

# Delivering Excellence in Court and Tribunal Administration

**Annual Report** 2021-22



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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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**Cover photo:** Copper artwork on the new Bendigo Law Courts representing Bunjil, the Creator Spirit to the Dja Dja Wurrung Peoples, represented in his form as a Wedge-Tailed Eagle. Bunjil's wingspan symbolises Lore, creation and the values and traditions Djaara continues to uphold with a north to south depiction of meeting places and mountains across Dja Dja Wurrung country. Each have their own significance, story, songlines, and connection to the clan groups that occupied these places.

**Artwork by:** Racquel Kerr

## **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 2022.



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

# Message from the Chair



## **It is a pleasure to present the 2021-22 Annual Report for Court Services Victoria.**

Thank you to everyone who worked so diligently to support the administration of justice in Victoria. The changes that came about as a result of COVID-19 have transformed the way we live and work.

Court Services Victoria, together with the courts and tribunals it supports, have now moved beyond responding to disruption. While 2021-22 required a continued focus on safety and continuity of service, it has also seen a process of recovery. With the support of Court Services Victoria, the jurisdictions have worked to reduce pending case numbers in the areas most impacted by the pandemic.

Drawing on what we have learnt from the recent past, Court Services Victoria strengthened its governance arrangements to focus on projects that will bring about meaningful change that is long lasting.

The 'Year in Review' section of this Annual Report outlines some of the key achievements in delivering on our strategic priorities and

the work underway to ensure we continue to do so. They include delivering new systems, services and buildings for court users, including the opening of two new Drug Court facilities, expansion of the Koori County Court and progress on the Bendigo Law Courts and the new Case Management System for the Magistrates' Court and Children's Court.

One of the highlights for me during the reporting year was attending the launch of Court Services Victoria's Self-determination Plan. I was honoured to be asked by the Dhumba Murmuk Djerring Unit to endorse this important and meaningful initiative. The Koori Community throughout Victoria did the hard work in developing the Self-determination Plan, and we remain deeply committed to seeing it put into action.

Another area of particular focus during 2021-22 was the ongoing work to prevent sexual harassment from occurring in our workplaces, to act if we see or hear inappropriate behaviour, and to ensure that employees know they can report it without fear and that they will be supported.

History has shown that sexual harassment is not a simple problem to solve and the courts, VCAT and Court Services Victoria are not alone in addressing it. Substantial progress was made in implementing the 16 recommendations that the Szoke Report directed towards Court Services Victoria, Heads of Jurisdiction, Courts Council, the Judicial College and Judicial Commission. Our commitment to addressing this issue remains unwavering as we do all that we can to build cultures of respect, fairness, and inclusion.

## Acknowledgements

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

I extend my gratitude to my Courts Council colleagues and Committee members. As always, it is a privilege to work with you as we navigate challenges and change, and we look ahead to the future.

I sincerely thank Court Services Victoria's executive group and committed staff for their work to support Victoria's courts, tribunals, the Judicial College and the Judicial Commission. It is deeply appreciated and valued, not the least because it was provided at a time of extended upheaval and uncertainty for the teams involved. Thank you for all you do to support the administration of quality and accessible justice across our community.



**The Honourable Anne Ferguson**

Chief Justice of the Supreme  
Court of Victoria  
Chair of the Courts Council

While 2021-22 required a continued focus on safety and continuity of service, it has also seen a process of recovery.



# Message from the Chief Executive Officer



## **Supporting the administration of justice against a backdrop of continued change has honed our focus on our people as our greatest asset.**

The 2021-22 Annual Report reflects the collective commitment and dedication of more than 2,800 Court Services Victoria employees across the Courts Group and its administrative and corporate centre.

Despite the challenges of COVID-19, our people were at the forefront of operationalising the values that underpin our workplace culture and influencing how we support the independent operations of the courts and the Victorian Civil and Administrative Tribunal, and serve the community.

Initially, we targeted our efforts to the rapid rollout of technology and the need to support people to work from home. With the technology required to enable the delivery of online justice firmly embedded in operational models, we strengthened our support for the people who we asked and expected so much of.

Court Services Victoria embraced the opportunity to embed an innovative, respectful and inclusive culture in a hybrid operating environment, recognising and prioritising physical and psychological safety in our workplaces. This can be seen in our approach to developing secure, comprehensive COVID-safe practices both in and out of court and hearing rooms. It also guided our thinking behind the implementation of the Sexual Harassment Review. Importantly, it underpinned our significant commitment to building cultural awareness, competency and capability and to strengthening the respect and understanding of Koori cultural values, traditions and customs

through the delivery of our Self-determination Plan. Like the Chief Justice, being part of the launch of Court Services Victoria's Self-determination Plan was a highlight in a reporting year where there were too few opportunities to come together in person. I again thank all who contributed to the development of this Plan, in particular the foundational work of the Koori Staff Network who established key priorities based on their personal and professional experiences working in courts and tribunals.

The challenge of balancing the need to rapidly respond to change while also focusing on key issues and projects, and doing so in a hybrid world, was not lost on us. That is why we strengthened our psycho-social supports for people, including contracting specialist services to support the wellbeing of those working in isolation.

Broadening this kind of support for our people enabled Court Services Victoria to focus on many initiatives in our 2020-2025 Strategic Plan, which outlines a vision for how we will support and work with the jurisdictions to effectively and efficiently administer justice.

It has been a unifying experience leading Court Services Victoria at this pivotal time. Our systems leadership has enabled Court Services Victoria to support Victoria's courts and VCAT, and I cannot thank our people enough for their agility, determination, resilience and commitment every step of the way.

Once again, I thank our executives and staff for their professionalism and hard work. I particularly acknowledge and thank the Chief Justice, the Honourable Anne Ferguson, for her calm and consistent leadership in this time of transformation, and all members of Courts Council.

I look forward to leading Court Services Victoria into the next reporting year, and to continuing to work towards Council's vision for world class administration of justice in Victoria.

A handwritten signature in dark ink, appearing to read 'Louise Anderson', written in a cursive style.

**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, the Judicial Commission of Victoria, and Court Services Victoria are referred to as the 'Courts Group'.

Courts are important to the day-to-day lives and livelihoods of Victorians and to the social and economic prosperity of Victoria. Victoria's five courts and VCAT determine thousands of matters each day enabling members of the community and businesses to enforce their legal rights, and government to enforce laws made for the benefit of that community and the protection of individuals.

There are more than 460 judicial officers across the courts and VCAT. Victoria's Judiciary is supported by 2,822 staff, employed by Court Services Victoria under the *Public Administration Act 2004*. These employees work predominantly in the courts and VCAT providing support to judicial officers and court users, with other staff working in corporate support functions. Court Services Victoria staff and judicial officers work in 72 locations across Victoria.

Courts Council is the governing body of Court Services Victoria – it directs Court Services Victoria's strategy, governance and risk management.

## 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.

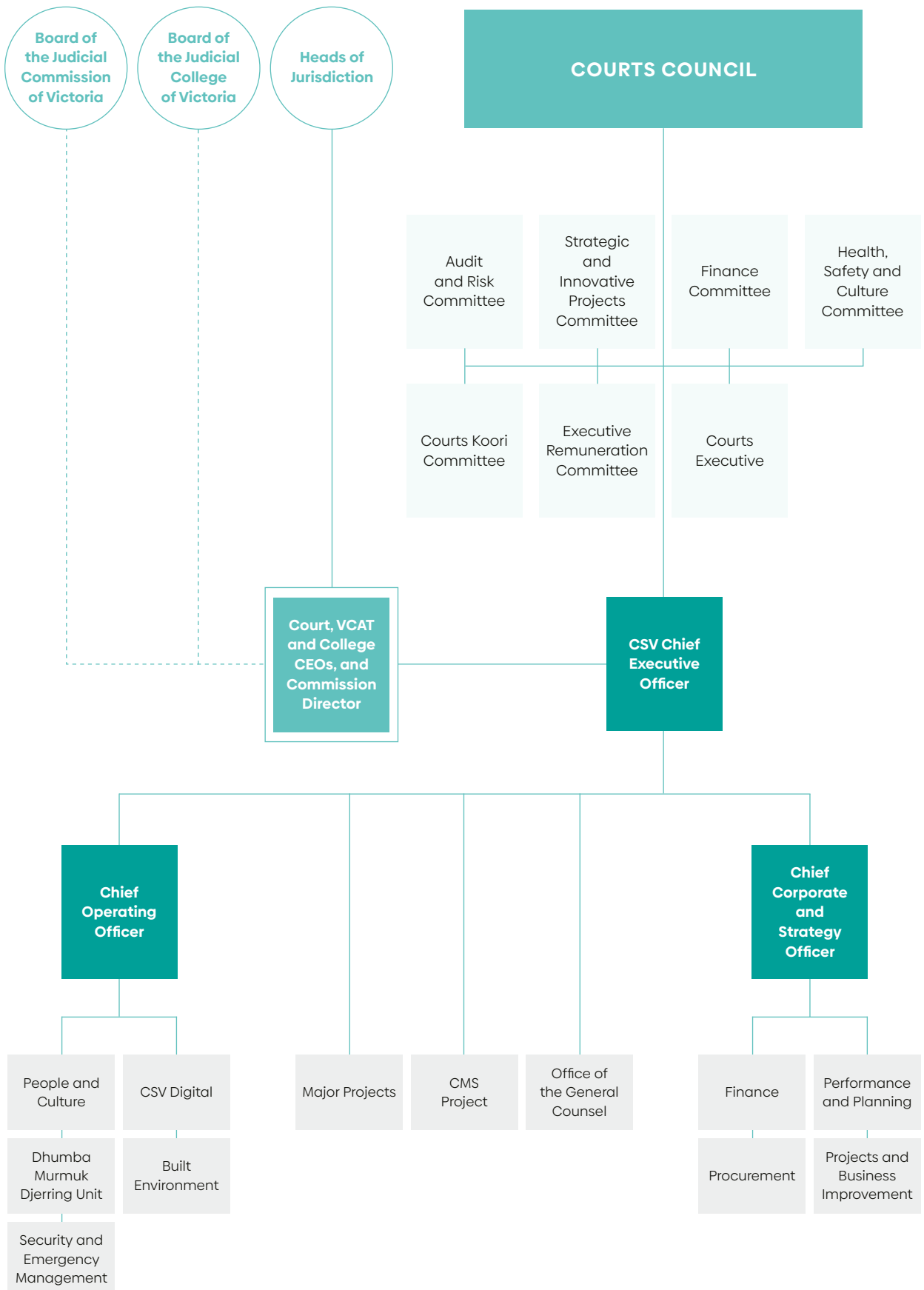
The Chief Executive Officers exercise delegated authority necessary to assist the Head of Jurisdiction in the administration of their court or tribunal, and to support the effective and efficient operations of Court Services Victoria. The Chief Executive Officer of the Judicial College and the Director 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 Minister with portfolio responsibility for 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 2022, the Courts Council had 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 2014*, 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 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

The Honourable Justice Lisa Hannan was appointed 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.



### **Independent Member**

Dr Philip Williams AM was appointed to the Courts Council as an independent member in June 2014. Dr Williams heads the legal and competition team of Frontier Economics (Australia), and his area of expertise is the relationship between economics and the law.



### **Independent Member**

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

## 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.

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

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 2021-22 financial year were:

- Susan Friend, Independent Member, Courts Council (Chair)
- 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

### **COURTS KOORI COMMITTEE**

Co-chaired by Justice Richard Niall and 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**

Chaired by Dr Philip Williams, Independent Member Courts Council

The Finance Committee supports and advises the Courts Council on issues affecting financial sustainability, strategy and performance, and assists 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**

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**

Chaired by Chief Judge Peter Kidd (Member Courts Council)

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. It does so by supporting the:

- Court Services Victoria CEO as the accountable officer and public service head for all Court Services Victoria bodies and staff
- Courts Council in the Governance of Court Services Victoria
- continuous improvement and optimisation of corporate services across Court Services Victoria.

## 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 Judicial College and the Judicial Commission through:

- Facilitating the planning and provision of facilities and infrastructure
- Financial management and strategies for sustainability
- Best practice and fit for purpose governance, efficient legal, records management, procurement, and risk, audit and insurances services
- Innovative and effective technology
- Delivery of a major projects, such as the courts' Case Management System, and Bendigo and Wyndham Law Courts
- Promotion of employee wellbeing, engagement and inclusion
- Facilitating strategic and operational planning, coordinating organisational performance reporting and managing data reporting and analysis
- Coordination of security operations, emergency management and business continuity preparedness and practices.



The Senior Executives, at 30 June 2022, who have a leadership role in respect of the delivery of these services are:



**Justin Bree,**  
Chief Information Officer



**Michael Carroll,**  
Director, Major Projects



**Fiona Chamberlain,**  
Chief Operating Officer



**Salvatore Costanzo,**  
Chief Finance Officer



**Jewil Fulton,**  
Chief People Officer



**Anna Guglielmucci,**  
General Counsel



**Nicole Opie,**  
Executive Director,  
Built Environment



**Catherine Sullivan,**  
Chief Corporate &  
Strategy Officer



**Adam Todhunter,**  
Program Director,  
CMS Project

## 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 2022 are listed below.



**Matt Hall,**  
Supreme Court of Victoria



**Alison Byrne,**  
County Court of Victoria  
(see Note 1)



**Simon Hollingsworth,**  
Magistrates' Court of Victoria



**Simon McDonald,**  
Children's Court of Victoria



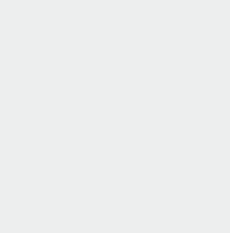
**Carolyn Gale,**  
Coroners Court of Victoria



**Mary Amiridis,**  
Victorian Civil and  
Administrative Tribunal



**Samantha Burchell,**  
Judicial College of Victoria



**Alexis Eddy,**  
Director Judicial Commission  
of Victoria

### Notes:

(1) Bradley Medcroft was the Acting Chief Executive Officer County Court of Victoria to 1 May 2022.

SECTION 2:

# Year in Review



**Serving the administration of justice at the time of a global pandemic continued to underpin Court Services Victoria's priorities throughout the reporting period.**

Our work was guided by initiatives in our Strategic Plan 2020-2025. The Plan outlines a vision, supported by Courts Council, for how Court Services Victoria will support and work with the courts and VCAT to administer justice effectively and efficiently.

The Plan identifies five priorities that guide Court Services Victoria's actions. 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.

Each year Court Services Victoria develops an Action Plan that outlines the specific actions we will take to achieve the objectives laid out in our Strategic Plan. At the end of the 2021-22 reporting period Court Services Victoria delivered 43 of the 64 initiatives identified in the Action Plan.

Court Services Victoria remains committed to the delivery of the 21 initiatives not achieved in the period, some of which were deferred due to their interdependency with other work, while others were delayed as the complexity of the undertaking became clearer as the work progressed. These actions will be reported on in the 2022-23 Annual Report.

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



## Priority One:

### Excellence in Court and Tribunal Administration

#### SELF-DETERMINATION

Court Services Victoria's Strategic Plan supports Courts Council's vision to deliver world class administration of justice in Victorian courts and VCAT. The Strategic Plan emphasises the importance of Court Services Victoria's Self-determination Plan, launched in July 2021, in the context of the court environment. At its heart, the Self-determination Plan requires Court Services Victoria to better support Koori Communities and recognise their voice as key to decision-making.

The Courts Koori Committee provides leadership and guidance on the implementation of the Self-determination Plan and ensures comprehensive consultation with the Koori community.

The Strategic Plan identifies the role that safe and fit-for-purpose venues play in improving access to courts and other Koori programs. Our assets strive to facilitate the delivery of fair and culturally sound justice.

The Courts Koori Committee advises Courts Services Victoria 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.

The Self-determination Plan demands of Court Services Victoria that we take action, and as such our engagement and consultation with Koori stakeholders and community aligns to the following principles.

#### SEVEN STEPS TO ACTION

##### 1. Genuine engagement from the outset

Engage the community and give them the option of participating on the development of the vision, business case, and submission of any policy, program or service, which impacts on the Koori community

##### 2. Involve the right people

Engage with the people who have the acknowledged decision-making authority and who can exercise cultural authority

##### 3. Cultural competence

Building knowledge and awareness of culturally appropriate communication is essential

##### 4. Resources to enable participation

Koori Cultural Awareness Training is available to all staff and the Court Services Victoria Koori Resource Kit provides a range of information and resources

##### 5. Listen, empower, act

Listen and engage respectfully, in good faith and be committed to actioning issues and ideas identified. The consultation process must empower – not disempower community

##### 6. Time

It takes genuine effort to build intercultural understanding and trust. Begin discussions early, ask for guidance on availability and agree on an appropriate timeline

##### 7. Accountability

Provide accurate, honest and timely reporting back to participants about Koori engagement, consultation processes and outcomes

## **IMPROVING COMMUNITY SAFETY THROUGH PROBLEM-SOLVING APPROACHES TO JUSTICE**

The Drug Court regional expansion program delivered two purpose-built Magistrates' Court Therapeutic Recovery Hubs in regional Victoria. The Therapeutic Recovery Hubs at Shepparton and Ballarat, which opened in December 2021 and February 2022 respectively, will help alleviate some of the challenges of substance-related offending and recidivist criminal activity in these regions.

Court Services Victoria's Built Environment Division supported the development of both Recovery Hubs, which feature public interview rooms and public waiting areas, drug testing (urinalysis) and consultant rooms, program rooms, reception and security screening areas, staff work areas, and staff hubs.

## **BUILDING A RESILIENT AND ADAPTIVE ORGANISATION**

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

Throughout 2021-22, court buildings remained open with COVID-safe measures in place to support continued and safe operations.

Rapid antigen testing was deployed as an additional measure. Testing stations, administered by a specialist pathology provider, were erected at the former Royal Mint Building and the concourse of the County Court to assist the conduct of COVID-safe trials in the higher courts. Over 32,300 rapid antigen tests were conducted between 18 January to 30 June 2022.





## Priority Two:

### Reliable, Integrated and Innovative Technology and Digital Capabilities

#### **TAKING A DIGITAL FIRST APPROACH TO DELIVERING SERVICES AND SUPPORT**

Court Services Victoria's digital services (CSV Digital) enabled the continuation of online civil and criminal cases for the courts and tribunals throughout the pandemic, through the upgrade of audio-visual link technology in courtrooms accompanied by voice conferencing applications.

Reliable, integrated, and innovative digital capabilities have never been more important within courts and the broader justice environment. Citizen demand for digital court and tribunal services and channels continues to grow at an unprecedented pace. During the reporting period, the court technology systems supported over 140,000 matters being heard virtually or in a hybrid setting, and the courtroom video conferencing systems connected over 64,000 calls.

Upgrades to courtrooms in the refurbished William Cooper Justice Centre delivered the latest audio-visual standards, creating additional hearing capacity. New modern video conference gateway infrastructure which creates high-availability video conferencing and associated platforms, will enhance and increase network connectivity, thereby improving connectivity to audio-visual technology for court users.

#### **DESIGNING DIGITAL INTEGRATIONS FOR COURTROOMS**

CSV Digital is defining the audio-visual system standards that will guide the configuration of courtroom audio-visual installations across the State, including for significant projects such as new facilities at Bendigo and Wyndham. The revised standard reflects changes in the courts' use of technology driven by the pandemic response, and the desire to use technology to increase hearing options that improve access to court hearings and services.

Key drivers for creating the system standards include efficiency in system design, hardware and ongoing operational consistency of systems and supportability. Standards provide substantial benefits, such as a more effective and coordinated procurement approach and augmented service delivery for project installations and future courtroom enhancements. As direct operational considerations are associated with courtroom installations, the respective jurisdictions are being consulted to ensure their current and future requirements are met. The conclusion of the consultation process will result in a ratified audio-visual standard that will support the jurisdictions' immediate and future needs.



## **SUPPORTING DATA-DRIVEN DECISION MAKING**

The Courts Koori Committee has prioritised the development of a Koori Data Framework for the Courts Group. The Data Governance Framework is being developed through a self-determined lens for inclusion of Indigenous Sovereignty and Data principles, in line with the United Nations Declaration of the Rights of Indigenous Peoples, and the Maiam Nayri Wingara principles.

Identifying Koori status in mainstream courts and VCAT via incorporation of the ABS Standard Indigenous Question will provide Court Services Victoria with the information to link Koori participants with culturally sensitive services, enable us to monitor the availability and resourcing of Koori services, and provide vital information about the outcome of Koori participants who are linked in with mainstream services.

Through the establishment of the Strategic and Innovative Projects Committee, Court Services Victoria is also prioritising the use of data to improve its understanding of user experience and to shape the administration of justice across the Courts Group. The work of the committee is to be informed by a shared user framework and data analytics platform which draws insights from internal and external research, and data collected through case management systems. This capability will grow and strengthen over time.

## **DELIVERING A NEW CASE MANAGEMENT SYSTEM**

The new Case Management System is being designed and built to create a more modern, efficient and user-friendly system that will, over time, see the Magistrates' and Children's Courts move to being 'paper-lite' courts. The benefits will flow to those working in the courts, as well as to court users and the Victorian community, through improving access to justice and improving community safety.

Given the scale of the project, functionality is being built and released in stages, with the Civil jurisdiction being the first to be delivered. This release (scheduled for October 2022) will deliver automated processes for filing and accessing information through one easy-to-use portal where external parties can initiate, view, file on and track their cases. The next release will be for the Child Protection jurisdiction of the Children's Court in 2023.

As with any new system, there have been some challenges with the delivery, but Court Services Victoria and the courts have engaged with these, and are embedding processes that allow for continuous improvements and updates.



## Priority Three:

### Diverse, Collaborative, Ethical and Capable People

#### EMBEDDING RESPECT, DIVERSITY, AND INCLUSIVENESS IN OUR WORK

Court Services Victoria engages in many interconnected activities to embed respect, diversity and inclusiveness across the Courts Group.

In addition to the launch of the Self-determination Plan 2021-2025 – Yaanadhan Manamith Yirramboi; the dedicated work undertaken as part of the Review of Sexual Harassment in Victorian Courts; and the development of the Court Services Victoria Gender Equality Action Plan 2021-2025; several learning and development opportunities were available for employees. This included training sessions for Koori Cultural Awareness; Cultural Safety; LGBTQ Awareness; Empowering LGBTQ Allies; Disability Confidence; and a celebration for International Day of People with Disability held in early December 2021.

#### Gender Equality Action Plan

Court Services Victoria proudly launched its inaugural Gender Equality Action Plan 2021-2025 in early August 2022. Based on the results of our first Workplace Gender Audit, extensive consultation and considered feedback, the Gender Equality Action Plan 2021-2025 was the culmination of many months of consultation and development during 2021-22.

The Gender Equality Action Plan demonstrates Court Services Victoria's commitment to building an inclusive, responsive and accessible workplace. It provides a foundational framework on which to build a more psychologically safe workplace culture, one that is inclusive and respectful, regardless of gender and/or intersectional characteristics.

The six strategic themes of the Court Services Victoria Gender Equality Action Plan are:

#### Psychologically Safe Culture

- Enable our employees to achieve their full potential by improving development opportunities and support practices
- Foster a culture that supports a harassment-free workplace by responding to and preventing sexual harassment and other inappropriate behaviours
- Enhance objectivity and transparency in recruitment and promotion practices
- Enable full participation of our employees by regularising flexible working arrangements for all
- Achieve equal pay for equal work by understanding and addressing factors contributing to our gender pay gap
- Effectively measure and monitor gender equality outcomes through improved data and insights.

## DEVELOPING A RESPECTFUL, INCLUSIVE AND RESPONSIVE WORKPLACE CULTURE

Preventing sexual harassment in Victoria's courts and tribunals is an absolute priority for Court Services Victoria, as evidenced through the implementation of the recommendations arising from the *Review of the Sexual Harassment in Victorian Courts*. Policies govern expected behaviours in a workplace, and Court Services Victoria has reviewed and renewed its policies for sexual harassment, consumption of alcohol, consensual personal relationships in the workplace, and bullying, discrimination and harassment. The policies were informed by extensive consultation, with the final suite of policies and guidelines released in February 2022 and promoted and embedded through a comprehensive training program. As recommended, the policies were developed along-side the Judicial Commission's guidelines for judicial officers providing a consistent approach.

The *Review of the Sexual Harassment in Victorian Courts* made several recommendations related to improved reporting and support to those who experience sexual harassment in the workplace, and Court Services Victoria has implemented a number of victim-survivor centred support, reporting and response initiatives. A complaints process and a Contact Officer Network were launched when the Review was released in April 2021, and Contact Officers are now embedded in all jurisdictions. Trained by the Victorian Equal Opportunity and Human Rights Commission, Contact Officers receive refresher training on a quarterly basis and are supported through regular community of practice sessions.

Consultations held with employees and judicial officers identified opportunities to improve the complaints process and supports, including strong support for the addition of an independent external reporting option. The resulting revised process introduced an independent reporting and support option – **Your Safe Space** – lead by trauma informed specialists, which provides options for anonymous reporting, and support options as well as ongoing case management for instances of inappropriate workplace behaviours. It is a bespoke service that specialises in wellbeing support for anyone who has experienced inappropriate workplace behaviour and assists and guides them to determine their preferred pathway to seek resolution.

Since October 2021, Court Services Victoria has progressively delivered tailored sexual harassment training through an expert external training partner. A bespoke online training module was delivered, and all employees are required to complete this as part of their professional development.

## SUPPORTING AND DEVELOPING OUR PEOPLE

The COVID-19 pandemic continued to present significant challenges to the way people live and work, impacting resilience, health and wellbeing. Court Services Victoria has continued to deliver a Wellbeing Program that provides a wide range of interventions to employees, including mindfulness, yoga, pilates, fitness programs, and healthy workspace sessions, along with regular communications, wellbeing seminars and an online wellbeing hub.

The Wellbeing Program was augmented by the Employee Assistance Program and additional support for acute matters through Agile Mental Health. A significant wellbeing initiative, the Agile Mental Health service provided employees with access to specialist clinical psychology services within 24 hours of request.

Employee training programs are continuously reviewed to ensure currency and alignment with relevant policies, guidelines, and programs being delivered to judicial officers through the Judicial College.

Court Services Victoria also provided learning and development offerings via the Leading with Impact pilot program, sessions to sustain productivity and avoid burnout, creating life/work cohesion, and navigating support. Tactical interventions designed to address specific capability uplifts included managing self and others in a hybrid working environment, as well as support for people leaders and employees regarding end-of-year performance conversations.

## STRENGTHENING HEALTH, SAFETY AND WELLBEING

Court Services Victoria remains committed to ensuring all employees are safe and healthy at work and promotes a positive, preventative safety culture across all jurisdictions. The Health, Safety and Culture Committee continues to provide strategic advice and guidance to support Courts Council in fulfilling its responsibilities and obligations under the *Occupational Health and Safety Act 2004*.

Court Services Victoria has also introduced a new Employee Assistance Program provider. The enhanced program offers all employees across the Courts Group access to confidential short-term support for a variety of work-related and personal matters. Launched on 1 March 2022, the new service also provides dedicated support for people with specific cultural or social needs via seven specialist helplines including First Nations; disability and carers; LGBTQ+; youths and students; domestic and family violence; spiritual and pastoral care; and elder care.

## A CULTURALLY SAFE WORKPLACE

Victoria, like other states and territories in a colonised nation, had policies and practices that brutalised Koori communities and dispossessed them of Country. Our past continues to impact the present and Court Services Victoria acknowledges the importance of listening to Koori People's experiences, engaging with the reality of a challenging colonial history, learning, and doing what we can to address the current day consequences of this history.

Knowledge and understanding of Koori culture and history enable Court Services Victoria to embed a culturally safe workplace, one that addresses cultural hazards and risks.

We do this by continuing to build cultural awareness, competency, and capability across all areas of the Courts Group to strengthen the respect and understanding of the cultural values, traditions and customs of Koori staff and the Koori Community accessing court services. Approximately 300 Court Services Victoria staff participate in cultural awareness training annually.

To increase this, and aligned to the Self-determination and Koori Employment Plans, the Court Services Victoria's cultural competency model includes:

- Introductory based programs
- Cultural Safety workshops
- Cultural Immersion 'On Country'
- Koori Staff Network

### Senior Leadership Immersion Program

In May 2022 the first Senior Leadership cultural immersion program was held on Gundjtmara Country. The program aims to build greater cultural respect and cultural safety for the Koori workforce and Koori community through an intensive 'On Country' program.

The Dhumba Murmuk Djerring team hosted 23 senior Courts Group staff – targeting decision-makers and positions with executive oversight of the Koori programs throughout the jurisdictions – in the Warrnambool region. The program included:

- a Welcome to Country and smoking by Aunty Tracy Roach, on behalf of the Eastern Maar Traditional Owners

- intensive workshops on Court Services Victoria's Koori policy, programs and initiatives
- a whole day on-Country excursion to the new Tae Rak Aquaculture Centre and World Heritage site at Budj Bim, Lake Condah mission and the scenic route home via Lake Surprise and lava tunnels and caves.

With the support of the Courts Koori Committee and Courts Council, the Senior Leadership Cultural Immersion Program is one more step towards meeting Court Services Victoria's commitment to building cultural safety and cultural respect through greater awareness and appreciation of culture and the priorities for the Koori community.



## **SUPPORTING KOORI EMPLOYMENT AND BUSINESSES**

The second iteration of the Koori Employment Plan 2021-2025, which outlines the process for improving and providing pathways for the attraction, recruitment, and retention of Koori staff at Court Services Victoria, was released in June 2022.

The provisions of this Plan apply to all courts and VCAT. The aim is to increase cultural competency and turn Court Services Victoria into an employer of choice for current and future Koori employees.

To ensure all positions are accurately advertised and recruited to, and to ensure Court Services Victoria provides a culturally safe workplace, all managers and supervisors are required to incorporate the provisions and principles of this Plan into their recruitment activity. The Koori Employment Plan is an overarching plan that will be complemented by local and specific implementation plans.

The Koori Employment Plan 2021-2025 commits to five focus areas and their respective objectives:

- (1) Attraction and Recruitment
- (2) Progressive Career Experiences
- (3) Cultural Safety at Work
- (4) Support Koori Staff
- (5) Central Oversight and Governance

### **Attracting, developing and retaining Koori talent**

Court Services Victoria surpassed the 2 per cent employment target set in the first Koori Employment Plan, and is now aiming for an overall 3 per cent employment rate, with a further target to achieve 20 per cent of the 3 per cent target employed in Senior Leadership roles – approximately 19 Koori staff.

Currently Court Services Victoria has 70 full-time equivalent staff identified as Aboriginal and/or Torres Strait Islander, representing a 2.65 per cent Koori employment rate. Including Elders and Respected Persons employed on a sessional basis (89) takes the Koori employment rate to more than 5 per cent.

Like the Court Services Victoria Self-determination Plan, the Koori Employment Plan is focused on ensuring Koori staff and Elders and Respected Persons have opportunities to have their voices and grievances heard and addressed in a culturally safe manner. This requires a broad approach across all jurisdictions and into regional locations, to inform practices with which our Koori Staff Network are more likely to engage.





## Priority Four:

### Contemporary, Safe and Integrated Venues

#### DESIGNING WITH COMMUNITY FOR COUNTRY

Court Services Victoria has included culturally responsive design principles into the draft Courts Design Guide to create culturally safe, respectful, and inclusive courts. Building collaborative partnerships with the Koori Community to inform and effectively respond to the Community's needs will strengthen respect and understanding of cultural values, traditions, and customs. Goals of the draft Courts Design Guide include:

- Designing with Community for Country
- Centering Koori experience and knowledge
- Prioritising partnerships and participation
- Recognising, respecting, and preserving Country.

Court Services Victoria is committed to ensuring all Court Services Victoria buildings include visual recognition and acknowledgment of general and local Aboriginal communities and culture. Woi Wurrung language names for meeting rooms in the new 181 William Street building will reflect collaboration, teamwork, community, and creativity themes.

#### IMPROVING ACCESS FOR THE COMMUNITY

Court Services Victoria is continuing to deliver Disability Discrimination Act (DDA) Accessible Infrastructure compliance upgrades to ten regional courts – Colac, Hamilton, Robinvale, Benalla, Cobram, St Arnaud, Castlemaine, Wangaratta, Bacchus Marsh and Sale. The upgrades include constructing wheelchair-accessible ramps at court entrances, building new accessible and ambulant toilets, and modifying registry desks.

In Melbourne, DDA projects include a new ramp at the William Cooper Justice Centre and laneway gate works at the Supreme Court.

#### MAINTAINING OUR BUILT ENVIRONMENT INTO THE FUTURE

The Asset Lifecycle Services team has completed Asset Management Plans for all court assets to ensure that Court Services Victoria has a complete picture of its assets. The Asset Management Plans describe the strategies, plans, and activities necessary to identify, manage and control assets, and ensure optimal asset utilisation and reliable operation for the lowest lifecycle cost.

The Built Environment Division has developed a 10-year asset maintenance plan for Court Services Victoria's asset maintenance and renewal activities which will sit alongside and complement Court Services Victoria's Strategic Asset Plan (SAP). The 10-year asset maintenance plan will proactively address adverse condition assessments to identify potential faults and issues before assets fail. In addition, engagement and consultation with the courts and VCAT creates a better understanding of how asset maintenance is prioritised.

## BUILDING THE COURTS OF THE FUTURE

### Bendigo Law Courts Development

Construction of the new Bendigo Law Courts is scheduled for completion in December 2022 with court operations to commence in early 2023.

Based on best-practice principles for inclusion and openness, the new courts will provide greater access to justice for the community and be fit-for-purpose as a modern court, while being able to respond to changing community and justice needs. Bendigo's future court will provide specialist courts for the Koori community, for family violence and mental health matters, as well as a specialist Children's Court response.

The service model emphasises person-centred service delivery, specifically:

- easy access for court users to information and services online and in-person
- a responsive model that enables both online/remote, and in-person hearings
- proactive case management and cross-jurisdictional collaboration
- clear and timely communication so that users know what to expect, underpinned by customer-service and continuous improvement.

Advanced technology will enable remote hearings, display of digital evidence, video conferencing, and livestreaming.

The court's design is anchored in Bendigo's unique heritage and culture of the Dja Dja Wurrung, Bendigo's Traditional Owners. Court Services Victoria continues to work closely with the City of Greater Bendigo, other government agencies in the region, and the local community.

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

### Wayfinding in the court of the future

The Bendigo Law Courts development will deliver a state-of-the art facility, enabled by innovative technology and a focus on user-centred design. One such feature of the future court is a suite of digital 'wayfinding' solutions which will enhance the sense of wellbeing, safety, and security for court and tribunal users. The solutions include:

- Digital schedule and information displays to help users orient themselves, remain calm while waiting, and to estimate when they might be expected in court
- Interactive information kiosks and mobile content to assist users to navigate court and tribunal processes, access information about support services, and be well-informed of their options
- A meeting room booking system to enable quiet work and private conversations away from public areas.

These solutions will set a new standard for wayfinding across court and tribunal venues in Victoria, and have been designed to scale to meet current and future needs.

### Wyndham Law Courts Development

A new state-of-the-art court facility is being delivered in Melbourne's west, with a State Budget commitment of \$271.1m to deliver the Wyndham Law Courts.

Wyndham Law Courts will be the largest court complex outside of Melbourne's central business district, bringing together the Magistrates' Court, Children's Court and the Victorian Civil and Administrative Tribunal in one location to service the needs of the rapidly growing Wyndham community.

Wyndham's future court will prioritise user experience, safety, sustainability, and technological capability. It will provide new specialist courts and services not currently available in the West, 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.

As part of an intensive design process in 2021-22, Court Services Victoria has consulted with a range of local justice and community services which have provided input on the diverse needs of court users and feedback on the design plans.

Local services and the community will continue to be engaged as the service and operational model for the new court evolves during the next year.

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

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



## Priority Five:

### Building Understanding, Confidence and Trust

Our legal system is built on the trust Victorians have in their courts as public institutions. The public needs to feel confident that the system is fair, impartial, accessible, and transparent. The experience of court users matters – whether members of the public, jurors, solicitors, or those accused of an offence – and Court Services Victoria is supporting the courts and VCAT to effectively meet the expectations of court users and more broadly, Victorian communities. Trust and confidence are built through the delivery of our Strategic Plan – evidenced through the implementation of robust and best practice technology to support online hearings, digital evidence and hybrid hearings, or investments in new court buildings, such as the soon-to-be-opened Bendigo Law Courts, providing culturally safe, and accessible spaces for all Victorians who seek justice.

The Courts Council Strategic Innovation and Projects Committee has focussed on how we can do better, particularly how we can improve a user's experience of the courts and VCAT through improved information, simpler procedures, and modern practices.

Much of this work is underway and will be implemented in future reporting periods and include better use of innovative technology, greater data sharing across the courts group, and strengthening Court Services Victoria's service culture to better understand and meet the needs of all court users.

Victoria's courts and VCAT maintain independent communications with the public and court users, and they report on this through their Annual Reports.

## Output Performance

The Court Services Victoria operational and budgetary objectives and performance are aligned with the work of the jurisdictions we support. The Victorian Budget 2021-22 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 2021-22.

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 2021-22**

Performance measures	Unit of measure	2021-22 estimate	2021-22 actual	Performance variation (%)
<b>Quantity</b>				
Average cost per case – Civil matters disposed in the Supreme Court	dollars	2,745	2,910	6.0
The variance between the estimate and full year results is due to an increase in actual expenditure greater than the estimated expenditure for 2021-22, an increase of 6%.				
Average cost per case – Civil matters disposed in the County Court	dollars	7,564	11,257	48.8
The variance between the estimate and full-year result is due to an increase in the output budget; a decrease in the number of cases finalised due to the impact of the COVID-19 pandemic on operations; fewer judicial officers sitting in the Common Law Division as they were diverted to the Criminal Law Division to assist with the case backlog. The variance would have been 1.4% but for the one-off expense incurred in connection to the purchase of the County Court facility.				
Average cost per case – Civil matters disposed in the Magistrates' Court	dollars	1,083	1,498	38.4
The variance between the estimate and full-year result is due to a decrease in the number of cases finalised due to the impact of the COVID-19 pandemic on operations.				
Average cost per case – Family Division matters disposed in the Children's Court	dollars	1,436	1,467	2.2
Average cost per case – Civil matters disposed in the Victorian Civil and Administrative Tribunal (VCAT)	dollars	1,185	1,509	27.3
The variance between the estimate and full-year result is due to a decrease in the number of cases finalised due to the impact of the COVID-19 pandemic on operations.				
Average cost per case – Coronial matters disposed in the Coroners Court	dollars	4,267	3,987	-6.6
The variance between the estimate and full-year result is due to an increase in the number of cases finalised.				
Average cost per case – Criminal matters disposed in the Supreme Court	dollars	47,757	50,067	4.8
Average cost per case – Criminal matters disposed in the County Court	dollars	17,936	48,808	172.1
The variance between the estimate and full-year result is due to an increase in the output budget; the impact of the COVID-19 pandemic on operations resulting in delays of jury trials and the need to operate at a significantly reduced capacity. The variance would have been 85.5% but for the one-off expense incurred in connection to the purchase of the County Court facility.				
Average cost per case – Criminal matters disposed in the Magistrates' Court	dollars	1,342	1,545	15.1
The variance between the estimate and full-year result is due to a decrease in the number of cases finalised due to the impact of the COVID-19 pandemic on operations.				
Average cost per case – Criminal matters disposed in the Children's Court	dollars	1,130	1,233	9.1
The variance between the estimate and full-year result is due to a decrease in the number of cases finalised due to the impact of the COVID-19 pandemic on operations.				

Performance measures	Unit of measure	2021-22 estimate	2021-22 actual	Performance variation (%)
<b>Quantity</b>				
Case clearance rate – Civil matters disposed in the Supreme Court	per cent	100	98.0	-2.0
Case clearance rate – Civil matters disposed in the County Court	per cent	100	94.7	-5.3
The variance between the estimate and full-year result is due to a decrease in finalisations, partly attributed to fewer judicial officers sitting in the Common Law Division as they were diverted to the Criminal Law Division to assist with the case backlog.				
Case clearance rate – Civil matters disposed in the Magistrates' Court	per cent	100	101.1	1.1
Case clearance rate – Family Division matters disposed in the Children's Court	per cent	100	103.3	3.3
Case clearance rate – Civil matters disposed in the Victorian Civil and Administrative Tribunal	per cent	100	88.5	-11.5
The variance between the estimate and full-year result is due to the impact of the COVID-19 pandemic on VCAT operations, particularly during the first three quarters. Targeted backlog reduction activities delivered an average clearance rate above 100 per cent in the final quarter.				
Case clearance rate – Coronial matters disposed in the Coroners Court	per cent	100	104.8	4.8
Case clearance rate – Family violence intervention orders disposed in the Magistrates' and Children's Courts	per cent	100	102.0	2.0
Case clearance rate – Criminal matters disposed in the Supreme Court	per cent	100	99.0	-1.0
Case clearance rate – Criminal matters disposed in the County Court	per cent	100	95.5	-4.5
Case clearance rate – Criminal matters disposed in the Magistrates' Court	per cent	100	109.7	9.7
The variance between the estimate and full-year result is due to the use of online courts and agile listing practices which meant cases could proceed to finalisation despite COVID-19 restrictions. The easing of restrictions in early 2022 resulted in more hearings proceeding in person, which further increased finalisation rates.				
Case clearance rate – Criminal matters disposed in the Children's Court	per cent	100	118.4	18.4
The variance between the estimate and full-year result is due to fewer initiations, targeted practice directions and active case management.				



Performance measure	Unit of measure	2021-22 estimate	2021-22 actual	Performance variation (%)
<b>Quality</b>				
Court file integrity in the Supreme Court – availability, accuracy and completeness	per cent	90	94.0	4.4
Court file integrity in the County Court – availability, accuracy and completeness	per cent	90	96.0	6.7
The variance between the estimate and full-year result is due to the increased use of electronic filing.				
Court file integrity in the Magistrates' Court – availability, accuracy and completeness	per cent	90	88.3	-1.9
Court file integrity in the Children's Court – availability, accuracy and completeness	per cent	90	84.4	-6.2
The variance between the estimate and full-year result is due to changes in operations in response to the COVID-19 pandemic.				
Court file integrity in the Coroners Court – availability, accuracy and completeness	per cent	90	90.0	0.0
Court file integrity in the Victorian Civil and Administrative Tribunal – availability, accuracy and completeness	per cent	90	83.0	-7.8
The variance between the estimate and full-year result is due to delays in placing documents on the physical file after entry into the case management system. An improvement was observed in comparison with the previous year, reflecting increased training and a focus on filing processes.				

Performance measures	Unit of measure	2021-22 estimate	2021-22 actual	Performance variation (%)
<b>Timeliness</b>				
On-time case processing – Civil matters resolved or otherwise finalised within established timeframes in the Supreme Court	per cent	90	87.0	-3.3
On-time case processing – Civil matters resolved or otherwise finalised within established timeframes in the County Court	per cent	90	86.2	-4.2
On-time case processing – Civil matters resolved or otherwise finalised within established timeframes in the Magistrates' Court	per cent	80	70.8	-11.5
The variance between the estimate and full-year result is due to easing of restrictions coupled with use of the MCV online court and agile listing practices resulting in a larger number of finalisations compared with the previous year. A focus on finalising older cases, however, negatively impacted the on-time case processing result.				
On-time case processing – Family Division matters resolved or otherwise finalised within established timeframes in the Children's Court	per cent	90	83.3	-7.4
The variance between the estimate and full-year result is due to the pandemic's impact on court operations. The number of pending final hearings increased due to the unsuitability of some contested matters to be heard online.				
On-time case processing – Civil matters resolved or otherwise finalised within established timeframes in the Victorian Civil and Administrative Tribunal	per cent	90	87.5	-2.8
On-time case processing – Coronial matters resolved or otherwise finalised within established timeframes in the Coroners Court	per cent	80	76.7	-4.1
On-time case processing – Criminal matters resolved or otherwise finalised within established timeframes in the Supreme Court	per cent	85	78.0	-8.2
The variance between the estimate and full-year result is due to the impact of the COVID-19 pandemic on court operations as well as the fast-track procedure for homicide cases. Since January 2020, approximately one third of trial/sentence matters have arrived via the fast-track procedure, which, whilst reducing the engagement time with the court system overall, has increased the engagement time with the Supreme Court because of the significant pre-trial steps, which would normally occur in the lower courts.				
On-time case processing – Criminal matters resolved or otherwise finalised within established timeframes in the County Court	per cent	90	73.7	-18.1
The variance between the estimate and full-year result is due to the impact of the COVID-19 pandemic on court operations, resulting in delays of jury trials and the need to operate at a significantly reduced capacity.				

On-time case processing – Criminal matters resolved or otherwise finalised within established timeframes in the Magistrates' Court	per cent	85	40.7	-52.1
The variance between the estimate and full-year result is due to easing of restrictions coupled with use of the MCV online court and agile listing practices, resulting in a larger number of finalisations compared with the previous year. A focus on finalising older cases, however, negatively impacted the on-time case processing result. For criminal matters, 85 per cent of finalised cases were finalised within 18 months of their initiation date.				
On-time case processing – Criminal matters resolved or otherwise finalised within established timeframes in the Children's Court	per cent	90	70.9	-21.2
The variance between the estimate and full-year result is due to the COVID-19 pandemic's impact on court operations, and difficulties with the online participation of young people charged with less serious offences who were unrepresented.				
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	73.1	-18.8
The variance between the estimate and full-year result is due to an increase in cases finalised. Easing of restrictions coupled with use of the MCV online court and agile listing practices resulted in a larger number of finalisations compared with the previous year. A focus on finalising older cases, however, negatively impacted the on-time case processing result.				

Performance measures	Unit of measure	2021-22 estimate	2021-22 actual	Performance variation (%)
<b>Cost</b>				
Total output cost	\$ million	755	817	8.2

## Notes

- (1) The case clearance rate is calculated as (number of cases disposed/number of cases initiated).
- (2) 2021-22 estimates have not been adjusted for any COVID-19 impacts per Department of Treasury and Finance instructions.

## 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	2021-22 \$'000	2020-21 \$'000	2019-20 \$'000	2018-19 \$'000	2017-18 \$'000
Revenue from Government	927,047	683,529	647,903	586,423	521,896
Total income from transactions	952,186	711,520	673,520	614,588	546,574
Total expenses from transactions	956,479	711,286	669,003	612,360	540,393
Net result from transactions – surplus/(deficit)	(4,293)	235	4,517	2,228	6,182
Comprehensive result	1,981	68,766	44,337	49,258	69,838
Net cash flow from operating activities	142,338	79,196	52,948	74,563	51,693
<b>Total assets</b>	<b>1,724,027</b>	<b>1,441,644</b>	<b>1,328,449</b>	<b>1,128,001</b>	<b>1,196,741</b>
<b>Total liabilities</b>	<b>293,593</b>	<b>259,662</b>	<b>286,581</b>	<b>199,630</b>	<b>191,357</b>

### COURT SERVICES VICTORIA CURRENT YEAR FINANCIAL REVIEW

- For the financial year 2021-22, Court Services Victoria's revenue from the government grew by \$243.5 million compared to last year, mainly reflecting one-off funding to purchase the County Court building Melbourne (\$207.2 million) and increased output revenue arising from budget initiatives (\$36.3 million). The funding was utilised for Courts Output (Refer to the Output Performance section for details) to further enhance service delivery which is reflected in the "Comprehensive result" of \$1.9 million.
- Total assets increased by \$282.4 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 purchase of the County Court building Melbourne.
- Total liabilities increased by \$33.9 million compared to the prior year mainly due to capital expenditure.

## BUDGET ALLOCATION

Court Services Victoria's budget is allocated to each of the jurisdictions, Court Services Victoria, the Judicial College and the Judicial 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 Judicial College, and the Judicial Commission is shown in Table 3 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 the courts and VCAT, Court Services Victoria Corporate Services, the Judicial College, and the Judicial Commission are based on historical allocations profile adjusted for savings, indexation, and new funding.

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

By business area	2021-22 Published budget \$m	2021-22 Revised budget \$m
Supreme Court of Victoria	79.650	80.989
County Court of Victoria	109.405	146.632
Magistrates' Court of Victoria	256.752	243.902
Victorian Civil & Administrative Tribunal	68.627	59.091
Children's Court of Victoria	29.335	31.795
Coroners Court of Victoria	23.624	24.918
Judicial College of Victoria	4.820	4.861
Judicial Commission of Victoria	2.636	2.708
Court Services Victoria Corporate Services	85.917	90.457
Depreciation Expenditure	55.488	62.026
Other	38.910	19.551
<b>Total Court Services Victoria</b>	<b>755.164</b>	<b>766.930</b>

### Notes:

- (1) The total Court Services Victoria budget is income from transactions. Refer to Budget Paper No. 3 for further information.
- (2) Other includes expenditure for rent and accommodation, unallocated court fee pool expenditure, or 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 2021-22 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	789,636
National Judicial College of Australia	2020-21 Grant Contribution – Victoria	113,782
Department of Health	Alcohol and Other Drug Treatment Services for Participants of the Court Integrated Services Program (CISP)	2,048,562
Department of Families, Fairness & Housing	WAYYS Emergency Housing Support	1,091,627
Court Network	Court Services Network Agreement	1,275,231
The Alannah & Madeline Foundation	2020-21 Grant Contribution (Cubby House Program)	275,000
Supreme Court Law Library	To provide library services to the Judiciary and staff of courts and VCAT	1,209,211
Australian Bureau of Statistics	National Criminal Courts Statistics Unit Inter-Governmental Agreement	79,765
Judicial College of Victoria	2020-21 Output Appropriation Funding	4,840,088
Judicial Commission of Victoria	2020-21 Output Appropriation Funding	2,655,651
<b>Grant Total</b>	<b>N/A</b>	<b>14,378,553</b>

## Capital Projects

Funding for Capital Projects provided by the State Government is allocated to Court Services Victoria for use by the courts and the Victorian Civil and Administrative Tribunal. The following information provides details regarding in-progress and completed capital projects as published in Budget Paper 4 for 2022-23.

### **Bendigo Law Courts development (\$152.4 million estimated capital investment)**

Funding for a multi-jurisdictional regional headquarter court facility for Bendigo and the wider Loddon Mallee region. Estimated completion: Construction of the Bendigo Law Court – quarter two 2022-23; Bendigo Drug Court – quarter four 2023-24.

### **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. Estimated completion – quarter four, 2022-23.

### **COVID response (\$12.5 million estimated capital investment)**

To ensure Victoria's courts continue to operate effectively and efficiently during the corona virus (COVID19) pandemic. This work was completed in quarter three, 2021-22.

### **Critical Upgrades – maintenance to health and justice**

#### **(\$1.25 million estimated capital investment)**

This project is part of Building Works package, which is to support projects to make it easier and safer for people attending Victorian courts. This funding comes in addition to significant works to address Disability Discrimination Act compliance, safety and security upgrades, and ongoing essential maintenance work in locations across the state. This work was completed in quarter three, 2021-22.

### **County Court – Accommodation and Services Renewal (Melbourne)**

#### **(\$12.281 million estimated capital investment)**

This project is part of the Building Works package for the court to address compliance, safety and security upgrades, and ongoing essential maintenance. Estimated completion – quarter four, 2023-24.

### **Dandenong Specialist Children's Court (\$29 million estimated capital investment)**

To fund a new specialist Children's Court to meet the ongoing demand for justice services in Melbourne's southeast and improve the court experience and outcomes for children, families, and young offenders. Estimated completion – quarter four, 2022-23.

### **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 entryway improvements to ensure safe and secure access and amenities. Estimated completion – quarter four, 2022-23.

### **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. Estimated completion – quarter two, 2022-23.

### **Forensic mental health implementation plan – priority services reform**

#### **(\$1.7 million estimated capital investment)**

Regional courts required asset upgrades to increase public safety arising from an expansion of the Assessment and Referral Court. This work was completed in quarter one, 2021-22.

### **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. Estimated completion – quarter one, 2024-25.

### **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. This work was completed in quarter one, 2021-22.

### **Online Magistrates' Court (\$10.2 million estimated capital investment)**

Funding to continue and expand the successful Online Magistrates' Court program, increasing the Magistrates' Court's capacity to hear more matters remotely, and improving access to justice, the court-user experience and court productivity. Estimated completion – quarter four, 2023-24.

**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. Estimated completion – quarter four, 2023-24.

**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. This work was completed in quarter two, 2021-22.

**Specialist family violence integrated court response**

**(\$35 million estimated capital investment)**

Funding for additional security at existing Specialist Family Violence Courts to ensure court staff and user safety which will enable victim-survivors and witnesses to provide testimony remotely and safely. Estimated completion – quarter one, 2024-25.

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

Funding to upgrade and expand the Sunshine Law Courts by two new courtrooms to meet the demand for additional services in Melbourne's west. Estimated completion – quarter four, 2022-23.

**Victorian Civil and Administrative Tribunal digital service transformation**

**(\$29 million estimated capital investment)**

Funding for the Victorian Civil and Administrative Tribunal for a Digital Service Transformation project and immediate information and communications technology infrastructure upgrades, to enable the Victorian Civil and Administrative Tribunal to hear important planning and other matters remotely and ensure projects can continue and Victorians still have access to justice. Estimated completion – quarter four, 2024-25.

## **Treasurer Advances and Off-Budget Funding**

Treasurer's Advances and Off-Budget Funding provided by the State Government are allocated to Court Services Victoria for use by the courts and the Victorian Civil and Administrative Tribunal. The following information is provided:

**Relocation of Court Services Victoria from 436 Lonsdale Street**

Funding of \$58.7 million to provide design activities and rental expenses related to Court Services Victoria moving services and staff to new accommodation as a result of the unplanned closure of 436 Lonsdale Street Melbourne. The accommodation solution involved relocating administrative support staff from William Cooper Justice Centre (WCJC) to 181 William Street Melbourne, and converting the WCJC space into specialist courtrooms for the Supreme Court and Children's Court, along with a number of other smaller relocations.

**Lease and fit-out Dandenong Specialist Children's Court**

Total funding of \$2.6 million as output and capital to deliver capital fit-out and fund necessary resourcing and operations at the new Dandenong Children's Court.

**Purchase of the County Court building Melbourne**

Total funding of \$388 million to purchase the County Court building in Melbourne on the expiration of the lease on 22 May 2022.



SECTION 3:

# Workforce Data



## Workforce Data

The People and Culture division monitors Court Services Victoria state-wide 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 2021 and June 2022**

	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	

	30 June 2022						
	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
	2,005	1,860.9	1,273	307	1,472.5	425	388.4
	809	787.2	581	33	602.9	195	184.3
	8	7.8	3	0	3	5	4.8
	261	252.5	186	5	189.5	70	63
	1,013	985.2	635	60	670.8	318	314.4
	641	591.4	405	129	490	107	101.4
	455	422	313	68	357.1	74	64.9
	351	324.1	257	59	297.2	35	26.9
	101	80.7	61	19	73.8	21	6.9
	0	0	0	0	0	0	0
	372	349.8	234	45	261.8	93	88
	603	578.8	282	48	312.4	273	266.4
	460	434.2	292	68	339.1	100	95.1
	377	340.3	247	28	266.9	102	73.4
	225	215.9	162	27	180.7	36	35.2
	2	1.1	0	2	1.1	0	0
	239	235.7	226	8	230.7	5	5

	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	
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	
Solicitor Grade 3	1	0.6	0	1	0.6	0	0	
<b>Total</b>	<b>2,514</b>	<b>2,389.1</b>	<b>1,712</b>	<b>301</b>	<b>1,906.5</b>	<b>501</b>	<b>482.6</b>	
Senior Technical Specialist	26	21	17	6	18	3	3	
Senior Executive Service 1	11	10.9	10	1	10.9	0	0	
Senior Executive Service 2	11	10.5	10	1	10.5	0	0	
Senior Executive Service 3	1	1	1	0	1	0	0	
<b>Total Senior employees</b>	<b>49</b>	<b>43.4</b>	<b>38</b>	<b>8</b>	<b>40.4</b>	<b>3</b>	<b>3</b>	
<b>Total employees</b>	<b>2,563</b>	<b>2,432.5</b>	<b>1,750</b>	<b>309</b>	<b>1,946.9</b>	<b>504</b>	<b>485.6</b>	

## 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 Court Services Victoria staff in section 3 of the Court Services Victoria Act 2014; the Court Services Victoria 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; people employed under section 16 (2) of the Judicial College of Victoria Act 2001; the Director of the Commission or employees 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 2022						
	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
	84	80.9	75	9	80.9	0	0
	274	245.5	195	73	240.5	6	5
	55	52.2	43	10	50.2	2	2
	53	49.2	39	13	48.2	1	1
	16	16	16	0	16	0	0
	0	0	0	0	0	0	0
	<b>2,760</b>	<b>2,599.6</b>	<b>1,811</b>	<b>331</b>	<b>2,028.5</b>	<b>618</b>	<b>571.1</b>
	33	28	20	6	21.6	7	6.4
	13	12.7	11	2	12.7	0	0
	14	13.6	13	1	13.6	0	0
	2	2	2	0	2	0	0
	<b>62</b>	<b>56.3</b>	<b>46</b>	<b>9</b>	<b>49.9</b>	<b>7</b>	<b>6.4</b>
	<b>2,822</b>	<b>2,655.9</b>	<b>1,857</b>	<b>340</b>	<b>2,078.4</b>	<b>625</b>	<b>577.5</b>

## Executive Officer Data

A member of the Senior Executive Service (SES) is defined as a person employed as a public service body head or other executive under Part 3 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 SES does not include Governor in Council appointments as statutory office holders.

**Table 6: Number of SES by Gender at 30 June 2022**

Class	All		Women		Men		Self-described	
	Number	Variance	Number	Variance	Number	Variance	Number	Variance
SES-3	2	+1	2	+1	0	0	0	0
SES-2	14	+3	7	+3	7	0	0	0
SES-1	13	+2	10	+1	3	+1	0	0
<b>Total</b>	<b>29</b>	<b>+6</b>	<b>19</b>	<b>+5</b>	<b>10</b>	<b>+1</b>	<b>0</b>	<b>0</b>

**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 9.4 in the Financial Statements lists the actual number of SES and the total remuneration paid to SES over the course of the reporting period. The Financial Statements note does not include the Court Services Victoria Chief Executive Officer (Accountable Officer), the Chief Executive Officer of the Judicial College, or the Director of the Judicial Commission, nor does it distinguish between executive levels or disclose separations. Separations are executives who have left Court Services Victoria during the relevant reporting period. To assist readers, these two disclosures are reconciled in Table 7.

**Table 7: Reconciliation of Executive Numbers**

Item	2021	2022
Executives (as listed in Financial Statement)	26	30
Accountable Officer	1	1
Less Separations	(4)	(2)
<b>Total executive numbers at 30 June</b>	<b>23</b>	<b>29</b>

**Note:**

The Chief Executive Officer of the Judicial College and the Director of the Judicial 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 Court Services Victoria, categorised by classification. The salary amount is reported as the full-time annualised salary.

**Table 8: Annualised Total Salary for executives and other senior non-executive employees**

Income Band	Executives	Senior Technical Specialist
< \$160,000	0	0
\$160,000–\$179,999	0	3
\$180,000–\$199,999	4 <sup>3</sup>	8
\$200,000–\$219,999	2	6
\$220,000–\$239,999	9	16 <sup>4</sup>
\$240,000–\$259,999	1	0
\$260,000–\$279,999	1	0
\$280,000–\$499,999	11	0
<b>Total</b>	<b>28</b>	<b>33</b>

#### Notes

- (1) The contracted remuneration of executives and payments to senior employees 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 Court Services Victoria 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 0.8 FTE rate.
- (4) There are six senior non-executive employees employed on a part-time basis: two at 0.1 FTE rate, three at 0.2 FTE rate, and one at 0.4 FTE rate.

## Employment and Conduct Principles

Court Services Victoria 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. Employees have been correctly classified in workforce data collections.

Court Services Victoria is committed to applying merit and equity principles when appointing employees. Selection processes ensure applicants are assessed fairly and equitably on the basis of the key selection criteria and key accountabilities without discrimination. During 2021-22 an internal audit of recruitment activities was conducted, with management actions arising from the audit to be implemented, ensuring continuous improvement.

As part of the Review of Sexual Harassment in Victorian Courts and VCAT, in June 2022 Court Services Victoria also implemented a revised resolution process to support anyone who experiences or witnesses inappropriate workplace behaviour, such as sexual harassment, bullying discrimination, harassment or victimisation.



## Performance Against Occupational Health and Safety Measures

There were 10 standard WorkSafe claims lodged during 2021-2022, compared with nine claims for the previous financial year. The number of claims exceeding 13 weeks of paid compensation was two during 2021-22, with Court Services Victoria being able to offer suitable and sustainable duties across the jurisdictions. There was a continued focus on supporting employees who lodged their claim, regardless of injury type or liability status. All injured employees received the same level of support, guidance, and assistance. Tele-health and on-site medical return to work case conferences also occurred.

During 2021-22, there was a total of 136 non-pandemic related incidents reported compared to 110 in 2020-2021. The number of incidents reported by Court Services Victoria

employees was 104 and a further 32 incidents were lodged by court users. The increase in the number of reported incidents can in part be attributed to the rise in the number of employees returning to the workplace. Employees are encouraged to lodge incident reports for potential hazards, near misses and accidents, 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 employees and court users. Proactive reporting of health and safety issues is an effective method of identifying risks at the earliest opportunity to enable an active approach to health, safety and wellbeing.

**Table 9: Performance Against Occupational Health and Safety Measures**

Measure	KPI	2019-20	2020-21	2021-22
Incidents <sup>(1)</sup>	Number of incidents <sup>(2)</sup>	251	110	136
Incidents <sup>(1)</sup>	Rate per 100 Full-time Equivalent <sup>(3)</sup>	6.4	3.2	3.3
Incidents <sup>(1)</sup>	Number of incidents requiring first aid and/or further medical treatment	119	58	57
Claims <sup>(4)</sup>	Number of standard claims	18	9	10
Claims <sup>(4)</sup>	Rate per 100 Full-time Equivalent	0.68702	0.31612	0.32191
Claims <sup>(4)</sup>	Number of lost time claims	8	4	3
Claims <sup>(4)</sup>	Rate per 100 Full-time Equivalent	0.30534	0.1405	0.09657
Claims <sup>(4)</sup>	Number of claims exceeding 13 weeks	3	7	2
Claims <sup>(4)</sup>	Rate per 100 Full-time Equivalent	0.1145	0.24587	0.06438
Fatalities <sup>(4)</sup>	Fatality claims	0	0	0
Claims costs <sup>(4)</sup>	Average cost per standard claim <sup>(5)</sup>	\$22,232	\$285,329	\$206,291
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

Measure	KPI	2019-20	2020-21	2021-22
Consultation and participation	Compliance with agreed structure on DWGs, HSRs and IRPs <sup>(6)</sup>	Completed	Completed	Completed
Risk Management	Number of Improvement Notices issued across Court Services Victoria by WorkSafe Inspector	2	3	0

**Notes:**

- (1) Incident numbers exclude COVID-19 related incidents as reporting during the pandemic has altered over time.
- (2) Includes employees and court users.
- (3) Full-time Equivalent is based on number of employee incidents only.
- (4) WorkSafe Victoria data for 2021-22 was received on 8 September 2022.
- (5) 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.
- (6) In areas where there are no DWGs and HSRs, alternative consultation arrangements have been implemented.

## REGULAR INTERNAL AUDITS CONDUCTED AND ISSUES IDENTIFIED AND ACTIONED DURING 2021-22

- 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 identified risks.
- Extensive COVID-19 risk assessments and audits continued to be conducted. COVID-safe practices were implemented to mitigate transmission and promote safe work environments for those employees required to attend Court Services Victoria workplaces, employees returning to the workplace, and court users.
- Risks when working remotely are continually monitored and employees are consulted on control measures and supports to minimise risks and improve health and wellbeing.
- The Courts Group implements strategies to address safety concerns that are unique to their individual environments.

## **MANAGERS, HEALTH AND SAFETY REPRESENTATIVES AND OTHER STAFF TRAINED DURING 2021-22**

- Court Services Victoria managers and employees 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 themselves to undertake their roles.
- A range of mental health and wellbeing programs were developed to support managers and assist employees working remotely because of the COVID-19 pandemic. This included sessions on leading flexible teams; working flexibly; taking care of mental health and wellbeing for both managers and employees; supporting working parents; physical health; and mindfulness.
- Other key initiatives included:
  - establishment of a senior management working group to review critical and credible safety risks in common across the Court Group (these are risks with the potential to cause serious injury or death) and develop risk controls. This work will continue into 2022-23
  - webinars on topics including psychological, financial and workplace wellbeing
  - superannuation presentations and the opportunity for employees to have a 1:1 session
  - activities for Women's Health Week, Men's Health Week, and RUOK? Day
  - webinars on topics including psychological, financial and workplace wellbeing.

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.

MPSG applies to all construction projects valued at \$20 million or more.

### LOCAL JOBS FIRST STANDARD

#### Projects Commenced

During 2021-22, Court Services Victoria commenced thirteen Local Jobs First standard projects totalling \$36.19 million. Of those projects, four were located in regional Victoria, with an average commitment of 95.67 per cent of local content; six in metropolitan Melbourne, with an average commitment of 92.74 per cent local content; and three projects were commenced that occurred statewide, with an average commitment of 89.18 per cent of local content. The MPSG applied to two of these 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 93.77 per cent of local content commitment was made
- 435 small to medium-sized businesses were engaged through the supply chain on completed Standard Projects.

#### Projects Completed

During 2021-22, Court Services Victoria completed one Local Jobs First standard project, totalling \$1.516 million. The project is located in regional Victoria, with a commitment of 70 per cent local content.

Forty-seven small to medium-sized businesses were engaged through the supply chain on completed Standard Projects.

The outcome expected from the implementation of the Local Jobs First policy to these projects where information was provided, was an average of 70 per cent of local content commitment made.

### LOCAL JOBS FIRST STRATEGIC

#### Projects Commenced

During 2021-22, Court Services Victoria commenced eight Local Jobs First strategic projects totalling \$8.27 million. Of those projects, three were located in regional Victoria, with an average commitment of 97.15 per cent of local content, and four in metropolitan Melbourne, with a nil local content commitment. The Major Project Skills Guarantee applies to three projects.

The outcome expected from the implementation of the Local Jobs First policy to these projects where information was provided, was an average of 98.1 per cent of local content.

#### Projects Completed

During 2021-22, Court Services Victoria completed one Local Jobs First Strategic projects, valued at \$220,000. The project was based in metropolitan Melbourne representing 100 per cent of estimated local content. The MPSG did not apply to this project.

#### Reporting Requirements – Grants

There were no grants during 2021-22 which entailed a conversation with the Industry Capability Network (Victoria) Ltd.

## Social procurement

Court Services Victoria continued to embed the Social Procurement Framework across the Courts Group. Court Services Victoria has built social procurement capability across the business by focusing on leadership, policy and process, technology and tools, and sourcing and contract management. Minimum requirements to advance social procurement opportunities have been established, while meeting the expectations of the Victorian Government Social Procurement Framework.

Court Services Victoria has included weighted selection criteria for social value in market tenders which supports delivery of social and sustainable outcomes across priority objectives within the following areas:

- (1) Opportunities for Victorian Aboriginal people
- (2) Women's equality and safety
- (3) Sustainable Victorian regions

While these priority social and sustainable objectives guide procurement delivery, Court Services Victoria is committed to pursuing any opportunities to advance social and sustainable outcomes for Victorians.

Court Services Victoria has focused on awareness and engagement within key teams in the organisation, such as the Self-determination Working Group, the Dhumba Murmuk Djerring Unit, and the Neighbourhood Justice Centre.

A key part of our framework is the Court Services Victoria Koori Employment Plan 2021-2025 that outlines specific procurement opportunities. The Court Services Victoria Koori Employment Plan was developed in conjunction with the Victorian Social Procurement Framework and Tharamba Bugheen – Victorian Aboriginal Business Strategy.

Specific actions in the Court Services Victoria Koori Employment Plan relate to:

- Supporting the employment of Koori people by leveraging procurement opportunities to directly include Aboriginal businesses, and indirectly optimise procurement contracts with non-Aboriginal suppliers to deliver on Court Services Victoria and Victorian Government social procurement targets.
- Considering employment through the engagement of Aboriginal business through procurement across the Courts Group, setting criteria that requires subcontract arrangements when a project has Aboriginal components and ensure an Aboriginal representative is part of assessing major contracts that impact the Koori Community.

The Social Procurement strategy also supports the Courts Koori Committee that has set the foundation of the Court Services Victoria's Self-determination Plan 2021-2025. Court Services Victoria's Self-determination Plan is an example of the commitment and focus on improving the social and economic outcomes for Victorian Aboriginal people.

Court Services Victoria continues to build a culture of awareness and acknowledgement of the requirements for Social Procurement and educate all key stakeholders about the organisation's strategic objectives.

## 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 52 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.

Management of building maintenance services for the County Court building was transferred to Court Services Victoria in 2021-22, following the conclusion of the Public-Private Partnership with the Liberty Group.

### NEW AND EXISTING BUILDING STANDARDS

During 2021-22, 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.

An Asset Management Plan has now been completed for all Court Services Victoria assets. The Asset Management Plan details the strategies, plans and activities necessary to identify, manage and control the assets of the court, to ensure optimal asset utilisation and reliable operation for the lowest lifecycle cost.

The Asset Management Plan sets out operational plans, maintenance plans, condition monitoring and forward investment plan for the court assets. The Asset Management Plans are reviewed annually.

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 2021-22, any identified and prioritised non-compliances were scheduled to be undertaken as part of the upgrade works across all facilities.

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 Moorabbin and Geelong courts should be replaced. Court Services Victoria worked with Cladding Safety Victoria to deliver a cladding rectification program at both courts.

## Asset Management Accountability Framework Maturity Assessment

The Asset Management Accountability Framework (AMAF) is the Victorian Government's policy framework for asset management. It was introduced in February 2016 to assist Victorian Public Sector agencies properly manage their assets and better support the delivery of services for Victorians.

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

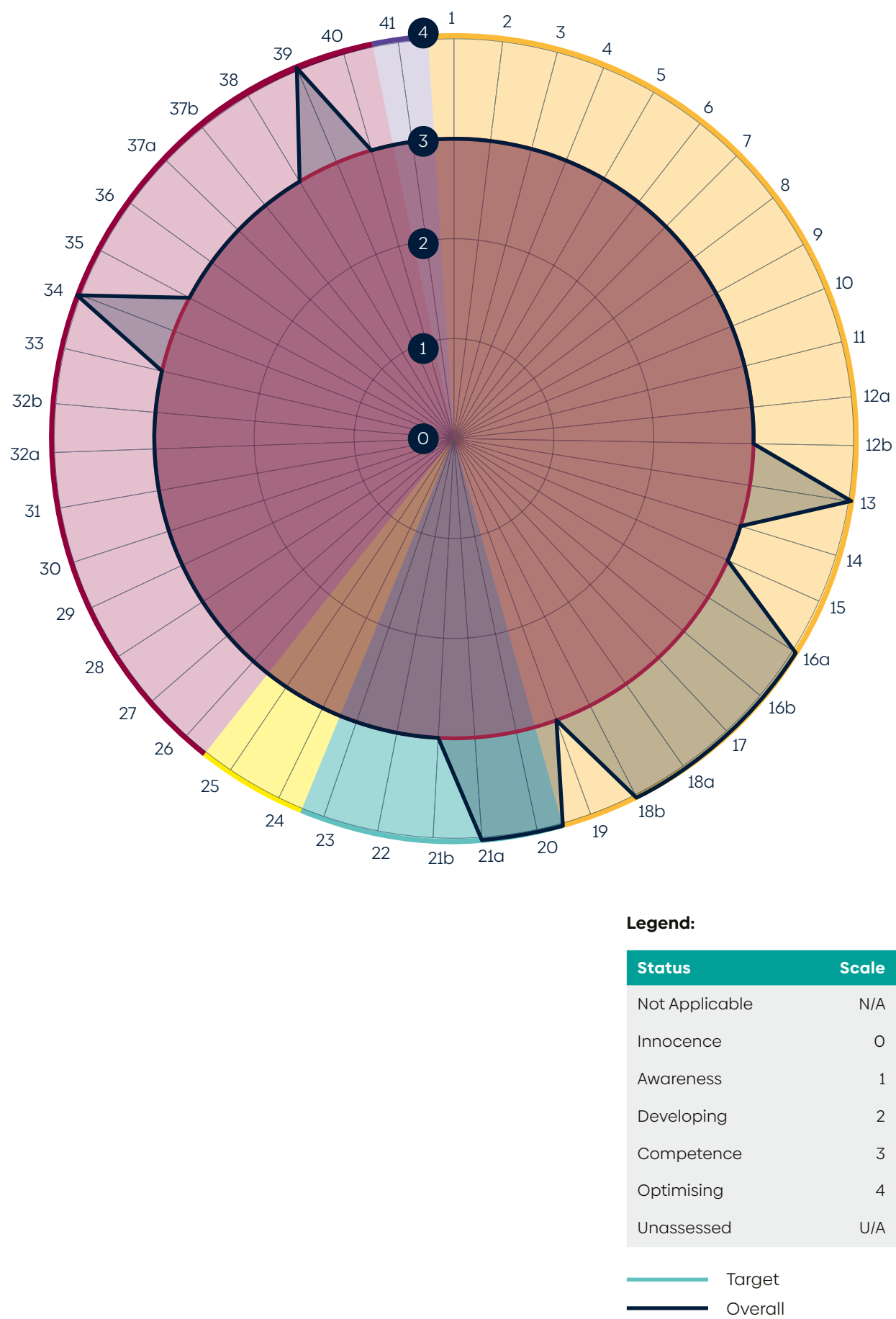
The Court Services Victoria target maturity rating is 'competence', meaning systems and processes fully in place, consistently applied and systematically meeting the AMAF requirement, including a continuous improvement process to expand system performance above AMAF minimum requirements.

Court Services Victoria commissioned an independent assessment in 2021-22 which established that Court Services Victoria is fully compliant in its obligations to comply with AMAF. The review concluded that:

- There are no AMAF material compliance deficiencies and Court Services Victoria can demonstrate compliance to all 41 AMAF mandatory requirements
- Court Services Victoria has demonstrated the ability to justify the minimum standards (Rating 3) required to meet all mandatory requirements within AMAF
- Court Services Victoria can demonstrate it has exceeded the minimum standards for seven mandatory clauses sufficient to achieve a rating of "Optimising" (Rating 4) using the criteria established within the Victorian Government's Asset Management Maturity Assessment tool.



Figure 1: Overall maturity June 2021



## **LEADERSHIP AND ACCOUNTABILITY (REQUIREMENTS 1-19)**

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

Court Services Victoria complied with all requirements in the areas of resourcing and skills, governance, allocating asset management responsibility, monitoring asset performance, asset management system performance, reporting, evaluation of asset performance and other requirements. 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.

Court Services Victoria has complied with all requirements in the areas of Asset Management Strategy and Risk Management and Contingency Planning. There is no material non-compliance reported in this category.

## **ACQUISITION (REQUIREMENTS 24 AND 25)**

Court Services Victoria met its target maturity level in this category. Court Services Victoria has complied with all requirements in the areas of Acquisition Process. There is no material non-compliance reported in this category.

## **OPERATION (REQUIREMENTS 26-40)**

Court Services Victoria met or exceeded its target maturity level for all requirements within this category. Court Services Victoria has complied with all requirements in the areas of Monitoring and preventative action, maintenance of assets, information management, record keeping and asset valuations. There is no material non-compliance reported in this category.

## **DISPOSAL (REQUIREMENT 41)**

Court Services Victoria met its target maturity level in this category. There is no material non-compliance reported in this category.

## Office-based Environmental Impacts

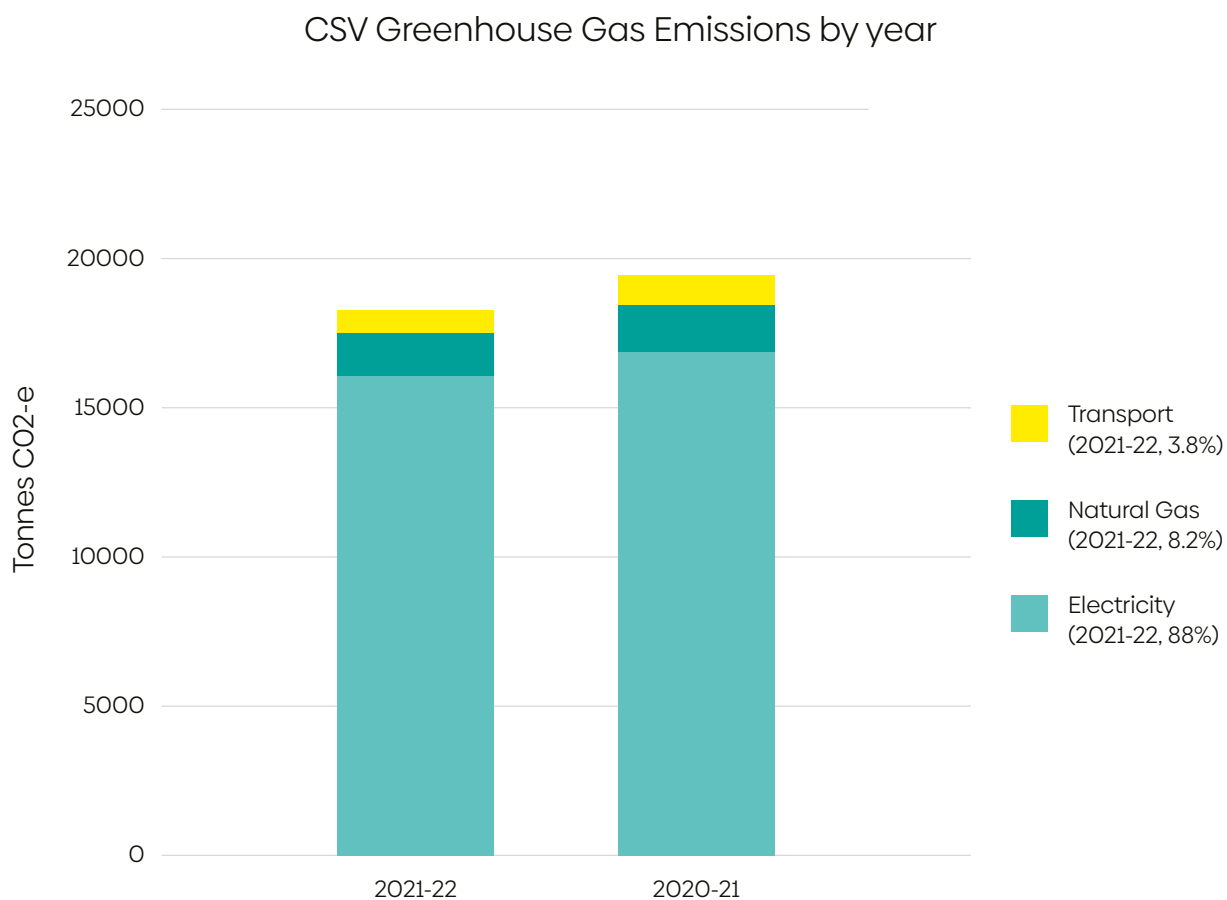
Court Services Victoria reports against a range of indicators for energy consumption, transportation, and greenhouse gas emissions. Consumption and usage are captured through utility and vendor reports for both office and law court facilities. In accordance with FRD 24, activities at both office and law court facilities have been captured in the data reported.

Court Services Victoria elected to report on its environmental impacts for the first time in 2021, and again in 2022. This report is in line with FRD 24 reporting requirements. Court Services Victoria will be formally captured as a reporting entity under the FRD 24 for the 2023 reporting year. The reportable site list excludes residences and sites where staff are the minority tenant located within another department's facility. Court Services Victoria reports from July 1 – June 30 in alignment with the fiscal year.

### EMISSIONS SUMMARY

The chart below indicates the greenhouse gas emissions breakdown expressed as tonnes of CO<sub>2</sub>-e. The emissions reduction during the reporting year of approximately 4.9 per cent is largely attributed to a reduction in the emissions factor for Victoria. Installations of renewable electricity generation has effectively reduced emissions from the use grid supplied electricity. Court Services Victoria also experienced a 50 per cent reduction in vehicle travel, a 3 per cent reduction in natural gas use, while electricity consumption increased by approximately 2.5 per cent. The increase in electricity consumption is consistent with an increase in occupied premises/area, and an increase in FTE. See Table 10 for a summary of energy use.

**Figure 2: Greenhouse Gas Emissions summary**



## TOWARDS NET ZERO

In line with the Victorian State Government target to reduce emissions by 45-50 per cent by 2030, new facilities (Bendigo and Wyndham Law Courts) delivered by Court Services Victoria exclude the use of natural gas, since this is a non-renewable resource. Once Court Services Victoria procures renewable electricity, this will reduce the emissions from operating facilities and reduce the volume of offsets required for natural gas consumption across the portfolio.

Court Services Victoria has transferred all energy utility accounts across to State Procurement Contracts to facilitate the Victorian Government target to derive 100 per cent of its electricity from renewable sources by 2025.

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

## DATA SOURCES

Usage data has been obtained from utility retailers or service provider billing systems. Where unavailable, it has been estimated and the estimated volumes disclosed. For the purpose of FRD 24, tenancy energy use includes tenancy power, any supplementary air-conditioning, and any other items connected to the tenant distribution board. Base building energy use includes HVAC system and all other base building services, apportioned by tenancy area.

Court Services Victoria's greenhouse gas inventory has been prepared using the *National Greenhouse Accounts Factors 2021* updated by the Commonwealth Government's Department of Environment.

## ENVIRONMENTAL MANAGEMENT SYSTEM

Court Services Victoria has commenced the implementation of an Environmental Management System (EMS) to meet government requirements and to reduce Court Services Victoria impact on the environment. The EMS is expected to be independently evaluated in alignment with *ISO 14001 Environmental Management Systems* by the end of 2022. The EMS has been audited twice and will continue to be audited by an *ISO 14001 Environmental Management Systems* registered auditor.

The EMS objectives include:

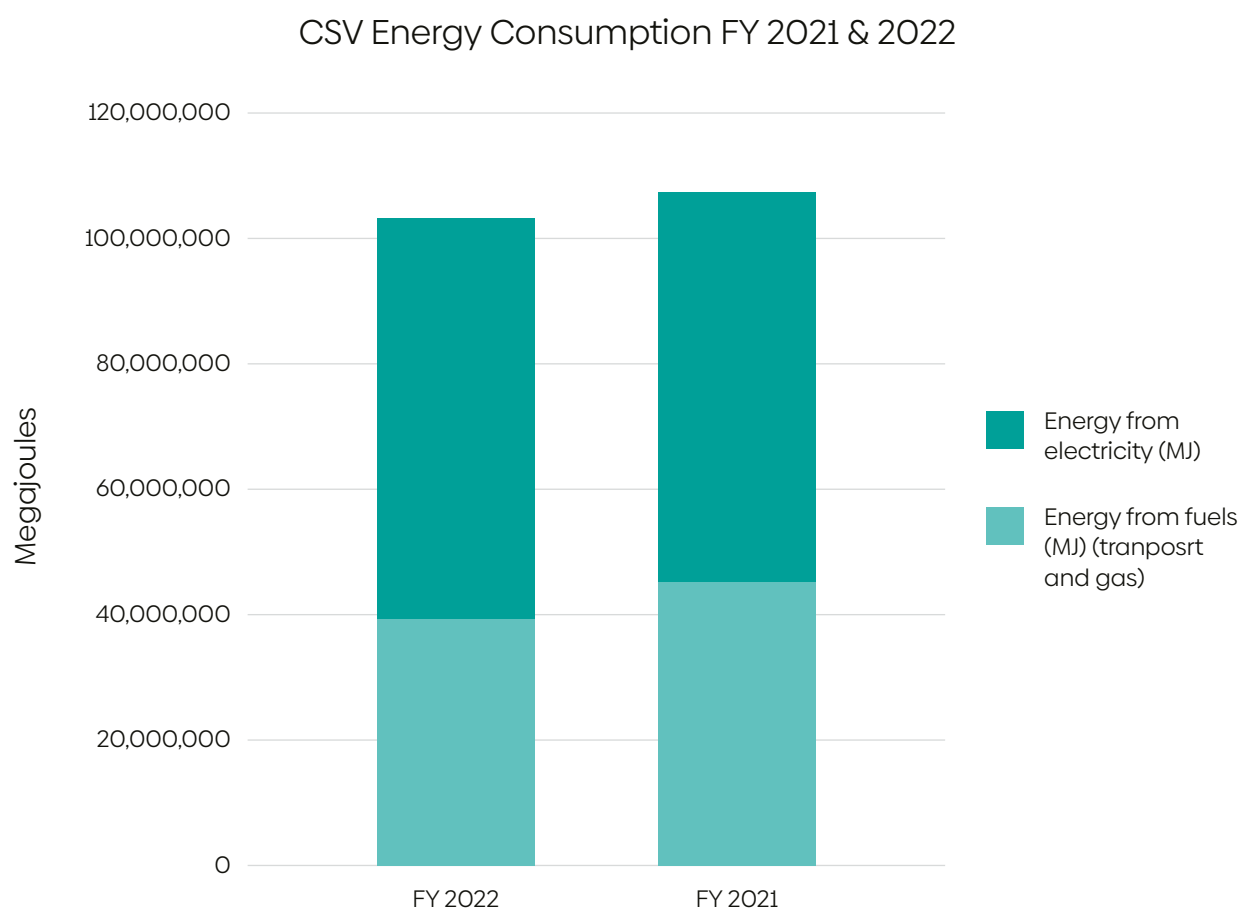
- reducing greenhouse gas emissions
- ensuring new capital works incorporate environmentally sustainable principles
- making environmentally sound purchasing decisions for capital items and consumables
- encouraging staff to reduce environmental impacts through behaviour change
- communicating environmental performance through regular reporting
- reducing the amount of waste and maximising the amount of reused and recycled resources.

## Summary of Energy and Emissions

### TOTAL ENERGY USE

The table below summarises fuels, electricity, and natural gas consumption. Energy use has decreased approximately 4 per cent since the previous fiscal period, largely attributed to the reduction in vehicle travel imposed by COVID-19 travel restrictions. Natural gas usage also decreased by approximately 3 per cent. Electricity consumption increased by approximately 2.5 per cent. Energy use per FTE has decreased by approximately 8.6 per cent, and by 7 per cent per square metre of occupied space.

**Figure 3: Energy use summary**



**Table 10: Total Energy Use Summary**

Description	2021-22	2020-21
E1 Total energy usage from fuels (MJ) (F1+T1)	39,275,260	45,098,207
E2 Total energy usage from electricity (MJ)	63,408,671	61,888,775
<b>Total Energy used from fuels and electricity (MJ) (E1+E2)</b>		
Total energy non-renewable	102,683,930	106,986,981
Total energy renewable	0	0
E4 Total Energy used normalised by FTE (MJ/FTE)	26,275	28,752
E4 Total Energy used normalised by area (MJ/M2)	449	483

## GREENHOUSE GAS EMISSIONS

The summary here shows a breakdown of electricity, gas, and transport emissions expressed as tonnes CO<sub>2</sub>-e.

**Table 11: Total greenhouse gas emissions summary**

	Description	2021-22	2020-21
G1	<b>Total scope one (direct) emissions (Tonnes CO<sub>2</sub>, CH<sub>4</sub>, N<sub>2</sub>O, other and CO<sub>2</sub>-e)</b>		
	Natural Gas (F2)	1,499	1,554
	Transportation (T3)	695	1013
G2	<b>Total scope two (indirect electricity) emissions (Tonnes CO<sub>2</sub>-e) (EL1-EL4)</b>	16,028	16,847

## ELECTRICITY USE

Court Services Victoria consumes electricity as an essential utility to the operation of its built environment (i.e. the operation of offices and law court facilities). Consumption data represents a combination of owned and leased facilities, where most facilities feature either a tenancy or whole building electricity meter. Some facilities are co-located with Victoria Police, and feature only one meter for both facilities. For these cases, utility consumption is considered estimated, and apportioned in line with the cost recovery split method (detailed below as “shared sites”. Where meter data is not available, consumption has been estimated. Metered data covers 95 per cent of FTE.

**Table 12: Electricity use summary**

	Description	2021-22	2020-21
EL1	<b>Total electricity consumption segmented by source (MWh)</b>	17,614	17,191
	Purchased electricity	16,737	See total
	Shared sites	877	See total
	Self-generated	0	0
EL2	<b>On-site electricity generated segmented by usage and source (MWh)</b>	0	0
EL3	<b>On-site installed generation capacity segmented by source (MW)</b>	0	0
EL4	<b>Total electricity offsets segmented by offset type (MWh)</b>	0	0

### Actions undertaken

- Continuing rollout of the Environmental Management System (EMS) including energy management procedures and energy efficiency initiatives.
- Electrification of buildings to facilitate the use of renewable energy sources, moving away from non-renewable natural gas – see section on Stationary Fuel for more information.
- Preparing for the adoption of ZEV vehicles by installing chargers for staff at the new Bendigo Law Courts development and within the current Wyndham Law Courts design.
- Bendigo construction is on track to achieve a rating of Green Star 6. Wyndham design is pursuing a rating of Green Star 6. The following energy efficiency measures are included:
  - Rooftop solar PV
  - Efficient building fabric
  - Efficient HVAC systems
  - Reduced lighting power density
  - On-site renewable energy (Solar PV)
  - Green power purchasing (Wyndham)
- Transfer of all energy utility accounts across to State Procurement Contracts to facilitate the Victorian Government target to derive 100 per cent of its electricity supply from renewable sources by 2025.
- Environmentally Sustainable Design review of works projects delivered by Court Services Victoria, including energy assessments.
- Benchmarking energy intensity of owned facilities, and development of a new custom energy performance calculator for law courts (NABERS Energy does not apply to law courts).

### Explanatory notes

- Energy data is sourced directly from energy suppliers.
- Some electricity is unmetered and estimated. For example: Court Services Victoria occupies part of a building, tenant light and power is separately metered per tenant, base building electricity is not sub-metered therefore estimated. Court Services Victoria shares the site with Victoria Police, where the electricity meter serves both sites, electricity apportionment is estimated.



## STATIONARY FUEL USE

Court Services Victoria consumes natural gas as an essential utility to the operation of its built environment (i.e. the operation of offices and law court facilities) for space and domestic hot water heating. Consumption data represents a combination of owned and leased facilities, where most facilities feature either a tenancy or whole building gas meter. Some facilities are co-located with Victoria Police, and feature only one meter for both facilities. For shared meters, utility consumption is considered estimated, and apportioned in line with the cost recovery split method. Where meter data is not available, consumption has been estimated. Metered data covers 92 per cent of FTE.

**Table 13: Stationary fuel use summary**

Description	2021-22	2020-21
<b>F1 Total fuels used in buildings and machinery</b>		
Natural Gas (MJ)	29,089,484	30,151,148
<b>F2 Total emissions from stationary fuel consumption (Tonnes CO2-e)</b>		
Natural Gas	1,498.98	1,553.69

### Actions undertaken

- Electrification of buildings to facilitate the use of renewable energy sources, moving away from natural gas. Sites no longer using gas include:
  - Benalla
  - Bacchus Marsh
  - Dromana
  - Kyneton
  - Maryborough
- New law court facilities built by Court Services Victoria do not connect to/use natural gas.
- ESD works reviews include the adoption of alternatives to gas boilers on asset renewal.
- Preference is given to the adoption of solar PV and battery arrays to replace diesel standby generators, subject to feasibility.

### Explanatory notes

- Energy and emissions result corrected for FY21 due to a billing error.
- Energy data is sourced directly from energy suppliers.
- Where Court Services Victoria is a tenant in a larger facility, the whole building gas meter data is apportioned by net lettable area.

## TRAVEL AND TRANSPORT

Court Services Victoria uses a fleet of both executive and pool vehicles, for travel between law courts across Victoria. Court Services Victoria's transport footprint includes all corporate vehicles (including judiciary), and pool vehicle travel. Data was obtained from fuel card providers, with 1 per cent estimated data (km). Court Services Victoria encourages the use of fuel-efficient vehicles, with 103 featuring electric hybrid technology, four with plug-in electric hybrid technology, constituting approximately 29 per cent of the fleet. In 2020-2021, the percentage of hybrid vehicles was approximately 15 per cent.

Travel during the reporting year saw a decrease in passenger vehicle kilometres due to COVID-19 travel restrictions and the adoption of remote video conferencing facilities. The shorter trips that were undertaken have resulted in reduced fuel economy, and raised the emissions per km of travel from 0.1 to 0.13 tonnes CO<sub>2</sub>-e per 1000 km.

**Table 14: Court Services Victoria Fleet – Vehicle Types**

Vehicle Type	Pool Vehicles	Executive/ Judicial Vehicles
4 Cylinder Petrol	10 (2.7%)	149 (40.4%)
6 Cylinder Petrol	1 (0.3%)	47 (12.7%)
4 Cylinder Diesel	1 (0.3%)	2 (0.5%)
6 Cylinder Diesel	0 (0%)	52 (14.1%)
4 Cylinder Petrol – Hybrid	35 (9.5%)	68 (18.4%)
PHEV	1 (0.3%)	3 (0.8%)
<b>Total (vehicles)</b>	<b>48</b>	<b>321</b>

**Table 15: Transport Vehicle Types and Emissions**

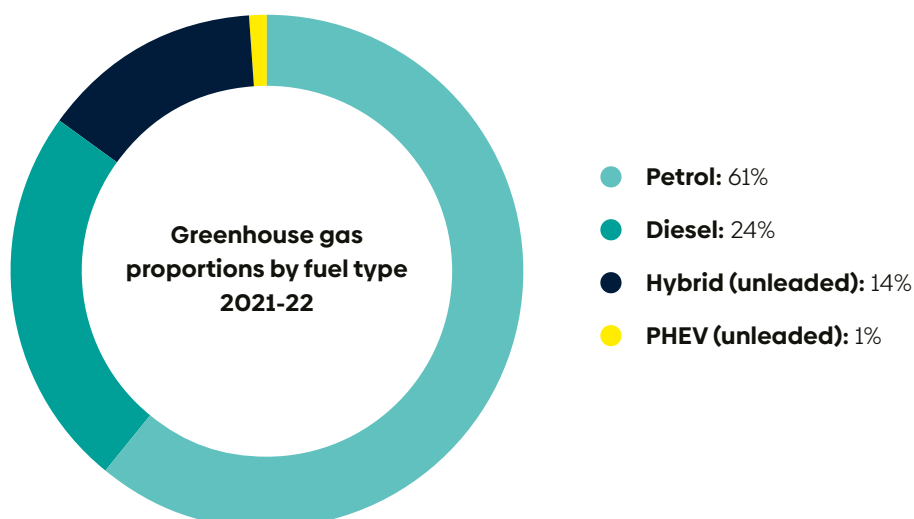
Description	2021-22	2020-21
<b>T1 Total energy used in transportation within the Entity (MJ)</b>	10,185,776	14,947,059
Petrol – Unleaded	6,776,477	12,591,178
Petrol – E10	28,726	
Petrol – Premium	1,005,782	
Diesel	2,374,791	2,355,881
<b>T2 Number and proportion of vehicles in the organisational boundary (number and percentage)</b>	369 (100%)	351 (100%)
Petrol – Unleaded	207 (56.1%)	297 (84.6%)
Diesel	55 (14.9%)	
Hybrid	103 (27.9%)	52 (14.8%)
PHEV	4 (1.1%)	2 (0.6%)
<b>T3 Total Greenhouse gas emissions from vehicle fleet (Tonnes CO<sub>2</sub>-e and tonnes CO<sub>2</sub>-e/1,000 km)</b>	695 (0.13)	1013 (0.1)
Petrol – Unleaded (including E10, Premium)	427 (0.14)	849 (0.1)
Diesel	167 (0.16)	165 (0.1)
Hybrid (unleaded)	96 (0.09)	See “Petrol”
PHEV (unleaded)	6 (0.12)	See “Petrol”

**Actions undertaken**

- Court Services Victoria minimises travel by using telephone and video conferencing facilities whenever possible. Staff are also encouraged to utilise public transport options via the environmental management system.
- Installation of Zero Emissions Vehicle (ZEV) chargers for staff of the new Bendigo Law Courts development, and in the design of the new Wyndham Law Courts.

**Explanatory notes**

- Emissions per 1000 km corrected for FY21 in the table above.
- All vehicles are classed as “passenger”.

**Figure 4: Transport greenhouse gas summary**

## SUSTAINABLE BUILDINGS AND INFRASTRUCTURE

### B1 – How environmentally sustainable design is incorporated into newly completed Entity-owned buildings

Court Services Victoria has adopted the internationally recognised rating system of Green Star by the Green Building Council of Australia. The Bendigo Law Courts, under construction and on track to achieve a 6 Star Green Star rating is the highest available under the scheme. The facility is also ready for the transition to Zero Emissions Vehicles (ZEV) with fast chargers available to staff and judiciary.

The design of the Wyndham Law Courts is also on track to achieve a Green Star 6 rating and be ZEV ready for staff and judiciary.

Court Services Victoria is developing a comprehensive Environmentally Sustainable Design guide to ratify this Green Star target and additional Court Services Victoria sustainability targets. This maintains compliance with Shared Service Providers Office Accommodation Fit Out Guidelines Interim addendum October 2021, that “All newly built government-owned offices to be built to achieve 6 Star NABERS/6 Star Green Star.”

### B2 – How new Entity leases meet the requirement to preference higher-rated office buildings and those with a Green Lease Schedule

The Green Lease Schedules reflect both Court Services Victoria and the landlord’s desire to improve and be accountable for energy efficiency in the Premises and the Building wherever possible. It is part of the wider policy of the Victorian Government and is reflected within the Office Accommodation guidelines 2007 and the *Climate Change Act 2017* to reduce the environmental impact of Government operations, and by so doing, lead the community by example. Court Services Victoria utilise various green lease schedules, as issued by SSP.

Court Services Victoria has added the Green Lease Schedules to the base lease during the reporting period, ensuring they are included in future agreements. Court Services Victoria has planned a review of the Green Lease Schedules during 2022 with the view to improve on the outcomes and include additional targets beyond those set by SSP, such as the electrification of buildings.

Schedules are tailored to the following leasing scenarios:

- Less than 1000 sqm
- Majority tenant and 100 to 4999 sqm
- Majority tenant and 5000 to 9999 sqm
- Majority tenant and greater than 10,000 sqm
- Part tenant and 1000 to 4999 sqm
- Part tenant greater than 5000 sqm

Green Lease Schedules are active at the following Court Services Victoria tenancies:

- 181 William St, Melbourne

### B3 – NABERS Energy ratings of newly completed/occupied Entity-owned office buildings and substantial tenancy fit-outs

The NABERS energy rating system does not formally rate law court facilities, and therefore cannot be used as an official energy rating system. Court Services Victoria are developing a custom energy intensity rating system based on NABERS to be able to measure performance over time and across the law courts. Court Services Victoria has not acquired a facility that qualifies as a traditional office under the NABERS energy rating system. Tenancy ratings were not conducted at leased sites during the reporting period.

**Table 16: Summary of NABERS ratings for leased assets**

Building Name	NABERS Rating Scope	NABERS Rating Type	Stars	Expiry Date
350 Queen St – Base building	Base Building Rating	Energy	4.5	29/03/2022
451 Little Bourke St	Base Building Rating	Energy	3.5	19/11/2022
555 Lonsdale St	Base Building Rating	Energy	5.5	20/05/2022
55 King St – Base Building	Base Building Rating	Energy	5	28/06/2022

### B4 – Environmental performance ratings of newly completed Entity-owned non-office building or infrastructure projects or upgrades with a value over \$1 million, where these ratings have been conducted

Official Green Star (or other) ratings were not received during the reporting period. Ratings are in progress and on target for the following facilities:

**Table 17: Green Star ratings for Court Services Victoria owned assets**

Building Name	Green Star Rating Type	Status	Stars	Anticipated Rating Date
Bendigo Law Courts	Design & As Built Pathway v1.2	In progress	6.0	2023
Wyndham Law Courts	Design & As Built Pathway v1.3	Issued For Main Works Tender	6.0	2025

## Government Advertising Expenditure

Court Services Victoria did not conduct any advertising campaign in the financial year 2021-22.

## 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.

## 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  
<https://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](mailto: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. Court Services Victoria people management policies, resources and programs reflect the guiding principles of the *Carers Recognition Act 2012*. During 2021-22, Court Services Victoria launched a new Employee Assistance Program which provides expanded supports including a specialist disability and carers helpline.

The Court Services Victoria Gender Equality Action Plan 2021-2025 also includes actions to regularise flexible working arrangements and provide additional supports for employees with family and/or caring responsibilities.

## Consultancy Expenditure

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

In 2021-22, there were 31 consultants engage across 48 engagements where the total fees payable to the consultants were \$10,000 or greater. The total expenditure incurred during 2021-22 in relation to these consultancies is \$8.770 million (excluding GST).

**Table 18: Consultancies Valued at \$10,000 or Greater**

Consultant	Purpose of consultancy	Total approved project fee \$ (excl. GST)	Expenditure \$ (excl. GST)	Future Expenditure \$ (excl. GST)
Allegra Consulting Group Pty Ltd	Support to develop the MCV Service Centre	\$39,270.00	\$39,270.00	\$0.00
Atlin Pty Ltd	MCV CMS Organisational Change Support Services	\$8,447,920.00	\$2,979,387.23	\$95,883.82
Aurecon Australasia Pty Ltd	Bendigo Court Peer Review of building services design and documentation	\$90,900.00	\$55,372.50	\$32,717.50
Avance Logic Pty Ltd	CSV Data Analysis – Case backlog reduction	\$30,247.50	\$29,020.80	\$1,226.70
Beaker and Flint	CSV Koori Data Strategy Development	\$49,500.00	\$45,000.00	\$4,500.00
Bevington Consulting Pty Ltd	CSV Courts Recovery Plan Modelling	\$188,589.09	\$440.00	\$35,120.00
Biruu Pty Ltd	Consultancy for the 436 Lonsdale St, Melbourne Future Use Project	\$119,275.20	\$89,456.40	\$29,818.80
Biruu Pty Ltd	Analysis of CSV's deprecating assets and maintenance impact	\$21,508.00	\$21,508.00	\$0.00
Biruu Pty Ltd	CSV Design and Sustainable Planning Organisational Review	\$19,800.00	\$19,800.00	\$0.00
Biruu Pty Ltd	Support for development of CSV Performance Measurement Framework	\$17,820.00	\$17,820.00	\$0.00
Capability Network Pty Ltd	Professional Services for VCAT Member Resourcing and Backlog	\$185,000.00	\$185,000.00	\$0.00
Charter Keck Cramer Pty Ltd	VCAT Long-term Accommodation Advisory Services	\$95,000.00	\$45,000.00	\$50,000.00
Clear Horizon Consulting Pty Ltd	Evaluation of Mildura FVIO Breaches Pilot Project	\$159,804.54	\$51,816.81	\$7,559.73
CKI Group Pty Ltd	MCV Application development and deployment	\$529,204.00	\$422,486.60	\$106,717.40
Cube Group Management Consulting Pty Ltd	MCV Family Violence and Court Mandated Counselling Order Program Modelling	\$392,272.73	\$175,504.50	\$216,768.23

Consultant	Purpose of consultancy	Total approved project fee \$ (excl. GST)	Expenditure \$ (excl. GST)	Future Expenditure \$ (excl. GST)
Deloitte Touche Tohmatsu	CCV PPP Future Accommodation & Service Needs	\$1,336,569.09	\$102,402.54	\$196,803.26
Deloitte Touche Tohmatsu	Specialist Children's Court – Formative Evaluation and Cost Benefit Analysis	\$226,792.73	\$109,920.00	\$6,952.73
Deloitte Touche Tohmatsu	CSV Budget Management & Accountability Framework	\$40,909.10	\$40,909.10	\$0.00
Deloitte Touche Tohmatsu	VCAT Transformation Vision and Strategy	\$713,518.64	\$713,518.62	\$0.00
Effective Management Solutions Pty Ltd	CSV Development of Koori Strategy	\$20,320.00	\$19,600.00	\$720.00
Elizabeth Grainger	Support to Develop CSV's Corporate Work Plan	\$119,100.00	\$23,000.00	\$0.00
Elizabeth Grainger	Support for the delivery of CSV's Strategic Plan 2021-22	\$58,800.00	\$58,800.00	\$0.00
Fenton Strategic Communications Pty Ltd	Neighbourhood Justice Centre Communication and Stakeholder Engagement Strategy Development	\$25,950.00	\$5,000.00	\$0.00
Hodgson Associates	SCV Advisory Support Services	\$75,000.00	\$31,000.00	\$44,000.00
Infrastructure Advisory Group Pty Ltd	CCV PPP Commercial Strategy and Contract Negotiation Services	\$4,294,243.79	\$524,576.25	\$93,794.20
Infrastructure Advisory Group Pty Ltd	VCAT Long Term Accommodation	\$85,480.00	\$76,617.50	\$8,862.50
Integral Group Victoria Pty Ltd	CSV Development of Environmental Services Framework and Guidelines	\$34,219.00	\$17,195.50	\$17,023.50
Juliet Frizzell Consulting	Koori Strategic Plan Development	\$72,272.73	\$13,636.37	\$0.00
Kerstin Thompson Architects Pty Ltd	Design framework for the Supreme Court of Victoria heritage sites	\$362,926.00	\$52,118.53	\$0.00
KPMG	VCAT Residential Tenancies Backlog Assessment	\$60,141.00	\$60,141.00	\$0.00
Nous Group Pty Ltd	MCV Knowledge Management Strategy	\$72,000.00	\$72,000.00	\$0.00
Peddle Thorp Interiors Pty Ltd	CSV Courts Family Violence Reform – Client Experience Feasibility Study	\$196,135.00	\$94,639.07	\$0.00
Plum Consulting Pty Ltd	CSV Development of Gender Equality Action Plan	\$45,600.00	\$36,000.00	\$9,600.00
Price Waterhouse Coopers	VCAT Long Term CBD Legal Precinct Accommodation Market Approach	\$204,545.45	\$21,804.00	\$0.00



Consultant	Purpose of consultancy	Total approved project fee \$ (excl. GST)	Expenditure \$ (excl. GST)	Future Expenditure \$ (excl. GST)
Price Waterhouse Coopers	CSV – Accelerated Temporary Courts – Accommodation Search	\$154,545.45	\$79,575.00	\$10,395.45
Price Waterhouse Coopers	MCV – Advisory Services for the Assessment and Referral Court	\$36,363.64	\$36,363.64	\$0.00
Price Waterhouse Coopers	CSV Develop 10 Year Plan for Courts Assets	\$90,000.00	\$90,000.00	\$0.00
Price Waterhouse Coopers Consulting Aust Pty Ltd	VCAT COVID-19 PEL Digital Response – Casework decommissioning project	\$4,956,023.19	\$125,160.00	\$130,841.35
Price Waterhouse Coopers Consulting Aust Pty Ltd	Development of CSV's Digital Service Model and Action Plan	\$224,125.00	\$224,125.00	\$0.00
Price Waterhouse Coopers Consulting Aust Pty Ltd	CSV's Corporate Shared Services Model and Delivery Plan	\$137,143.00	\$25,000.00	\$0.00
RSM Aust Pty Ltd	Probity Services for the CCV PPP Renewal Project	\$144,854.97	\$2,587.50	\$0.00
SGS Economics and Planning Pty Ltd	VCAT Long Term Accommodation Modelling	\$115,569.00	\$115,569.00	\$0.00
SGS Economics and Planning Pty Ltd	CSV Backlog Reduction Modelling	\$21,000.00	\$21,000.00	\$0.00
SGS Economics and Planning Pty Ltd	CSV Demand Modelling	\$99,029.09	\$47,116.00	\$0.00
Swinburne University of Technology	Evaluation of MCV Family Violence Reforms	\$801,194.55	\$62,364.55	\$397,245.45
The Boston Consulting Group Pty Ltd	CSV SIPC Strategy & Roadmap	\$1,419,000.00	\$621,000.00	\$798,000.00
The Boston Consulting Group Pty Ltd	Digital Support Services for the Case Management System	\$570,000.00	\$570,000.00	\$0.00
The Boston Consulting Group Pty Ltd	MCV Digital Transformation Implementation Project Review	\$500,000.00	\$500,000.00	\$0.00
<b>Total Consultancy above \$10,000</b>		<b>\$27,699,481.48</b>	<b>\$8,769,622.01</b>	<b>\$2,294,551.22</b>

## DETAILS OF CONSULTANCIES VALUED UNDER \$10,000

In 2021-22, three consultancy organisations were engaged where the total fee payable to the individual consultancy engagement was less than \$10,000. Consultancies under \$10,000 totalled \$27,459 (excl. GST).

## DISCLOSURE OF MAJOR CONTRACTS

Court Services Victoria entered into five contracts greater than \$10 million in the year ended 30 June 2022.

**Table 19: Contracts Greater than \$10 Million**

Company	Description	Start date	End date	Contract value \$ (excl. GST)
Devco Project and Construction Management Pty Ltd	Sunshine Law Court expansion and refurbishment	16/8/2021	23/8/2024	\$10,447,462
Cenitex	Provision of general Information and Communication Technology Services	1/7/2021	30/6/2022	\$13,181,818
Dorevitch Pathology	Toxicology Services for Victorian Drug Courts (MCV and CCV). Including urinalysis and testing in oral fluid	1/11/2021	31/10/2024	\$12,131,395
Kane Constructions Pty Ltd	Scope of works include all Principal Contractor works required for the establishment and fit-out for Children's Court of Victoria and related support workers to occupy a new three floor facility at 153 Foster Street, Dandenong	15/6/2022	24/2/2024	\$11,025,708
G4S Integrated Services Pty Ltd	Court User and Security Services at the County Court to maintain a safe and supportive environment for all court users	23/5/2022	22/5/2027	\$19,278,000

## Information and Communication Technology Expenditure

For the 2021-22 reporting period, Court Services Victoria had a total Information and Communication Technology (ICT) expenditure of \$93.07 million, with the details shown below.

**Table 20: Information and Communication Technology Expenditure**

All operational ICT expenditure	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)
Total		(Total = Operational expenditure and capital expenditure)	
	55,226	37,850	13,054
			24,796

### 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 2021-22, Court Services Victoria received 65 Freedom of Information (FOI) requests and finalised three FOI requests which were received in the last financial year.

Of the requests received, 43 were requests for personal documents and 22 were non-personal requests.

Court Services Victoria made five FOI decisions during the 12 months ending 30 June 2022. Three of the decisions were made within the 30-day statutory time period, and two decisions were made outside the time period. The decisions made outside the time period were as a result of the

original FOI Requests not being received by the Court Services Victoria FOI team from the relevant jurisdiction within the relevant timeframe, noting this was inadvertent on the part of the jurisdiction.

During 2021-22, one request was subject to review by the Office of the Victorian Information Commissioner (OVIC). OVIC's decision affirmed Court Services Victoria's decision. Four complaints were received by OVIC. Two of these complaints were dismissed by OVIC and two complaints are ongoing. One request from the previous reporting period was reviewed by the Victorian Civil and Administrative Tribunal (VCAT), with VCAT affirming Court Services Victoria's decision.

**Table 21: 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 <i>Freedom of Information Act</i> )	44
<b>Invalid requests – total</b>	<b>6</b>
<b>Valid requests (application fee paid or waived) – total</b>	
• Access granted in full	1
• Access granted in part	0
• Access denied	1
• No document exists/no document located	3
• Transferred to another agency	2
• Refused without identifying documents	0
• Not processed	0
• Not proceeded with	0
• Withdrawn	2
• In process	6
<b>Total outcomes</b>	<b>65</b>

## 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](mailto:foi@courts.vic.gov.au)

Requests can also be lodged online on at the Office of the Victorian Information Commissioner website – [www.ovic.vic.gov.au](http://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 at the OVIC website. 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  
3 November 2022

## Statement of Availability of Other Information

Under Financial Reporting Direction (FRD) 22 Standard Disclosures in the Report of Operations, Court Services Victoria is required to retain the following information for the 2021-22 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](mailto:feedback@courts.vic.gov.au)

## Disclosure Index

The Court Services Victoria Annual Report 2021-22 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

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FRD 22	Purpose, functions, powers and duties	6
FRD 8	Objectives, indicators and outputs	28
FRD 22	Key Initiatives and projects	15-27
FRD 22	Nature and range of services provided	15-27

#### Management and structure

Legislation	Requirement	Page
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#### Financial and other information

Legislation	Requirement	Page
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FRD 8	Budget portfolio outcomes	35
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FRD 12	Disclosure of major contracts	69
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FRD 22	Employment and conduct principles	45
FRD 22	Occupational health and safety policy	46-47
FRD 22	Summary of the financial results for the year	34
FRD 22	Significant changes in financial position during the year	N/A
FRD 22	Major changes or factors affecting performance	N/A
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FRD 22	Application and operation of Freedom of Information Act 1982 (Vic)	71-72
FRD 22	Compliance with building and maintenance provisions of Building Act 1993 (Vic)	51-52
FRD 22	Application and operation of the Public Interest Disclosures Act 2012 (Vic)	65
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### Compliance attestation and declaration

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## FINANCIAL STATEMENTS

### Declaration

Legislation	Requirement	Page
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### Other requirements under Standing Directions 5.2

Legislation	Requirement	Page
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### Other disclosures as required by Financial Reporting Directions in notes to the financial statements

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**LEGISLATION**

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SECTION 5:

# Financial Statements

For the financial year ended 30 June 2022



## How this report is structured

Court Services Victoria (CSV) has presented its audited general purpose financial statements for the financial year ended 30 June 2022 in the following structure to provide users with the information about CSV's stewardship of resources entrusted to it.

<b>Declarations:</b>	Declaration in the financial statements
	Independent Auditor's Report
<b>Financial Statements:</b>	Comprehensive operating statement
	Balance sheet
	Cash flow statement
	Statement of changes in equity
<b>Notes to the financial statements:</b>	<b>1. About this report</b>
	The basis on which the financial statements have been prepared and compliance with reporting regulations
	<b>2. Funding delivery of our services</b>
	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
	<b>3. The cost of delivering services</b>
	3.1 Expenses incurred in delivery of services
	3.2 Grant and other transfers
	3.3 Capital asset charge
	3.4 Supplies and services
	<b>4. Disaggregated financial information by output</b>
	4.1 CSV's outputs – descriptions and objectives
	4.2 Controlled items
	4.3 Administered items
	<b>5. Key assets available to support output delivery</b>
	5.1 Property, plant and equipment
	5.2 Intangible assets
	5.3 Purchase of the County Court Building Melbourne
	<b>6. Other assets and liabilities</b>
	6.1 Receivables
	6.2 Payables
	<b>7. Financing our operations</b>
	7.1 Lease liabilities (CSV as lessee)
	7.2 Cash flow information and balances
	7.3 Trust account balances
	7.4 Commitments for expenditure
	<b>8. Risks, contingencies and valuation judgements</b>
	8.1 Financial instruments specific disclosures
	8.2 Contingent assets and contingent liabilities
	8.3 Fair value determination
	<b>9. Other disclosures</b>
	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
	<b>10. Glossary of technical terms and style conventions</b>

## 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 2022 and financial position of Court Services Victoria at 30 June 2022.

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 3 November 2022.



**The Honourable Chief Justice  
Mary Anne Ferguson**

Chair of the Courts Council  
Court Services Victoria

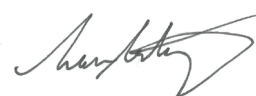
Melbourne  
3 November 2022



**Louise Anderson**

Chief Executive Officer  
Court Services Victoria

Melbourne  
3 November 2022



**Salvatore Costanzo**

Chief Finance Officer  
Court Services Victoria

Melbourne  
3 November 2022



Victorian Auditor-General's Office

# Independent Auditor's Report

## To the Courts Council of Court Services Victoria

<b>Opinion</b>	<p>I have audited the financial report of Court Services Victoria which comprises the:</p> <ul style="list-style-type: none"> <li>• balance sheet as at 30 June 2022</li> <li>• comprehensive operating statement for the year then ended</li> <li>• statement for changes in equity for the year then ended</li> <li>• cash flow statement for the year then ended</li> <li>• notes to the financial statements, including significant accounting policies</li> <li>• declaration in the financial statements.</li> </ul> <p>In my opinion the financial report presents fairly, in all material respects, the financial position of Court Services Victoria as at 30 June 2022 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>
<b>Basis for opinion</b>	<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 Court Services Victoria 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>
<b>The Courts Council's responsibilities for the financial report</b>	<p>The Courts Council of Court Services Victoria 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 Court Services Victoria'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**

As required by the *Audit Act 1994*, 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.

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:

- 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 Court Services Victoria'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 Court Services Victoria'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 Court Services Victoria 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.

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.

MELBOURNE  
15 November 2022

Janaka Kumara  
As delegate of the Auditor-General of Victoria

## Comprehensive operating statement

For the financial year ended 30 June 2022

	Note	2022 \$'000	2021 \$'000
<b>CONTINUING OPERATIONS</b>			
<b>Income from transactions</b>			
Output appropriations	2.1	738,433	513,448
Special appropriations	2.1	188,615	170,080
Grants	2.1	25,139	27,992
<b>Total income from transactions</b>		<b>952,186</b>	<b>711,520</b>
<b>EXPENSES FROM TRANSACTIONS</b>			
Employee expenses and Judicial Officer remuneration	3.1	442,831	403,916
Depreciation and amortisation	5.1	90,132	76,147
Interest expense on lease liabilities		1,723	3,361
Grants and other transfers	3.2	14,404	14,140
Capital asset charge	3.3	0	48,296
Supplies and services	3.4	200,176	165,427
Compensation payment	5.3	207,213	0
<b>Total expenses from transactions</b>		<b>956,479</b>	<b>711,286</b>
<b>Net result from transactions (net operating balance)</b>		<b>(4,293)</b>	<b>235</b>
<b>OTHER ECONOMIC FLOWS INCLUDED IN NET RESULT</b>			
Net gain/(loss) on revaluation of building	9.1	0	(11,225)
Net gain/(loss) on non-financial assets	9.1	52	1,421
Net gain/(loss) on financial instruments	9.1	11	(0)
Other gains/(losses) from other economic flows	9.1	6,211	9,154
<b>Total other economic flows included in net result</b>		<b>6,274</b>	<b>(650)</b>
<b>Net result</b>		<b>1,981</b>	<b>(415)</b>
<b>OTHER ECONOMIC FLOWS - OTHER COMPREHENSIVE INCOME</b>			
<b>Items that will not be reclassified to net result</b>			
Changes in physical asset revaluation surplus	5.1	0	69,181
<b>Total other economic flows - other comprehensive income</b>		<b>0</b>	<b>69,181</b>
<b>Comprehensive result</b>		<b>1,981</b>	<b>68,766</b>

The accompanying notes form part of these financial statements.

## Balance sheet

As at 30 June 2022

	Note	2022 \$'000	2021 \$'000
<b>FINANCIAL ASSETS</b>			
Cash and deposits	7.2	21,890	22,230
Receivables	6.1	107,067	145,305
<b>Total financial assets</b>		<b>128,957</b>	<b>167,535</b>
<b>NON-FINANCIAL ASSETS</b>			
Property, plant and equipment	5.1/5.3	1,532,930	1,226,694
Intangible assets	5.2	49,167	40,065
Prepayments		12,442	7,174
Non-financial physical assets classified as held for sale		531	176
<b>Total non-financial assets</b>		<b>1,595,070</b>	<b>1,274,109</b>
<b>Total assets</b>		<b>1,724,027</b>	<b>1,441,644</b>
<b>LIABILITIES</b>			
Payables	6.2	92,701	58,288
Borrowings	7.1	86,862	91,362
Provisions	3.1	114,030	110,012
<b>Total liabilities</b>		<b>293,593</b>	<b>259,662</b>
<b>Net assets</b>		<b>1,430,434</b>	<b>1,181,982</b>
<b>EQUITY</b>			
Accumulated surplus/(deficit)		(28,551)	(30,532)
Contributed capital		1,144,940	898,469
Physical asset revaluation surplus		314,045	314,045
<b>Net worth</b>		<b>1,430,434</b>	<b>1,181,982</b>

The accompanying notes form part of these financial statements.



## Cash flow statement

For the financial year ended 30 June 2022

	Note	2022 \$'000	2021 \$'000
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>			
<b>Receipts</b>			
Receipts from Government		957,658	667,411
Receipts from other entities		25,796	27,727
Goods and services tax recovered from the Australian Taxation Office		76,265	27,665
<b>Total receipts</b>		<b>1,059,719</b>	<b>722,803</b>
<b>Payments</b>			
Payments to suppliers, employees and Judicial Officers		701,562	(584,651)
Compensation Payment		(207,213)	
Payments of grants and other transfers		(6,883)	(7,300)
Capital assets charge payments		0	(48,296)
Interest and other costs of finance paid		(1,723)	(3,361)
<b>Total payments</b>		<b>917,381</b>	<b>(643,608)</b>
<b>Net cash flows from/(used in) operating activities</b>	7.2	<b>142,338</b>	<b>79,196</b>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>			
Purchases of non-financial assets		(359,204)	(119,493)
Proceeds from sales of non-financial assets		3,010	3,299
<b>Net cash flows from/(used in) investing activities</b>		<b>(356,194)</b>	<b>(116,194)</b>
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>			
Owner contributions by State Government		246,471	71,349
Repayment of borrowings and principal portion of lease liabilities		(32,955)	(32,008)
<b>Net cash provided by/(used in) financing activities</b>		<b>213,516</b>	<b>39,340</b>
<b>Net increase (decrease) in cash held</b>		<b>(340)</b>	<b>2,342</b>
Cash and cash equivalents at the beginning of the financial year		22,230	19,888
<b>Cash and cash equivalents at the end of the financial year</b>	8.1	<b>21,890</b>	<b>22,230</b>

The accompanying notes form part of these financial statements.

## Statement of changes in equity

For the financial year ended 30 June 2022

2022	Note	Physical asset revaluation surplus \$'000	Accumulated surplus/ (deficit) \$'000	Contributed capital \$'000	Total \$'000
<b>Balance as at 1 July 2021</b>		<b>314,045</b>	<b>(30,532)</b>	<b>898,469</b>	<b>1,181,982</b>
Net result for the year			1,981		<b>1,981</b>
Other comprehensive income	5.1	0			<b>0</b>
Transactions with the State in its capacity as owners <sup>(i)</sup>				246,471	<b>246,471</b>
<b>Balance at 30 June 2022</b>		<b>314,045</b>	<b>(28,551)</b>	<b>1,144,940</b>	<b>1,430,434</b>

2021	Note	Physical asset revaluation surplus \$'000	Accumulated surplus/ (deficit) \$'000	Contributed capital \$'000	Total \$'000
<b>Balance as at 1 July 2020</b>		<b>244,864</b>	<b>(30,117)</b>	<b>827,120</b>	<b>1,041,868</b>
Net result for the year			(415)		<b>(415)</b>
Other comprehensive income	5.1	69,181			<b>69,181</b>
Transactions with the State in its capacity as owners				71,349	<b>71,349</b>
<b>Balance at 30 June 2021</b>		<b>314,045</b>	<b>(30,532)</b>	<b>898,469</b>	<b>1,181,982</b>

**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 seven committees that inform the work of the Courts Council.

CSV's principal address is:

**Level 15, 181 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 (AAS), 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 AAS 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.

#### **Impact of COVID-19 on the financial statement**

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)
- Property Plant & Equipment (Note 5.1); and
- Changes in expected credit losses for loans and other financial assets (Note 8.1.3)

## 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

	Notes	2022 \$'000	2021 \$'000
Output appropriations	2.2	738,433	513,448
Special appropriations	2.2	188,615	170,080
Grants	2.4.1	25,139	27,992
<b>Total income from transactions</b>		<b>952,186</b>	<b>711,520</b>

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 Financial Reporting Directions (FRD), 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.

2022	Appropriation Act		Financial Management Act 1994		
	Annual appropriation \$'000	Advance from Treasurer \$'000	Section 28 \$'000	Section 29 \$'000	Section 31A \$'000
<b>CONTROLLED</b>					
Provision of outputs	455,782	203,430	0	64,632	28,351
Additions to net assets	211,288	86,430	0	0	(28,351)
	<b>667,070</b>	<b>289,859</b>	<b>0</b>	<b>64,632</b>	<b>0</b>

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

### Note:

- (1) Section 34 Financial Management Act 1994 (FMA): s34 provides the legal authority to reduce the appropriation in the 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) Owners Contribution by State Government is appropriations applied for additions to net assets from annual parliamentary appropriations and special appropriations.
- (3) The variance between the applied provision of outputs \$739.345m and note 2.1 output appropriations \$738.433m relates to \$0.912m revenue subsequently recognised post the certification of applied revenue in the 2020/21 year and hence was not claimed. This amount has been claimed in the 2021/22 year.
- (4) The variance is primarily related to rescheduling committed projects for delivery in future years.

Financial Management Act 1994					
Section 32 \$'000	Section 34 <sup>(1)</sup> \$'000	Section 35 \$'000	Total Parliamentary authority \$'000	Appropriations applied \$'000	Variance <sup>(4)</sup> \$'000
4,693	(3,090)	0	753,796	739,345 <sup>(3)</sup>	14,451
20,557	(4,450)	0	285,474	248,371 <sup>(2)</sup>	37,103
<b>25,250</b>	<b>(7,540)</b>	<b>0</b>	<b>1,039,270</b>	<b>987,716</b>	<b>51,555</b>

Financial Management Act 1994					
Section 32 \$'000	Section 34 <sup>(1)</sup> \$'000	Section 35 \$'000	Total Parliamentary authority \$'000	Appropriations applied \$'000	Variance <sup>(4)</sup> \$'000
2,909	(15,667)	0	517,804	512,526	5,279
7,340	(21,258)	0	111,061	69,391 <sup>(2)</sup>	41,670
<b>10,249</b>	<b>(36,925)</b>	<b>0</b>	<b>628,865</b>	<b>581,917</b>	<b>46,949</b>



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

**a) Summary of compliance with special appropriations <sup>(1)</sup>**

Authority		Purpose: Operating Costs	2022 \$'000	2021 \$'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	32,527	28,571
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	9,165	8,643
3	<i>County Court Act 1958</i> (No. 6230/1958) s.10 (7)	Remuneration of Judges of the County Court of Victoria	43,751	38,078
4	<i>Victims of Crime Assistance Act 1996</i> (No. 81/1996), s.69	Operating costs of the Victims of Crime Assistance Tribunal	48,143	50,554
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	72,066	70,217
6	<i>Victorian Civil and Administrative Tribunal Act 53 of 1998 section 17AA</i>	Remuneration of Members of the Victorian Civil and Administrative Tribunal	24,041	22,375
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>	2	6
8	<i>Constitution Act No. 8750</i> – Section 87AAT(5)	Judicial Commission Investigation Panel	0	37
			<b>229,695</b>	<b>218,482</b>

(1) Presentation of Special Appropriations has been simplified by combining previous tables and the comparatives from 2021 restated.

## 2.4 INCOME FROM TRANSACTIONS

### 2.4.1 Grants

	2022 \$'000	2021 \$'000
General government	24,597	27,663
Other specific purpose	542	329
<b>Total grants</b>	<b>25,139</b>	<b>27,992</b>

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 \$74.8m (2021: \$74.8m).

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

	Notes	2022 \$'000	2021 \$'000
Employee benefit and Judicial Officer remuneration expenses	3.1.1	442,831	403,916
Grants and other transfers – Judicial College & Judicial Commission	3.2	7,496	6,821
Other grants and other transfers	3.2	6,908	7,319
Capital asset charge	3.3	0	48,296
Supplies and services	3.4	200,176	165,427
<b>Total expenses incurred in delivery of services</b>		<b>657,411</b>	<b>631,779</b>

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

	Notes	2022 \$'000	2021 \$'000
Defined contribution superannuation expense	3.1.3	30,699	25,945
Defined benefit superannuation expense	3.1.3	1,483	1,621
Termination benefits		43	254
Salaries and wages		342,104	317,904
Leave expenses (annual leave and long service leave)		39,597	34,467
Other on-costs (fringe benefits tax, payroll tax, training and WorkCover levy)		28,905	23,725
<b>Total employee expenses and Judicial Officer remuneration</b>		<b>442,831</b>	<b>403,916</b>

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.

	2022 \$'000	2021 \$'000
<b>CURRENT PROVISIONS</b>		
<b>Annual leave</b>		
Unconditional and expected to settle within 12 months	19,431	18,524
Unconditional and expected to settle after 12 months	7,747	6,605
<b>Long service leave</b>		
Unconditional and expected to settle within 12 months	5,792	5,822
Unconditional and expected to settle after 12 months	52,073	52,554
<b>Provisions for on-costs</b>		
Unconditional and expected to settle within 12 months	6,179	5,733
Unconditional and expected to settle after 12 months	8,669	8,135
<b>Total current provisions for employee benefits and Judicial Officer remuneration</b>	<b>99,892</b>	<b>97,375</b>
<b>NON-CURRENT PROVISIONS</b>		
Employee benefits and Judicial Officer remuneration	12,571	11,277
On-costs	1,567	1,361
<b>Total non-current provisions for employee benefits and Judicial Officer remuneration</b>	<b>14,138</b>	<b>12,637</b>
<b>Total provisions for employee benefits and Judicial Officer remuneration</b>	<b>114,030</b>	<b>110,012</b>

## Reconciliation of movement in on-cost provision

	2022 \$'000	2021 \$'000
Opening balance	15,229	13,736
Additional provisions recognised	5,658	4,574
Reductions arising from payments/other sacrifices of future economic benefits	(4,472)	(3,080)
<b>Closing balance</b>	<b>16,416</b>	<b>15,229</b>
Current	14,848	13,869
Non-current	1,567	1,361
<b>Total</b>	<b>16,416</b>	<b>15,229</b>

**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.

**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	
	2022 \$'000	2021 \$'000	2022 \$'000	2021 \$'000
<b>DEFINED BENEFIT PLANS:</b>				
Emergency Services and State Super	1,483	1,572	0	48
<b>DEFINED CONTRIBUTION PLANS:</b>				
VicSuper Part of Aware Super	16,864	14,353	0	489
Various other	13,836	10,718	0	384
<b>Total</b>	<b>32,182</b>	<b>26,644</b>	<b>0</b>	<b>922</b>

**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.

### 3.3 CAPITAL ASSET CHARGE

A Capital Asset Charge (CAC) was a charge levied by the Department of Treasury and Finance on the budgeted written down value of controlled non-current physical assets in CSV's balance sheet. In previous years, CAC was used to demonstrate the opportunity cost of utilising government assets.

The CAC policy was discontinued by government in 2021-22 and also reflected in the 2021-22 Budget. Accordingly, no charge was levied on CSV this year. This does not have an impact on the financial performance as CSV was funded for their CAC expense, and then immediately paid the same amount back into the Consolidated Fund.

### 3.4 SUPPLIES AND SERVICES

	2022 \$'000	2021 \$'000
Accommodation and property services	40,840	33,507
Lease rental expenses – Low Value/Short-term leases	2,645	832
Outsourced contracts	27,583	23,869
Contractors, professional services and consultants	43,736	40,312
Printing, stationery and other office expenses	14,404	12,631
Technology services	33,666	29,577
Juror payments	3,406	1,634
Repairs and maintenance	9,174	5,258
Deceased removals and transfer costs (Coroners Court)	4,866	4,746
Interpreter and translation services	3,258	2,573
Ex-gratia expenses	0	3
Other	16,598	10,485
<b>Total supplies and services</b>	<b>200,176</b>	<b>165,427</b>

**Supplies and services** expenses generally represent day-to-day running costs incurred in normal operations. Accommodation and property services includes 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.

**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.

## 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 2022 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 Corporate 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 2022

	Supreme Court of Victoria		County Court of Victoria		Magistrates' Court of Victoria	
	2022 \$'000	2021 \$'000	2022 \$'000	2021 \$'000	2022 \$'000	2021 \$'000
<b>INCOME FROM TRANSACTIONS</b>						
Output appropriations <sup>(i)</sup>	57,883	58,853	297,448	78,359	194,151	185,419
Special appropriations <sup>(i)</sup>	42,173	36,786	44,239	37,514	62,410	59,972
Grants	0	0	0	0	3,959	3,279
Other income	0	0	0	0	0	0
<b>Total income from transactions</b>	<b>100,055</b>	<b>95,639</b>	<b>341,686</b>	<b>115,873</b>	<b>260,520</b>	<b>248,670</b>
<b>EXPENSES FROM TRANSACTIONS</b>						
Employee expenses and Judicial Officer remuneration	65,893	60,409	73,831	65,697	167,741	149,168
Depreciation and amortisation	15,314	11,307	27,894	17,543	22,884	25,811
Interest expense	55	90	773	2,258	698	762
Grants and other transfers	600	550	410	2	4,129	5,124
Capital asset charge <sup>(i)</sup>	0	12,713	0	7,638	0	13,208
Supplies and services	20,707	17,742	30,068	25,378	58,022	52,379
Compensation payment	0	0	207,213	0	0	0
<b>Total expenses from transactions</b>	<b>102,569</b>	<b>102,811</b>	<b>340,189</b>	<b>118,517</b>	<b>253,474</b>	<b>246,452</b>
<b>Net result from transactions (net operating balance)</b>	<b>(2,514)</b>	<b>(7,172)</b>	<b>1,497</b>	<b>(2,643)</b>	<b>7,046</b>	<b>2,219</b>
<b>OTHER ECONOMIC FLOWS INCLUDED IN NET RESULT</b>						
Net gain/(loss) on revaluation of building		35,810		11,782		(26,487)
Net gain/(loss) on non-financial assets	(884)	536		297		238
Net gain/(loss) on financial instruments	0	0	0	0	0	0
Other gains/(losses) from other economic flows	1,373	2,011	1,158	1,753	2,152	3,193
<b>Total other economic flows included in net result</b>	<b>488</b>	<b>38,357</b>	<b>1,158</b>	<b>13,832</b>	<b>2,152</b>	<b>(23,055)</b>
<b>Net Result from continuing operations</b>	<b>(2,025)</b>	<b>31,185</b>	<b>2,655</b>	<b>11,189</b>	<b>9,199</b>	<b>(20,836)</b>

	Children's Court of Victoria		Coroners Court of Victoria		Victorian Civil & Administrative Tribunal		CSV Corporate Services		Total	
	2022 \$'000	2021 \$'000	2022 \$'000	2021 \$'000	2022 \$'000	2021 \$'000	2022 \$'000	2021 \$'000	2022 \$'000	2021 \$'000
	25,949	30,602	19,095	16,767	26,613	25,235	117,294	118,212	738,433	513,448
	8,608	7,659	6,982	5,921	24,204	22,191	0	37	188,615	170,080
	0	0	542	329	19,640	20,589	998	3,795	25,138	27,992
	0	0	0	0	0	0	0	0	0	0
	<b>34,557</b>	<b>38,261</b>	<b>26,618</b>	<b>23,017</b>	<b>70,457</b>	<b>68,015</b>	<b>118,291</b>	<b>122,045</b>	<b>952,185</b>	<b>711,520</b>
	25,348	23,397	17,012	15,280	55,796	54,784	37,209	35,180	442,831	403,916
	3,666	4,676	239	146	7,770	7,763	12,364	8,900	90,132	76,147
	13	25	4	5	178	236	3	(16)	1,723	3,361
	275	250	0	0	0	0	8,990	8,214	14,404	14,140
	0	3,473	0	128	0	1,170	0	9,965	0	48,296
	4,911	6,025	8,377	7,777	9,806	7,580	68,286	48,547	200,176	165,427
		0	0		0	0	0	0	207,213	0
	<b>34,213</b>	<b>37,846</b>	<b>25,632</b>	<b>23,336</b>	<b>73,550</b>	<b>71,533</b>	<b>126,851</b>	<b>110,791</b>	<b>956,479</b>	<b>711,286</b>
	<b>343</b>	<b>415</b>	<b>986</b>	<b>(319)</b>	<b>(3,093)</b>	<b>(3,518)</b>	<b>(8,559)</b>	<b>11,254</b>	<b>(4,293)</b>	<b>235</b>
		(6,952)				(2,258)		(23,120)	0	(11,225)
	(211)	128		17		160	1,148	43	53	1,421
	0	0		0	0	0	11	(0)	11	(0)
	336	493	155	221	513	754	524	729	6,211	9,154
	<b>125</b>	<b>(6,331)</b>	<b>155</b>	<b>239</b>	<b>513</b>	<b>(1,344)</b>	<b>1,683</b>	<b>(22,348)</b>	<b>6,274</b>	<b>(650)</b>
	<b>468</b>	<b>(5,916)</b>	<b>1,141</b>	<b>(80)</b>	<b>(2,579)</b>	<b>(4,862)</b>	<b>(6,877)</b>	<b>(11,094)</b>	<b>1,981</b>	<b>(415)</b>

	Supreme Court of Victoria		County Court of Victoria		Magistrates' Court of Victoria	
	2022 \$'000	2021 \$'000	2022 \$'000	2021 \$'000	2022 \$'000	2021 \$'000
<b>OTHER ECONOMIC FLOWS – OTHER COMPREHENSIVE INCOME</b>						
<b>Items that will not be reclassified to net result</b>						
Changes in physical asset revaluation reserve <sup>(i)</sup>		39,218		30,228		(28,299)
<b>Total other economic flows – other comprehensive income</b>	<b>0</b>	<b>39,218</b>	<b>0</b>	<b>30,228</b>	<b>0</b>	<b>(28,299)</b>
<b>Comprehensive result</b>	<b>(2,025)</b>	<b>70,403</b>	<b>2,655</b>	<b>41,417</b>	<b>9,199</b>	<b>(49,135)</b>

**Note:**

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

**Schedule B – Controlled assets and liabilities by jurisdiction as at 30 June 2022**

	Supreme Court of Victoria		County Court of Victoria		Magistrates' Court of Victoria	
<b>Assets</b>	2022 \$'000	2021 \$'000	2022 \$'000	2021 \$'000	2022 \$'000	2021 \$'000
Financial assets	10,133	5,464	19,882	5,318	20,633	18,697
Non-financial assets <sup>(i)</sup>	326,283	335,390	358,894	201,512	353,506	348,446
<b>Total assets</b>	<b>336,416</b>	<b>340,854</b>	<b>378,776</b>	<b>206,830</b>	<b>374,138</b>	<b>367,143</b>
Liabilities	32,471	34,481	2,966	46,483	122,749	120,203
<b>Total liabilities</b>	<b>32,471</b>	<b>34,481</b>	<b>2,966</b>	<b>46,483</b>	<b>122,749</b>	<b>120,203</b>
<b>Net assets</b>	<b>303,945</b>	<b>306,373</b>	<b>375,810</b>	<b>160,347</b>	<b>251,390</b>	<b>246,940</b>

**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 Corporate Services		Total	
	2022 \$'000	2021 \$'000	2022 \$'000	2021 \$'000	2022 \$'000	2021 \$'000	2022 \$'000	2021 \$'000	2022 \$'000	2021 \$'000
		39,002		0	0	0		(10,968)	0	69,181
	<b>0</b>	<b>39,002</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>(10,968)</b>	<b>0</b>	<b>69,181</b>
	<b>468</b>	<b>33,086</b>	<b>1,141</b>	<b>(80)</b>	<b>(2,579)</b>	<b>(4,862)</b>	<b>(6,877)</b>	<b>(22,062)</b>	<b>1,981</b>	<b>68,766</b>

	Children's Court of Victoria		Coroners Court of Victoria		Victorian Civil & Administrative Tribunal		CSV Corporate Services		Total	
	2022 \$'000	2021 \$'000	2022 \$'000	2021 \$'000	2022 \$'000	2021 \$'000	2022 \$'000	2021 \$'000	2022 \$'000	2021 \$'000
	2,104	969	3,310	2,463	6,150	9,485	66,745	125,140	128,957	167,535
	89,250	91,621	3,262	3,386	25,733	30,865	438,143	262,889	1,595,070	1,274,109
	<b>91,354</b>	<b>92,590</b>	<b>6,572</b>	<b>5,848</b>	<b>31,883</b>	<b>40,350</b>	<b>504,887</b>	<b>388,029</b>	<b>1,724,027</b>	<b>1,441,644</b>
	8,459	11,440	5,409	5,490	26,654	31,695	94,885	9,870	293,593	259,662
	<b>8,459</b>	<b>11,440</b>	<b>5,409</b>	<b>5,490</b>	<b>26,654</b>	<b>31,695</b>	<b>94,885</b>	<b>9,870</b>	<b>293,593</b>	<b>259,662</b>
	<b>82,895</b>	<b>81,150</b>	<b>1,163</b>	<b>358</b>	<b>5,229</b>	<b>8,654</b>	<b>410,002</b>	<b>378,159</b>	<b>1,430,434</b>	<b>1,181,982</b>

### 4.3 ADMINISTERED (NON-CONTROLLED) ITEMS

#### For the financial year ended 30 June 2022

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 Corporate Services, 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	
	2022 \$'000	2021 \$'000	2022 \$'000	2021 \$'000
<b>ADMINISTERED INCOME FROM TRANSACTIONS</b>				
Special appropriations applied	0	0	0	0
Fines	1,114	1,940	(82)	(2,495)
Sales of goods and services (including fees)	25,044	21,746	9,494	9,180
Other income	45	52	260	79
<b>Total administered income from transactions</b>	<b>26,203</b>	<b>23,739</b>	<b>9,673</b>	<b>6,764</b>
<b>ADMINISTERED EXPENSES FROM TRANSACTIONS</b>				
Payments into the Consolidated Fund <sup>(i)</sup>	(26,164)	(23,697)	(9,503)	(9,202)
Criminal injuries compensation <sup>(ii)</sup>	0	0	0	0
Other expenses	0	0	77	2,084
<b>Total administered expenses from transactions</b>	<b>(26,164)</b>	<b>(23,697)</b>	<b>(9,426)</b>	<b>(7,118)</b>
<b>Total administered net result from transactions (net operating balance)</b>	<b>39</b>	<b>41</b>	<b>247</b>	<b>(354)</b>
<b>ADMINISTERED OTHER ECONOMIC FLOWS INCLUDED IN ADMINISTERED NET RESULT</b>				
Net gain/(loss) on non-financial assets				
Net gain/(loss) on financial instruments				
Other gains/(losses) from other economic flows				
<b>Total administered other economic flows</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>Total administered net result</b>	<b>39</b>	<b>41</b>	<b>247</b>	<b>(354)</b>

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

	Magistrates' Court of Victoria		Children's Court of Victoria		Victorian Civil & Administrative Tribunal		CSV Corporate Services		Total	
	2022 \$'000	2021 \$'000	2022 \$'000	2021 \$'000	2022 \$'000	2021 \$'000	2022 \$'000	2021 \$'000	2022 \$'000	2021 \$'000
	42,980	46,444	0	0	0	0	0	0	42,980	46,444
	1,832	2,812	0	0	0	0	0	0	2,864	2,257
	12,945	11,025	1	1	8,021	7,899	30	48	55,535	49,898
	239	257	0	0	0	18	416	559	961	964
	57,996	60,537	1	1	8,021	7,916	446	607	102,340	99,564
	(14,817)	(13,924)	(1)	(1)	(8,021)	(7,899)	(1,174)	222	(59,680)	(54,501)
	(42,980)	(46,444)	0	0	0	0	0	0	(42,980)	(46,444)
	0	0	0	0	0	0	(329)	(393)	(252)	1,691
	(57,796)	(60,368)	(1)	(1)	(8,021)	(7,899)	(1,503)	(171)	(102,911)	(99,253)
	199	170	0	0	0	18	(1,057)	436	(571)	310
	0	0	0	0	0	0	0	0	0	0
	199	170	0	0	0	18	(1,057)	436	(571)	310

**4.3 ADMINISTERED (NON-CONTROLLED) ITEMS (CONTINUED)****As at 30 June 2022**

	Supreme Court of Victoria		County Court of Victoria	
	2022 \$'000	2021 \$'000	2022 \$'000	2021 \$'000
<b>ADMINISTERED FINANCIAL ASSETS</b>				
Cash and deposits	148	148	8,125	4,769
Receivables	476	304	882	790
<b>Total administered financial assets</b>	<b>624</b>	<b>452</b>	<b>9,007</b>	<b>5,559</b>
<b>ADMINISTERED LIABILITIES</b>				
Creditors and accruals	0	0	0	0
Deposits payable	(0)	(1)	(7,220)	(3,864)
Provisions <sup>(i)</sup>	0	0	0	0
<b>Total administered liabilities</b>	<b>(0)</b>	<b>(1)</b>	<b>(7,220)</b>	<b>(3,864)</b>
<b>Total administered net assets (Liabilities)</b>	<b>623</b>	<b>451</b>	<b>1,787</b>	<b>1,695</b>

(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 Corporate Services		Total	
	2022 \$'000	2021 \$'000	2022 \$'000	2021 \$'000	2022 \$'000	2021 \$'000	2022 \$'000	2021 \$'000	2022 \$'000	2021 \$'000
	3,809	3,564	0	0	195	1,024	4,568	4,082	16,845	13,588
	4	98	0	0	0	0	44	31	1,406	1,222
	<b>3,813</b>	<b>3,662</b>	<b>0</b>	<b>0</b>	<b>195</b>	<b>1,024</b>	<b>4,612</b>	<b>4,113</b>	<b>18,251</b>	<b>14,810</b>
	0	0	0	0	(894)	(290)	(4)	(67)	(899)	(357)
	(5,494)	(5,248)	0	0	813	(84)	(4,121)	(3,712)	(16,022)	(12,909)
	(2,400)	(2,400)	0	0	0	0	(1)	(1)	(2,401)	(2,401)
	<b>(7,894)</b>	<b>(7,648)</b>	<b>0</b>	<b>0</b>	<b>(82)</b>	<b>(373)</b>	<b>(4,126)</b>	<b>(3,779)</b>	<b>(19,321)</b>	<b>(15,666)</b>
	<b>(4,080)</b>	<b>(3,987)</b>	<b>0</b>	<b>0</b>	<b>114</b>	<b>651</b>	<b>486</b>	<b>334</b>	<b>(1,070)</b>	<b>(856)</b>



## **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
- 5.3 Purchase of the County Court building Melbourne

## 5.1 PROPERTY, PLANT AND EQUIPMENT

	Gross carrying amount		Accumulated Depreciation		Net carrying amount	
	2022 \$'000	2021 \$'000	2022 \$'000	2021 \$'000	2022 \$'000	2021 \$'000
Land at fair value	546,025	546,025	0	0	546,025	546,025
Buildings at fair value <sup>(i)</sup>	692,151	476,396	(40,994)	(3,656)	651,157	472,741
Leasehold buildings at fair value	0	26,715	0	0	0	26,715
Leasehold improvements at fair value	40,937	40,369	(12,272)	(12,696)	28,665	27,672
Plant and equipment at fair value	12,438	7,898	(4,374)	(3,097)	8,064	4,801
Plant and equipment – Right-of Use	14,997	13,711	(3,891)	(3,872)	11,105	9,840
Computer and telecommunications equipment at fair value	45,442	37,615	(33,993)	(25,506)	11,448	12,109
Cultural assets at fair value	1,050	1,050	(10)	0	1,040	1,050
Assets under construction at cost <sup>(ii)</sup>	275,426	125,742	0	0	275,426	125,742
<b>Total property, plant and equipment</b>	<b>1,628,465</b>	<b>1,275,521</b>	<b>(95,535)</b>	<b>(48,827)</b>	<b>1,532,930</b>	<b>1,226,694</b>

(i) Refer to 5.3 for information on purchase of County Court building Melbourne.

(ii) Assets under construction increased from \$125m in 2021 to \$275m in 2022 predominately due to the redevelopment of the Bendigo Law Court (\$65m), accommodation requirements in central business district (\$46m) and the implementation of the new case management system (\$11m).

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.

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

#### 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
	2022 \$'000	2022 \$'000	2022 \$'000	2021 \$'000	2021 \$'000	2021 \$'000
Buildings at fair value	79,232	(15,156)	64,076	82,138	(792)	81,346
Property, Plant and Equipment	14,997	(3,891)	11,105	13,711	(3,872)	9,840
<b>Net carrying amount</b>	<b>94,229</b>	<b>(19,048)</b>	<b>75,181</b>	<b>95,850</b>	<b>(4,664)</b>	<b>91,186</b>

	Buildings at Fair Value	Buildings at Fair Value	Plant, Equipment & Vehicles at Fair Value	Plant, Equipment & Vehicles at Fair Value
	2022 \$'000	2021 \$'000	2022 \$'000	2021 \$'000
Opening Balance	81,346	107,361	9,840	10,218
Additions	23,957	3,988	5,764	4,090
Disposals		(4,294)	(1,686)	(1,977)
Depreciation	(41,228)	(29,985)	(2,281)	(2,316)
Revaluation of property		4,276		
Transfer to disposal group held for sale			(531)	(176)
<b>Closing Balance</b>	<b>64,076</b>	<b>81,346</b>	<b>11,105</b>	<b>9,840</b>

**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 useful lives.

**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.

In addition, the right-of-use asset is periodically reduced by impairment losses, if any and 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.

**Cultural 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 and Amortisation Charge for the period

	2022 \$'000	2021 \$'000
Buildings	25,837	23,926
Leasehold buildings under right of use assets at fair value	41,228	29,985
Leasehold improvements at fair value	6,403	6,369
Plant and equipment at fair value	9,945	8,877
Plant and equipment under right of use assets at fair value	2,281	2,316
Cultural assets	10	0
Software	4,428	4,675
<b>Total property, plant and equipment</b>	<b>90,132</b>	<b>76,147</b>

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 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 table below:

Asset	Useful life years
Cultural assets	100
Buildings	
• Structure/shell/building fabric	6 to 60
• Site engineering services	6 to 60
• Fit out	6 to 46
• Trunk reticulated building systems	6 to 46
Leasehold improvements	1 to 33
Right of Use buildings	1 to 12
Plant and equipment (incl right of use assets)	1 to 10
Computer and telecommunication equipment	2 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.

### 5.1.2 Reconciliation of movements in carrying values of property, plant and equipment

2022	Specialised Land at fair value	Specialised Buildings at fair value	Buildings leasehold at fair value
	\$'000	\$'000	\$'000
Opening balance	546,025	472,741	26,715
Additions <sup>(iii)</sup>		203,955	0
Disposals	0		
Depreciation	0	(40,350)	(26,715)
Revaluation of property			
Transfer between asset classes	0	2,864	0
Transfer to disposal group held for sale	0	0	0
Transfer in/out of assets under construction		11,946	
	546,025	651,157	0

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 <sup>(i) (ii)</sup>	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
<b>Closing balance</b>	<b>546,025</b>	<b>472,741</b>	<b>26,715</b>

- (i) 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.
- (ii) The loss of \$11.2 M following the revaluation of specialised buildings is recognised in "other economic flow" in the net result.
- (iii) On 3 December 2021, Court Service Victoria (CSV) signed an Asset Sale Agreement (ASA) to purchase the County Court building and associated furniture and fittings at 250 William Street Melbourne. CSV became the owner of the County Court building on 23 May 2022. The fair value of the building and associated furniture and fixture assessed by Jones Lang LaSalle (JLL) to be \$180M and \$787K respectively, have been recognised in CSV's asset register giving rise to increase in fixed assets and depreciation expenses. Refer to note 5.3 for further information.

Leasehold improvements at fair value	Plant and equipment at fair value	Computer and communication equipment	Leased plant and equipment at fair value (right-of-use-assets)	Cultural assets at fair value	Assets under construction at cost	Total
\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
<b>27,672</b>	<b>4,801</b>	<b>12,109</b>	<b>9,840</b>	<b>1,050</b>	<b>125,742</b>	<b>1,226,694</b>
	783	4	5,764	0	179,779	<b>390,285</b>
(1,074)	(21)	0	(1,686)	0		<b>(2,781)</b>
(6,403)	(1,339)	(8,605)	(2,281)	(10)	0	<b>(85,704)</b>
0	0	0	0		0	<b>0</b>
1,958	23	121	0	0	0	<b>4,966</b>
0	0	0	(531)	0	0	<b>(531)</b>
6,512	3,819	7,819			(30,095)	<b>0</b>
<b>28,665</b>	<b>8,064</b>	<b>11,448</b>	<b>11,105</b>	<b>1,040</b>	<b>275,426</b>	<b>1,532,931</b>

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



## 5.2 INTANGIBLE ASSETS

### 5.2.1 Intangible assets – excluding Case Management System (CMS)

	Computer Software	
	2022 \$'000	2021 \$'000
<b>GROSS CARRYING AMOUNT</b>		
Opening balance	61,488	60,443
Additions	47	3,821
Additions to/transfers from work in progress	2,351	(2,776)
Transfer between asset classes	(63)	
<b>Gross value at the end of the financial year</b>	<b>63,823</b>	<b>61,488</b>
<b>ACCUMULATED AMORTISATION AND IMPAIRMENT</b>		
Opening balance	(46,127)	(41,595)
Amortisation <sup>(i)</sup>	(4,286)	(4,533)
Transfer between asset classes	8	
<b>Closing balance</b>	<b>(50,405)</b>	<b>(46,127)</b>
<b>Net book value at the end of the financial year</b>	<b>13,418</b>	<b>15,361</b>

## 5.2.2 Intangible assets – CMS

	Computer Software	
	2022 \$'000	2021 \$'000
<b>GROSS CARRYING AMOUNT</b>		
Opening balance	999	999
<b>ACCUMULATED AMORTISATION AND IMPAIRMENT</b>		
Opening balance	(731)	(588)
Amortisation <sup>(i)</sup>	(143)	(143)
<b>Closing balance</b>	<b>(874)</b>	<b>(731)</b>
<b>Net book value at the end of the financial year</b>	<b>125</b>	<b>268</b>

## 5.2.3 Intangible assets – CMS (WIP)

	Computer Software	
	2022 \$'000	2021 \$'000
<b>GROSS CARRYING AMOUNT</b>		
Opening balance	24,436	12,363
Additions to work in progress	11,188	12,073
<b>Gross value at the end of the financial year</b>	<b>35,624</b>	<b>24,436</b>
<b>Total Intangible Assets</b>	<b>49,167</b>	<b>40,065</b>

**Notes:**

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

## 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.

CSV's internally generated intangible assets are software, arising from development (or from the development phase of an internal project) and are 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 (2021: 3 and 7 years).

Intangible non-produced assets with finite lives are amortised on a straight-line basis over their useful lives. The amortisation period is 3 to 5 years (2021: 3 and 5 years).

### 5.3 PURCHASE OF THE COUNTY COURT BUILDING MELBOURNE

The State, through CSV, entered into a 20 year public private partnership contract (PPP) with the Liberty Group Consortium Pty Ltd (TLG) in June 2002 for the design, construction and maintenance of County Court. As part of the PPP arrangement, the State also entered into a 99-year peppercorn lease arrangement with TLG for land on which the County Court building was constructed.

On 3 December 2021, Court Services Victoria (CSV) signed an Asset Sale Agreement (ASA) to purchase the County Court building Melbourne from TLG. On 22 May 2022, CSV ceased the PPP contract with TLG, thereby terminating the lease in respect to land. On 23 May 2022, CSV assumed control over the County Court facility and associated furniture and fixtures. CSV acquired the assets for a total

consideration of \$388m that included the building, furniture and fixtures and a compensation payment for termination of peppercorn land lease and losses of revenue and other cash outflows by TLG. The valuation on the building and associated assets were performed as at 30 June 2022. There were no material movement of the value of the building and its associated assets between purchase price on 23 May 2022 and the valuation date 30 June 2022.

On terminating the PPP arrangement, service contracts relating to engineering, facilities maintenance, information technology and security services to support the operations of the County Court facility were transferred to CSV.

	2022 \$'000
Building construction valuation <sup>(i)</sup>	225,622
Escalation costs and professional fees <sup>(ii)</sup>	44,763
<b>Current replacement cost</b>	<b>270,385</b>
Depreciation <sup>(iii)</sup>	90,385
<b>Depreciated replacement cost</b>	<b>180,000</b>
Furniture and fixtures <sup>(iv)</sup>	787
Compensation payment <sup>(v)</sup>	207,213
<b>Total consideration</b>	<b>388,000</b>

- (i) Jones Lang LaSalle (JLL) was engaged by CSV to undertake an assessment of the fair value of the building for financial reporting purposes. The valuation is based on construction cost guides (Rawlinson's 2022 Edition) to estimate the current construction cost of the building.
- (ii) Given the rapid escalation in construction costs over the first half of 2022, an escalation rate of 7% to the valuation has been applied based on Australian Bureau of Statistics data as well as allowance of 12% for professional fees.
- (iii) A useful life of 60 years has been assessed for the building and at the date of valuation a remaining useful life of 40 years has informed the depreciation estimate.
- (iv) JLL was engaged by CSV to undertake an assessment of the fair value of the furniture and fixtures forming part of the ASA.
- (v) The compensation payment represents the difference between the purchase price and the assessed fair value of the building and furniture and fixtures included in the ASA.

## 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

### 6.1 RECEIVABLES

	2022 \$'000	2021 \$'000
<b>CURRENT RECEIVABLES</b>		
<b>Contractual</b>		
Other receivables	5,800	6,386
Allowance for impairment losses of contractual receivables	(45)	(56)
	5,755	6,330
<b>Statutory</b>		
Amounts owing from Victorian Government	96,409	132,218
GST input tax credit recoverable	4,903	6,757
	101,312	138,975
<b>Total receivables</b>	<b>107,067</b>	<b>145,305</b>
<i>Represented by:</i>		
Current receivables	103,178	142,483
Non-current receivables	3,889	2,822

**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

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

	2022 \$'000	2021 \$'000
<b>CURRENT PAYABLES</b>		
<b>Contractual</b>		
Trade creditors and other payables	47,761	39,029
Unearned Revenue	211	136
Accrued capital works	32,554	11,855
Salaries and wages	4,587	2,449
	85,113	53,469
<b>Statutory</b>		
Payroll tax	2,927	1,509
Fringe benefits tax	772	488
Amounts payable to the Judicial College of Victoria	3,217	2,250
Amounts payable to the Judicial Commission of Victoria	672	572
	7,588	4,819
<b>Total payables</b>	<b>92,701</b>	<b>58,288</b>
<i>Represented by:</i>		
Current payables	92,583	58,159
Non-current payables	118	130

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 <sup>(i)</sup>		Present value of minimum lease payments	
	2022 \$'000	2021 \$'000	2022 \$'000	2021 \$'000
<b>COMMISSIONED PPP RELATED LEASE LIABILITIES PAYABLE</b>				
Not longer than 1 year	0	15,999	0	15,302
Longer than 1 year and not longer than 5 years	0	0	0	0
Longer than 5 years	0	0	0	0
<b>OTHER LEASE LIABILITIES PAYABLE <sup>(ii)</sup></b>				
Not longer than 1 year	16,314	17,199	15,378	16,224
Longer than 1 year and not longer than 5 years	49,202	31,667	47,015	29,302
Longer than 5 years	25,255	31,693	24,469	30,535
<b>Minimum future lease payments</b>	<b>90,771</b>	<b>96,558</b>	<b>86,862</b>	<b>91,362</b>
Less future finance charges	(3,909)	(5,196)		
<b>Present value of minimum lease payments</b>	<b>86,862</b>	<b>91,362</b>	<b>86,862</b>	<b>91,362</b>
Included in the financial statements as:				
Current borrowings lease liabilities			15,378	31,525
Non-current borrowings lease liabilities			71,484	59,836
<b>Total lease liabilities</b>			<b>86,862</b>	<b>91,362</b>

- (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 Total cash outflows for leases

The following amounts are recognised in the Statement of Cash Flows for the year ending 30 June 2022 relating to leases.

	2022 \$'000	2021 \$'000
Total cash outflow	34,678	35,369

### 7.1.3 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 non-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 equipment'. Lease liabilities are presented as 'borrowings' in the balance sheet.

### (e) Commissioned Public Private Partnership (PPP)

On 22 May 2022, CSV ceased the PPP contract with TLG. At the end of the PPP arrangement, both the right-of-use asset and associated lease liability reduced to zero. Refer to note 5.3 for further information.

## 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 Electronic Fund Transfer (EFT) 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 unpresented cheques at reporting date. At 30 June 2022, cash at bank included the amount of a notional shortfall for the payment of unpresented cheques of \$0.287million in CSV Expenditure Account (2021: \$0.30 million) and \$0.273 million in the Juror Payments Account (2021: \$0.27 million).

For cash flow statement presentation purposes, cash and cash equivalents comprise the cash balance and funds held in trust, \$21.89 million (2021 \$22.23 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

	2022 <sup>(i)</sup> \$'000	2021 <sup>(i)</sup> \$'000
<b>NET RESULT FOR THE PERIOD</b>	1,981	(415)
<b>Non-cash movements:</b>		
(Gain)/loss on sale or disposal of non-current assets	(52)	(1,421)
(Gain)/loss on revaluation of non-current assets	0	11,225
Depreciation and amortisation of non-current assets	90,132	76,147
Allowance for doubtful debts and bad debts	(11)	0
<b>Movements in net assets and liabilities:</b>		
Decrease/(increase) in receivables	37,825	(9,563)
Decrease/(increase) in prepayments	(5,268)	718
Increase/(decrease) in payables	13,713	(2,224)
Increase/(decrease) in provisions	4,018	4,728
<b>Net cash from/(used in) operating activities</b>	<b>142,338</b>	<b>79,196</b>

(i) Reflects increased expenditure and reduction in court fee impacted by COVID-19.

### 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 2021	Total receipts
	\$'000	\$'000
<b>CASH AND CASH EQUIVALENTS AND INVESTMENTS</b>		
<b>CONTROLLED TRUSTS</b>		
<b>Treasury Trust Fund</b>		
• <i>Financial Management Act 1994</i> (No. 18/1994), Part 4		
• Working account for CSV	14,031	1,250
<b>Vehicle Lease Trust Account</b>		
• <i>Financial Management Act 1994</i> (No. 18/1994), Part 4		
• Working account for the sale of VicFleet motor vehicles	56	1,160
<b>Victorian Civil and Administrative Tribunal Trust Account</b>		
• <i>Financial Management Act 1994</i> (No. 18/1994), Part 4		
• Working account for the Owners Corporation, Domestic Building and Residential Tenancies disputes.	5,146	19,640
<b>Inter-Departmental Transfer Fund</b>	3,703	4,363
<b>Total controlled trusts</b>	<b>22,936</b>	<b>26,413</b>

	Total payments	Closing balance as at 30 June 2022	Opening balance as at 1 July 2020	Total receipts	Total payments	Closing balance as at 30 June 2021
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
	1,019	14,261	11,323	4,009	1,302	14,031
	1,168	49	77	1,150	1,172	56
	21,811	2,975	4,414	20,589	19,856	5,146
	2,808	5,259	5,361	3,477	5,134	3,703
	<b>26,806</b>	<b>22,545</b>	<b>21,175</b>	<b>29,225</b>	<b>27,464</b>	<b>22,936</b>

	Opening balance as at 1 July 2021	Total receipts
	\$'000	\$'000
<b>ADMINISTERED TRUSTS</b>		
<b>Courtlink Trust Account</b>		
• <i>Financial Management Act 1994</i> (No. 18/1994), Part 4		
• Working account for the Magistrates' Courts court orders <sup>(i)</sup>	(1,757)	7,363
<b>Suspense Account</b>		
• <i>Financial Management Act 1994</i> (No. 18/1994), Part 4		
• Working account for CSV	622	0
<b>Public Service Commuter Club</b>		
• <i>Financial Management Act 1994</i> (No. 18/1994), Part 4		
• Working account for the Public Service Commuter Club <sup>(ii)</sup>	(117)	406
<b>Revenue Suspense</b>		
• <i>Financial Management Act 1994</i> (No. 18/1994), Part 4		
• Working account for the allocation of revenue	8	0
<b>Treasury Trust Fund</b>		
• <i>Financial Management Act 1994</i> (No. 18/1994), Part 4		
• Working account for CSV	3,079	4
<b>Security Account</b>		
• <i>Financial Management Act 1994</i> (No. 18/1994), Part 4		
• Holds monies as security for good behaviour	174	26
<b>Victorian Civil and Administrative Tribunal Trust Account</b>		
• <i>Financial Management Act 1994</i> (No. 18/1994), Part 4		
• Working account for the Owners Corporation, Domestic Building and Residential Tenancies disputes.	882	(539)
<b>Total administered trusts</b>	<b>2,890</b>	<b>7,260</b>

#### Notes

- (i) The Courtlink Trust deficit is in deficit due to recognition of payments ahead of receipts.
- (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 2022	Opening balance as at 1 July 2020	Total receipts	Total payments	Closing balance as at 30 June 2021
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
	7,148	(1,542)	(522)	7,016	8,252	(1,757)
	57	565	605	0	(16)	622
	329	(41)	(284)	560	393	(117)
	0	8	8	0	0	8
	(465)	3,549	2,470	(2)	(611)	3,079
	0	200	170	3	0	174
	290	53	562	545	225	882
	<b>7,358</b>	<b>2,791</b>	<b>3,010</b>	<b>8,122</b>	<b>8,242</b>	<b>2,890</b>

### 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.

	2022 \$'000	2021 \$'000
<b>COURTS</b>		
Bail Monies	12,004	9,882
Assets under management by the Senior Master of the Supreme Court (Funds in Court) <sup>(i)</sup>	2,079,496	2,131,442
	<b>2,091,500</b>	<b>2,141,324</b>

(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: 2022	Less than 1 year	Between 1 and 5 years	Over 5 years	Total
	\$'000	\$'000	\$'000	\$'000
Public private partnership – operation and maintenance commitments	0	0	0	0
Capital expenditure commitments payable	42,703	14,059	0	56,762
Operating commitments payable	16,179	15,388	5,194	36,760
Other commitments payable	16	26	0	42
<b>Total commitments (inclusive of GST)</b>	<b>58,897</b>	<b>29,472</b>	<b>5,194</b>	<b>93,563</b>
Less GST recoverable	5,354	2,679	472	8,506
<b>Total commitments (exclusive of GST)</b>	<b>53,543</b>	<b>26,793</b>	<b>4,722</b>	<b>85,057</b>

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	14,156		0	<b>14,156</b>
Capital expenditure commitments payable	104,571	39,835	0	<b>144,406</b>
Operating commitments payable	25,754	23,255	7,994	<b>57,003</b>
Other commitments payable	80	42	0	<b>122</b>
<b>Total commitments (inclusive of GST)</b>	<b>144,561</b>	<b>63,132</b>	<b>7,994</b>	<b>215,686</b>
Less GST recoverable	<b>13,142</b>	<b>5,739</b>	<b>727</b>	<b>19,608</b>
<b>Total commitments (exclusive of GST)</b>	<b>131,419</b>	<b>57,393</b>	<b>7,267</b>	<b>196,078</b>



## 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 the 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

Category		2022 (\$'000)	2021 (\$'000)
<b>CONTRACTUAL FINANCIAL ASSETS</b>			
Cash and deposits/(overdrawn)	Cash and deposits	(654)	(707)
Funds held in Trust	Cash and deposits	22,544	22,937
<b>Total contractual cash and deposits</b>		<b>21,890</b>	<b>22,230</b>
<b>RECEIVABLE</b>			
• Other receivables	Financial assets at amortised cost	5,755	6,330
<b>Total contractual financial assets</b>		<b>27,644</b>	<b>28,560</b>
<b>CONTRACTUAL FINANCIAL LIABILITIES</b>			
<b>Payable:</b>			
Trade creditors and other payables	Financial liabilities at amortised cost	47,761	39,029
Accrued capital works	Financial liabilities at amortised cost	32,554	11,855
Salary and wages	Financial liabilities at amortised cost	4,587	2,449
<b>Leases:</b>			
PPP related Right of Use lease liabilities		0	15,302
Non-PPP related Right of Use lease liabilities		86,862	76,060
<b>Total contractual financial liabilities <sup>(i)</sup></b>		<b>171,764</b>	<b>144,695</b>

(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		Total expense
2022 \$'000		2021 \$'000
<b>FINANCIAL LIABILITIES AT AMORTISED COST</b>		
Contractual financial liabilities under the PPP arrangement for the County Court Facility		(3,116)
Contractual financial liabilities for VicFleet		(245)
		<b>(3,361)</b>

### 8.1.3 Financial risk management objectives and policies

CSV's main financial risks include credit risk and liquidity risk. CSV manages these financial risks in accordance with its financial risk management policy. 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 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 risks arise from the contractual financial assets of CSV, which comprises cash and deposits, contractual receivables and other contractual financial assets. CSV's exposure to credit risk arises from the potential default of a counterparty on their contractual obligations resulting in financial loss to CSV. Credit risk is measured at fair value and is monitored on a regular basis.

Credit risk associated with CSV's contractual financial assets is minimal as its main debtor is the Victorian Government. Credit risk in relation to CSV's receivables is also monitored by management by reviewing the ageing of receivables on a monthly basis.

CSV does not engage in hedging for its contractual financial assets.

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 the financial year 2022.

## Credit quality of financial assets

2022	Financial institution (triple-A credit rating)	Government agencies <sup>(i)</sup> (double-A credit rating)	Government agencies (triple-B credit rating)	Other (min triple-B credit rating)	Total
	\$'000	\$'000	\$'000	\$'000	\$'000
<b>FINANCIAL ASSETS</b>					
<b>Financial assets with loss allowance measured at 12-month expected credit loss</b>					
Cash and deposits	(654)	22,544	0	0	<b>21,890</b>
Statutory receivables (with no impairment loss recognised)	0	101,312	0	0	<b>101,312</b>
<b>Financial assets with loss allowance measured at lifetime expected credit loss:</b>					
Contractual receivables applying the simplified approach for impairment	0	3,573	610	1,618	<b>5,800</b>
<b>Total financial assets</b>	<b>(654)</b>	<b>127,429</b>	<b>610</b>	<b>1,618</b>	<b>129,002</b>

(i) Government agencies credit rating reduced from triple-A credit in 2021 to double-A credit rating in 2022.

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
<b>FINANCIAL ASSETS</b>					
<b>Financial assets with loss allowance measured at 12-month expected credit loss</b>					
Cash and deposits	(707)	22,937	0	0	<b>22,230</b>
Statutory receivables (with no impairment loss recognised)	0	138,975	0	0	<b>138,975</b>
<b>Financial assets with loss allowance measured at lifetime expected credit loss:</b>					
Contractual receivables applying the simplified approach for impairment	0	5,690	166	531	<b>6,386</b>
<b>Total financial assets</b>	<b>(707)</b>	<b>167,601</b>	<b>166</b>	<b>531</b>	<b>167,591</b>

### Impairment of financial assets under AASB 9

CSV records a provision for expected credit loss for the relevant financial instruments by applying AASB 9's expected credit loss approach.

Financial assets at fair value through net result are not subject to impairment under AASB 9.

Cash and deposits and statutory receivables are subject to impairment under AASB 9, but any impairment loss would be immaterial.

Contractual receivables are subject to impairment under AASB 9. CSV applied the simplified approach to measure expected credit losses for all contractual receivables 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:

2022	Current 0%	Less than 1 month 0%	1-3 months 0%	3 months - 1 year 1%	1-5 years 1%	Total
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
<b>EXPECTED LOSS RATE</b>						
Gross carrying amount of contractual receivables	1,960	101	0	1,674	2,064	<b>5,800</b>
<b>Loss allowance</b>	<b>4</b>	<b>0</b>	<b>0</b>	<b>12</b>	<b>29</b>	<b>45</b>

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

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

	2022 \$'000	2021 \$'000
<b>Balance at beginning of the year</b>	<b>(56)</b>	<b>(55)</b>
Opening retained earnings adjustment on adoption of AASB 9	0	0
<b>Opening loss allowance</b>	<b>(56)</b>	<b>(55)</b>
(Increase)/decrease in provision recognised in the net result	11	(1)
<b>Balance at end of the year</b>	<b>(45)</b>	<b>(56)</b>

Movements in the provision for credit losses 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 either a transaction expense or other economic flow in the net result.

Statutory receivables 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 when CSV is unable to meet financial obligations as they fall due. CSV operates under the Government fair payments policy of settling financial obligations within 30 days. In the event of a dispute, CSV makes payments within 30 days from the date of resolution.

CSV is exposed to liquidity risk mainly through the financial liabilities as disclosed in the balance sheet. CSV's exposure to liquidity risk is deemed insignificant based on prior periods' data and current assessment of risk. 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 double-A, which assists in accessing debt market at a lower interest rate).

## 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.

	2022 \$'000	2021 \$'000
<b>CONTINGENT LIABILITIES</b>		
Liabilities pending the outcome of legal action	1,509	410
Remediation of combustible aluminium composite panels <sup>(1)</sup>	3,661	180
Make good requirements under leases of premises <sup>(2)</sup>	6,428	4,811
<b>Total contingent liabilities</b>	<b>11,598</b>	<b>5,401</b>

(1) Remediation of combustible aluminium composite panels (\$3.6m) relates to the County Court building Melbourne.

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

- (a) 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.
- (b) 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
- Property, plant and equipment
- Non-financial assets classified as held for sale.

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 2021-22 reporting period.

#### 8.3.2 Fair value determination for property, plant and equipment

CSV's property, plant and equipment are carried at their fair values.

### Independent valuations in 2020-21

An independent valuation of CSV's land, buildings and right of use buildings was completed in 2020-21. The valuation of specialised land and specialised buildings was performed by Valuer-General Victoria (VGV) using the market approach adjusted for community service obligation (CSO). The valuation of right of use buildings was performed by Jones Lang LaSalle (JLL) 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 was 30 June 2021.

### Impacts of the COVID-19 pandemic on the fair value of property, plant and equipment

The land and building valuations in the previous year may have been impacted by the market uncertainty caused by COVID-19 pandemic. Given the unknown impact that COVID-19 might have on the markets, the land and building values may change significantly and unexpectedly over the relatively short period of time.

### Managerial assessment of the fair values of land and buildings 2021-22

Each asset class must be valued with sufficient regularity to ensure that the carrying amount of an asset class does not materially differ from its fair value at the reporting date. CSV uses annual indices supplied by the VGV Office to determine the movements in its land and building values. Indices are based on post code. As a result of applying these indices if it is determined that a material (greater than 10%) movement in CSV's land and building values has occurred, then a managerial revaluation will be put through to ensure that the land and building values reflect their fair values. As at 30 June 2022, the movement in the fair value of land and buildings was not more than 10% (refer below for Melbourne County Court building).

### Specialised land and specialised buildings

Specialised land is valued using the market approach, adjusted for a CSO that reflects 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 as significant unobservable inputs, specialised land would be classified within level 3 of the fair value hierarchy. A significant increase or decrease in the CSO adjustment would result in a significantly higher or lower fair value.

Specialised buildings are valued using the current replacement cost method, adjusted for depreciation. As depreciation adjustments are considered as significant unobservable inputs in nature, specialised buildings are classified within level 3 of the fair value hierarchy. A significant increase or decrease in the estimated useful life of the asset would result in a significantly higher or lower fair value.

CSV purchased the County Court building Melbourne on 23 May 2022. The valuation of the building and associated assets were performed on the purchase date for financial reporting purposes as at 30 June 2022. Refer to note 5.3.

CSV held \$546.0m (2021: \$546.0m) of specialised land, and \$651.1m (2021: \$472.7m) of specialised buildings as at 30 June 2022.

### Heritage assets

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 was 30 June 2021.

### Plant and equipment

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, adjusted for depreciation. As depreciation adjustments are considered as significant unobservable inputs in nature, plant and equipment are classified within level 3 of the fair value hierarchy. A significant increase or decrease in the estimated useful life of the asset would result in a significantly higher or lower fair value.

There were no changes in valuation techniques throughout the period to 30 June 2022.

For all assets measured at fair value, the current use is considered the highest and best use.

### Fair value determination for non-financial assets classified as held for sale

CSV's non-financial assets classified as held for sale are carried at their fair values. Leased vehicles held for sale were valued using the same techniques as plant and equipment, and are classified within level 3 of the fair value hierarchy.

## 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.

	2022 \$'000	2021 \$'000
<b>(a) Net gain/(loss) on revaluation of building</b>		
Revaluation gain or loss on fixed assets	0	(11,225)
<b>Total net gain/(loss) on revaluation of building</b>	<b>0</b>	<b>(11,225)</b>
<b>(b) Net gain/(loss) on non-financial assets</b>		
Net gain/(loss) on disposal of property, plant and equipment	52	1,421
<b>Total net gain/(loss) on non-financial assets</b>	<b>52</b>	<b>1,421</b>
<b>(c) Net gain/(loss) on financial instruments</b>		
Bad debts written off	11	(0)
<b>Total net gain/(loss) on financial instruments</b>	<b>11</b>	<b>(0)</b>
<b>(d) Other gains/(losses) from other economic flows</b>		
Net gain/(loss) arising from revaluation of long service leave liability <sup>(i)</sup>	6,211	9,154
<b>Total other gains/(losses) from other economic flows</b>	<b>6,211</b>	<b>9,154</b>

- (i) Net gain in revaluation for 2021-22 arises due to change in wages inflation and discount rate in the current year compared to prior year.

## 9.2 EX-GRATIA EXPENSES

	2022 \$'000	2021 \$'000
Compensation for breach of privacy	0	3
<b>Total ex-gratia expenses <sup>(i)</sup></b>	<b>0</b>	<b>3</b>

(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. Jaclyn Symes MP	1 July 2021 to 30 June 2022
Acting Attorney-General, The Hon. Lisa Neville, MP	16 June 2022 to 18 June 2022
Acting Attorney-General, The Hon. Natalie Hutchins, MP	19 April 2022 to 27 April 2022
Acting Attorney-General, The Hon. Lisa Neville, MP	18 April 2022 to 18 April 2022
Acting Attorney-General, The Hon. Natalie Hutchins, MP	20 September 2021 to 1 October 2021
Accountable Officer	Period
Chief Executive Officer, Louise Anderson	1 July 2021 to 30 June 2022
Acting Chief Executive Officer, Fiona Chamberlain	15 April 2022 to 1 May 2022
Acting Chief Executive Officer, Fiona Chamberlain	17 December 2021 to 11 January 2022
Acting Chief Executive Officer, Fiona Chamberlain	20 September 2021 to 24 September 2021
Acting Chief Executive Officer, Fiona Chamberlain	8 July 2021 to 13 July 2021

### Governing Body

The persons who held membership of the Courts Council in CSV are as follows:

Member Names	Period
The Honourable Chief Justice Mary Anne Ferguson, Chair	1 July 2021 to 30 June 2022
The Honourable Chief Judge Peter Kidd	1 July 2021 to 30 June 2022
The Honourable Justice Michelle Quigley	1 July 2021 to 30 June 2022
Her Honour Chief Magistrate Lisa Hannan	1 July 2021 to 30 June 2022
His Honour Judge Jack Vandersteen	1 July 2021 to 30 June 2022
His Honour State Coroner Judge John Cain	1 July 2021 to 30 June 2022
Dr Philip Williams (AM)	1 July 2021 to 30 June 2022
Ms Susan Friend	1 July 2021 to 30 June 2022

**Remuneration: Accountable Officer**

Remuneration range	2022 No.	2021 No.
\$10,000 – \$19,999	0	1
\$50,000 – \$59,999	1	0
\$390,000 – \$399,999	0	0
\$420,000 – \$429,999	1	1
<b>Total</b>	<b>2</b>	<b>2</b>

Remuneration received or receivable by the independent members during the reporting period was in the range: \$20,000-\$29,999 (\$20,000-\$29,999 in 2020-21).

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* s 82, *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

	2022 \$'000	2021 \$'000
Short-term employee benefits	6,310	5,049
Post-employment benefits	551	413
Other long-term benefits	173	128
Termination benefits	0	0
<b>Total remuneration</b>	<b>7,034</b>	<b>5,590</b>
<b>Total number of executives</b>	<b>30</b>	<b>26</b>
<b>Total annualised employee equivalents <sup>(i)</sup></b>	<b>24.4</b>	<b>19.1</b>

## 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 9.4, 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 compensation detailed below excludes the salaries and benefits of Portfolio Ministers. Ministers' remuneration and allowances are set by the *Parliamentary Salaries and Superannuation Act 1968* and have been previously disclosed within the Department of Parliamentary Services' financial report. From this financial year, the disclosure will no longer be included in the Department of Parliamentary Services' financial report, as the information is reported within the 2021-22 Financial Report for the State of Victoria.

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

	2022 \$'000	2021 \$'000
Short-term employee benefits	461	420
Post-employment benefits	29	24
Other long-term benefits	11	10
<b>Total remuneration</b>	<b>501</b>	<b>454</b>

#### 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 2021 to 30 June 2022, there were no related party transactions that involved key management personnel of CSV.

#### 9.6 REMUNERATION OF AUDITORS

	2022 \$'000	2021 \$'000
<b>Victorian Auditor-General's Office</b>		
Audit of the financial statements	195	234
<b>Total remuneration of auditors</b>	<b>195</b>	<b>234</b>



## 9.7 SUBSEQUENT EVENTS

There have been no significant or material events since the balance date to the date of approval of the financial report that require adjustments to the amounts reported and disclosures made in the financial report.

## 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 2021-22 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. CSV will not early adopt the Standard

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 17 Insurance Contracts
- AASB 2020-3 Amendments to Australian Accounting Standards – Annual Improvements 2018-2020 and Other Amendments
- AASB 2021-2 Amendments to Australian Accounting Standards – Disclosure of Accounting Policies and Definitions of Accounting Estimates
- AASB 2021-5 Amendments to Australian Accounting Standards – Deferred Tax related to Assets and Liabilities arising from a Single Transaction.
- AASB 2021-6 Amendments to Australian Accounting Standards – Tier 2 Disclosure of Accounting Policies: Tier 2 and Other Australian Accounting Standards
- AASB 2021-7 Amendments to Australian Accounting Standards – Effective Date of Amendments to AASB 10 and AASB 128 and Editorial Corrections.

## 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.

**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 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 2021-22 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.

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