlying asset, are recognised in the Comprehensive Operating Statement (except for payments which has been included in the carrying amount of another asset) in the period in which the event or condition that triggers those payments occur.

4. Disaggregated Financial Information by Output

Introduction

CSV is predominantly funded by accrual based Parliamentary appropriations for the provision of outputs. This section provides a description of CSV outputs delivered during the period ending 30 June 2021 along with the objectives of those outputs.

Structure

- 4.1 CSV outputs - Descriptions and objectives
- 4.2 Controlled items
- 4.3 Administered items

4.1 CSV OUTPUTS - DESCRIPTIONS AND OBJECTIVES

CSV provides administrative services and facilities to support the Victorian Courts and Statutory Tribunals in the dispensation of criminal and civil matters.

CSV outputs reflect services and facilities provided to: Supreme Court of Victoria; County Court of Victoria; Magistrates' Court of Victoria; Children's Court of Victoria; Coroners Court of Victoria; Victorian Civil and Administrative Tribunal; and CSV's Services. The corporate support to the Courts and the Tribunal is reflected in the Courts' and Tribunal's total output costs.

Objectives

CSV's overall objective is the fair, timely and efficient dispensing of justice.

4.2 CONTROLLED ITEMS

Schedule A - Controlled income and expenses by jurisdiction for the Year Ended 30 June 2021

| | Supreme Court of Victoria | | County Court of Victoria | | Magistrates' Court of Victoria | |
|--|------------------------------|----------------|-----------------------------|----------------|-----------------------------------|----------------|
| | 2021 \$'000 | 2020 \$'000 | 2021 \$'000 | 2020 \$'000 | 2021 \$'000 | 2020 \$'000 |
| INCOME FROM TRANSACTIONS | | | | | | |
| Output appropriations ⁽ⁱ⁾ | 58,853 | 60,132 | 78,359 | 76,784 | 185,419 | 176,115 |
| Special appropriations ⁽ⁱ⁾ | 36,786 | 36,143 | 37,514 | 37,228 | 59,972 | 61,075 |
| Grants | 0 | 0 | 0 | 0 | 3,279 | 4,374 |
| Other income | 0 | 0 | 0 | 0 | 0 | 0 |
| Total income from transactions | 95,639 | 96,275 | 115,873 | 114,013 | 248,670 | 241,564 |
| EXPENSES FROM TRANSACTIONS | | | | | | |
| Employee expenses and Judicial Officer remuneration | 60,409 | 62,564 | 65,697 | 60,664 | 149,168 | 137,271 |
| Depreciation and amortisation | 11,307 | 11,102 | 17,543 | 17,428 | 25,811 | 26,925 |
| Interest expense | 90 | 130 | 2,258 | 3,608 | 762 | 808 |
| Grants and other transfers | 550 | 350 | 2 | 142 | 5,124 | 5,576 |
| Capital asset charge ⁽ⁱ⁾ | 12,713 | 10,291 | 7,638 | 6,895 | 13,208 | 15,808 |
| Supplies and services | 17,742 | 14,315 | 25,378 | 25,843 | 52,379 | 49,938 |
| Total expenses from transactions | 102,811 | 98,751 | 118,517 | 114,579 | 246,452 | 236,325 |
| Net result from transactions (net operating balance) | (7,172) | (2,476) | (2,643) | (566) | 2,219 | 5,239 |
| OTHER ECONOMIC FLOWS INCLUDED IN NET RESULT | | | | | | |
| Net gain/(loss) on revaluation of building | 35,810 | | 11,782 | | (26,487) | |
| Net gain/(loss) on non-financial assets | 536 | 115 | 297 | 70 | 238 | 108 |
| Net gain/(loss) on financial instruments | 0 | 0 | 0 | 0 | 0 | 0 |
| Other gains/(losses) from other economic flows | 2,011 | (447) | 1,753 | (384) | 3,193 | (666) |
| Total other economic flows included in net result | 38,357 | (332) | 13,832 | (314) | (23,055) | (558) |
| Net Result from continuing operations | 31,185 | (2,808) | 11,189 | (880) | (20,836) | 4,681 |
| OTHER ECONOMIC FLOWS - OTHER COMPREHENSIVE INCOME ITEMS THAT WILL NOT BE RECLASSIFIED TO NET RESULT | | | | | | |
| Changes in physical asset revaluation reserve ⁽ⁱ⁾ | 39,218 | 14,950 | 30,228 | 13,383 | (28,299) | 11,021 |
| Total other economic flows - other comprehensive income | 39,218 | 14,950 | 30,228 | 13,383 | (28,299) | 11,021 |
| Comprehensive result | 70,403 | 12,142 | 41,417 | 12,503 | (49,135) | 15,702 |

Note:

- (i) Non-financial assets, Capital asset charge and Changes in physical asset revaluation reserve have been allocated by Jurisdiction.

| | Children's Court of Victoria | | Coroners Court of Victoria | | Victorian Civil & Administrative Tribunal | | CSV Services | | Total | |
|--|------------------------------|----------------|----------------------------|----------------|---|----------------|-----------------|----------------|----------------|----------------|
| | 2021 \$'000 | 2020 \$'000 | 2021 \$'000 | 2020 \$'000 | 2021 \$'000 | 2020 \$'000 | 2021 \$'000 | 2020 \$'000 | 2021 \$'000 | 2020 \$'000 |
| | 30,602 | 26,666 | 16,767 | 17,697 | 25,235 | 21,469 | 118,212 | 101,303 | 513,448 | 480,167 |
| | 7,659 | 6,184 | 5,921 | 5,621 | 22,191 | 21,476 | 37 | 10 | 170,080 | 167,736 |
| | 0 | 73 | 329 | 379 | 20,589 | 20,749 | 3,795 | 42 | 27,992 | 25,617 |
| | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| | 38,261 | 32,923 | 23,017 | 23,697 | 68,015 | 63,693 | 122,045 | 101,355 | 711,520 | 673,520 |
| | 23,397 | 21,044 | 15,280 | 13,851 | 54,784 | 50,722 | 35,180 | 28,498 | 403,916 | 374,614 |
| | 4,676 | 2,735 | 146 | 109 | 7,763 | 5,663 | 8,900 | 8,962 | 76,147 | 72,923 |
| | 25 | 38 | 5 | 6 | 236 | 192 | (16) | 26 | 3,361 | 4,807 |
| | 250 | 268 | 0 | 0 | 0 | 0 | 8,214 | 8,772 | 14,140 | 15,108 |
| | 3,473 | 2,334 | 128 | 143 | 1,170 | 1,210 | 9,965 | 9,681 | 48,296 | 46,362 |
| | 6,025 | 6,812 | 7,777 | 9,358 | 7,580 | 7,830 | 48,547 | 41,094 | 165,427 | 155,189 |
| | 37,846 | 33,230 | 23,336 | 23,468 | 71,533 | 65,617 | 110,791 | 97,033 | 711,286 | 669,003 |
| | 415 | (307) | (319) | 229 | (3,518) | (1,924) | 11,254 | 4,322 | 235 | 4,517 |
| | (6,952) | | | | (2,258) | | (23,120) | | (11,225) | 0 |
| | 128 | 3 | 17 | 9 | 160 | 19 | 43 | 22 | 1,421 | 346 |
| | 0 | 0 | 0 | 0 | 0 | 0 | (0) | 190 | (0) | 190 |
| | 493 | (94) | 221 | (42) | 754 | (152) | 729 | (130) | 9,154 | (1,916) |
| | (6,331) | (92) | 239 | (33) | (1,344) | (133) | (22,348) | 83 | (650) | (1,379) |
| | (5,916) | (399) | (80) | 196 | (4,862) | (2,057) | (11,094) | 4,405 | (415) | 3,138 |
| | 39,002 | 2,341 | 0 | 0 | 0 | 0 | (10,968) | 2,642 | 69,181 | 44,337 |
| | 39,002 | 2,341 | 0 | 0 | 0 | 0 | (10,968) | 2,642 | 69,181 | 44,337 |
| | 33,086 | 1,942 | (80) | 196 | (4,862) | (2,057) | (22,062) | 7,046 | 68,766 | 47,475 |

Schedule B - Controlled assets and liabilities by jurisdiction for the Year Ended 30 June 2021

| | Supreme Court of Victoria | | County Court of Victoria | | Magistrates' Court of Victoria | |
|-------------------------------------|------------------------------|----------------|-----------------------------|----------------|-----------------------------------|----------------|
| | 2021 \$'000 | 2020 \$'000 | 2021 \$'000 | 2020 \$'000 | 2021 \$'000 | 2020 \$'000 |
| Financial assets | 5,464 | 5,790 | 5,318 | 5,118 | 18,697 | 17,865 |
| Non-financial assets ⁽ⁱ⁾ | 335,390 | 260,552 | 201,512 | 174,565 | 348,446 | 400,247 |
| Total assets | 340,854 | 266,342 | 206,830 | 179,684 | 367,143 | 418,112 |
| Liabilities | 34,481 | 36,058 | 46,483 | 61,669 | 120,203 | 109,542 |
| Total liabilities | 34,481 | 36,058 | 46,483 | 61,669 | 120,203 | 109,542 |
| Net assets | 306,373 | 230,284 | 160,347 | 118,015 | 246,940 | 308,570 |

Note:

- (i) *Non-financial assets, Capital asset charge and Changes in physical asset revaluation reserve have been allocated by Jurisdiction.*

| | Children's Court of Victoria | | Coroners Court of Victoria | | Victorian Civil & Administrative Tribunal | | CSV Services | | Total | |
|--|------------------------------|----------------|----------------------------|----------------|---|----------------|----------------|----------------|----------------|----------------|
| | 2021 \$'000 | 2020 \$'000 | 2021 \$'000 | 2020 \$'000 | 2021 \$'000 | 2020 \$'000 | 2021 \$'000 | 2020 \$'000 | 2021 \$'000 | 2020 \$'000 |
| | 969 | 389 | 2,463 | 2,036 | 9,485 | 7,491 | 125,140 | 115,904 | 167,535 | 154,594 |
| | 91,621 | 59,095 | 3,386 | 3,631 | 30,865 | 30,644 | 262,889 | 245,121 | 1,274,109 | 1,173,855 |
| | 92,590 | 59,484 | 5,848 | 5,667 | 40,350 | 38,135 | 388,029 | 361,025 | 1,441,644 | 1,328,449 |
| | 11,440 | 9,782 | 5,490 | 4,667 | 31,695 | 33,850 | 9,870 | 31,013 | 259,662 | 286,581 |
| | 11,440 | 9,782 | 5,490 | 4,667 | 31,695 | 33,850 | 9,870 | 31,013 | 259,662 | 286,581 |
| | 81,150 | 49,702 | 358 | 999 | 8,654 | 4,285 | 378,159 | 330,012 | 1,181,982 | 1,041,868 |

4.3 ADMINISTERED (NON-CONTROLLED) ITEMS

For the financial year ended 30 June 2021

Administered income includes taxes, fees and fines and Special Appropriations provided to fund payments for criminal injuries compensation. Administered expenses include payments made on behalf of the State and payments into the consolidated fund. Administered assets include government income earned but yet to be collected. Administered liabilities include government expenses incurred but yet to be paid. Administered resources are accounted for on a cash basis except for CSV Services, the Supreme Court CITEC e-filing fees, Magistrates' Court revenue received from services provided to credit rating agencies, and County Court fines revenue

which is accounted for on an accrual basis using same accounting policies adopted for recognition of CSV's items in the financial statements. Both controlled and administered items of CSV are consolidated into the financial statements of the State.

CSV does not gain control over assets arising from taxes and fines, consequently no income is recognised in CSV's financial statements. CSV collects these amounts on behalf of the State. Accordingly, the amounts are disclosed as income in the schedule of Administered items.

| | Supreme Court of Victoria | | County Court of Victoria | |
|--|---------------------------|-----------------|--------------------------|-----------------|
| | 2021 \$'000 | 2020 \$'000 | 2021 \$'000 | 2020 \$'000 |
| ADMINISTERED INCOME FROM TRANSACTIONS | | | | |
| Special appropriations applied | 0 | 0 | 0 | 0 |
| Fines | 1,940 | 0 | (2,495) | (88) |
| Sales of goods and services (including fees) ⁽ⁱ⁾ | 21,746 | 24,699 | 9,180 | 10,150 |
| Other income | 52 | 63 | 79 | 73 |
| Total administered income from transactions | 23,739 | 24,763 | 6,764 | 10,136 |
| ADMINISTERED EXPENSES FROM TRANSACTIONS | | | | |
| Payments into the Consolidated Fund ⁽ⁱⁱ⁾ | (23,697) | (24,715) | (9,202) | (10,063) |
| Criminal injuries compensation ⁽ⁱⁱⁱ⁾ | 0 | 0 | 0 | 0 |
| Other expenses | 0 | 0 | 2,084 | (911) |
| Total administered expenses from transactions | (23,697) | (24,715) | (7,118) | (10,974) |
| Total administered net result from transactions (net operating balance) | 41 | 48 | (354) | (839) |
| Administered other economic flows included in administered net result | | | | |
| Net gain/(loss) on non-financial assets | | | | |
| Net gain/(loss) on financial instruments | | | | |
| Other gains/(losses) from other economic flows | | | | |
| Total administered other economic flows | 0 | 0 | 0 | 0 |
| Total administered net result | 41 | 48 | (354) | (839) |

(i) CSV has considered the impact of COVID-19 on Fees and revised the estimate down by \$9m for the July 2020 to December 2020 period.

(ii) Payments into the Consolidated Fund by CSV Services relates to fines and other income paid on behalf of the jurisdictions.

| Magistrates' Court of Victoria | | Children's Court of Victoria | | Victorian Civil & Administrative Tribunal | | CSV Services | | Total | |
|--------------------------------|-----------------|------------------------------|----------------|---|----------------|----------------|----------------|-----------------|------------------|
| 2021 \$'000 | 2020 \$'000 | 2021 \$'000 | 2020 \$'000 | 2021 \$'000 | 2020 \$'000 | 2021 \$'000 | 2020 \$'000 | 2021 \$'000 | 2020 \$'000 |
| | | 0 | 0 | 0 | 0 | 0 | 0 | 46,444 | 45,146 |
| 46,444 | 45,146 | 0 | 0 | 0 | 0 | 0 | 0 | 2,257 | 4,140 |
| 2,812 | 4,227 | | | | | | | | |
| 11,025 | 19,615 | 1 | 3 | 7,899 | 8,335 | 48 | 54 | 49,898 | 62,856 |
| 257 | 212 | 0 | 0 | 18 | 0 | 559 | 1,019 | 964 | 1,368 |
| 60,537 | 69,200 | 1 | 3 | 7,916 | 8,335 | 607 | 1,073 | 99,564 | 113,510 |
| (13,924) | (23,913) | (1) | (3) | (7,899) | (8,335) | 222 | (152) | (54,501) | (67,181) |
| (46,444) | (44,028) | 0 | 0 | 0 | 0 | 0 | 0 | (46,444) | (44,028) |
| 0 | (18) | 0 | 0 | 0 | 0 | (393) | (894) | 1,691 | (1,823) |
| (60,368) | (67,959) | (1) | (3) | (7,899) | (8,335) | (171) | (1,046) | (99,253) | (113,032) |
| 170 | 1,241 | 0 | 0 | 18 | 0 | 436 | 27 | 310 | 477 |
| | | | | | | | | | |
| | | | | | | | | | |
| | | | | | | | | | |
| 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| 170 | 1,241 | 0 | 0 | 18 | 0 | 436 | 27 | 310 | 477 |

(iii) Criminal injuries compensation payments are awarded by the Victims of Crime Assistance Tribunal and are funded from Special appropriations on determination of each case in accordance with Victims of Crime Assistance Act 1996 s.69.

4.3 ADMINISTERED (NON-CONTROLLED) ITEMS (CONTINUED)**For the financial year ended 30 June 2021**

| | Supreme Court of Victoria | | County Court of Victoria | |
|--|---------------------------|----------------|--------------------------|----------------|
| | 2021 \$'000 | 2020 \$'000 | 2021 \$'000 | 2020 \$'000 |
| ADMINISTERED FINANCIAL ASSETS | | | | |
| Cash and deposits | 148 | 182 | 4,769 | 2,557 |
| Receivables | 304 | 14 | 790 | 1,216 |
| Total administered financial assets | 452 | 196 | 5,559 | 3,773 |
| ADMINISTERED LIABILITIES | | | | |
| Creditors and accruals | 0 | 0 | 0 | 0 |
| Creditors and accruals | (1) | (35) | (3,864) | (1,652) |
| Provisions ⁽ⁱ⁾ | 0 | 0 | 0 | 0 |
| Total administered liabilities | (1) | (35) | (3,864) | (1,652) |
| Total administered net assets (Liabilities) | 451 | 161 | 1,695 | 2,121 |
| EQUITY | | | | |
| Contributed Capital | (30) | (30) | (0) | (0) |
| Net Worth | 421 | 131 | 1,695 | 2,121 |

Note

- (i) Criminal injuries compensation payments that have been determined but not yet paid are recognised as a provision in the table above.

| | Magistrates' Court of Victoria | | Children's Court of Victoria | | Victorian Civil & Administrative Tribunal | | CSV Services | | Total | |
|--|--------------------------------|----------------|------------------------------|----------------|---|----------------|----------------|----------------|-----------------|-----------------|
| | 2021 \$'000 | 2020 \$'000 | 2021 \$'000 | 2020 \$'000 | 2021 \$'000 | 2020 \$'000 | 2021 \$'000 | 2020 \$'000 | 2021 \$'000 | 2020 \$'000 |
| | 3,564 | 3,215 | 0 | 0 | 1,024 | 719 | 4,082 | 3,290 | 13,588 | 9,964 |
| | 98 | 63 | 0 | 0 | 0 | 0 | 31 | (4) | 1,222 | 1,288 |
| | 3,662 | 3,278 | 0 | 0 | 1,024 | 719 | 4,113 | 3,286 | 14,810 | 11,252 |
| | 0 | (66) | 0 | 0 | (290) | (515) | (67) | (213) | (357) | (795) |
| | (5,248) | (4,899) | 0 | 0 | (84) | 447 | (3,712) | (3,084) | (12,909) | (9,223) |
| | (2,400) | (2,400) | 0 | 0 | 0 | 0 | (1) | (0) | (2,401) | (2,400) |
| | (7,648) | (7,366) | 0 | 0 | (373) | (68) | (3,779) | (3,297) | (15,666) | (12,418) |
| | (3,987) | (4,088) | 0 | 0 | 651 | 651 | 334 | (11) | (856) | (1,166) |
| | 2,411 | 3,511 | 0 | 0 | 0 | 0 | (1,215) | (1,837) | 1,166 | 1,643 |
| | (1,576) | (577) | 0 | 0 | 651 | 651 | (881) | (1,849) | 310 | 476 |

5. Key assets available to support output delivery

Introduction

CSV controls infrastructure that is utilised in fulfilling its objectives and conducting activities. The infrastructure represents the key resources that have been entrusted to CSV to be utilised for delivery of its outputs.

Fair value measurement

Where the assets included in this section are carried at fair value, additional information is disclosed in Note 8.3 in connection with how those fair values were determined.

Structure

- 5.1 Property, plant and equipment
- 5.2 Intangible assets

5.1 PROPERTY, PLANT AND EQUIPMENT

| | Gross carrying amount | | Accumulated depreciation | | Net carrying amount | |
|---|-----------------------|------------------|--------------------------|------------------|---------------------|------------------|
| | 2021 \$'000 | 2020 \$'000 | 2021 \$'000 | 2020 \$'000 | 2021 \$'000 | 2020 \$'000 |
| Land at fair value | 546,025 | 464,958 | 0 | 0 | 546,025 | 464,958 |
| Buildings at fair value | 476,396 | 545,976 | (3,656) | (41,829) | 472,741 | 504,147 |
| Leasehold buildings at fair value | 26,715 | 79,905 | 0 | (48,680) | 26,715 | 31,224 |
| Leasehold improvements at fair value | 40,369 | 26,673 | (12,696) | (5,924) | 27,672 | 20,750 |
| Plant and equipment at fair value | 7,898 | 6,174 | (3,097) | (2,522) | 4,801 | 3,652 |
| Plant and equipment – Right-of-use | 13,711 | 14,212 | (3,872) | (3,994) | 9,840 | 10,218 |
| Computer & telecommunications equipment at fair value | 37,615 | 34,247 | (25,506) | (17,304) | 12,109 | 16,943 |
| Cultural assets at fair value | 1,050 | 916 | 0 | 0 | 1,050 | 916 |
| Assets under construction at cost | 125,742 | 81,355 | 0 | 0 | 125,742 | 81,355 |
| Total property, plant and equipment | 1,275,521 | 1,254,416 | (48,827) | (120,253) | 1,226,694 | 1,134,163 |

The following tables are subsets of buildings, and plant and equipment by right-of-use

5.1(a) Total right-of-use assets: buildings, plant, equipment and vehicles

| | Gross carrying amount | Accumulated depreciation | Net carrying amount | Gross carrying amount | Accumulated depreciation | Net carrying amount |
|-------------------------------|-----------------------------|-----------------------------|---------------------------|-----------------------------|-----------------------------|---------------------------|
| | 2021 \$'000 | 2021 \$'000 | 2021 \$'000 | 2020 \$'000 | 2020 \$'000 | 2020 \$'000 |
| Buildings at fair value | 82,138 | (792) | 81,346 | 169,631 | (62,270) | 107,361 |
| Property, Plant and Equipment | 13,711 | (3,872) | 9,840 | 14,212 | (3,994) | 10,218 |
| Net carrying amount | 95,850 | (4,664) | 91,186 | 183,842 | (66,264) | 117,579 |

| | Buildings at Fair Value | Buildings at Fair Value | Plant, Equipment & Vehicles at Fair Value | Plant, Equipment & Vehicles at Fair Value |
|--|----------------------------|-------------------------------|---|---|
| | 2021 \$'000 | 2020 ⁽ⁱ⁾ \$'000 | 2021 \$'000 | 2020 ⁽ⁱ⁾ \$'000 |
| Opening Balance | 107,361 | 128,164 | 10,218 | 9,875 |
| Additions | 3,988 | 9,300 | 4,090 | 5,161 |
| Disposals | (4,294) | | (1,977) | (2,253) |
| Depreciation | (29,985) | (30,104) | (2,316) | (2,388) |
| Revaluation of property | 4,276 | | | |
| Transfer to disposal group held for sale | | | (176) | (178) |
| Closing Balance | 81,346 | 107,361 | 9,840 | 10,218 |

(i) This balance represents the initial recognition of right-of-use assets recorded on the balance sheet on 1 July 2019 along with the transfer from finance lease assets (recognised under AASB 117 at 30 June 2019) to right-of-use assets (recognised under AASB 16 at 1 July 2019).

Initial recognition: Items of property, plant and equipment are measured initially at cost and subsequently revalued at fair value less accumulated depreciation. Where an asset is acquired for no or nominal cost, a fair value is determined at the date of acquisition. Assets transferred as part of a machinery of government change are transferred at their carrying amount. The cost of constructed non-financial physical assets includes the cost of all materials used in construction, direct labour on the project and an appropriate proportion of variable and fixed overheads.

The cost of leasehold improvements is capitalised and depreciated over the shorter of the remaining term of the lease or its estimated.

**Right-of-use asset acquired by lessees
(Under AASB 16 – Leases) – Initial measurement:**

CSV recognises a right-of-use asset and a lease liability at the lease commencement date. The right-of-use asset is initially measured at cost which comprises the initial amount of the lease liability adjusted for:

- any lease payments made at or before the commencement date ; plus
- any initial direct costs incurred; and
- an estimate of costs to dismantle and remove the underlying asset or to restore the underlying asset or the site on which it is located, less any lease incentive received.

Subsequent measurement – Property Plant and Equipment excluding Right-of-Use Assets:

Property, plant and equipment (PPE) are 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) and is summarised below by asset category.

Subsequent measurement – Right-of-Use Assets:

Right-of-use assets (ROUAs) under leases are subsequently measured at fair value. CSV depreciates the ROUAs on a straight-line basis from the lease commencement date to the earlier of the end of the useful life of the ROU asset and the end of the lease term. The ROUAs are subject to revaluation and are periodically adjusted for certain remeasurements of the lease liability.

Non-specialised buildings and artworks: These assets are valued using the market approach, whereby assets are compared to recent comparable sales or sales of comparable assets that are considered to have nominal value.

Specialised land and specialised buildings: The market approach is also used for specialised land and buildings and adjusted for the community service obligation to reflect the specialised nature of the land being valued.

The community service obligation adjustment reflects the valuer's assessment of the impact of restrictions associated with an asset to the extent that these restrictions are also equally applicable to market participants.

The current replacement cost method is used to value CSV's specialised buildings, adjusting for the associated depreciation.

Heritage assets and infrastructure are valued using the current replacement cost method. This cost generally represents the replacement cost of the building/component after applying depreciation rates on a useful life basis. However, for some heritage and iconic assets, the cost may be the reproduction cost rather than the replacement cost if those assets' service potential could only be replaced by reproducing them with the same materials.

Vehicles are valued using the current replacement cost method. CSV acquires new vehicles and at times disposes them before the end of their economic life. The process of acquisition, use and disposal in the market of vehicles is managed by VicFleet who set relevant depreciation rates during use to reflect the utilisation of the vehicles.

Fair value for **plant and equipment** that are specialised in use (such that it is rarely sold other than as part of a going concern) is determined using the current replacement cost method.

Note 8.3 includes additional information in connection with fair value determination of property, plant and equipment.

5.1.1 Depreciation & Amortisation Charge for the period

| | 2021 \$'000 | 2020 \$'000 |
|--|----------------|----------------|
| Buildings | 23,926 | 26,196 |
| Leasehold buildings at fair value as Right of Use Assets | 29,985 | 29,740 |
| Leasehold improvements at fair value | 6,369 | 3,747 |
| Plant and equipment at fair value | 8,877 | 7,588 |
| Plant and equipment under finance lease at fair value | 2,316 | 2,388 |
| Software | 4,675 | 3,263 |
| Total property, plant and equipment | 76,147 | 72,923 |

All buildings, plant and equipment and other non-financial physical assets that have finite useful lives, are depreciated. The exceptions to this rule include items under operating leases, assets held for sale, land and cultural assets.

Depreciation is generally calculated on a straight line basis, at rates that allocate the asset's value, less any estimated residual value, over its estimated useful life. Typical estimated useful lives for the different asset classes for current and prior years are included in the following table.

| Asset class | Useful life years |
|--|-------------------|
| Cultural assets | 100 |
| Buildings | |
| • Structure/shell/building fabric | 6 to 50 |
| • Site engineering services | 6 to 50 |
| • Fit out | 6 to 46 |
| • Trunk reticulated building systems | 6 to 46 |
| Leasehold improvements | 1 to 20 |
| Right of Use buildings | 1 to 12 |
| Plant and equipment | 1 to 10 |
| Computer and telecommunication equipment | 3 to 8 |
| Intangible assets | 3 to 7 |
| Antique furniture and artefacts | 100 |

The estimated useful lives, residual values and depreciation method are reviewed at the end of each annual reporting period, and adjustments made where appropriate.

Right-of-use assets are generally depreciated over the shorter of the asset's useful life and the lease term. Where CSV obtains ownership of the underlying asset or if the cost of the right-of-use asset reflects that the entity will exercise a purchase option, the entity depreciates the right-of-use asset over its useful life.

Indefinite life assets: Land which is considered to have an indefinite life, is not depreciated. Depreciation is not recognised in respect of these assets because their service potential has not, in any material sense, been consumed during the reporting period.

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 written off as an 'other economic flow', except to the extent that it can be debited to an asset revaluation surplus amount applicable to that class of asset.

If there is an indication that there has been a reversal in impairment, the carrying amount shall be increased to its recoverable amount. However this reversal should not increase the asset's carrying amount above what would have been determined, net of depreciation or amortisation, if no impairment loss had been recognised in prior years.

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.

5.1.2 Carrying values by 'purpose' groups

| Public Order and Safety | | |
|---|------------------|------------------|
| | 2021 \$'000 | 2020 \$'000 |
| Crown land at fair value ⁽ⁱ⁾ | 546,025 | 464,958 |
| Buildings at fair value ⁽ⁱ⁾ | 472,741 | 504,147 |
| Leasehold buildings at fair value as Right of Use Assets (2019 Finance Leases) ⁽ⁱ⁾ | 26,715 | 31,224 |
| Leasehold improvements at fair value ⁽ⁱⁱ⁾ | 27,672 | 20,750 |
| Plant and equipment at fair value ⁽ⁱⁱⁱ⁾ | 4,801 | 3,652 |
| Lease at fair value ⁽ⁱⁱⁱ⁾ | 9,840 | 10,218 |
| Computer & telecommunications equipment at fair value ⁽ⁱⁱⁱ⁾ | 12,109 | 16,943 |
| Cultural assets at fair value ⁽ⁱ⁾ | 1,050 | 916 |
| Assets under construction at cost | 125,742 | 81,355 |
| Total property, plant and equipment | 1,226,694 | 1,134,163 |

Property, plant, equipment, computer and telecommunications assets are classified primarily by the 'purpose' for which the assets are used, according to one of ten purpose groups based upon government purpose classifications. All assets in a purpose group are further sub-categorised according to the asset's 'nature' (e.g. buildings, plant etc.), with each sub-category being classified as a separate class of asset for financial reporting purposes.

Note

- (i) An independent revaluation of CSV land, owned buildings and cultural assets was performed by the Valuer-General of Victoria as at 30 June 2021.
An independent revaluation of CSV right-of-use buildings was performed by Jones Lang LaSalle at 30 June 2021.
- (ii) Fair value of finance leasehold buildings and improvements is current replacement cost.
- (iii) The fair value of plant, equipment, computer and telecommunications assets is the depreciated cost. This represents a reasonable approximation of fair value as there is no evidence of a reliable market-based fair value for this class of asset.

5.1.3 Reconciliation of movements in carrying values of property, plant and equipment

| 2021 | Specialised land at fair value | Specialised buildings at fair value | Buildings leasehold at fair value |
|--|--------------------------------------|---|---|
| | \$'000 | \$'000 | \$'000 |
| OPENING BALANCE | 464,958 | 504,147 | 31,224 |
| Additions | | 5,068 | 0 |
| Disposals | 0 | (4,294) | 0 |
| Depreciation | 0 | (37,619) | (16,291) |
| Revaluation of property ⁽ⁱⁱⁱ⁾ ^(iv) | 69,067 | (23,007) | 11,782 |
| Transfer between asset classes | 0 | (830) | 0 |
| Transfer to disposal group held for sale | 0 | 0 | 0 |
| Transfer in/out of assets under construction | 12,000 | 29,277 | 0 |
| CLOSING BALANCE | 546,025 | 472,741 | 26,715 |

| 2020 | Specialised land at fair value | Specialised buildings at fair value | Buildings leasehold at fair value |
|---|--------------------------------------|---|---|
| | \$'000 | \$'000 | \$'000 |
| OPENING BALANCE (RESTATED) | 412,632 | 425,303 | 47,739 |
| Recognition of right-of-use assets on initial application of AASB 16 ⁽ⁱ⁾ | 0 | 80,425 | 0 |
| Adjusted balance at 1 July 2019 ⁽ⁱⁱ⁾ | 412,632 | 505,729 | 47,739 |
| Additions | | 9,300 | 0 |
| Disposals | 0 | 0 | 0 |
| Depreciation | 0 | (40,182) | (16,515) |
| Revaluation of property | 44,337 | 0 | 0 |
| Transfer between asset classes | 0 | 0 | 0 |
| Transfer to disposal group held for sale | 0 | 0 | 0 |
| Transfer in/out of assets under construction | 7,989 | 29,299 | 0 |
| CLOSING BALANCE | 464,958 | 504,147 | 31,224 |

- (i) Recognition of right-of-use assets on initial application of AASB 16 balance represents the initial recognition of right-of-use assets recorded on the balance sheet on 1 July 2019 relating to operating leases.
- (ii) The adjusted balance relates to amounts transferred from finance lease assets (recognised under AASB 117 at 30 June 2019) to ROU assets (recognised under AASB 16 at 1 July 2019).
- (iii) The Valuer-General Victoria performed an independent revaluation of CSV land, owned buildings and cultural assets as at 30 June 2021. Jones Lang LaSalle performed an independent revaluation of CSV right-of-use buildings as at 30 June 2021.
- (iv) The loss of \$11.2 M following the revaluation of specialised buildings is recognised in "other economic flow" in the net result.

| | Leasehold improvements at fair value | Plant and equipment at fair value | Computer & communication equipment | Leased plant & equipment at fair value | Cultural assets at fair value | Assets under construction at cost | Total |
|--|--------------------------------------|-----------------------------------|------------------------------------|--|-------------------------------|-----------------------------------|------------------|
| | \$'000 | \$'000 | \$'000 | \$'000 | \$'000 | \$'000 | \$'000 |
| | 20,750 | 3,652 | 16,943 | 10,218 | 916 | 81,355 | 1,134,163 |
| | 103 | 319 | 0 | 4,090 | 0 | 105,446 | 115,026 |
| | 0 | (33) | 0 | (1,977) | 0 | | (6,304) |
| | (6,369) | (676) | (8,201) | (2,316) | 0 | 0 | (71,471) |
| | 0 | 0 | 0 | 0 | 114 | 0 | 57,956 |
| | (1,667) | 0 | 0 | 0 | 0 | | (2,498) |
| | 0 | 0 | 0 | (176) | 0 | 0 | (176) |
| | 14,856 | 1,538 | 3,367 | 0 | 20 | (61,058) | 0 |
| | 27,672 | 4,801 | 12,109 | 9,840 | (1,050) | (125,742) | 1,226,694 |

| | Leasehold improvements at fair value | Plant and equipment at fair value | Computer & communication equipment | Leased plant & equipment at fair value | Cultural assets at fair value | Assets under construction at cost | Total |
|--|--------------------------------------|-----------------------------------|------------------------------------|--|-------------------------------|-----------------------------------|------------------|
| | \$'000 | \$'000 | \$'000 | \$'000 | \$'000 | \$'000 | \$'000 |
| | 12,540 | 3,884 | 14,855 | 9,875 | 916 | 51,953 | 979,698 |
| | 0 | 0 | 0 | 0 | 0 | 0 | 80,425 |
| | 12,540 | 3,884 | 14,855 | 9,875 | 916 | 51,953 | 1,060,123 |
| | 0 | 0 | 0 | 5,161 | 0 | 88,069 | 102,530 |
| | 0 | 0 | 0 | (2,253) | 0 | | (2,253) |
| | (2,987) | (473) | (7,116) | (2,388) | 0 | 0 | (69,660) |
| | 0 | 0 | 0 | 0 | 0 | 0 | 44,337 |
| | 0 | 0 | 0 | 0 | 0 | (738) | (738) |
| | 0 | 0 | 0 | (178) | 0 | 0 | (178) |
| | 11,197 | 241 | 9,204 | 0 | 0 | (57,929) | 0 |
| | 20,750 | 3,652 | 16,943 | 10,218 | 916 | 81,355 | 1,134,163 |

5.2 INTANGIBLE ASSETS

5.2.1 Intangible assets – excluding Case Management System (CMS)

| | Computer software | |
|--|-------------------|-----------------|
| | 2021 \$'000 | 2020 \$'000 |
| GROSS CARRYING AMOUNT | | |
| Opening balance | 60,443 | 55,334 |
| Additions | 3,821 | 11,710 |
| Additions to/transfers from work in progress | (2,776) | (7,338) |
| Transfer between asset classes | | 738 |
| Gross value at the end of the financial year | 61,488 | 60,443 |
| ACCUMULATED AMORTISATION AND IMPAIRMENT | | |
| Opening balance | (41,595) | (38,474) |
| Amortisation ⁽ⁱ⁾ | (4,533) | (3,121) |
| Closing balance | (46,127) | (41,595) |
| Net book value at the end of the financial year | 15,361 | 18,848 |

5.2.2 Intangible assets – CMS

| | Computer software | |
|--|-------------------|----------------|
| | 2021 \$'000 | 2020 \$'000 |
| GROSS CARRYING AMOUNT | | |
| Opening balance | 999 | 999 |
| ACCUMULATED AMORTISATION AND IMPAIRMENT | | |
| Opening balance | (588) | (445) |
| Amortisation ⁽ⁱ⁾ | (143) | (143) |
| Closing balance | (731) | (588) |
| Net book value at the end of the financial year | 268 | 411 |

Note

- (i) The consumption of intangible produced assets is included in the 'depreciation and amortisation' line item on the comprehensive operating statement.

5.2.3 Intangible assets – CMS (WIP)

| | Computer software | |
|---|-------------------|----------------|
| | 2021 \$'000 | 2020 \$'000 |
| GROSS CARRYING AMOUNT | | |
| Opening balance | 12,363 | 6,980 |
| Additions to work in progress | 12,073 | 5,383 |
| Gross value at the end of the financial year | 24,436 | 12,363 |
| Total Intangible Assets | 40,065 | 31,622 |

Initial recognition

Purchased intangible assets are initially recognised at cost. When the recognition criteria in AASB 138 Intangible Assets is met, internally generated intangible assets are recognised at cost. Subsequently, intangible assets with finite useful lives are carried at cost less accumulated amortisation and accumulated impairment losses. Amortisation begins when the asset is available for use, that is, when it is in the location and condition necessary for it to be capable of operating in the manner intended by management.

An **internally-generated intangible asset** arising from development (or from the development phase of an internal project) is recognised if, and only if, all of the following are demonstrated:

- (a) the technical feasibility of completing the intangible asset so that it will be available for use or sale;
- (b) an intention to complete the intangible asset and use or sell it;
- (c) the ability to use or sell the intangible asset;
- (d) the intangible asset will generate probable future economic benefits;
- (e) the availability of adequate technical, financial and other resources to complete the development and to use or sell the intangible asset; and
- (f) the ability to measure reliably the expenditure attributable to the intangible asset during its development.

Subsequent measurement

Intangible produced assets with finite useful lives, are amortised on a straight line basis over their useful lives.

Produced intangible assets have useful lives of between 3 and 7 years (2020: 3 and 7 years).

Intangible non-produced assets with finite lives are amortised as an 'other economic flow' on a straight-line basis over their useful lives. The amortisation period is 3 to 5 years (2020: 3 and 5 years).

6. Other assets and liabilities

Introduction

This section sets out those assets and liabilities that arose from CSV's controlled operations.

Structure

6.1 Receivables

6.2 Payables

| | 2021 \$'000 | 2020 \$'000 |
|--|----------------|----------------|
| CURRENT RECEIVABLES | | |
| Contractual | | |
| Other receivables | 6,386 | 6,046 |
| Allowance for impairment losses of contractual receivables | (56) | (56) |
| | 6,330 | 5,991 |
| Statutory | | |
| Amounts owing from Victorian Government | 132,218 | 122,345 |
| GST input tax credit recoverable | 6,757 | 6,370 |
| | 138,975 | 128,715 |
| Total receivables | 145,305 | 134,706 |
| Represented by: | | |
| Current receivables | 142,483 | 132,096 |
| Non-current receivables | 2,822 | 2,609 |

Contractual receivables are classified as financial instruments and categorised as 'financial assets at amortised costs'. They are initially recognised at fair value plus any directly attributable transaction costs. Subsequent to initial measurement they are measured at amortised cost less any impairment.

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. Amounts recognised from the Victorian Government represent funding for all commitments incurred and are drawn from the Consolidated Fund as the commitments fall due.

6.1.1 Ageing analysis of contractual financial assets

No interest is charged for the first 30 days from the invoice date. The average credit period for sales of goods/services and other receivables is 30 days. There are no material financial assets that are individually determined to be impaired. Currently, CSV does not hold any collateral as security nor credit enhancements relating to any of its financial assets.

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.

6.2 PAYABLES

| | 2021 \$'000 | 2020 \$'000 |
|--|----------------|----------------|
| CURRENT PAYABLES | | |
| Contractual | | |
| Trade creditors and other payables | 39,029 | 32,142 |
| Unearned Revenue | 136 | 58 |
| Accrued capital works | 11,855 | 13,338 |
| Salaries and wages | 2,449 | 11,730 |
| | 53,469 | 57,268 |
| Statutory | | |
| Payroll tax | 1,509 | 1,351 |
| Fringe benefits tax | 488 | 768 |
| Amounts payable to the Judicial College of Victoria | 2,250 | 2,186 |
| Amounts payable to the Judicial Commission of Victoria | 572 | 423 |
| | 4,819 | 4,728 |
| Total payables | 58,288 | 61,996 |
| Represented by: | | |
| Current payables | 58,159 | 61,913 |
| Non-current payables | 130 | 83 |

Payables consist of:

- **contractual payables** are classified as financial instruments and measured at amortised cost. Accounts payable represent liabilities for goods and services provided to CSV prior to the end of the financial year that are unpaid; and
- **statutory payables** are recognised and measured similarly to contractual payables, but are not classified as financial instruments and not included in the category of financial liabilities at amortised cost, because they do not arise from contracts.

Payables for supplies and services have an average credit period of 30 days.

The terms and conditions of amounts payable to the government and agencies vary according to the particular agreements and as they are not legislative payables, they are not classified as financial instruments.

7. Financing our operations

Introduction

This section provides information on the sources of finance utilised by CSV during its operations, along with interest expenses (the cost of borrowings) and other information related to the financing of activities.

This section includes disclosures of balances that are financial instruments (such as borrowings and cash balances). Notes 8.1 provides additional, specific financial instrument disclosures.

Borrowings refer to interest bearing liabilities mainly raised through lease liabilities. Borrowings are classified as financial instruments, and interest bearing liabilities are classified at amortised cost unless CSV elects to irrevocably designate them at fair value through the profit and loss at initial recognition. The election depends on the nature and purpose of the interest-bearing liabilities.

Structure

- 7.1 Lease Liabilities (CSV as lessee)
- 7.2 Cash flow information and balances
- 7.3 Trust account balances
- 7.4 Commitments for expenditure

7.1 LEASE LIABILITIES (CSV AS LESSEE)

| Interest bearing lease liabilities | Minimum future lease payments ⁽ⁱ⁾ | | Present value of minimum lease payments | |
|---|--|----------------|---|----------------|
| | 2021 \$'000 | 2020 \$'000 | 2021 \$'000 | 2020 \$'000 |
| COMMISSIONED PPP RELATED LEASE LIABILITIES PAYABLE | | | | |
| Not longer than 1 year | 15,999 | 17,580 | 15,302 | 15,400 |
| Longer than 1 year and not longer than 5 years | 0 | 15,999 | 0 | 15,302 |
| Longer than 5 years | 0 | 0 | 0 | 0 |
| OTHER LEASE LIABILITIES PAYABLE ⁽ⁱⁱ⁾ | | | | |
| Not longer than 1 year | 17,199 | 18,399 | 16,224 | 17,209 |
| Longer than 1 year and not longer than 5 years | 31,667 | 38,943 | 29,302 | 36,232 |
| Longer than 5 years | 31,693 | 36,747 | 30,535 | 35,156 |
| Minimum future lease payments | 96,558 | 127,669 | 91,362 | 119,299 |
| Less future finance charges | (5,196) | (8,369) | | |
| Present value of minimum lease payments | 91,362 | 119,299 | 91,362 | 119,299 |
| Included in the financial statements as: | | | | |
| Current borrowings lease liabilities | | | 31,525 | 32,609 |
| Non-current borrowings lease liabilities | | | 59,836 | 86,690 |
| Total lease liabilities | | | 91,362 | 119,299 |

- (i) Minimum future lease payments include the aggregate of all base payments and any guaranteed residual.
- (ii) Other lease liabilities include obligations that are recognised on the balance sheet; the future payments related to operating and lease commitments are disclosed in Note 7.1.2 These are secured by the Assets leased. Leases liabilities are effectively secured as the rights to the leased assets revert to the lessor in the event of default.

7.1.1 Leases

CSV's leases comprise various properties and motor vehicles. The majority of CSV's leases are property leases.

The other leases relate to motor vehicles leased through the VicFleet lease facility. The lease term is the period over which the vehicle is to be leased. Generally, vehicles must be retained for three years or 60,000 kms, whichever occurs first. On disposal of the vehicle any profit or loss on sale is borne by CSV.

CSV's property lease terms includes the term stated in the contract adjusted for any option periods (i.e., extension options, holdover terms, etc.) if the options are reasonably certain of being exercised.

CSV's lease payments for its property leases comprise the fixed lease payments and periodic fixed % increases, market rent reviews on exercise of renewal terms and adjustments to lease payments to reflect changes in CPI.

During the current and prior year there were no defaults or breaches of any of CSV's leases.

Right-of-use assets are presented in note 5.1(a).

7.1.2 Amounts relating to lease recognised in the Comprehensive Operating Statement

The following amounts are recognised in the Comprehensive Operating Statement relating to leases.

| | 2021 \$'000 | 2020 \$'000 |
|---|----------------|----------------|
| Interest expense on lease liabilities ⁽ⁱ⁾ | 3,361 | 4,807 |
| Total Amount recognised in the comprehensive operating statement | 3,361 | 4,807 |

(i) Of the balance in 'interest on leases liabilities', \$3.527m related to assets contracted under the PPP arrangements.

7.1.3 Total cash outflows for leases

The following amounts are recognised in the Statement of Cash Flows for the year ending 30 June 2020 relating to leases.

| | 2021 \$'000 | 2020 \$'000 |
|--------------------|----------------|----------------|
| Total cash outflow | 35,369 | 30,151 |

7.1.4 Lease policy

For any new contracts entered into, CSV considers whether a contract is, or contains a lease. A lease is defined as 'a contract, or part of a contract, that conveys the right to use an asset (the underlying asset) for a period of time in exchange for consideration'. To apply this definition CSV assesses whether the contract meets three key evaluations:

- Whether the contract contains an identified asset, which is either explicitly identified in the contract or implicitly specified by being identified at the time the asset is made available to CSV and for which the supplier does not have substantive substitution rights;
- Whether CSV has the right to obtain substantially all of the economic benefits from use of the identified asset throughout the period of use, considering its rights within the defined scope of the contract and CSV has the right to direct the use of the identified asset throughout the period of use; and
- Whether CSV has the right to take decisions in respect of 'how and for what purpose' the asset is used throughout the period of use.

Separation of lease and No-lease components

At inception or on reassessment of a contract that contains a lease component, the lessee is required to separate out and account separately for non-lease components within a lease contract and exclude these amounts when determining the lease liability and right-of-use asset amount.

Recognition and measurement of leases as a lessee

a) Lease Liability – initial measurement

- The lease liability is initially measured at the present value of the lease payments unpaid at the commencement date, discounted using the interest rate implicit in the lease if that rate is readily determinable or CSV's incremental borrowing rate.

Lease payments included in the measurement of the lease liability comprise the following:

- fixed payments (including in-substance fixed payments) less any lease incentive receivable;
- variable payments based on an index or rate, initially measured using the index or rate as at the commencement date;
- amounts expected to be payable under a residual value guarantee; and
- payments arising from purchase and termination options reasonably certain to be exercised.

b) Lease Liability – subsequent measurement

Subsequent to initial measurement, the liability will be reduced for payments made and increased for interest. It is remeasured to reflect any reassessment or modification, or if there are changes to in-substance fixed payments. When the lease liability is remeasured, the corresponding adjustment is reflected in the right-of-use asset, or profit and loss if the right-of-use asset is already reduced to zero.

c) Short-term leases and leases of low-value assets

CSV has elected to account for short-term leases and leases of low-value assets using practical expedients. Instead of recognising a right-of-use asset and liability, the payments in relation to these are recognised as an expense in the Operating Statement on a straight-line basis over the lease term.

d) Presentation of right-of-use assets and lease liabilities

CSV presents in the balance sheet right-of-use assets as 'buildings at fair value' and 'property, plant and equipment'. Lease liabilities are presented as 'borrowings' in the balance sheet.

e) Commissioned Public Private Partnership (PPP)

The State, through CSV, entered into a 20-year PPP with The Liberty Group Consortium Pty Ltd in June 2002 for the design, construction and maintenance of the County Court. Under the agreement, the portion of the payments to The Liberty Group Consortium Pty Ltd that relates to CSV's right-of-use assets are accounted for as Lease Liabilities. In addition, until the end of this PPP arrangement, CSV pays The Liberty Group Consortium Pty Ltd for the ongoing operation and maintenance of the Court (refer to the 'public private partnerships' component of Note 7.4 Commitments for expenditure).

7.2 CASH FLOW INFORMATION AND BALANCES

Cash and deposits, including cash equivalents, comprise cash on hand and cash at bank that are held for the purpose of meeting short-term cash commitments, rather than for investment purposes, and which are readily convertible to known amounts of cash and are subject to an insignificant risk of changes in value.

Due to the State's investment policy and funding arrangements, CSV does not hold a large cash reserve in its bank accounts. Cash received from generation of income is generally paid into the State's bank account ('public account'). Similarly, CSV expenditure, including in the form of cheques drawn for the payments to its suppliers and creditors, is made via the public account. The public account remits to CSV the cash required upon presentation of cheques by CSV's suppliers or creditors.

These funding arrangements often result in CSV having a notional shortfall in the cash at bank required for payment of unrepresented cheques at reporting date. At 30 June 2021, cash at bank included the amount of a notional shortfall for the payment of unrepresented cheques of \$0.30 million in CSV Expenditure Account (2020: \$0.72 million) and \$0.27 million in the Juror Payments Account (2020: \$0.27 million).

For cash flow statement presentation purposes, cash and cash equivalents comprise the cash balance and funds held in trust, \$22.23 million (2020 \$19.89 million) details of which can be found at Note 8.1.1.

7.2.1 Reconciliation of net result for the period to cash flow from operating activities

| | 2021 ⁽ⁱ⁾ \$'000 | 2020 \$'000 |
|---|-------------------------------|----------------|
| NET RESULT FOR THE PERIOD | (415) | 3,138 |
| Non-cash movements: | | |
| (Gain)/loss on sale or disposal of non-current assets | (1,421) | (346) |
| (Gain)/loss on revaluation of non-current assets | 11,225 | 0 |
| Depreciation and amortisation of non-current assets | 76,147 | 72,923 |
| Allowance for doubtful debts and bad debts | 0 | (190) |
| Movements in net assets and liabilities | | |
| Decrease/(increase) in receivables | (9,563) | (34,903) |
| Decrease/(increase) in prepayments | 718 | (2,005) |
| Increase/(decrease) in payables | (2,224) | 4,112 |
| Increase/(decrease) in provisions | 4,728 | 11,220 |
| Net cash from/(used in) operating activities | 79,196 | 53,948 |

(i) Reflects increased expenditure and reduction in court fee impacted by COVID-19. CSV has sought a \$26m Treasurer's Advance to supplement the net result.

7.3 TRUST ACCOUNT BALANCES

Funds held in trust are quarantined for use specifically for the purposes under which each trust fund has been established and are not used for operating purposes.

Trust account balances relating to trust accounts controlled and/or administered by CSV

| | Opening balance as at 1 July 2020 | Total receipts |
|---|---|-------------------|
| | \$'000 | \$'000 |
| CASH AND CASH EQUIVALENTS AND INVESTMENTS | | |
| CONTROLLED TRUSTS ⁽ⁱ⁾ | | |
| Treasury Trust Fund | | |
| – Financial Management Act 1994 (No. 18/1994), Part 4 | | |
| – Working account for CSV | 11,323 | 4,009 |
| Vehicle Lease Trust Account | | |
| – Financial Management Act 1994 (No. 18/1994), Part 4 | | |
| – Working account for the sale of VicFleet motor vehicles | 77 | 1,150 |
| Victorian Civil and Administrative Tribunal Trust Account | | |
| – Financial Management Act 1994 (No. 18/1994), Part 4 | | |
| – Working account for the Owners Corporation, Domestic Building and Residential Tenancies disputes. | 4,414 | 20,589 |
| Inter-Departmental Transfer Fund | 5,361 | 3,477 |
| Total controlled trusts | 21,175 | 29,225 |

(i) Prior year comparatives for Inter-Departmental Transfer Fund restated to more accurately reflect total receipts and total payments.

| | Total payments | Closing balance as at 30 June 2021 | Opening balance as at 1 July 2019 | Total receipts | Total payments | Closing balance as at 30 June 2020 |
|--|-------------------|--|---|-------------------|-------------------|--|
| | \$'000 | \$'000 | \$'000 | \$'000 | \$'000 | \$'000 |
| | | | | | | |
| | | | | | | |
| | | | | | | |
| | | | | | | |
| | 1,302 | 14,031 | 12,661 | 491 | 1,829 | 11,323 |
| | | | | | | |
| | | | | | | |
| | 1,172 | 56 | 113 | 405 | 441 | 77 |
| | | | | | | |
| | | | | | | |
| | 19,856 | 5,146 | 2,949 | 20,749 | 19,284 | 4,414 |
| | 5,134 | 3,703 | 5,206 | 4,377 | 4,223 | 5,361 |
| | 27,464 | 22,936 | 20,930 | 26,021 | 25,776 | 21,175 |

| | Opening balance as at 1 July 2020 | Total receipts |
|---|---|-------------------|
| | \$'000 | \$'000 |
| ADMINISTERED TRUSTS | | |
| Courtlink Trust Account | | |
| – Financial Management Act 1994 (No. 18/1994), Part 4 | | |
| – Working account for the Magistrates' Courts court orders ⁽ⁱ⁾ | (522) | 7,106 |
| Suspense Account | | |
| – Financial Management Act 1994 (No. 18/1994), Part 4 | | |
| – Working account for CSV | 605 | 0 |
| Public Service Commuter Club | | |
| – Financial Management Act 1994 (No. 18/1994), Part 4 | | |
| – Working account for the Public Service Commuter Club ⁽ⁱⁱ⁾ | (284) | 560 |
| Revenue Suspense | | |
| – Financial Management Act 1994 (No. 18/1994), Part 4 | | |
| – Working account for the allocation of revenue | 8 | 0 |
| Treasury Trust Fund | | |
| – Financial Management Act 1994 (No. 18/1994), Part 4 | | |
| – Working account for CSV | 2,470 | (2) |
| Security Account | | |
| – Financial Management Act 1994 (No. 18/1994), Part 4 | | |
| – Holds monies as security for good behaviour | 170 | 3 |
| Victorian Civil and Administrative Tribunal Trust Account | | |
| – Financial Management Act 1994 (No. 18/1994), Part 4 | | |
| – Working account for the Owners Corporation, Domestic Building and Residential Tenancies disputes. | 562 | 545 |
| Total administered trusts | 3,010 | 8,122 |

Notes

- (i) The Courtlink Trust deficit is due to systems issues impacting the recognition of payments ahead of receipts. CSV is examining these systems issues to resolve them in the 2021-22 financial year.
- (ii) The Commuter Club is in deficit because yearly tickets are purchased in advance and reimbursed over the course of 12 months.

| | Total payments | Closing balance as at 30 June 2021 | Opening balance as at 1 July 2019 | Total receipts | Total payments | Closing balance as at 30 June 2020 |
|--|-------------------|--|---|-------------------|-------------------|--|
| | \$'000 | \$'000 | \$'000 | \$'000 | \$'000 | \$'000 |
| | 8,252 | (1,757) | 187 | 9,138 | 9,823 | (498) |
| | (16) | 622 | 588 | 0 | (17) | 605 |
| | 393 | (117) | (401) | 1,011 | 894 | (284) |
| | 0 | 8 | 0 | 8 | 0 | 8 |
| | (611) | 3,079 | 2,400 | 4 | (67) | 2,470 |
| | 0 | 174 | 160 | 10 | 0 | 170 |
| | 225 | 882 | 233 | 133 | (195) | 562 |
| | 8,242 | 2,890 | 3,168 | 10,304 | 10,439 | 3,034 |

Third party funds under management

Third party funds under management include assets under management by Funds in Court, Bail Monies and the Court Investment Accounts.

Fund in Court (FIC) is an office of the Supreme Court of Victoria that is responsible for administering funds paid into the Court. Funds can be paid pursuant to orders of all Victorian Courts, awards of the Victims of Crime Assistance Tribunal (VOCAT) and pursuant to legislation such as the *Trustee Act 1958*. These funds under management are not consolidated within CSV accounts as they are not used for government purposes.

| | 2021 \$'000 | 2020 \$'000 |
|---|------------------|------------------|
| Courts | | |
| Bail Monies | 9,882 | 5,947 |
| Assets under management by the Senior Master of the Supreme Court (Funds in Court) ⁽ⁱ⁾ | 2,131,442 | 1,962,872 |
| | 2,141,324 | 1,968,819 |

(i) Further information about Funds in Court can be found at <https://fundsincourt.vic.gov.au/>

7.4 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. These future expenditures cease to be disclosed as commitments once the related liabilities are recognised in the balance sheet.

7.4.1 Total commitments payable

| Nominal Amounts: 2021 | Less than 1 year | Between 1 and 5 years | Over 5 years | Total |
|--|---------------------|-----------------------------|-----------------|----------------|
| | \$'000 | \$'000 | \$'000 | \$'000 |
| Public private partnership – operation and maintenance commitments (7.1.4.e) | 14,156 | 0 | 0 | 14,156 |
| Capital expenditure commitments payable | 104,571 | 39,835 | 0 | 144,406 |
| Operating commitments payable | 25,754 | 23,255 | 7,994 | 57,003 |
| Other commitments payable | 80 | 42 | 0 | 122 |
| Total commitments (inclusive of GST) | 144,561 | 63,132 | 7,994 | 215,686 |
| Less GST recoverable | 13,142 | 5,739 | 727 | 19,608 |
| Total commitments (exclusive of GST) | 131,419 | 57,393 | 7,267 | 196,078 |

| Nominal Amounts: 2020 | Less than 1 year | Between 1 and 5 years | Over 5 years | Total |
|--|---------------------|-----------------------------|-----------------|----------------|
| | \$'000 | \$'000 | \$'000 | \$'000 |
| Public private partnership – operation and maintenance | 13,948 | 14,259 | 0 | 28,207 |
| Capital expenditure commitments payable | 6,488 | 12,308 | 0 | 18,797 |
| Operating commitments payable | 28,065 | 45,336 | 11,067 | 84,467 |
| Other commitments payable | 80 | 73 | 0 | 153 |
| Total commitments (inclusive of GST) | 48,581 | 71,975 | 11,067 | 131,622 |
| Less GST recoverable | 4,416 | 6,543 | 1,006 | 11,966 |
| Total commitments (exclusive of GST) | 44,164 | 65,432 | 10,060 | 119,657 |

8. Risks, contingencies and valuation judgements

Introduction

CSV 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 CSV relate mainly to fair value determination.

Structure

- 8.1 Financial instruments specific disclosures
- 8.2 Contingent assets and contingent liabilities
- 8.3 Fair value determination

8.1 FINANCIAL INSTRUMENTS SPECIFIC DISCLOSURES

Introduction

Financial instruments arise out of contractual agreements 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 CSV's activities, certain financial assets and financial liabilities arise under statute rather than a contract (for example taxes, fines and penalties). Such assets and liabilities do not meet the definition of financial instruments in AASB 132 Financial Instruments: Presentation.

Guarantees issued on behalf of CSV are financial instruments because, although authorised under statute, terms and conditions for each financial guarantee may vary and are subject to an agreement.

Financial assets at amortised cost

Financial assets are measured at amortised costs if both of the following criteria are met and the assets are not designated as fair value through net result:

- the assets are held by CSV to collect the contractual cash flows, and
- the assets' contractual terms give rise to cash flows that are solely payments of principal and interest.

These assets are initially recognised at fair value plus any directly attributable transaction costs and subsequently measured at amortised cost less any impairment.

CSV recognises the following assets in this category:

- cash and deposits; and
- receivables (excluding statutory receivables).

Loans and receivables

Loans and receivables and cash are financial instrument assets with fixed and determinable payments that are not quoted on an active market. These assets and liabilities are initially recognised at fair value plus any directly attributable transaction costs. Subsequent to initial measurement, loans and receivables are measured at amortised cost using the effective interest method (and for assets, less any impairment). CSV recognises the following assets in this category:

- cash and deposits; and
- receivables (excluding statutory receivables).

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; or
- CSV retains the right to receive cash flows from the asset, but has assumed an obligation to pay them in full without material delay to a third party under a 'pass through' arrangement; or
- CSV has transferred its rights to receive cash flows from the asset and either:
- has transferred substantially all the risks and rewards of the asset; or
- has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset.

Where CSV has neither transferred nor retained substantially all the risks and rewards or transferred control, the asset is recognised to the extent of CSV's continuing involvement in the asset.

Derecognition of financial liabilities

A financial liability is derecognised when the obligation under the liability is discharged, cancelled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as a derecognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognised as an 'other economic flow' in the comprehensive operating statement.

Reclassification of financial instruments

Subsequent to initial recognition reclassification of financial liabilities is not permitted. Financial assets are required to be reclassified between fair value through net result, fair value through other comprehensive income and amortised cost when and only when CSV's business model for managing its financial assets has changes such that its previous model would no longer apply.

However, CSV is generally unable to change its business model because it is determined by the Performance Management Framework (PMF) and all Victorian Government departments are required to apply the PMF under the Standing Directions 2018 under FMA.

If under rare circumstances an asset is reclassified, the reclassification is applied prospectively from the reclassification date and previously recognised gains, losses or interest should not be restated. If the asset is reclassified to fair value, the fair value should be determined at the reclassification date and any gain or loss arising from a difference between the previous carrying amount and fair value is recognised in net result.

8.1.1 Financial instruments: Categorisation

| | | 2021 \$'000 | 2020 \$'000 |
|---|---|----------------|----------------|
| CONTRACTUAL FINANCIAL ASSETS | | | |
| Cash and deposits/(overdrawn) | Cash and deposits | (707) | (1,288) |
| Funds held in Trust | Cash and deposits | 22,937 | 21,176 |
| Total contractual cash and deposits | | 22,230 | 19,888 |
| RECEIVABLE | | | |
| Other receivables | Financial assets at amortised cost | 6,330 | 5,991 |
| Total contractual financial assets | | 28,560 | 25,879 |
| CONTRACTUAL FINANCIAL LIABILITIES | | | |
| Payable | | | |
| Trade creditors and other payables | Financial liabilities at amortised cost | 39,029 | 32,142 |
| Accrued capital works | Financial liabilities at amortised cost | 11,855 | 13,338 |
| Salary and wages | Financial liabilities at amortised cost | 2,449 | 11,730 |
| Leases: | | | |
| PPP related Right of Use lease liabilities | | 15,302 | 30,701 |
| Non-PPP related Right of Use lease liabilities | | 76,060 | 88,521 |
| Total contractual financial liabilities ⁽ⁱ⁾ | | 144,695 | 176,432 |

(i) The total amounts disclosed here exclude statutory amounts (e.g. amounts owing from Victorian Government and GST input tax credit recoverable and taxes payable).

8.1.2 Financial instruments: Net holding gain/(loss) on financial instruments by category

| | | Total expense 2021 \$'000 | Total expense 2020 \$'000 |
|---|--|---------------------------------|---------------------------------|
| FINANCIAL LIABILITIES AT AMORTISED COST | | | |
| Contractual financial liabilities under the PPP arrangement for the County Court Facility | | (3,116) | (4,515) |
| Contractual financial liabilities for VicFleet | | (245) | (293) |
| | | (3,361) | (4,809) |

8.1.3 Financial risk management objectives and policies

As a whole, CSV's financial risk management program seeks to manage these risks and the associated volatility of its financial performance.



Details of the significant accounting policies and methods adopted, including the criteria for recognition, the basis of measurement, and the basis on which income and expenses are recognised, with respect to each class of financial asset, financial liability and equity instrument above are disclosed in Note 8.3 to the financial statements.

The main purpose in holding financial instruments is to prudentially manage CSV's financial risks within the government policy parameters.

CSV main financial risks include credit risk and liquidity risk. CSV manages these financial risks in accordance with its financial risk management policy.

CSV uses different methods to measure and manage the different risks to which it is exposed. Primary responsibility for the identification and management of financial risks rests with CSV's Finance Committee.

CSV has considered the impact of COVID-19 on its;

- credit risk and determined that credit risk associated with its contractual financial assets is minimal as its main debtor is the Victorian Government. For debtors other than the Government, CSV monitors outstanding debtors on a monthly basis and incorporated impairment on contractual financial assets as discussed in detail below; and
- liquidity and determined the impact as insignificant as discussed in detail under liquidity risk.

Financial instruments: Credit Risk

Credit risk refers to the possibility that a debtor will default on its financial obligations as and when they fall due. CSV's exposure to credit risk arises from the potential default of a counter party on their contractual obligations resulting in financial loss to CSV. Credit risk is measured at fair value and is monitored on a regular basis.

CSV does not engage in hedging for its contractual financial assets and mainly obtains contractual financial assets that are on fixed interest, except for cash and deposits, which are mainly cash at bank.

Provision of impairment for contractual financial assets is recognised when there is objective evidence that CSV will not be able to collect a receivable. Objective evidence includes financial difficulties of the debtor, default payments, debts that are more than 60 days overdue, and changes in debtor credit ratings. At 30 June 2021 CSV's contractual financial assets are neither past due nor impaired.

Contract financial assets are written off against the carrying amount when there is no reasonable expectation of recovery. Bad debt written off by mutual consent is classified as a transaction expense. Bad debt written off following a unilateral decision is recognised as other economic flows in the net result.

Except as otherwise detailed in the following table, the carrying amount of contractual financial assets recorded in the financial statements, net of any allowances for losses, represents CSV's maximum exposure to credit risk without taking account of the value of any collateral obtained.

There has been no material change to CSV's credit risk profile in 2020-21.

Credit quality of financial assets

| 2021 | Financial institution (triple-A credit rating) | Government agencies (triple-A credit rating) | Government agencies (triple-B credit rating) | Other (min triple-B credit rating) | Total |
|--|--|--|--|--|----------------|
| | \$'000 | \$'000 | \$'000 | \$'000 | \$'000 |
| FINANCIAL ASSETS | | | | | |
| Financial assets with loss allowance measured at 12-month expected credit loss | | | | | |
| Cash and deposits | (707) | 22,937 | 0 | 0 | 22,230 |
| Statutory receivables (with no impairment loss recognised) | 0 | 138,975 | 0 | 0 | 138,975 |
| Financial assets with loss allowance measured at lifetime expected credit loss: | | | | | |
| Contractual receivables applying the simplified approach for impairment | 0 | 5,690 | 166 | 531 | 6,386 |
| Total financial assets | (707) | 167,601 | 166 | 531 | 167,591 |

| 2020 | Financial institution (triple-A credit rating) | Government agencies (triple-A credit rating) | Government agencies (triple-B credit rating) | Other (min triple-B credit rating) | Total |
|--|--|--|--|--|----------------|
| | \$'000 | \$'000 | \$'000 | \$'000 | \$'000 |
| FINANCIAL ASSETS | | | | | |
| Financial assets with loss allowance measured at 12-month expected credit loss | | | | | |
| Cash and deposits | (1,288) | 21,176 | 0 | 0 | 19,888 |
| Statutory receivables (with no impairment loss recognised) | 0 | 128,715 | 0 | 0 | 128,715 |
| Financial assets with loss allowance measured at lifetime expected credit loss: | | | | | |
| Contractual receivables applying the simplified approach for impairment | 0 | 3,272 | 134 | 2,640 | 6,046 |
| Total financial assets | (1,288) | 153,163 | 134 | 2,640 | 154,649 |

Impairment of financial assets under AASB 9

CSV records an allowance for expected credit loss for the relevant financial instruments applying AASB 9's Expected Credit Loss approach. Subject to AASB 9 impairment assessment include CSV's contractual receivables, statutory receivables and its investment in debt instruments.

Equity instruments are not subject to impairment under AASB 9. Other financial assets mandatorily measured or designated at fair value through net result are not subject to impairment assessment under AASB 9. While cash and cash equivalents are also subject to the impairment requirements of AASB 9, the identified impairment loss was immaterial.

Contractual receivables at amortised cost

CSV applies AASB 9's simplified approach for all contractual receivables to measure expected credit losses using a lifetime expected loss allowance based on the assumptions about risk of default and expected loss rates. CSV has grouped contractual receivables on shared credit risk characteristics and days past due and select the expected credit loss rate based on CSV's past history, existing market conditions, as well as forward looking estimates at the end of the financial year.

On this basis, CSV determines the closing loss allowance at end of the financial year as follows:

| 30 June 2021 | Current 0% | Less than 1 month 0% | 1-3 months 1% | 3 months- 1 year 1% | 1-5 years 2% | Total |
|--|---------------|-------------------------------|---------------------|---------------------------|-----------------|--------------|
| | \$'000 | \$'000 | \$'000 | \$'000 | \$'000 | \$'000 |
| EXPECTED LOSS RATE | | | | | | |
| Gross carrying amount of contractual receivables | 3,942 | 1 | 66 | 777 | 1,600 | 6,386 |
| Loss allowance | 13 | 0 | 0 | 10 | 33 | 56 |

| 30 June 2020 | Current 1% | Less than 1 month 1% | 1-3 months 1% | 3 months- 1 year 1% | 1-5 years 1% | Total |
|--|---------------|-------------------------------|---------------------|---------------------------|-----------------|--------------|
| | \$'000 | \$'000 | \$'000 | \$'000 | \$'000 | \$'000 |
| EXPECTED LOSS RATE | | | | | | |
| Gross carrying amount of contractual receivables | 3,242 | 216 | 253 | 1,627 | 717 | 6,046 |
| Loss allowance | 19 | 2 | 2 | 22 | 10 | 55 |

Reconciliation of the movement in the loss allowance for contractual receivables is shown as follows:

| | 2021 \$'000 | 2020 \$'000 |
|--|----------------|----------------|
| Balance at beginning of the year | (55) | (246) |
| Opening retained earnings adjustment on adoption of AASB 9 | 0 | 0 |
| Opening Loss Allowance | (55) | (246) |
| Increase in provision recognised in the net result | (1) | |
| Reversal of unused provision recognised in the net result | 0 | 191 |
| Balance at end of the year | (56) | (55) |

Movements in the credit loss allowance are classified as other economic flows in the net result. Contractual receivables are written off when there is no reasonable expectation of recovery and impairment losses are classified as a transaction expense. Subsequent recoveries of amounts previously written off are credited against the same line item.

In prior years, a provision for doubtful debts is recognised when there is objective evidence that the debts may not be collected and bad debts are written off when identified. A provision is made for estimated irrecoverable amounts from the sale of goods when there is objective evidence that an individual receivable is impaired. Bad debts considered as written off by mutual consent.

Statutory receivables at amortised cost

CSV's non-contractual receivables arising from statutory requirements are not financial instruments. However, they are nevertheless recognised and measured in accordance with AASB 9 requirements as if those receivables are financial instruments.

Statutory receivables are considered to have low credit risk, taking into account the counterparty's credit rating, risk of default and capacity to meet contractual cash flow obligations in the near term. As the result no loss allowance has been recognised.

Financial instruments: Liquidity risk

Liquidity risk arises from being unable to meet financial obligations as they fall due. CSV operates under the Government 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.

CSV is exposed to liquidity risk mainly through the financial liabilities as disclosed in the face of the balance sheet and the amounts related to financial guarantees. CSV manages its liquidity risk by:

- close monitoring short-term and long-term liabilities;
- maintaining an adequate level of uncommitted funds that can be drawn at short notice to meet its short-term obligations;
- conducting careful maturity planning of its financial obligations based on forecasts of future cash flows; and
- having access to high credit rating for the State of Victoria (Moody's Investor Services and Standard & Poor's triple-A, which assists in accessing debt market at a lower interest rate).

CSV's exposure to liquidity risk is deemed insignificant based on prior periods' data and current assessment of risk.

8.2 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.

Quantifiable contingent liabilities (arising from outside of government)

Contingent liabilities

Contingent liabilities are:

- possible obligations that arise from past events, the existence of which 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.

| | 2021 \$'000 | 2020 \$'000 |
|---|----------------|----------------|
| CONTINGENT LIABILITIES | | |
| Liabilities pending the outcome of legal action | 410 | 595 |
| Remediation of combustible aluminium composite panels | 180 | 1,500 |
| Make good requirements under leases of premises | 4,811 | 3,915 |
| Total contingent liabilities | 5,401 | 6,010 |

CSV's "make good" obligations under leases of premises comprise:

- i. The removal of leasehold improvements and the return of the premises to a "warm shell" state which might require the installation of new carpet, repair of ceilings and reinstating air-conditioner.
- ii. The repair of any damage (other than damage attributed to fair wear and tear) and the removal of any chattels and other loose items from the tenancy. These obligations will only be confirmed on termination of the lease and following negotiations with the lessor.

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

Non-quantifiable contingent liabilities

CSV has no non-quantifiable contingent liabilities arising at this time from:

- indemnities provided in relation to transactions, including financial arrangements and consultancy services, as well as for directors and administrators;
- performance guarantees, warranties, letters of comforts and the like;
- deeds in respect of certain obligations; and
- unclaimed monies, which may be subject to future claims by the general public against the State.

8.3 FAIR VALUE DETERMINATION

Significant judgement: Fair value measurements of assets and liabilities

Fair value determination requires judgement and the use of assumptions. This section discloses the most significant assumptions used in determining fair values. Changes to assumptions could have a material impact on the results and financial position of CSV.

This section sets out information on how CSV determined fair value for financial reporting purposes. Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date.

The following assets and liabilities are carried at fair value:

- Financial assets and liabilities at fair value through operating result;

CSV determines the policies and procedures for determining fair values for both financial and non-financial assets and liabilities as required.

Fair value hierarchy

In determining fair values, a number of inputs are used. To increase consistency and comparability in the financial statements, these inputs are categorised into three levels, also known as the fair value hierarchy. The levels are as follows:

- Level 1 – Quoted (unadjusted) market prices in active markets for identical assets or liabilities;
- Level 2 – Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable; and
- Level 3 – Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable.

CSV determines whether transfers have occurred between levels in the hierarchy by reassessing categorisation (based on the lowest level input that is significant to the fair value measurement as a whole) at the end of each reporting period.

How this section is structured

For those assets and liabilities for which fair values are determined, the following disclosures are provided:

- carrying amount and the fair value (which would be the same for those assets measured at fair value);
- the level of the fair value hierarchy that was used to determine the fair value; and
- in respect of those assets and liabilities subject to fair value determination using Level 3 inputs:
 - a reconciliation of the movements in fair values from the beginning of the year to the end; and
 - details of significant unobservable inputs used in the fair value determination.

8.3.1 Fair value determination of financial assets and liabilities

The fair values and net fair values of financial assets and liabilities are determined using Level 3 valuation techniques. This involves the determination of fair value in accordance with generally accepted accounting pricing models based on discounted cash flow analysis using unobservable market inputs.

CSV currently holds a range of financial instruments that are recorded in the financial statements where the carrying amounts are a reasonable approximation of fair value, either due to their short-term nature or with the expectation that they will be paid in full by the end of the 2020-21 reporting period.

8.3.2 Fair value determination: Non-financial physical assets

Fair value measurement hierarchy

CSV has applied Level 3 of the fair value hierarchy to determine the non-financial physical assets valuation which is consistent with the previous financial year. There were no changes in valuation techniques throughout the period to 30 June 2021. For all assets measured at fair value, the current use is considered the highest and best use. Movements in Level 3 fair values of non-financial physical assets are shown at Note 5.1.3.

There are inherited uncertainties exist in the market due to COVID-19 pandemic which can cause fixed assets to move abnormally. Whilst it is difficult to predict the resulting impact of COVID-19, as required by FRD 103I, CSV undertook its 5-yearly independent valuation of non-financial physical assets during 2020-21 which assisted in the identification of market movement including COVID-19 related uncertainties and consequently any impacts on CSV's results and financial position.

Specialised land and CSV owned specialised buildings:

The market approach is a used to value specialised land, adjusted for the community service obligation (CSO) to reflect the specialised nature of the land being valued.

The CSO adjustment is a reflection of the valuer's assessment of the impact of restrictions associated with an asset to the extent that is also equally applicable to market participants. This approach is in light of the highest and best use consideration required for fair value measurement, and takes into account the use of the asset that is physically possible, legally permissible, and financially feasible. As adjustments of CSO are considered significant unobservable inputs, specialised land would be classified as Level 3 assets.

For the majority of CSV's specialised buildings, the current replacement cost method is used, adjusting for the associated depreciation. As depreciation adjustments are considered significant, unobservable inputs in nature, specialised buildings are classified as Level 3 fair measurements.

An independent valuation of CSV's specialised land and specialised buildings was performed by the Valuer-General of Victoria (VGV) using the market approach adjusted for CSO effective 30 June 2021.

Leasehold Buildings: An independent valuation of leased hold buildings was performed by Jones Lang LaSalle. The valuation was based on direct comparison method whereby existing rental of the buildings was compared against the current market rental under the existing lease agreements. The effective date of the valuation is 30 June 2021.

Heritage assets: The heritage assets can neither be modified or not disposed of without formal ministerial approval. Heritage assets are valued using the current replacement cost method. This cost generally represents the replacement cost of the building/component after applying depreciation rates on a useful life basis. However, for some heritage and iconic assets, the cost may be the reproduction cost rather than the replacement cost if those assets' service potential could only be replaced by reproducing them with the same materials.

Where it has not been possible to examine hidden works such as structural frames and floors, the use of reasonable materials and methods of construction have been assumed bearing in mind the age and nature of the building. The estimated cost of reconstruction including structure services and finishes, also factors in any heritage classifications as applicable.

An independent valuation of CSV's heritage assets was performed by the VGV. The valuation was performed based on the current replacement cost of the assets. The effective date of the valuation is 30 June 2021.

Vehicles are valued using the current replacement cost method. CSV acquires new vehicles and at times disposes them before the end of their economic life. The process of acquisition, use and disposal in the market is managed by VicFleet who set relevant depreciation rates during use to reflect the utilisation of the vehicles.

Plant and equipment is held at fair value. When plant and equipment is specialised in use, such that it is rarely sold other than as part of a going concern, fair value is determined using the current replacement cost method.

There were no changes in valuation techniques throughout the period to 30 June 2021

9. Other disclosures

Introduction

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

Structure

- 9.1 Other economic flows included in net result
- 9.2 Ex-Gratia expenses
- 9.3 Responsible persons
- 9.4 Remuneration of executives
- 9.5 Key Management personnel
- 9.6 Remuneration of auditors
- 9.7 Subsequent events
- 9.8 Other accounting policies
- 9.9 Change in accounting policies
- 9.10 Australian Accounting Standards issued that are not yet effective

9.1 OTHER ECONOMIC FLOWS INCLUDED IN NET RESULT

Other economic flows are changes in the volume or value of an asset or liability that do not result from transactions. Other gains/(losses) from other economic flows include the gains or losses from the revaluation of the present value of the long service leave liability due to changes in the bond interest rates.

| | 2021 \$'000 | 2020 \$'000 |
|---|-----------------|----------------|
| (A) NET GAIN/(LOSS) ON REVALUATION OF BUILDING | | |
| Revaluation gain or loss on fixed assets | (11,225) | 0 |
| Total net gain/(loss) on revaluation of building | (11,225) | 0 |
| (B) NET GAIN/(LOSS) ON NON-FINANCIAL ASSETS | | |
| Net gain/(loss) on disposal of property, plant and equipment | 1,421 | 346 |
| Total net gain/(loss) on non-financial assets | 1,421 | 346 |
| (C) NET GAIN/(LOSS) ON FINANCIAL INSTRUMENTS | | |
| Bad debts written off | 0 | 190 |
| Total net gain/(loss) on financial instruments | 0 | 190 |
| (D) OTHER GAINS/(LOSSES) FROM OTHER ECONOMIC FLOWS | | |
| Net gain/(loss) arising from revaluation of long service leave liability ⁽ⁱ⁾ | 9,154 | (1,916) |
| Total other gains/(losses) from other economic flows | 9,154 | (1,916) |

(i) Net gain in revaluation for 2020-21 arises due to change in wages inflation and discount rate in the current year compared to prior year.

9.2 EX-GRATIA EXPENSES

| | 2021 \$'000 | 2020 \$'000 |
|--|----------------|----------------|
| Compensation for breach of privacy | 3 | 6 |
| Total ex-gratia expenses ⁽ⁱ⁾ | 3 | 6 |

(i) Ex-gratia expenses fall under other supplies and services in note 3.4.

9.3 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 CSV are as follows.

| Responsible Minister | Period |
|---|--------------------------------------|
| Attorney-General, The Hon. Jill Hennessy MP | 1 July 2020 to 16 December 2020 |
| Acting Attorney-General, The Hon. Daniel Andrews MP | 17 December 2020 to 21 December 2020 |
| Attorney-General, The Hon. Jaclyn Symes MP | 22 December 2020 to 30 June 2021 |
| Accountable Officer | Period |
| Chief Executive Officer, Louise Anderson | 1 June 2020 to 30 June 2021 |
| Acting Chief Executive Officer, Fiona Chamberlain | 22 January 2021 to 1 February 2021 |
| Governing Body | Period |
| The persons who held membership of the Courts Council in CSV are as follows: | |
| The Honourable Chief Justice Mary Anne Ferguson, Chair | 1 July 2020 to 30 June 2021 |
| The Honourable Chief Judge Peter Kidd | 1 July 2020 to 30 June 2021 |
| The Honourable Justice Michelle Quigley | 1 July 2020 to 30 June 2021 |
| Her Honour Chief Magistrate Lisa Hannan | 1 July 2020 to 30 June 2021 |
| His Honour Judge Jack Vandersteen | 1 January 2021 to 30 June 2021 |
| Her Honour Judge Amanda Chambers | 1 July 2020 to 31 December 2020 |
| His Honour State Coroner Judge John Cain | 1 July 2020 to 30 June 2021 |
| Dr Philip Williams (AM) | 1 July 2020 to 30 June 2021 |
| Ms Susan Friend | 1 March 2021 to 30 June 2021 |

Remuneration: Accountable Officer

| Remuneration range | 2021 No. | 2020 No. |
|--------------------|----------|----------|
| \$10,000-\$19,999 | 1 | 0 |
| \$20,000-\$29,999 | 0 | 1 |
| \$30,000-\$39,999 | 0 | 1 |
| \$40,000-\$49,999 | 1 | 0 |
| Total | 2 | 2 |

Remuneration received or receivable by the independent member during the reporting period was in the range: \$20,000-\$29,999 (\$20,000-\$29,999 in 2019-20).

Judicial members of the responsible body are remunerated under the *Judicial Entitlements Act 2015* as holders of judicial positions defined by the respective acts of law that create the Victorian judiciary, namely the *Constitution Act 1975* s82, *County Court Act 1958* s.10, *Magistrates Court Act* s.1 Pt1 cl.10 and *Victorian Civil and Administrative Tribunal Act. 1998* s.17AA. The Judicial members receive no additional remuneration in their capacity as members of the Courts Council.

9.4 REMUNERATION OF EXECUTIVES

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

Remuneration comprises employee benefits (as defined in AASB 119 *Employee Benefits*) in all forms of consideration paid, payable or provided by the entity, or on behalf of the entity, in exchange for services rendered. Accordingly, remuneration is determined on an accrual basis, and is disclosed in the following categories.

Short-term employee benefits 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 pensions and other retirement benefits paid or payable on a discrete basis when employment has ceased.

Other long-term benefits include long service leave, other long service benefit or deferred compensation.

Termination benefits include termination of employment payments, such as severance packages.

Remuneration of executive officers

| | 2021 \$'000 | 2020 \$'000 |
|---|----------------|----------------|
| Short-term employee benefits | 5,049 | 4,041 |
| Post-employment benefits | 413 | 353 |
| Other long-term benefits | 128 | 98 |
| Termination benefits | 0 | 333 |
| Total remuneration | 5,590 | 4,825 |
| Total number of executives | 26 | 22 |
| Total annualised employee equivalents ⁽ⁱ⁾ | 15.3 | 15.5 |

Note

- (i) Annualised employee equivalent is calculated by dividing the total number of days that an employee is engaged to work during the week by the total number of full-time working days per week.

9.5 KEY MANAGEMENT PERSONNEL

Key management personnel of CSV includes the responsible Minister, members of the Governing Body, and Accountable Officer. CSV has determined that the executive officers, whose remuneration is reported in Note 9.3, are not Key Management Personnel.

Remuneration of key management personnel comprises employee benefits (as defined in AASB 119 *Employee Benefits*) in all forms of consideration paid, payable or provided by the entity, or on behalf of the entity, in exchange for services rendered. Accordingly, remuneration is determined on an accrual basis, and is disclosed in the following categories.

Short-term employee benefits 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 pensions and other retirement benefits paid or payable on a discrete basis when employment has ceased.

Other long-term benefits include long service leave, other long service benefits or deferred compensation.

Termination benefits include termination of employment payments, such as severance packages.

The remuneration detailed below excludes the salaries and benefits the Minister receives. The Minister's remuneration and allowances is set by the *Parliamentary Salaries and Superannuation Act 1968* and is reported within the Department of Parliamentary Services' Financial Report.

The remuneration of the Judicial members of the responsible body receive in their capacity as holders of judicial positions is also excluded. The Judicial members receive no additional remuneration in their capacity as members of the Courts Council.

Remuneration of key management personnel

| | 2021 \$'000 | 2020 \$'000 |
|------------------------------|----------------|----------------|
| Short-term employee benefits | 420 | 413 |
| Post-employment benefits | 24 | 24 |
| Other long-term benefits | 10 | 10 |
| Total remuneration | 454 | 446 |

9.5.1 Transactions and balances with key management personnel

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 e.g. stamp duty and other government fees and charges. 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 Purchasing Board requirements.

During period 1 July 2020 to 30 June 2021, there were no related party transactions that involved key management personnel of CSV.

9.6 REMUNERATION OF AUDITORS

| | 2021 \$'000 | 2020 \$'000 |
|---|----------------|----------------|
| Victorian Auditor-General's Office | | |
| Audit of the financial statements | 234 | 215 |
| Total remuneration of auditors | 234 | 215 |

9.7 SUBSEQUENT EVENTS

CSV signed a five year lease on 05 October 2021 for new lease accommodation at 181 William Street Melbourne. This transaction will be accounted for in the 2021-22 financial year. There are no other subsequent events that might have a material impact on the financial statements as at 30 June 2021.

9.8 OTHER ACCOUNTING POLICIES

9.8.1 Contributions by owners

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 CSV.

Additions to net assets that have been designated as contributions by owners are recognised as contributed capital. Other transfers that are in the nature of contributions to or distributions by owners have also been designated as contributions by owners.

9.9 CHANGE IN ACCOUNTING POLICIES

There has been no changes in the accounting policies during the year.

9.10 AUSTRALIAN ACCOUNTING STANDARDS ISSUED THAT ARE NOT YET EFFECTIVE

Certain new and revised accounting standards have been issued but are not effective for the 2020-21 reporting period. These accounting standards have not been applied to the CSV Annual Financial Statements. CSV is reviewing its existing policies and assessing the potential implications of these accounting standards which includes:

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

This Standard amends AASB 101 to clarify requirements for the presentation of liabilities in the statement of financial position as current or non-current. It initially applied to annual reporting periods beginning on or after 1 January 2023 with earlier application permitted.

CSV is in the process of analysing the impacts of this Standard. However, it is not anticipated to have a material impact.

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

- AASB 2020-2 Amendments to Australian Accounting Standards – Removal of Special Purpose Financial Statements for Certain For-Profit Private Sector Entities.
- AASB 1060 General Purpose Financial Statements – Simplified Disclosures for For-Profit and Not-for-Profit Tier 2 Entities (Appendix C).
- AASB 2020-3 Amendments to Australian Accounting Standards – Annual Improvements 2018-2020 and Other Amendments.
- AASB 2020-7 Amendments to Australian Accounting Standards – Covid-19-Rent Related Concessions: Tier 2 Disclosures.
- AASB 2020-8 Amendments to Australian Accounting Standards – Interest Rate Benchmark Reform – Phase 2.
- AASB 2020-9 Amendments to Australian Accounting Standards – Tier 2 Disclosures: Interest Rate Benchmark Reform (Phase 2) and Other Amendments.
- AASB 2021-1 Amendments to Australian Accounting Standards – Transition to Tier 2: Simplified Disclosures for Not-for-Profit Entities.
- AASB 2021-2 Amendments to Australian Accounting Standards – Disclosure of Accounting Policies and Definitions of Accounting Estimates.

10. Glossary of technical terms and style conventions

Comprehensive result is the amount included in the operating statement representing total change in net worth other than transactions with owners as owners.

Controlled item generally refers to the capacity of CSV to benefit from that item in the pursuit of the entity's objectives and to deny or regulate the access of others to that benefit.

Current grants are amounts payable or receivable for current purposes for which no economic benefits of equal value are receivable or payable in return.

Community Service Obligation (CSO) is an allowance made to reflect the difference between unrestricted freehold land and assets held by the Public Sector which may be affected by social and economic restraints. This may arise because the land is Crown land and in a public use zone or it is considered an iconic property that would be difficult to sell.

Depreciation is an expense that arises from the consumption through wear or time of a produced physical or intangible asset. This expense is classified as a 'transaction' and so reduces the 'net result from transaction'.

Effective interest method is the method used to calculate the amortised cost of a financial asset and of allocating interest income over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset or, where appropriate, a shorter period.

Employee benefits expenses include all costs related to employment including wages and salaries, fringe benefits tax, leave entitlements, redundancy payments, defined benefits superannuation plans, and defined contribution superannuation plans.

Ex-gratia expenses mean the voluntary payment of money or other non-monetary benefit (e.g. a write-off) that is not made either to acquire goods, services or other benefits for the entity or to meet a legal liability, or to settle or resolve a possible legal liability or claim against the entity.

Financial asset is any asset that is:

- (a) cash;
- (b) an equity instrument of another entity;
- (c) a contractual right:
 - to receive cash or another financial asset from another entity; or
 - to exchange financial assets or financial liabilities with another entity under conditions that are potentially favourable to the entity; or
- (d) a contract that will or may be settled in the entity's own equity instruments and is:
 - a non-derivative for which the entity is or may be obliged to receive a variable number of the entity's own equity instruments; or
 - a derivative that will or may be settled other than by the exchange of a fixed amount of cash or another financial asset for a fixed number of the entity's own equity instruments.

Financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity.

Financial liability is any liability that is:

- (a) a contractual obligation:
 - to deliver cash or another financial asset to another entity; or
 - to exchange financial assets or financial liabilities with another entity under conditions that are potentially unfavourable to the entity; or
- (b) a contract that will or may be settled in the entity's own equity instruments and is:
 - a non derivative for which the entity is or may be obliged to deliver a variable number of the entity's own equity instruments; or
 - a derivative that will or may be settled other than by the exchange of a fixed amount of cash or another financial asset for a fixed number of the entity's own equity instruments. For this purpose, the entity's own equity instruments do not include instruments that are themselves contracts for the future receipt or delivery of the entity's own equity instruments.

Financial statements in this report comprises:

- (a) a balance sheet as at the end of the period;
- (b) a comprehensive operating statement for the period;
- (c) a statement of changes in equity for the period;
- (d) a cash flow statement for the period;
- (e) notes, comprising a summary of significant accounting policies and other explanatory information;
- (f) comparative information in respect of the preceding period as specified in paragraph 38 of *AASB 101 Presentation of Financial Statements*; and
- (g) a statement of financial position as at the beginning of the preceding period when an entity applies an accounting policy retrospectively or makes a retrospective restatement of items in its financial statements, or when it reclassifies items in its financial statements in accordance with paragraphs 41 of AASB 101.

Grant expenses and other transfers are transactions in which one unit provides goods, services, assets (or extinguishes a liability) or labour to another unit without receiving approximately equal value in return. Grants can either be operating or capital in nature.

While grants to governments may result in the provision of some goods or services to the transferor, they do not give the transferor or a claim to receive directly benefits of approximately equal value. For this reason, grants are referred to by the AASB as involuntary transfers and are termed non reciprocal transfers. Receipt and sacrifice of approximately equal value may occur, but only by coincidence. For example, governments are not obliged to provide commensurate benefits, in the form of goods or services, to particular taxpayers in return for their taxes.

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/or have conditions attached regarding their use.

General government sector comprises all government departments, offices and other bodies engaged in providing services free of charge or at prices significantly below their cost of production. General government services include those that are mainly non-market in nature, those that are largely for collective consumption by the community and those that involve the transfer or redistribution of income. These services are financed mainly through taxes, or other compulsory levies and user charges.

Interest expense represents costs incurred in connection with borrowings. It includes interest on advances, loans, overdrafts, bonds and bills, deposits, interest components of finance lease repayments, and amortisation of discounts or premiums in relation to borrowings.

Leases are rights conveyed in a contract, or part of a contract, the right to use an asset (the underlying asset) for a period of time in exchange for consideration.

Net financial worth is equal to financial assets minus liabilities. It is a broader measure than net debt as it incorporates provisions made (such as superannuation, but excluding depreciation and bad debts) as well as holdings of equity. Net financial worth includes all classes of financial assets and liabilities, only some of which are included in net debt.

Net operating balance is a key fiscal aggregate and is revenue from transactions minus expenses from transactions. It is a summary measure of the ongoing sustainability of operations. It excludes gains and losses resulting from changes in price levels and other changes in the volume of assets. It is the component of the change in net worth that is due to transactions and can be attributed directly to government policies.

Net result is a measure of financial performance of the operations for the period. It is the net result of items of revenue, gains and expenses (including losses) recognised for the period, excluding those classified as 'other non-owner movements in equity'.

Net worth is calculated as assets less liabilities, which is an economic measure of wealth.

Non-financial assets are all assets that are not financial assets. It includes land, buildings, plant and equipment, cultural and heritage assets and intangibles.

Operating result is a measure of financial performance of the operations for the period. It is the net result of items of revenue, gains and expenses (including losses) recognised for the period, excluding those that are classified as 'other non-owner movements in equity'. Refer also 'net result'.

Other economic flows included in net result are changes in the volume or value of an asset or liability that do not result from transactions. In simple terms, other economic flows are changes arising from market remeasurements. They include gains and losses from disposals, revaluations and impairments of non-current physical and intangible assets; fair value changes of financial instruments and agricultural assets; and depletion of natural assets (non-produced) from their use or removal.

Other economic flows – other comprehensive income comprises items (including reclassification adjustments) that are not recognised in net result as required or permitted by other Australian Accounting Standards. They include changes in physical asset revaluation surplus and gains and losses on remeasuring available-for-sale financial assets.

Payables includes short and long-term trade debt and accounts payable, grants, taxes and interest payable.

Present Value is a financial calculation that measures the worth of future amount of money in today's dollars adjusted for interest and inflation.

Produced assets include buildings, plant and equipment, inventories, cultivated assets and certain intangible assets. Intangible produced assets may include computer software and research and development costs (not including the start-up costs associated with capital projects).

Receivables include amounts owing from government through appropriation receivable, short and long-term trade credit and accounts receivable, accrued investment income, grants, taxes and interest receivable.

Sales of goods and services refers to income from the direct provision of goods and services and includes fees and charges for services rendered, sales of goods and services, fees from regulatory services and work done as an agent for private enterprises. It also includes rental income under operating leases and on produced assets, such as buildings and entertainment, but excludes rent income from the use of non-produced assets, such as land. User charges includes sale of goods and services income.

Supplies and services generally represent cost of goods sold and the day to day running costs, including maintenance costs, incurred in the normal operations of CSV.

Transactions are those economic flows that are considered to arise as a result of policy decisions, usually an interaction between two entities by mutual agreement. They also include flows into an entity such as depreciation, where the owner is simultaneously acting as the owner of the depreciating asset and as the consumer of the service provided by the asset. Taxation is regarded as mutually agreed interactions between the government and taxpayers. Transactions can be in kind (e.g. assets provided/given free of charge or for nominal consideration) or where the final consideration is cash. In simple terms, transactions arise from the policy decisions of the Government.

Style conventions

Figures in the tables and in the text have been rounded. Discrepancies in tables between totals and sums of components reflect rounding. Percentage variations in all tables are based on the underlying unrounded amounts.

The notation used in the tables is as follows:

- zero, or rounded to zero
- (xxx) negative numbers
- 200x year period
- 200x 0x year period

The financial statements and notes are presented based on the illustration for a government department in the 2020-21 Model Report for Victorian Government Departments. The presentation of other disclosures is generally consistent with the other disclosures made in earlier publications of the CSV's annual reports.

Glossary

| Term | Definition |
|------------------|--|
| AJA | Aboriginal Justice Agreement |
| AJF | Aboriginal Justice Forum |
| CAIMS | Courts Assist Information Management System |
| CEO | Chief Executive Officer |
| CMS | Case management system |
| CISP | Court Integrated Services Program |
| College | Judicial College of Victoria |
| Commission | Judicial Commission of Victoria |
| Courts Council | The governing body of CSV, comprising the Heads of Jurisdiction and up to two non-judicial members appointed by the Heads of Jurisdiction |
| Courts Executive | Comprised of the CSV CEO and senior executives, CEOs of the courts, VCAT and the College, and Director of the Commission |
| Courts Group | The courts, VCAT, College, Commission and CSV |
| CSO | Court security officer |
| CSV | Court Services Victoria |
| DTF | Department of Treasury and Finance |
| EMT | Emergency Management Team |
| ERPs | Elders and Respected Persons |
| FOI | Freedom of information |
| FRD | Financial Reporting Direction |
| FTE | Full-time equivalent |
| ITS | Information Technology Services |
| Jurisdictions | Victorian courts and tribunal, which are the Supreme Court of Victoria, the County Court of Victoria, the Magistrates' Court of Victoria, the Children's Court of Victoria, the Coroners Court of Victoria and the Victorian Civil and Administrative Tribunal |
| OH&S | Occupational health and safety |
| STS | Senior Technical Specialist |
| VCAT | Victorian Civil and Administrative Tribunal |
| VGRS | Victorian Government Reporting Service |
| VPS | Victorian Public Service |



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