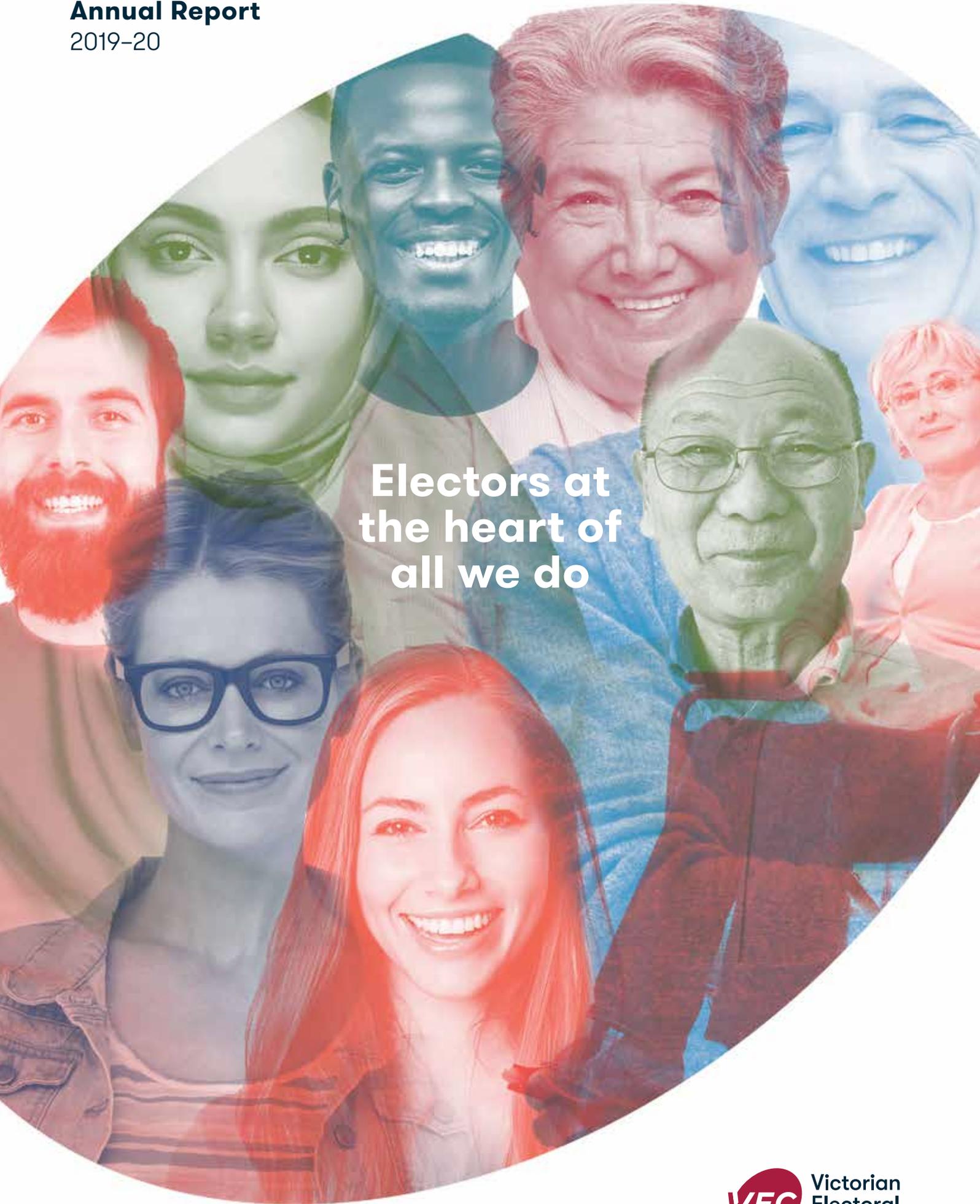


Annual Report
2019-20



**Electors at
the heart of
all we do**

Abbreviations and acronyms

AASB	Australian Accounting Standards Board	LGA 2020	Local Government Act 2020
AEC	Australian Electoral Commission	LGI	Local Government Inspectorate
AEP	Aboriginal Engagement Plan	LG2020	2020 local government elections
BDM	Births, Deaths and Marriages	LSL	Long service leave
CALD	Culturally and Linguistically Diverse	LTI	Lost time injury
DA	Democracy Ambassador	MIP	Multicultural Inclusion Plan
DAIP	Disability Access and Inclusion Plan	MPG	Major Projects Group
DFAT	Department of Foreign Affairs and Trade	OHS	Occupational Health and Safety
DPC	Department of Premier and Cabinet	OHSC	Occupational Health and Safety Committee
DTF	Department of Treasury and Finance	OHSMS	Occupational Health and Safety Management System
EAAG	Electoral Access Advisory Group	OVIC	Office of the Victorian Information Commissioner
EBC	Electoral Boundaries Commission	PG	Planning Group
EBC Act	Electoral Boundaries Commission Act 1982	PID Act	Public Interest Disclosures Act 2012
ECANZ	Electoral Council of Australia and New Zealand	PMC	Prime Minister and Cabinet
Electoral Act	Electoral Act 2002	PMS	People Matter Survey
EMC	Electoral Matters Committee	PROV	Public Records Office of Victoria
EMG	Executive Management Group	PTD	Passport to Democracy
EMS	Election Management System	RMS	Roll Management System
ERRN	Electoral Regulation Research Network	RSC	Resource Smart Committee
FMCF	Financial Management Compliance Framework	RTW	Return to Work
FOI Act	Freedom of Information Act 1982	SEO	Senior Election Official
FRD	Financial Reporting Directions	SLG	Senior Leadership Group
FTE	Full time equivalent	VEC	Victorian Electoral Commission
HSR	Health and Safety Representative	VicSRC	Victorian Student Representative Council
HSW	Health, Safety and Wellbeing	VIPP	Victorian Industry Participation Policy
IPAA	Institute of Public Administration Australia	VPS	Victorian Public Sector
KMP	Key Management Personnel	VPSC	Victorian Public Sector Commission
LGA 1989	Local Government Act 1989		

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Monday to Friday

Letter of transmittal

The Hon. Danny Pearson MP
Minister for Government Services
Level 5, 1 Macarthur Street
East Melbourne VIC 3002

Dear Minister

In accordance with the requirements of the *Financial Management Act 1994*, I am pleased to submit the Annual Report of the Victorian Electoral Commission for the year ending 30 June 2020 for presentation to Parliament. Also included is the Report of the Electoral Boundaries Commission for the year ending 30 June 2020.

Yours sincerely



Warwick Gately AM
Electoral Commissioner

The Victorian Electoral Commission (VEC) pays respect to Victoria's Traditional Owners and their elders past, present and emerging, who have been custodians of this country for many thousands of years. Their living culture and their role in the life of Victoria is acknowledged by the VEC.

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About the VEC

Our history and functions

Elections for the Victorian Parliament began when Victoria achieved independence from New South Wales in 1851. In 1910, Victoria's first Chief Electoral Inspector was appointed to head the new State Electoral Office.

The State Electoral Office existed as part of a public service department for 70 years. However, it became increasingly clear that it was inappropriate for the conduct of elections to be subject to ministerial direction. On 1 January 1989, legislation established the independent statutory office of Electoral Commissioner, who was to report to Parliament instead of a Minister. In 1995, the State Electoral Office was renamed the VEC.

The VEC's functions and operations are governed by six main pieces of legislation:

- The *Electoral Act 2002* (Electoral Act) establishes the VEC as an independent statutory authority, sets out its functions and powers and prescribes processes for State elections.
- The *Constitution Act 1975* sets out who is entitled to enrol as an elector, who is entitled to be elected to Parliament, and the size and term of Parliament.
- The *Financial Management Act 1994* governs the way the VEC manages finances and financial reporting.
- The *Electoral Boundaries Commission Act 1982* (EBC Act) governs the determination of State electoral boundaries. Under this legislation, the Electoral Commissioner is nominated as a member of the Electoral Boundaries Commission (EBC).
- The *Local Government Act 2020* (LGA 2020) provides for the conduct of local government elections. The LGA 2020 received Royal Assent on 24 March 2020 and replaced the *Local Government Act 1989* (LGA 1989).
- The *Infringements Act 2006* provides for stages two and three of compulsory voting enforcement.

Subject to these Acts, the VEC:

- maintains the electoral enrolment register
- conducts State elections, local government elections, statutory elections and polls, and fee-for-service elections
- conducts electoral boundary reviews
- administers political funding and donation disclosure laws.

The VEC also has a mandated role to conduct electoral research, provide communication and education services, and inform and engage Victorians in the democratic process.

A complete list of legislation and regulations governing the VEC is included in Appendix B on page 140.

Our people and partners

The VEC has a core staff of dedicated and highly skilled people whose specialised knowledge ensures the success of its operations. At times of peak activity, the VEC draws on the expertise of many associated personnel, including election officials and contractors, to complement the work of its core staff. Valued partnerships with suppliers also contribute greatly to the VEC's achievements.

To ensure inclusion and participation, the VEC works closely with a range of advisory and community groups. These groups comprise members of under-represented communities, including:

- Aboriginal and Torres Strait Islander communities
- young people
- people experiencing homelessness
- people living with disabilities
- culturally and linguistically diverse communities.

The VEC thanks all advisory and community group members and their organisations for their contributions during 2019–20.

Our purpose

To deliver high quality, accessible electoral services with innovation, integrity and independence.

Our values

Independence: acting with impartiality and integrity.

Accountability: transparent reporting and effective stewardship of resources.

Innovation: shaping our future through creativity and leadership.

Respect: consideration of self, others and the environment.

Collaboration: working as a team with partners and communities.

Our vision

All Victorians actively participating in their democracy.

About this report

This report provides a summary of the activities, programs and initiatives undertaken by the VEC in delivering on its responsibilities and the key objectives of Strategy 2023.

This report has been published in accordance with Financial Reporting Direction (FRD) 30C. As part of the VEC's environmental sustainability activity, only the required number of reports were printed, and environmentally friendly paper and printing processes were used.

Our year

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In this section, the Electoral Commissioner, Warwick Gately AM, provides a summary of key activities and achievements for 2019–20 and the outlook for 2020–21. The report includes, among other things, the impact of the COVID-19 pandemic on the VEC's operations; the VEC's progress in implementing Strategy 2023; and commentary on how the VEC has met its general compliance and accountability responsibilities.

Chief Financial Officer, Binh Le, provides an overview of the VEC's financial performance. This section includes a summary of the VEC's achievements against its strategic initiatives.

Our commission

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Good corporate governance and transparent reporting help ensure continued public confidence in the VEC and its processes.

This section provides detail of the VEC's regulatory environment, its governance and organisational structures, key persons and staff profiles, disclosure requirements, and the corporate systems that enable the VEC to deliver its core business and operate effectively and efficiently on a day-to-day basis.

Accountability to the Victorian public and Parliament is critical, and the VEC's good corporate citizenship is evidenced by its performance in areas such as diversity, inclusion, accessibility, sustainability, information management and reporting.

Information relating to internal and external advisory groups is also detailed in this section. These advisory groups play an important role for the VEC.

Our core business

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This section includes information about the VEC's core business, which includes the conduct of elections, maintenance of the register of electors, ensuring fair and equitable representation for voters at State and local government levels, and administering Victoria's political funding and donation disclosure laws.

Part of the VEC's core business is also focused on building communication capability to increase the awareness of, and engagement with, electoral events and matters.

No major electoral events were conducted during the financial year; however, 50 election activities were conducted, including local government by-elections, countbacks, commercial elections and polls, and local government electoral representation and subdivision reviews.

Our stakeholders

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This section includes details of the VEC’s efforts to inform and engage electors and candidates, provide accessible voting services and ensure electors know how to cast their vote correctly.

Information about the review of registered political parties undertaken during the first six months of the financial year is covered in this section.

Information about key stakeholder groups—such as voters with particular requirements, political parties, and the media—is detailed in this section. How the VEC interacts with other electoral bodies is also discussed.

Our people

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The VEC supports a working environment that is empowering, engaging, stimulating and inspiring.

This section highlights the VEC’s investment in building capability across the organisation, and its approach to supporting Strategy 2023.

Financial statements

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The VEC is pleased to provide ‘value for money’ electoral services to the Victorian public. The VEC’s sound financial management is evidenced in this section by an unqualified report from the Auditor-General. This section also provides the VEC’s audited financial statements for 2019–20.

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Our highlights



Continued progress on Strategy 2023 outcomes, with 25 major projects and initiatives underway at year end, in parallel with local government election priorities.



Completion of the local government electoral representation review and subdivision review program, including the remaining 19 representation reviews and seven subdivision reviews.



Achieving gold for the VEC Annual Report 2018–19 at the 2020 Australasian Reporting Awards.



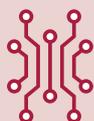
Receiving, reconciling and publishing annual returns for the first time under Victoria's new political funding and donation disclosure laws.



Development and implementation of a Diversity and Inclusion Framework, which includes the VEC's Disability Access and Inclusion Plan 2019–23 and Multicultural Inclusion Plan 2020–23.



Compliance with the Standing Directions of the Minister for Finance 2019—no reportable deficiencies.



Successful completion of phase one of the Information and Communications Technology Strategy, including meeting the stringent Australian Signals Directorate Essential Eight requirements.



Conducting local government by-elections, countbacks, commercial elections and polls under COVID-19 restrictions required the necessary redesign of services to include candidate information sessions, ballot draws, counting activities, and declaration of results being conducted online.



Successful transition to a remote working environment for more than 220 staff and contractors in response to the COVID-19 pandemic, while maintaining a safe and engaging office-based environment for operational roles that cannot be sustained remotely.

Our challenges

- Implementing operational changes imposed by late amendments to legislation.
- Preparing for the 2020 local government (LG2020) elections during COVID-19 restrictions and the necessary redesign of services—including community engagement with under-represented communities.
- Conducting the electoral representation and subdivision review program within an environment of legislative uncertainty.
- Supporting all staff in the evolution of a dynamic and responsive workforce model in the face of the ever-changing COVID-19 environment.

Our year



Warwick Gately AM
Electoral Commissioner

Continuing our business

It comes as no surprise that this year has proven extraordinary. At the outset, I acknowledge the great resilience and flexibility shown by all staff at the VEC in responding to the exceptional and fast-moving circumstances imposed by COVID-19 and continuing our business. This acknowledgement extends to the electors of Victoria—who are central to our role—and to our government and commercial partners, and other important stakeholders.

In July 2019, the VEC was focused on preparing for the LG2020 elections, culminating in the delivery of an election service plan in December 2019. This plan outlined the agreed service delivery arrangements for the anticipated 78 client councils then calling on the VEC for their elections.

These elections were always going to be complex—even more so with the extensive changes brought about in the new Local Government Act enacted in March 2020, at the same time as severe restrictions associated with COVID-19 were imposed. The enormity of the challenge about to unfold was not evident as VEC staff returned to their work in January 2020. Yet, by mid-March, under a State of Emergency, we transitioned to fully working from home with immediate adjustments to activities to ensure we would meet our service delivery responsibilities and obligations.

As COVID-19 impacted just one-third of the reporting year, it will be addressed in a supplement within the 'Occupational health and safety' section of this report. Despite the seriousness of the pandemic, it only marginally inhibited our work, given staff creativity and commitment. It, therefore, should not dominate the reporting of our achievements, which were significant.

The Government's announcement on 15 May 2020 that the local government elections would proceed as scheduled and be entirely by post removed the uncertainty of the previous three months—not only for the VEC, but for all councils and other stakeholders alike. While the VEC's election planning had continued before the announcement, the challenge from here was to develop a COVID-19 overlay that would apply across all election projects and ensure the safety of all participants. At the end of June, this overlay had been designed and was being applied.

Our year (continued)

Responding to governing legislation

As noted, changes to the Local Government Act were extensive. In respect to election operations, these changes covered many matters, including the method of voting and electoral structures, candidate nominations, candidate questionnaires and compulsory training. Close liaison with Local Government Victoria provided insight into policy considerations that would affect election operations and, where possible, the VEC was able to provide advice on impacts.

One significant area of work affected by the new Act was that of local government representation and subdivision reviews, which had commenced in January 2019 under the *Local Government Act 1989* (LGA 1989). These required the VEC to examine the councillor numbers and electoral structures of 31 councils, plus the internal ward boundaries of seven councils. This work had to be completed by April 2020 and was undertaken knowing the *Local Government Act 2020* (LGA 2020) would impose entirely different electoral structure arrangements on councils by limiting ward structure options to single member wards or unsubdivided structures. The VEC, appropriately, had advised Government on the merits, or otherwise, of certain electoral structures for various council types as part of Parliament's considerations. With proclamation of the LGA 2020 in April, the VEC's involvement in the representation review program ceased. I acknowledge the work undertaken by our mapping and geospatial analysts, advisors and report writers in delivering consistent and professional public reports. Subdivision reviews for the seven councils continued.

There were no changes to the *Electoral Act 2002* (Electoral Act). Changes can be expected next year, subject to the Government's electoral reform agenda. This will likely be stimulated by the completion of the Electoral Matters Committee (EMC) of Parliament inquiry into the 2018 State election, to which the VEC contributed. Arising from the changes to the Electoral Act in 2018, various political participants were required to report on their political funding, expenditure and debts for the 2018–19 financial year. This first of a continuing regime of reports was generally well handled by the VEC in its new monitoring and compliance role, with some necessary process improvements identified.

Under the *Electoral Boundaries Commission Act 1982*, the three appointed Commissioners met in May to consider early planning for the next State redivision that will take place during the 2021 calendar year to identify the State electoral Districts and Region boundaries to apply at the 2022 State election.

Flexibility in planning and action

The VEC's Planning Group (PG), operating under a refined model, was active all year in managing the preparation for the 2020 local government (LG2020) election program.

With certainty returning to this planning in mid-May, PG responded quickly to the pandemic challenge. PG applied guidance from national and State health principals and agencies to adjust project plans to comply with social distancing requirements, meet strict hygiene protocols, and adhere to other infection mitigation strategies. Close liaison with health authorities was a hallmark of PG's work in this time.

In the year, a further 19 electoral activities were conducted, including local government by-elections, countbacks, commercial elections and polls. Notably, two of these countbacks were conducted online in response to COVID-19 and this will now be the future procedure. Pleasingly, the VEC was available as a sounding board for the election of the First Peoples' Assembly of Victoria and conducted the election for the Mallacoota and District Recovery Association Committee.

Strategic planning

The VEC's five-year plan, Strategy 2023, reached its mid-point this year with good progress made. A total of nine major projects have been completed with six to be finalised by mid-2021. Several of these are significant, including the modernisation of the VEC's standard operating environment, a new intranet and electronic document and records management system, redevelopment of modules in the Election Management System (EMS), and general improvements to information technology security.

Strategy 2023 was reviewed to examine our progress and—through wide consultation—to confirm our strategic opportunities and challenges and refine our priorities thereafter. The VEC's direction was affirmed, albeit with minor adjustment to some projects and areas of focus.

Compliance and financial management

The VEC met all its reporting and administration obligations during the year. The internal audit program focused on the VEC's local government costing model, the organisation's program and project capabilities, progress of the Information Technology Strategy and compliance around the VEC's access to Department of Transport and Registry of Births, Deaths and Marriages (BDM) data. Also, an independent auditor was engaged to examine the VEC's management of the political donation annual return process and identified some improvements for adoption.

The total appropriation for the year of around \$50 million (capital and operational funding) provided for the VEC's normal operations and allowed for the purchase of materials and inventory in advance of the LG2020 local government elections and further investment in the organisation's enterprise and service capabilities.

The Audit and Risk Committee met twice in person and twice online. The Committee's focus this year was on risk and, relevantly, COVID-19 implications along with business continuity resilience. Again, the direction and support provided by the Committee in the year was welcome and I was pleased to variously extend the terms of all members. This year, the VEC received an unmodified report from the Victorian Auditor-General, reaffirming the VEC's disciplined financial management.

Communication and engagement; elector-focused

The VEC's progressive community inclusion programs for those traditionally under-represented in the voting process continued until March 2020, when the COVID-19 restrictions prevented face-to-face outreach. The Passport to Democracy program continued to grow and had engaged with over 19,500 students prior to COVID-19. The Democracy Ambassador program was active in numerous culturally and linguistically diverse communities, which have higher rates of informal voting. Again, there was involvement in the 2019 Youth Parliament with the VEC sponsoring five teams and undertaking the elections for the State's Student Representative Council. Invaluable feedback from our community advisory groups continued after face-to-face meetings were impacted by the pandemic. Notwithstanding these challenges, the elector remains at the heart of all we do.

The activity of the Electoral Regulation Research Network (ERRN) was moved online in the second part of the year, although 10 in-person seminars were held up to January 2020. These were in addition to a very successful biennial workshop in Adelaide in November 2019. The workshop comprised over 60 election practitioners and academics, with discussion and debate covering many topics. Also in November, ERRN, in conjunction with Austlii, launched an online Australian Electoral Law Library as a compilation of relevant court, tribunal and board decisions and other electoral regulation reports, articles and data. The network continues as a very worthwhile investment, promoting open discussion on electoral regulation.

The Electoral Council of Australia and New Zealand met on four occasions and, apart from the normal consideration of electoral best practice, devoted time to physical and cyber security around election activities with special consideration given to managing elections in a pandemic setting. The interjurisdictional working group formed last year out of the Council of Australian Governments, brings together relevant Federal and State agencies and continued to meet with a focus on developing a framework for a national electoral platform. The purpose of this collaboration is to improve the security and efficiency of the nation's election infrastructure, achieved principally through the support of the Australian Cyber Security Centre and the Department of Finance in Canberra.

Our year (continued)

Our people

The focus on and investment in our staff continued. The transformational leadership model, which commenced last year, was completed and adjustments were also made to the staff performance and development process, reflecting feedback received.

I have been continually amazed at the skill and resilience of the people working at the VEC. This year there have been numerous examples of individuals working cross-discipline, shifting their focus from one complex project to another, stepping up to stretch roles and grasping leadership opportunities as they arise. The VEC's response to COVID-19 and the requirement to work from home was met with resolve, with all staff offsite in a matter of days and finding innovative ways to continue their workplace engagements and socialisation. The work of the VEC could not be achieved without a capable and committed team and I must thank them for their contribution.

The same must be said of the Executive Management Group (EMG) and their expertise and diligence in leading the VEC and providing the incisive advice I need as Chief Executive Officer. There were two changes to the EMG in the year, with Keegan Bartlett moving into the new role of Director, Electoral Integrity and Regulation and the addition of Dahna Bond as Director, Enrolment. The positive impact of both directors was immediately evident.

Looking ahead

It is certain that the next 12 months will require us to remain alert and agile in our business. Strategy 2023 identified this requirement in 2018 and our response this year to legislative change, to COVID-19, and associated State government policy decisions, represents our success. I expect much of the same next year with our external environment remaining dynamic and unpredictable. This being the case, the VEC must now develop a new workforce model that recognises an expanded place for working from home in the delivery of our services to the community.

The decision to proceed with the LG2020 election program required prompt action to develop and apply a COVID-19 overlay allowing the VEC to deliver on its responsibilities safely. This work will consume all our effort in the first six months of the next reporting period. In this environment, the VEC will need to remain resourceful, yet financially responsible. Robust networks and strengthened modern systems and applications will remain critical; the investment in cyber security must continue, along with the drive for operational efficiency. Against this background for the 2022 State election, electoral reform can be expected, and it is hoped this can be identified as early as possible.

In the year ahead, our success in delivering on our responsibilities will rely even more on a competent and committed team. The EMG will remain focused on their upskilling, their broad education and personal development and, most importantly, their wellbeing.



Warwick Gately AM
Electoral Commissioner

Finance at a glance

As 2019–20 was a non-election year, the VEC’s special appropriation funding and expenditure reduced to baseline levels. Total funding received during 2019–20 was \$37.54 million, which was largely committed towards the delivery of electoral-related services, maintenance and enhancements of the organisation’s operating environment, investment into enterprise systems and progressive planning and preparation towards the LG2020 election program. As shown in Figure 1, the electoral cycle has a significant impact on the VEC’s special appropriation funding pattern over the five-year period. The table summarises movement in this funding, expenses, balance sheet items and net cash flows.

Financial performance

FIGURE 1: FIVE-YEAR FINANCIAL SUMMARY 2015–16 TO 2019–20

	2015-16 \$'000	2016-17 \$'000	2017-18 \$'000	2018-19 \$'000	2019-20 \$'000
Electoral activity		Local government elections		State election	
Special appropriation	25,260	52,336	33,606	89,620	37,536
Total expenses from transactions	24,946	51,453	34,260	94,298	38,576
Net result from transactions	314	883	(654)	(4,678)	(1,040)
Net result for the period	253	917	(652)	(4,780)	(966)
Net cash flow from/(used in) operating activities	18	(4)	(39)	(14)	531
Total assets	11,730	12,746	17,158	17,939	23,999
Total liabilities	5,457	5,056	5,280	5,805	6,120
Net assets	6,273	7,690	11,878	12,134	17,879

Finance at a glance (continued)

Funding

The VEC received \$37.54 million in funding for 2019–20, which is significantly less than the prior year of \$89.62 million. This was mainly due to the reporting period being a non-election year. The VEC is funded solely from Government special appropriations and this amount represents the reimbursement to the VEC for all its cash payments.

In addition, the VEC administers or manages other activities and resources on behalf of the State and local governments, and this income for the year was \$19.10 million. This is not shown in the VEC financial results or in the financial statements, but is declared in Note 4.1: Administered (non-controlled) items.

The administered activities are made up of:

- revenue collected by the VEC on behalf of the State, which is forwarded to the Department of Treasury and Finance as consolidated revenue
- monies receipted from election fines and forfeited candidate deposits collected by the VEC on behalf of councils and the State
- payment of 2022 advance public funding and administrative expenditure funding following the introduction of political funding and disclosure legislation in August 2018.

Expenditure

The VEC incurred \$38.58 million in operational expenses for the financial period. This is slightly greater than the special appropriation received from Government, which is due to non-cash expenditure such as depreciation, accruals and staff entitlement provisions. Government reimbursement for appropriation does not include non-cash expenses. The organisation's main expenditure areas include employee expenses, external supplies and services, operating lease rental, depreciation and amortisation, and readiness for the LG2020 elections.

Cash flows

The net cash flow from or used in operating activities for the year was \$531,000, which is relatively high due to advance prepayment of 2020–21 commitments (such as LG2020 election expenditure).

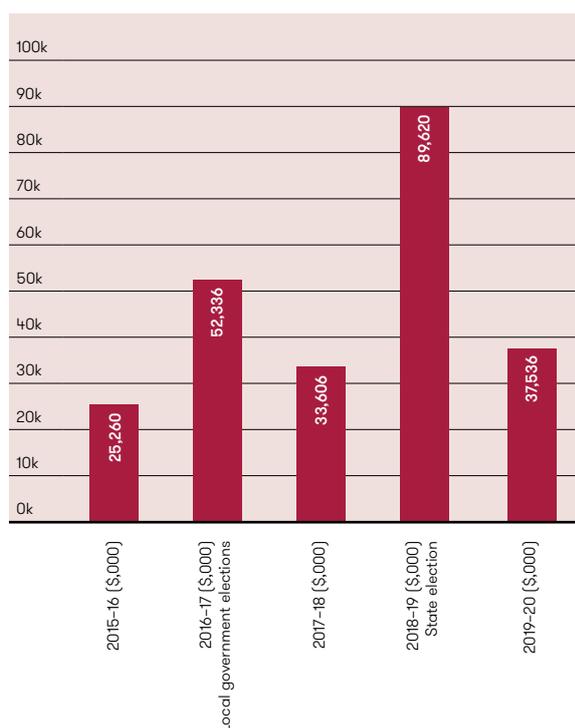
This reflects the Government funding model that reimburses the VEC for all its cash payments during the year. Further, the VEC does not hold a cash reserve in its bank accounts, as it is reimbursed on a daily basis for its cash payments.

Financial position

The VEC's financial position remains strong with total assets of \$24 million, liabilities at \$6.12 million and overall net equity of \$17.88 million. The VEC's assets are largely comprised of the Election Management System (EMS), the Funding and Disclosure system, enhancements to VEC enterprise platforms, ongoing investment in election infrastructure, cyber security, and election inventory.

The VEC's liabilities largely comprise employee entitlements and year-end expenditure accruals. The equity of the VEC is split into contributed capital, asset reserve and accumulated loss. The contributed capital represents the amount of funding contributed by the Government of Victoria for the purchase and development of VEC non-current assets. The accumulated loss represents the accumulated result from continuing its operations.

**FIGURE 2: SPECIAL APPROPRIATION (\$'000)
2015–16 TO 2019–20**



Operational and budgetary objectives and performance against objectives

The VEC has three performance measures that relate specifically to Budget Paper Number 3 (BP3) Service Delivery, in accordance with the Department of Treasury and Finance (DTF) FRDs. The following table (Figure 3) provides details of the output report provided by the VEC to the Government, including performance measures and targets for agreed outputs, and the actual performance results for the VEC over the full year ending 30 June 2020.

FIGURE 3: PERFORMANCE AGAINST BUDGETARY OBJECTIVES, 2015-16 TO 2019-20

	STATE ELECTIONS, LOCAL GOVERNMENT AND STATUTORY ELECTIONS, BY-ELECTIONS, POLLS AND ELECTORAL REPRESENTATION REVIEWS	LEGAL CHALLENGES TO VEC CONDUCT UPHELD	CHANGES TO ELECTOR DETAILS OR ADDITIONS TO THE VICTORIAN ENROLMENT REGISTER PROCESSED WITHIN SET TIMEFRAMES
2015-16 BP3 target	39	-	90%
2015-16 BP3 actual	40	-	92%
Variance	3%	0%	2%
2016-17 BP3 target	99	-	95%
2016-17 BP3 actual	96	-	99%
Variance	-3% ¹	0%	4% ²
2017-18 BP3 target	32	-	95%
2017-18 BP3 actual	27	-	82%
Variance	-16% ³	0%	-14% ⁴
2018-19 BP3 target	115	0	95%
2018-19 BP3 actual	117	0	97%
Variance	2%	0%	2%
2019-20 BP3 target	22	0	95%
2019-20 BP3 actual	23	0	100%
Variance	4.5%	0%	5%

¹ The 2016-17 election events number is lower than the 2016-17 target due to the number of actual extraordinary vacancies in the Legislative Assembly and on local government tracking lower than projected for the 2016-17 reporting year.

² The 2016-17 full year actual is higher than the target due to a stronger focus on the highest value enrolment programs relating to the 2016 local government elections.

³ Less than anticipated number of local government vacancies to be filled by a countback. Additionally, a reduction to the number of liquor licensing polls conducted.

⁴ The VEC's enrolment campaign schedules were extended early in the reporting year due to the sudden insolvency of the VEC's mail services contractor and the Australian Marriage Law Postal Survey. Enrolment turnaround times measured above 95% for key VEC electoral events.

Our strategic plan

Progress continued towards the goals of the VEC's strategic plan, Strategy 2023. The VEC's five-year goal is that it is change-ready and has the people, systems and relationships to make the most of its opportunities.

Strategy 2023 created eight areas of focus in order to deliver on the VEC's five-year goal:



People

Create an environment that inspires our people to reach their full potential:

- Develop transformational leaders who build teams and empower people to recognise and respond to emerging opportunities and challenges.
- Recruit and develop our people against the key competencies and behaviours critical to our ongoing success.



Decision-making

Make smart decisions on time and by the book:

- Strengthen process and decision-making pathways to enable transparent, innovative and improved ways of working.
- Embed an evidence-based approach for all aspects of VEC operations.



Technology

Provide our people and Victorians with smart, safe technology that is value for money and easy to use:

- Implement the VEC IT Strategy, driving excellence in infrastructure, process, security, integration, digital tools and technological innovation.
- Realise opportunities to capture and use VEC knowledge to improve operations, inform plans, and increase business intelligence.



Relationships

Learn from others outside the VEC about opportunities and challenges:

- Use existing and new networks to grow the VEC's evidence base.
- Grow relationships to maximise customer reach and opportunities for innovation.

FIGURE 4: VEC CORPORATE PLANNING FRAMEWORK



The delivery of Strategy 2023 projects and initiatives is embedded in the VEC’s corporate planning framework and monitored by the Executive Management Group (EMG).

The current Strategy 2023 implementation plan includes 34 programs, projects and initiatives scheduled for commencement or completion from January 2020 to June 2021.

Nine of these major projects were completed this financial year with another 19 projects on track and progressing well. A further six projects are experiencing some delays, mostly as a result of the onset of the COVID-19 pandemic. These delayed projects are expected to be successfully delivered in the next financial year.

This was a year of significant progress for the VEC, with many critical initiatives successfully delivered. This comprehensive body of work has markedly improved the VEC’s business resilience, security, employee satisfaction and customer focus, and paves the way for further ambitious programs in the next two years that will improve the VEC’s agility, change readiness and customer satisfaction.

The guiding principles were:

- a focus on the end goal, with impact and outcomes monitoring as important as activity and output monitoring
- defining success in a balanced way, without perverse targets
- a mix of quantitative and qualitative measures
- the use of easily interpreted measures that are meaningful and useful to the internal audience
- a commitment to using monitoring and evaluation information to improve the strategy.

Many of the qualitative measures were sourced from two key staff surveys; the biennial Victorian Public Sector Commission’s (VPSC) People Matter Survey (PMS) and a second staff survey undertaken to assess the maturity of the VEC’s knowledge management practices against best practice benchmarks.

Our strategic plan (continued)

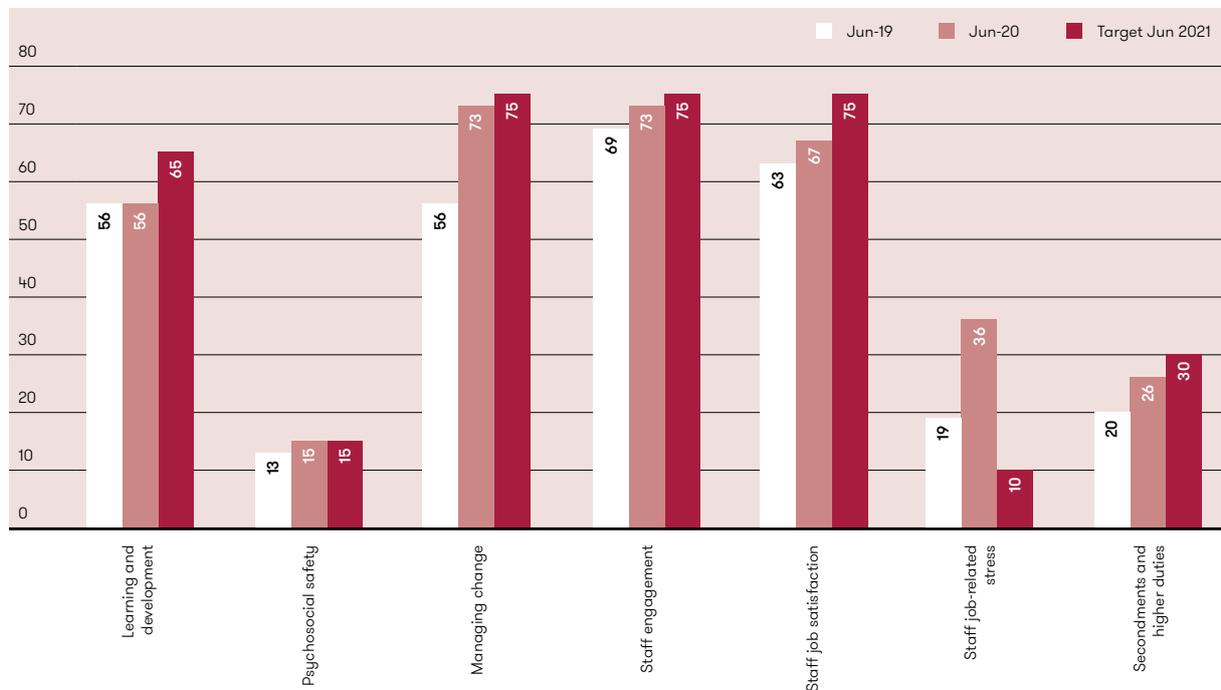
People

The VEC HR Strategy was finalised and launched in late 2019. The VEC Leadership Capability Framework was launched; work continued on a Leadership Development Program; and a number of new learning and development initiatives were implemented, including Electoral Fundamentals, cyber security and introduction to the Microsoft Office 365 suite.

The VPSC PMS did not take place in 2020. The VEC conducted a shorter internal survey, which provided metrics for some—but not all—of the indicators.

Overall, the survey showed significant improvements in employee satisfaction, employee engagement, psychosocial safety and change management.

FIGURE 5: PEOPLE STATISTICS AS AT JUNE 2020



Technology

The VEC successfully migrated to a Microsoft Office 365 environment in late 2019, significantly improving the organisation’s business resilience and introducing a suite of tools designed to improve knowledge-sharing and collaboration.

A comprehensive cyber security program was also completed in 2019–20, resulting in significant improvement in the VEC’s information security risk and IT systems and process risk levels. Coupled with the successful migration of all VEC technology systems to the cloud in late 2019, and the move to the Office 365 environment, this significant body of work was a major change in the VEC’s cyber security and business resilience posture, and positions the organisation for continuing success in the future.

The VEC’s new intranet and document management system, Electra, was successfully launched in April 2020. Significant progress was made on other major IT development programs, including the new VEC website (due to go live in August 2020 ahead of the LG2020 elections), and major development work on the VEC’s EMS and Roll Management System (RMS).

An external review of the IT Strategy was completed in May 2020, positioning the VEC for its important next steps in the technology space in the coming three years.

The technology impact indicators are two-fold: some focus on security and risk, while others look at user experience. Excellent progress is being made towards the interim targets.

FIGURE 6: TECHNOLOGY STATISTICS AS AT JUNE 2020

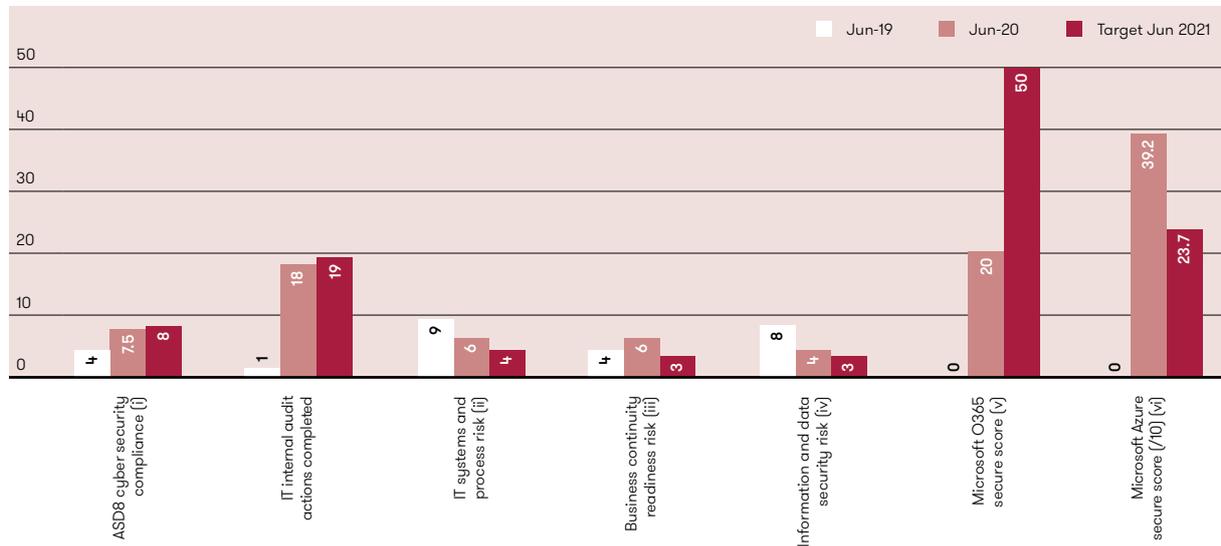
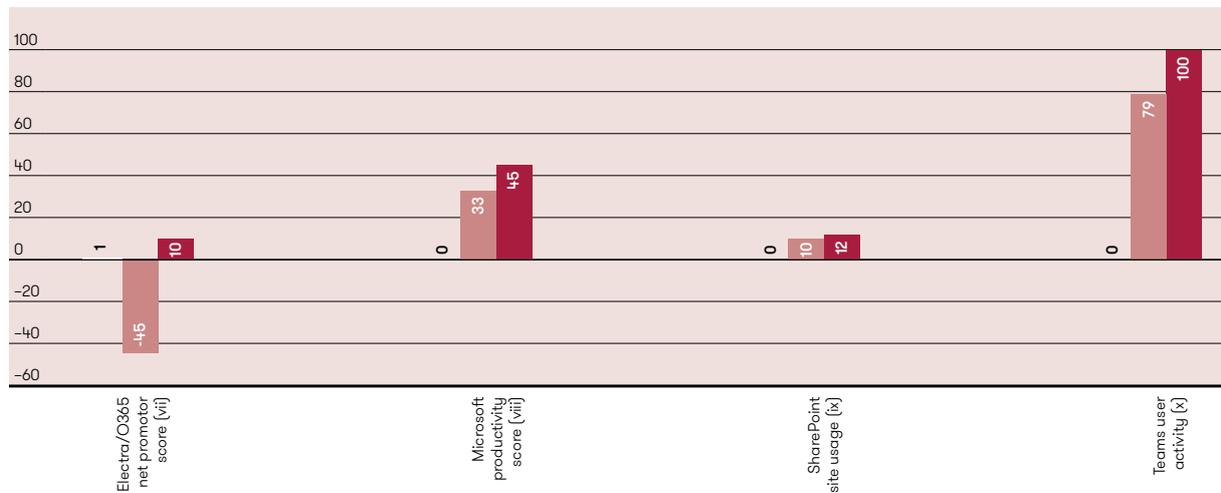


FIGURE 7: TECHNOLOGY STATISTICS AS AT JUNE 2020



Technology Targets explanatory note:

- (i) ASD8 cyber security compliance requires the VEC to fully comply with all eight of the Australian Signals Directorate Essential Eight cyber security mitigation strategies.
- (ii) IT systems and process risk: target risk rating is 4 (Medium) out of a risk rating scale of 1-25
- (iii) Business continuity readiness risk: target risk rating is 3 (Low) out of a risk rating scale of 1-25
- (iv) Information and data security risk: target risk rating is 3 (Low) out of a risk rating scale of 1-25
- (v) Microsoft O365 secure score is a measurement of an organisation's security posture, with a higher number indicating more improvement actions taken. The VEC target is 50% by June 2021.
- (vi) Microsoft Azure secure score shows the relative 'health' of the VEC IT systems held in the Microsoft Azure cloud. The lower the number, the better the health. Target is to improve (reduce) this measure by 50% by June 2021.
- (vii) Electra/O365 net promotor score is a measure of VEC intranet and document management system user satisfaction, which is itself an indicator of productivity and knowledge sharing. Target is to improve to a moderate score of 10 from baseline of -45 following launch.
- (viii) Microsoft productivity score measures employee experience by looking at how they communicate and collaborate, and access tools across devices. Target is 45, which is the peer organisation benchmark level.
- (ix) SharePoint site usage measures Electra adoption levels and information access (a key knowledge sharing measure). Target is a 20% improvement by June 2021.
- (x) Microsoft Teams user activity measures active user engagement on this important internal collaboration platform. Target is a 25% improvement by June 2021.

Our strategic plan (continued)

Decision-making

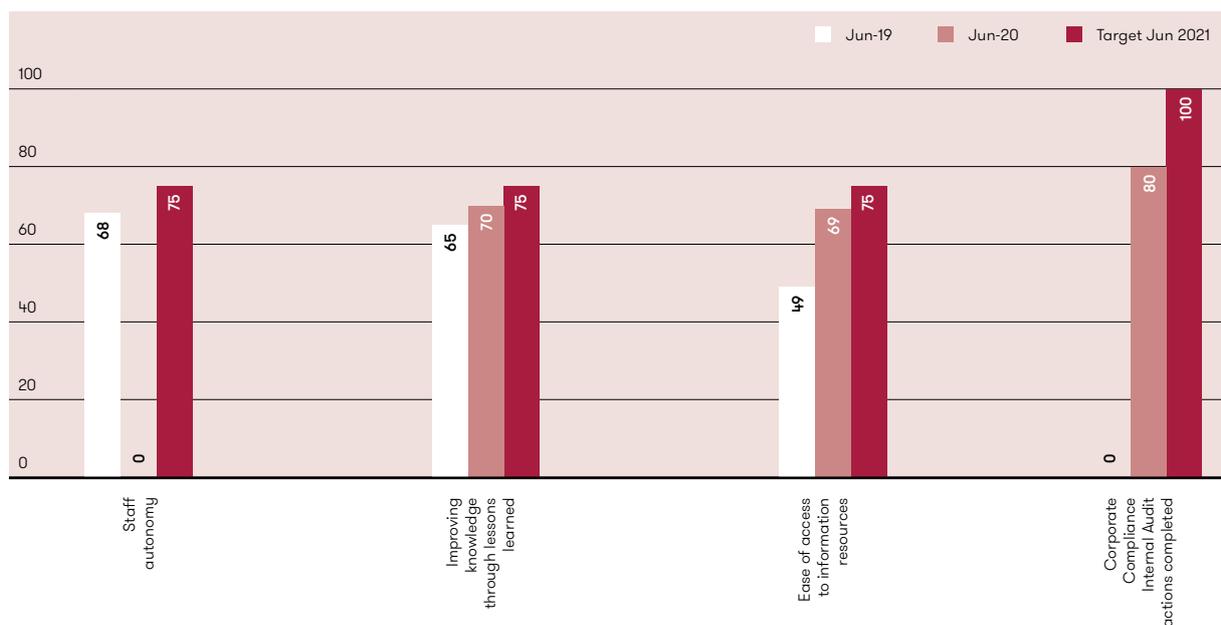
Work commenced on two compliance programs —the Corporate Compliance Framework and the Electoral Compliance Framework. A Corporate Compliance internal audit identified several areas of improvement that are being progressed. Once completed, these two bodies of work will streamline the VEC’s decision-making pathways and support clear, consistent and prompt decisions.

Workflow automation has commenced with the introduction of the new Microsoft Office 365 environment and the launch of the VEC’s new intranet, Electra. A schedule of work to support the automation and simplification of more business workflows is planned for the next financial year.

Conduct of the Knowledge and Information Management Maturity assessments were deferred to December 2020 to allow time to observe the full benefits of the new Microsoft Office 365 environment through a large-scale election. However, a VEC knowledge management survey conducted in June 2020 showed very encouraging improvements in the VEC’s knowledge-sharing culture.

The current decision-making outcome indicators focus on the VEC’s approach to continuous improvement via lessons learned, access to information and knowledge, and corporate compliance and governance maturity.

FIGURE 8: DECISION-MAKING STATISTICS AS AT JUNE 2020



Relationships

The VEC’s new Diversity and Inclusion Framework was endorsed by EMG in June 2020, paving the way for the development of refreshed plans addressing the inclusion needs of people with disability, multicultural communities, prisoners, people experiencing homelessness and Aboriginal and Torres Strait Islander peoples. Once finalised, selected impact measures from these plans will form the basis of new Strategy 2023 impact goals for the 2021–23 period.

The VEC was also proud to publish an Aboriginal and Torres Strait Islander Self-Determination Statement and Policy.

A new Customer Feedback Framework was published in June 2020, addressing how the VEC will manage and respond to all types of public feedback and communication. This framework provides a strong foundation for the new VEC Customer Feedback and Complaints Management portal, which also went live on the VEC website in June 2020.

The VEC also continued the work driven by its Sustainability Action Plan and was a strong supporter of the ERRN program. See page 64 (Research and Development) for more information.

	PROGRAM DELIVERY		PROGRESS TOWARDS STRATEGIC IMPACT	
People 	HR Strategy	✓	Employee satisfaction	
	Leadership Capability Framework	✓	Employee engagement	
	Leadership development initiatives	✓	Psychosocial safety	
	Learning and development initiatives	✓	Change management	
Technology 	New Microsoft Office environment	✓	Cyber security posture	
	Cyber security program	✓	Information security risk	
	Cloud migration	✓	Compliance posture	
	New intranet	✓		
	New electronic document management system	✓		
	Election Management System enhancements	✓		
Decision-making 	Corporate compliance framework commenced	✓	Improving knowledge through lessons learned	
	Electoral compliance framework commenced	✓	Access to information resources	
	Workflow automation	✓	Corporate compliance	
Relationships 	Diversity and Inclusion Framework	✓	Metrics under development	
	Aboriginal and Torres Strait Islander Self-Determination Statement and Policy	✓		
	Customer Feedback Framework	✓		
	New complaints management system and online portal	✓		
Over-arching 	Strategy 2023 midstream review	✓	Metrics under development	
	IT Strategy midstream review	✓		
	Future Focus program initiated	✓		

Spotlight on

TREVOR JOYCE

Compliance and Enforcement Manager, Funding and Disclosure Unit,
Electoral Integrity and Regulation Branch



“We have such a diverse and eclectic bunch of people who are absolutely invested in ensuring the VEC succeeds”

The VEC’s vision is for all Victorians to participate in their democracy. How does your role contribute to this?

I am fortunate to be able to contribute to the VEC’s vision through advocating and ensuring compliance with primarily the obligations of transparency and disclosure in the Electoral Act. This allows me to monitor not only political donations, but funding and development payments to political parties and independent candidates—an important part of ensuring the democratic process is properly and independently funded.

What makes the VEC an innovative and engaging place to work?

The people! We have such a diverse and eclectic bunch of people who are absolutely invested in ensuring the VEC succeeds. The passion and positivity of the entire staff is clearly apparent, and without the input from so many perspectives I doubt such engagement would exist.

The VEC is busy preparing for the LG2020 elections. How has this affected your role?

The LG2020 election program has brought into focus how heavily invested all staff are in the conduct of both local government and State elections. These elections have seen me become involved as the Funding and Disclosure Representative for Planning Group as part of the forward efforts to structure and run the elections successfully. It has been energising to see the enthusiasm, dedication to and focus on the task at hand!

What do you like to do on the weekends?

Being part of a big family, we love to get out and about, back to basics, exploring Victoria. I love sitting beside a river, taking in the Victorian high country, or enjoying the ocean with our lap dogs nearby. When at home, I love to pull up my sleeves and get my hands dirty, whether this is in the garden, or tinkering with an old car.

Our commission

Achievements 2019–20

-  Delivered the 2020 Local Government Election Service Plan
-  Provided election service agreements and quotes to 76 councils
-  Continued implementation of Strategy 2023, delivering improvements across almost all strategic impact measures
-  Established the Electoral Integrity and Regulation Branch, which includes responsibility for administering Victoria's new political funding and disclosure obligations
-  Launched new intranet and electronic document records management system
-  Delivered full mobile working capability and Microsoft 365 uplift
-  Delivered a significant cyber security program to Australian Signals Directorate Essential Eight standards

Outlook 2020–21

-  Finalise planning and then deliver local government elections for 76 Victorian councils
-  Commence work on a new Roll Management System
-  Complete Election Management System redevelopment program in readiness for the 2022 State election
-  Implement revised Corporate Compliance Framework to manage new and evolving regulatory responsibilities
-  Launch new VEC website
-  Commence preparation for the 2022 State election
-  Launch and progress the VEC Future Focus program
-  Complete system and application hardening to meet the Australian Signals Directorate Essential Eight requirements
-  Develop a compliance framework to capture the VEC's new and evolving regulatory responsibilities

Governance

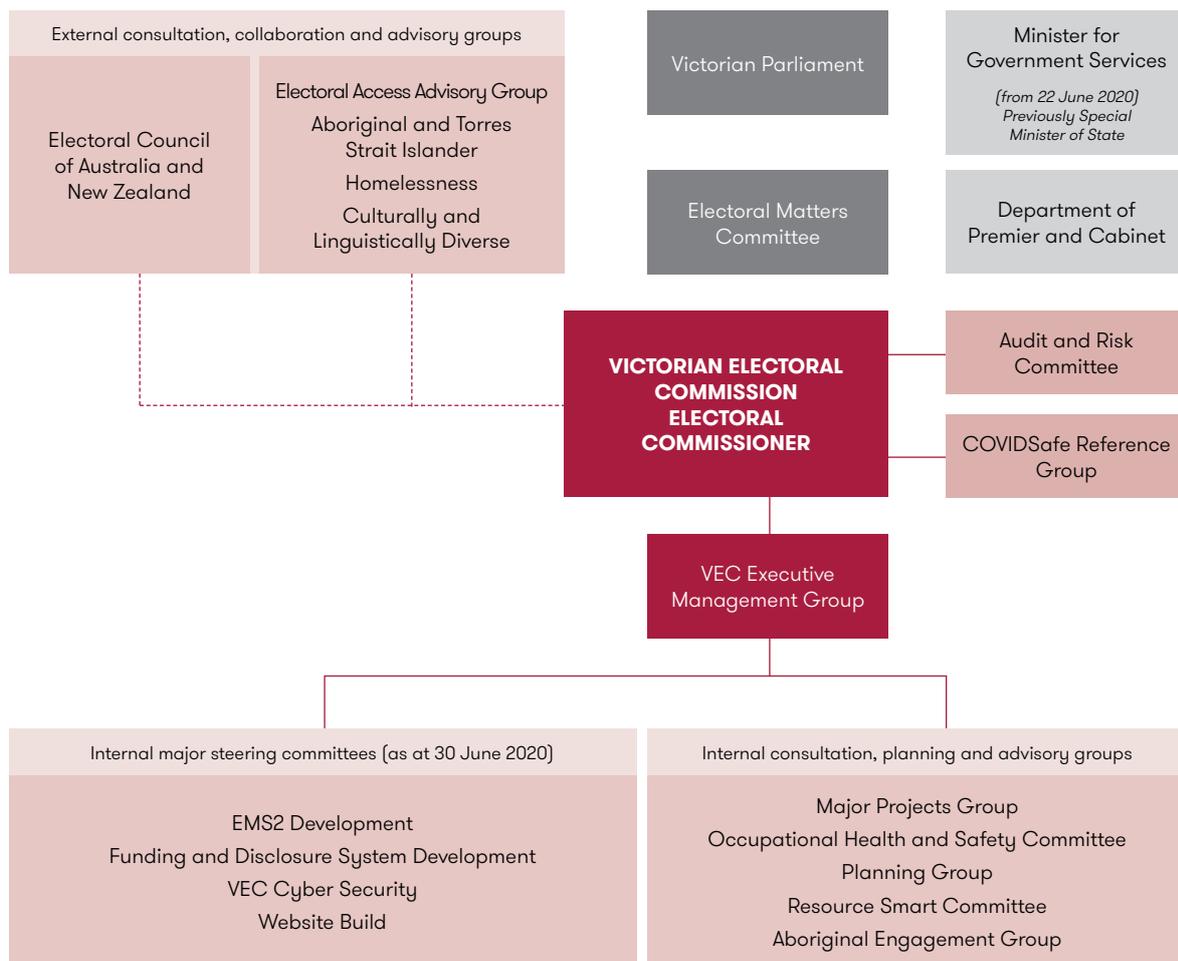
The VEC is the administrative agency through which the Electoral Commissioner’s legislative obligations are exercised. The VEC is committed to ensuring its policies and practices reflect good governance and comply with relevant legislation. Adherence to the governance framework demonstrates accountability to stakeholders and ensures the vitality and impartiality of the electoral system, now and into the future. Staffing and work practices are determined by the *Public Administration Act 2004* and guided by the VPSC.

The VEC is an independent agency operating under the auspices of the Department of Premier and Cabinet (DPC). The VEC is not subject to the direction or control of the relevant minister in respect to the performance of its responsibilities and functions, or the exercise of its powers.

From 22 June 2020, responsibility for the Electoral Act transferred to the Hon. Danny Pearson MP, Minister for Government Services.

The Secretary of the DPC, Chris Eccles AO, is responsible for providing support to the Premier and Cabinet on matters relating to the VEC. The VEC thanks the Secretary for his assistance in conveying relevant information to Government, particularly during the response to the COVID-19 pandemic. Figure 9 (below) shows the governance and consultation structure of the VEC.

FIGURE 9: GOVERNANCE AND CONSULTATION STRUCTURE OF THE VEC

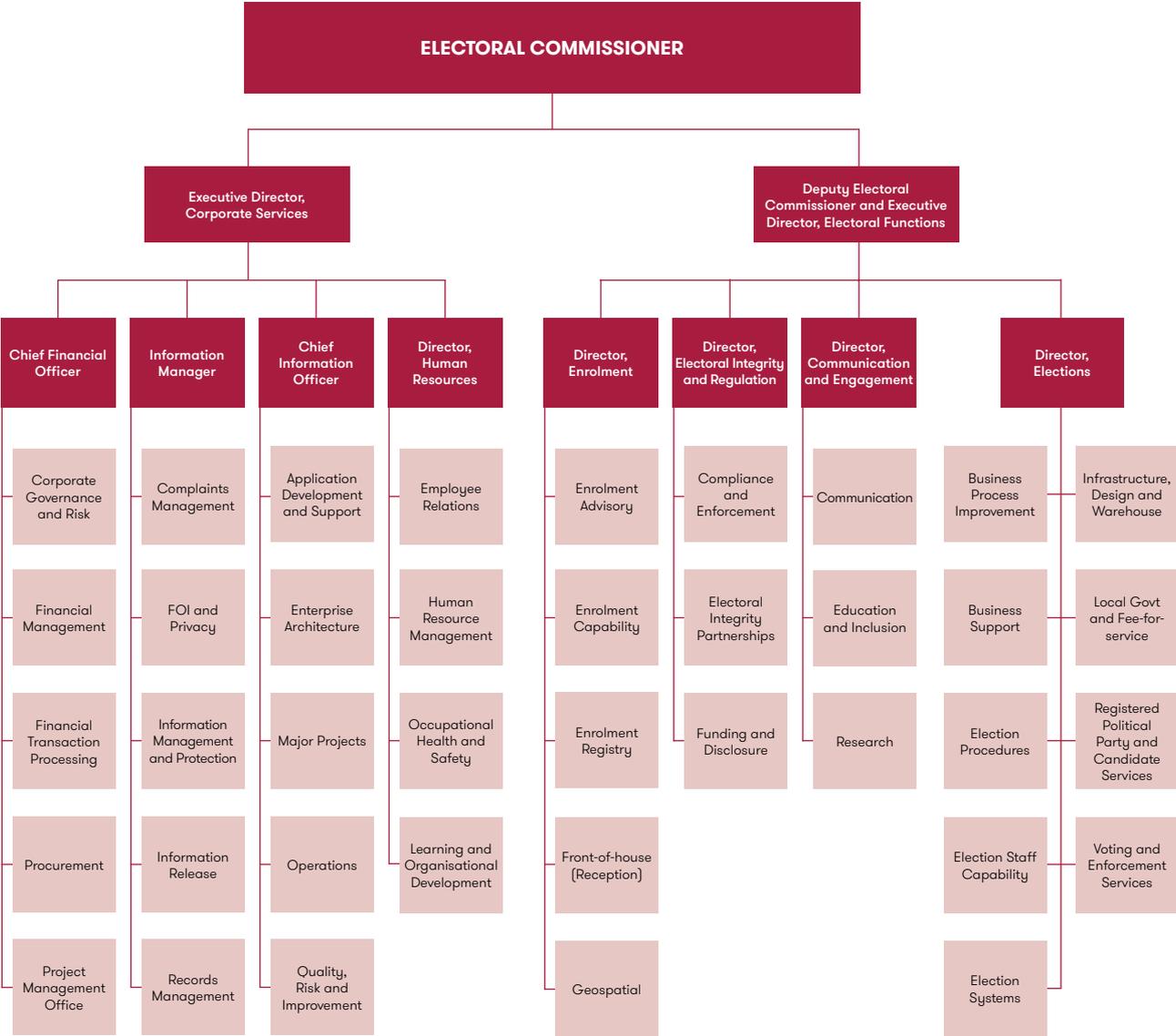


Organisational structure

The VEC’s organisational structure reflects its main activity areas (see Figure 10).

The EMG works closely with the Electoral Commissioner, the Deputy Electoral Commissioner and the Executive Director, Corporate Services to develop and implement strategic and operational plans.

FIGURE 10: VEC ORGANISATIONAL STRUCTURE



The Office of the Electoral Commissioner



Warwick Gately AM

Electoral Commissioner

The Electoral Commissioner is appointed by the Governor in Council for a period of 10 years and is responsible for the administration of the enrolment process and the conduct of Parliamentary elections and referendums in Victoria.

Mr Warwick Gately AM was appointed as the Electoral Commissioner for Victoria on 29 April 2013.

Following an early career with the Royal Australian Navy, Warwick joined the Western Australian Electoral Commission as the Deputy Electoral Commissioner in 2003.

Subsequently appointed as the Electoral Commissioner in August 2006, he was responsible for the 2005, 2008 and 2013 State general elections and State-wide referendums on retail trading hours and daylight saving. He oversaw State electoral boundary reviews and conducted local government elections every two years. Continuing his long-standing career in public service, now as Victorian Electoral Commissioner, Warwick is committed to the provision of effective electoral services to the Victorian community, as evidenced with the 2014 and 2018 State elections.

The Electoral Commissioner, assisted by the Deputy Electoral Commissioner, is the Chief Executive Officer and remains responsible for all elements of the VEC's performance and compliance.



Liz Williams

Deputy Electoral Commissioner and Executive Director, Electoral Functions

As Deputy Electoral Commissioner, Liz works closely with the Electoral Commissioner and the Executive Director, Corporate Services in the management and administration of the VEC. Liz also leads the VEC's Electoral Functions Group, which has responsibility for the delivery of elections, enrolment services, communication and community engagement, and administration of Victoria's political funding and disclosure laws.

Liz has significant electoral experience gained in various roles since moving to the VEC from a career in education. Liz was appointed Deputy Electoral Commissioner in 2005 and was reappointed for a further term in 2015. Liz was Acting Electoral Commissioner between May 2012 and April 2013, and was appointed Executive Director, Electoral Functions in 2017.

Liz believes in fostering a working environment that promotes learning and collaboration to drive innovation and excellence; and that efficient and inclusive electoral processes are integral to full democratic participation.

The Executive Management Group



Máiréad Doyle

**Executive Director,
Corporate services**

As Executive Director, Corporate Services, Máiréad works closely with the Electoral Commissioner and Deputy Electoral Commissioner in the leadership and administration of the VEC. Máiréad's role as head of the Corporate Services Group encompasses Human Resources, Finance, Information Technology and Information Management, as well as corporate strategy, planning and governance. Her principal remit is to oversee and shape strategies, systems and policies to ensure the VEC's ongoing ability to respond to current and future requirements.

Máiréad's early profession as a chartered mechanical engineer in the oil and gas sector in Europe led to a thirty-year career in executive leadership roles in the private, public and not-for-profit sectors focusing on productivity and operational resilience.

A Fellow of the Institute of Managers and Leaders, Máiréad is the recipient of the Governor-General's National Emergency Medal, the Australian Red Cross Meritorious Service Award and the New Zealand Red Cross Emergency Management Medal for her work in disasters.

The Executive Management Group

The EMG comprises the Electoral Commissioner, Deputy Electoral Commissioner, Executive Director, Corporate Services and the seven directors leading the main functional areas of the VEC.

Working cooperatively, the EMG sets the VEC's direction and delivers the operational, financial, workforce and other plans that underpin the efficient and effective delivery of electoral services to all Victorians. This is assisted through the professional mastery and experience contributed by each member. At regular intervals, the EMG considers the risks, issues and opportunities facing the VEC including succession planning and knowledge transfer, along with staff and system performance and productivity matters, and general compliance and reporting obligations. Staff wellbeing and development remains a high priority for the EMG.

The Executive Management Group (continued)



Angela Kelly

Director

Angela joined the VEC in 2019, coming from a diverse corporate background across a variety of sectors, including the arts, professional services, agriculture, IT, and banking and finance.

With extensive senior HR leadership experience, Angela is an experienced change agent, driven to ensure that HR helps deliver exceptional organisational outcomes and employee experiences; making sure that people and culture programs directly support the strategic plan.

As the Director of Human Resources, Angela leads a small team of professionals dedicated to ensuring the VEC is an amazing place to work!

Human Resources

The Human Resources Branch supports the development of a workforce of skilled, accountable, collaborative people who are adaptable to change and supported to be the best.

This is achieved through the five pillars of the human resources strategy:

- providing meaningful work
- developing responsive leadership
- cultivating a positive work environment
- enabling growth opportunities
- supporting trusted leadership.



Binh Le

Chief Financial Officer

Binh joined the VEC in 2016 and brings a wealth of experience and knowledge in finance, audit, governance and corporate management. A Fellow member of the Institute of Public Accountants and graduate member of the Australian Institute of Company Directors, Binh serves as a key member of the EMG providing strategic leadership and advice on financial and corporate matters.

Binh has held several senior financial positions in the private and public sector, namely as the Group Business Manager in the Agriculture, Energy and Resources portfolio in the Victorian Government; Senior Finance Manager for the National Transport Commission; and Financial Controller for the online travel agent Webjet.

Finance and Corporate Governance Branch

The Finance and Corporate Governance Branch ensures the VEC has an effective financial management and governance environment, including:

- governance and compliance, procurement and risk practices
- program management and reporting
- financial management structures, systems, policies and procedures
- financial planning, budgeting and reporting
- sound financial operations.



Dahna Bond

Director

Dahna joined the VEC as Director, Enrolment in October 2019. With a background in service delivery leadership roles across New Zealand and Victorian public service organisations, Dahna has extensive experience in leading large multi-functional service delivery teams in regulatory environments and leading service delivery transformation programs. Her leadership career has been across many different regulatory environments such as public housing, tenancy services, consumer affairs, education, building, employment and justice.

Dahna moved from Wellington to Melbourne about four years ago and has held senior leadership roles at the Department of Education and Training and Department of Justice and Community Safety Victoria.

In her role as Director, Enrolment, Dahna is the Electoral Registrar and responsible for the establishment, maintenance and update of the Victorian register of electors, preparation of the electoral rolls, provision of enrolment information to political parties, members and candidates, and enrolment objections. She is also responsible for the local government representation and state redivision review programs, which ensure the establishment of electoral structures that represent voters fairly.

Electoral Enrolment Branch

The Electoral Enrolment Branch is responsible for maintaining an up-to-date and accurate register of electors. The Electoral Enrolment Branch services include:

- implementation of electoral enrolment programs
- conduct of electoral representation reviews for councils and support for electoral boundary work by the Electoral Boundaries Commission
- production of electoral rolls, other roll products and mapping data
- provision of advice on electoral enrolment matters.



Glenda Frazer

Director

Glenda commenced with the VEC in 1988 as an election manager, moving to a full-time position in 1995. With over 30 years' electoral experience, Glenda has extensive knowledge of the conduct of elections. As well as being the VEC's Prosecution Officer for compulsory voting enforcement, Glenda is the program manager for State elections and is responsible for the planning and delivery of all elections conducted by the VEC.

Elections Branch

The Elections Branch is responsible for overseeing the planning and conduct of State, local government and fee-for-service elections, by-elections, countbacks and polls.

Key responsibilities include:

- election service agreements with Victoria's local councils, and contracts with statutory and fee-for-service clients
- development and maintenance of election procedures and instructional materials
- recruitment and training of the VEC's pool of Senior Election Officials in preparation for appointment to election management roles
- large-scale recruitment, training and support programs for the VEC's temporary workforce of around 25,000 election appointees
- services to candidates including political party registration
- design, preparation, printing and distribution of election material
- operation of large-scale centralised operations for postal voting and computerised counts
- development and support of election systems
- establishment of election office and early voting centre infrastructure
- appointment of election day voting centres
- management of the VEC warehouse
- compulsory voting enforcement.

The Executive Management Group (continued)



Jonathan Underwood

Chief Information Officer

Jonathan is a business-focused information technology leader with a demonstrated track record in partnering with stakeholders to deliver robust, secure, high-performing IT solutions.

Since commencing with the VEC in late 2017 he developed an IT strategy and roadmap to deliver an information technology environment that supports secure IT delivery. The strategy has delivered cloud computing, application rationalisation, integration, information management, cyber security and a modern workplace.

This year, Jonathan has overseen the rollout of new laptop and desktop devices, Windows 10 and Office 365 along with collaboration tools such as Microsoft Teams. All development and production systems have moved to a cloud environment. Significant progress has been made on the VEC's cyber security posture with the Australian Signals Directorate Essential Eight mitigation strategies.

Jonathan is a strong people leader who is motivated to solve problems and deliver high quality results in complex situations. He believes integrity, professionalism and accountability are vital in the successful delivery of information technology.

Information Technology Branch

The IT Branch supports the VEC's business systems and networks, ensuring a secure and resilient technology environment. Accountable for delivery of infrastructure and integrated applications for business and electoral activities, the IT Branch comprises:

- Operations – maintain and deliver enterprise systems.
- DevOps – delivers cyber security and innovation in infrastructure and cloud computing.
- Application Development – transforms services by modernising and consolidating applications.
- Enterprise Architecture – designs the principles and practices for strategy execution.
- Quality Assurance – ensures quality information technology products and services.



Keegan Bartlett

Director

Keegan joined the VEC in November 2010 as a policy officer before moving to lead the VEC's local government and fee-for-service election programs in August 2011.

In January 2017, Keegan joined the EMG as Director, Enrolment and—after holding both roles for several months—moved to fill the new position of Director, Electoral Integrity and Regulation full-time in October 2019. The role brings together Keegan's electoral practice in Victoria with his background in Australia and New Zealand developing policies and relationships to promote good governance, a commitment to compliant practices and continuous improvement, and effective, transparent decision-making processes.

Electoral Integrity and Regulation Branch

The Electoral Integrity and Regulation Branch is responsible for administering the VEC's electoral compliance, enforcement and regulatory activities. The branch informs and supports the planning and delivery of the VEC's electoral functions to protect and enhance the integrity of Victoria's electoral processes.

The branch includes the VEC's Funding and Disclosure Unit and takes a coordinating role for disputes or litigation involving the Electoral Commissioner. The branch works closely with internal and external partners to perform these highly regulated activities.



Sue Lang

Director

Sue joined the VEC in 2006 after spending much of her career in senior communication roles within the metropolitan water industry, local government, statutory authorities and State government. She has significant expertise in major public awareness and stakeholder engagement programs. With her team, Sue is focused on the delivery of evidence-led internal and external communication strategies using a program logic approach, aiming for increased public awareness and, where appropriate, behavioural change. Sue is an advocate of human-centred design for service, product and communication development to ensure customer-centricity.

Communication and Engagement Branch

The Communication and Engagement Branch comprises three distinct teams and provides a number of communication, outreach and education services including the:

- provision of internal and external communication services for the VEC
- development and implementation of major public awareness campaigns for electoral events across traditional and digital channels for all Victorian electors
- development of stakeholder engagement programs relating to electoral participation and inclusion
- provision of electoral education and outreach services
- provision of advice on electoral legislation, electoral structures and strategic matters
- provision of research services and information.

Internal committees and groups

Several consultation committees and groups assist the Electoral Commissioner and the EMG with the development and implementation of strategies and policies, providing expertise and promoting staff consultation.

EMS2 Development Steering Committee

Internal oversight and governance for the VEC's Election Management System (EMS) redevelopment program and EMS enhancement projects are provided by the EMS2 Development Steering Committee. The Committee meets monthly to ensure correct project controls are being applied to EMS redevelopment and enhancement projects—along with providing oversight of schedule, budget and risk. The Committee members are:

- the Director, Elections (Chair)
- the Chief Information Officer
- the Chief Financial Officer
- the Enterprise Architect
- the IT Program Manager
- the Manager, Election Systems.

During 2019–20, the Committee was focused on ensuring the successful delivery of functionality to support election configuration and resourcing for elections, as well as functionality required to support the 2020 local government (LG2020) elections, much of which arose due to changes to legislation. Advancing preparations for the remaining modules to complete the EMS2 redevelopment program was also a priority. The deliverables included:

- enhancements to the ballot paper envelope tracking application
- enhancements required as a result of new local government legislation
- the development of the resource allocation and management module
- the development of phase one of the election administration module
- the development of a new countback application
- updates to the nominations and results modules
- development and enhancement of reports
- system stabilisation and disaster recovery enhancements.

Major Projects Group

The Major Projects Group (MPG) is responsible for guiding and monitoring the execution of all VEC major projects, which are projects with a large budget, complex project risks or an organisation-wide impact.

The MPG has an 'all of VEC' governance responsibility, with a focus on Strategy 2023 outcomes and interdependencies between major projects that may influence the VEC's ability to meet enterprise goals.

Occupational Health and Safety Committee

The Occupational Health and Safety Committee (OHSC) is a forum that facilitates cooperation and communication between the EMG and employees. Issues considered by the OHSC include those likely to affect the health, safety and welfare of VEC workplaces in accordance with the requirements of the *Occupational Health and Safety Act 2004*.

In 2019–20, the OHSC continued to monitor the VEC Occupational Health and Safety Management System (OHSMS) functions and the delivery of health and wellbeing program activities. Bi-monthly OHSC meetings were held over the year with regard to various matters, including major reviews of the hazard risk register, regular reviews of the safety action plans, identifying and implementing process improvements, and contributing to activities such as Occupational Health and Safety (OHS) Month. Health and Safety Representatives continued with quarterly inspections and incident and hazard reviews.

The OHSC supported a significant program of work to close the remaining internally audited areas from the five key areas previously identified in the OHS performance survey. These focus areas for 2019–20 were mental health, managing fatigue, and health and wellbeing. The audits involved investigation of the OHS risk, current practice, and recommendations to the EMG to action. The OHSC will continue to monitor the progress of the implementation of recommendations.

Planning Group

The Planning Group (PG) is the VEC's major cross-organisational work group that tracks and monitors the preparation and implementation of electoral events. The group is comprised of a changing complement of key managers from across the organisation and is responsible for fostering intra-agency co-operation and reporting on event preparation and projects.

During 2019–20, PG's focus has been on preparing for the delivery of local government elections. The LG2020 elections draft service plan was circulated to stakeholders during October 2019 in order to engage councils early during planning for the elections. The VEC published an updated service plan in late December 2019, ensuring councils and other key stakeholders had a clear understanding of the services to be provided and possible budgetary impacts.

This year, PG also focused on the delivery of other key electoral events including local government by-elections for Moorabool Shire Council, Strathbogie Shire Council, Surf Coast Shire Council, and Corangamite Shire Council as well as several countbacks and fee-for-service and statutory elections.

Resource Smart Committee

Environmental sustainability report



The VEC's Resource Smart Committee (RSC) continued to meet monthly during the year. Work continued in encouraging staff to refuse plastic bags and the RSC noted the great take up of free reusable shopping bags. The RSC was also pleased to note many staff using reusable coffee cups in place of disposable takeaway cups.

Highlights 2019–20

- Replacement of light fittings at the VEC warehouse with LED lighting. The saving of this initiative is already being experienced.
- Ballot paper stock has changed from 70% recycled, imported from Japan to 100% recycled, made in Victoria.
- The VEC marketplace, held prior to Christmas 2019, encouraged staff to donate unwanted items in good condition that other staff had the opportunity to purchase. The marketplace made \$490, which was donated to the bushfire appeal.
- The VEC book exchange was established with unsold books from the marketplace. These were made available to staff to read, borrow or keep—with further donations encouraged.
- Most plastic bottle caps or lids are not able to be recycled. After a call out by a Victorian company that recycles bottle caps and lids to produce prosthetic limbs, the RSC established bottle cap collection stations in every break-out area. This proved a popular initiative.

Sustainability Policy and Action Plan

The key sustainability commitments at the VEC are to:

- drive resource efficiency and sustainable business practices throughout VEC operations
- leverage and influence VEC networks to improve sustainable performances and practices of the electoral sector
- prioritise sustainability in procurement and investment decisions and work with VEC suppliers to pursue and develop sustainable business outcomes
- build the capability and capacity of VEC staff to undertake their roles more sustainably, and actively communicate information to encourage and assist employees with sustainability
- implement a holistic and transparent sustainability strategy, including measurable targets where applicable, and publicly report on progress
- actively engage with Victorians to promote sustainability through electoral processes.

What's next?

For the remainder of the 2020 calendar year, the RSC will look to establish a mechanism to report on the commitments within the Sustainability Policy, to develop the calendar of Resource Smart events and activities for the forward 12 months, and consider how to further contribute to sustainable practices as the LG2020 elections approach.

External advisory groups

The VEC is fortunate to have representation from a broad range of community organisations and individuals who provide invaluable advice and insight into issues that impact electors' abilities to participate in elections.

The VEC has three active community advisory groups:

- the Culturally and Linguistically Diverse (CALD) Advisory Group
- the Electoral Access Advisory Group
- the Homelessness Advisory Group.

All groups met once this year and were to be involved in a planning and feedback workshop for the LG2020 elections before the COVID-19 outbreak. Members also supported the VEC by providing expert advice to inform the development of the Disability Access and Inclusion Plan 2019–23 (DAIP), Multicultural Inclusion Plan (MIP), Young People's Inclusion Plan and the Out-of-Home Inclusion Plan.

Culturally and Linguistically Diverse Advisory Group

The CALD Advisory Group comprises representatives from multicultural organisations across the community and government sectors, and those with expertise in engaging CALD communities. This year, members provided expert insight into and advice on the development of the VEC's first Multicultural Inclusion Plan (MIP). The VEC especially acknowledges Carringbush Adult Education for granting access to 13 teachers and recruiting 11 CALD community members for the development of the MIP.

Electoral Access Advisory Group

The Electoral Access Advisory Group comprises representatives of disability support agencies, people with disabilities and their supporters. Members of the group were consulted on draft actions for the Disability Access and Inclusion Plan (DAIP). Their advice enhanced activity development designed to promote inclusion for all during election phases.

Members also received reports on:

- the conclusion of the VEC's Disability Action Plan 2016–19
- the DAIP 2019–23 development and launch
- electoral outreach activities.

Homelessness Advisory Group

This group comprises practitioners from the homelessness sector, peer support workers and people with lived experiences of homelessness. Members of the group provided advice on outreach materials, homelessness sector networks and best-practice approaches to engaging with people experiencing homelessness.

Aboriginal and Torres Strait Islander advisory representation

Following the completion of an in-depth literature review on the electoral engagement of Aboriginal and Torres Strait Islander people, and a review of relevant government policy, the VEC completed a Statement on Self-determination and Improved Outcomes for Aboriginal Victorians. This document outlines the VEC's commitment to supporting the Victorian Aboriginal Affairs Framework and working with Aboriginal Victorians on electoral engagement. It will be used in developing the best model for seeking advice from Aboriginal Victorians and service providers. Input and advice were also sought from Aldara Yenara, an Aboriginal consultancy based in Shepparton.



The launch of the VEC's Disability Access and Inclusion Plan on International Day of People with Disabilities with all of the VEC advisory groups

Case study

MALLACOOTA AND DISTRICTS BUSHFIRE RECOVERY ASSOCIATION ELECTION

Following the 2019–20 summer bushfires, the VEC was approached to assist with the Mallacoota and Districts Bushfire Recovery Association (MADRA) in establishing the rules for, and conducting, an election of 12 members of an interim committee for a twelve-month term.

MADRA was established as a response to the devastating bushfires that impacted the area in the summer of 2019–20, with the purpose of enabling community involvement with the recovery of the area. The election was publicised in the Mallacoota, Genoa and District community newsletter and on the East Gippsland Shire Council website.

In accordance with the rules proposed by the VEC and accepted by MADRA, voting was opened to persons aged 15 years and over who were residents or owned property in the Mallacoota, Genoa and Wallagarough River catchments at the time of the 2019–20 bushfires, and who had applied for full membership of MADRA by 12 midday on Thursday 16 April 2020. A total of 708 people applied by the closing time and were included on the voters' roll.

This election posed many challenges, both with the temporary displacement of many MADRA members, and the COVID-19 pandemic, which required a shift to remote working practices for the VEC. These challenges resulted in the introduction of several new measures to allow transparent electoral proceedings while operating remotely.

The first of these measures was allowing candidates to submit a nomination electronically, or by post. In-person nominations were not allowed under COVID-19 stage 3 restrictions. Nominations were open from 24 March 2020 to 12 midday on 16 April 2020. A total of 44 candidates contested the election for one of 12 positions.

After the close of nominations, a draw for position on the ballot paper was performed using the VEC's computerised random draw software, which has been independently audited and certified. Candidates and MADRA were provided a report listing the candidates in ballot paper order by email immediately following the draw.

The voting method was optional preferential voting. To make a formal vote, voters were required to mark their ballot paper with preferences from '1' to at least '12' next to the candidates of their choice.

Ballot packs containing the ballot paper and a statement and photograph of each candidate were sent to the 708 enrolled members on Tuesday 28 April 2020. Voters had until 5 pm on Tuesday 19 May 2020 to return their ballot material to the Returning Officer in the provided reply-paid envelope. A total of 623 signed declaration envelopes were returned to the VEC by the close of voting.

In light of the COVID-19 pandemic and the advice for Victorians to practice social distancing, the VEC reviewed the arrangements for the extraction and count of ballot papers. The health and wellbeing of VEC staff and the broader community remained the VEC's highest priority.

The extraction and computer count took place on Wednesday 20 May 2020 at the VEC head office. Staff were positioned to allow for 1.5 metres of physical distancing between each counting officer. To reduce the number of people required to attend the office, each candidate was able to appoint a scrutineer to observe proceedings, which the VEC hosted online using Cisco Webex.

The counting activities commenced at 9 am. First, the counting officers removed the ballot envelope flaps containing voters' details and then extracted ballot papers from the envelopes. This activity was structured to maintain voter anonymity and ballot accountability. A total of 623 ballot papers were extracted during this process.

Ballot papers were then submitted for computer count using the VEC's computerised counting software. The data from each ballot paper was entered into the system. Any ballot papers that did not meet the formality requirements were set aside as informal. A total of 602 formal votes and 21 informal votes were recorded, representing a voter turnout rate of 87.99% and an informality rate of 3.37%.

The VEC's computer count application calculated the results using the proportional representation method of counting, as applies to the election of members to the Legislative Council.

The election results were declared by the Returning Officer at 10 am on Thursday 21 May 2020 at the VEC's head office. The declaration ceremony was hosted online and access to view the proceedings was made available to candidates and any other interested parties.

Governing legislation and tribunals

The three pieces of legislation that set out the VEC's primary responsibilities are the *Constitution Act 1975*, *Electoral Act 2002* and *Local Government Act 2020*.

In accordance with this legislation, the VEC conducts State Parliamentary elections, local government elections and by-elections, and certain statutory and fee-for-service elections. The VEC also provides advice to the Government and Parliament on electoral issues. Other legislation and regulations imposing certain duties on the Electoral Commissioner are listed in Appendix B on page 140.

Legislative and regulatory amendments

In March 2020, Parliament passed the *Local Government Act 2020* (LGA 2020). The new legislation replaces the *Local Government Act 1989* (LGA 1989), which governed Victoria's local government sector and its electoral activities for 30 years.

The electoral provisions of the new legislation commenced on 6 April 2020. This caused all active electoral representation reviews to cease immediately and introduced several changes to local government elections in Victoria to take effect over the next four years. The LGA 2020 also made changes to the *City of Melbourne Act 2001* and prompted new regulations to be made to govern the operations of future local government elections.

As a transitional step, the LGA 1989 continued to apply for any local government by-elections and countbacks required to be completed before the LG2020 elections.

Municipal Electoral Tribunal

Section 45 of the LGA 1989 provides for a candidate, a group of 10 voters, or the Returning Officer at a local government election who dispute the validity of the election, to apply for an inquiry into the election by a Municipal Electoral Tribunal (MET). Applications must be lodged within 14 days of the declaration of the result of the election in dispute.

Following a countback for Surf Coast Council, Winchelsea Ward on 2 July 2019, an unsuccessful candidate from the countback applied to the MET for an inquiry into the validity of the countback. A directions hearing was held for the application, although the application was withdrawn before a substantive hearing was scheduled to consider the dispute.

Disputes to elections held under the LGA 2020 will be directed to the Victorian Civil and Administrative Tribunal (VCAT). The MET has been disestablished, effective with the LG2020 elections.

Victorian Civil and Administrative Tribunal

Section 48(2) of the LGA 1989 allows a person whose interests are affected by a MET decision to apply to the VCAT for a review of that decision within seven days of the MET's written decision being handed down.

Following the 2016 local government elections, an application disputing the Whittlesea City Council, South-East Ward election was received by the MET. The application, which alleged misleading electoral material from the election, was dismissed.

In the 2019 calendar year, the applicant made a late application to VCAT for a review of the MET's decision. Although the VEC was a party to the original proceeding before the MET, the VEC was not notified until after the application had been accepted and the MET had consented to the late application to VCAT.

As at 30 June 2020, the application remains before the VCAT and the VEC had filed a request for the application to be summarily dismissed under section 75 of the *Victorian Civil and Administrative Tribunal Act 1998*.

Accountability and transparency

The VEC has legislative and organisational processes in place to ensure transparency and accountability to the Victorian public. These processes include internal and external auditing, regular reporting to stakeholders including Parliament, Government and the public, and tabling of audited financial statements as part of this report.

Audit and Risk Committee

The VEC's Audit and Risk Committee assists and advises the Electoral Commissioner in meeting financial compliance and reporting obligations, and in managing risk. The Committee consists of the following members:

- David Nairn, Chairman (independent member)
- Carol Pagnon (independent member – extended to December 2020)
- Michael Ulbrick (independent member – extended to March 2021).

The responsibilities of the Committee are to monitor and oversee the:

- financial performance and reporting process, including the annual financial statements
- scope of work, performance and independence of internal audits
- engagement and management of the internal audit contractor
- scope of work, independence and performance of the external auditor
- operation and implementation of the risk management framework
- matters of accountability and internal control affecting VEC operations
- effectiveness of management information systems and other systems of internal control
- VEC's process for monitoring compliance with laws and regulations and its own code of conduct and code of financial practice
- VEC's compliance with the Financial Management Compliance Framework (FMcF) Standing Directions.

The Committee met formally on four occasions during the year, including twice online. The Committee's positive support and guidance to the Electoral Commissioner were much appreciated, with their focus on risk and business continuity proving timely.

Complaints and Customer Feedback Framework and Policy

During 2019–20, the VEC undertook a program to update its handling of complaints in line with a new Customer Feedback Framework and Policy. This update streamlined the way the VEC receives and handles feedback and complaints from the public, acknowledging that these interactions provide valuable insight and assist in service delivery improvement. The update included an online customer feedback submission form for feedback and complaints.

The VEC handles complaints in three main areas. These include complaints that:

- allege a breach of the Electoral Act
- allege a breach of the LGA 2020
- are about a process, performance or service related to an interaction with the VEC.

As the VEC does not have authority to follow up allegations of a breach of the LGA 2020, it forwards these complaints to the Local Government Inspectorate (LGI) in accordance with an established protocol.

The VEC received 22 written complaints during 2019–20. Of these complaints, two related to the 2018 State election and concerned voting security or postal vote applications. There were four complaints related to a council by-election or countback and these related to candidate eligibility or signage authorisation. Of these, two complaints were referred to LGI with all others resolved by the provision of information or clarification to legislation.

Complaints received that were not connected to an election event included those related to enrolment and the register of electors, legislation, and one regarding the electoral representation review program. Four complaints were connected to the upcoming LG2020 elections.

One complaint related to alterations to the scrutineer process due to the COVID-19 pandemic. This was resolved by clarifying the impact of the directives of the Premier of Victoria. There were no substantiated complaints related to information privacy or the release of information under Freedom of Information legislation.

Accountability and transparency (continued)

The VEC regularly reminded electors who suspected their privacy was breached that the VEC has obligations under the legislation to provide candidates, political parties and Members of Parliament with electoral rolls for purposes including campaigning. More information about who receives enrolment information is available at 'Privacy at the Victorian Electoral Commission' on the VEC website.

The VEC dealt with all complaints in accordance with its procedures. Complaints were resolved through providing an explanation, follow-up and responsive action where required. The VEC aims to respond to straightforward complaints within five working days and this was achieved.

Corporate reporting

The VEC has a comprehensive program of stakeholder reporting that supports its goals of accountability and transparency. Internal reporting is aligned with lines of authority and cross-organisational channels to meet organisational needs.

External reporting is based on legislative and governance obligations, transparency objectives and commitments to stakeholders. The standard of reporting is high. For example, last year's Annual Report fully complied with the Department of Treasury and Finance (DTF) model report requirements and achieved a Gold award at the 2019 Australasian Reporting Awards.

During 2019–20, the VEC tabled two reports in Parliament; the *Victorian Electoral Commission Annual Report 2018–19* and the *Report to Parliament on the 2018 Victorian State Election*.

Other reporting obligations include:

- the provision of a quarterly report to the DPC in relation to budgetary objectives and impact of COVID-19
- monthly financial reporting to the DTF
- twice-yearly reporting to the Attorney-General on infringements activity
- advertising campaign reporting
- reporting for the EBC, for which the VEC provides secretarial services and technical support. The VEC also prepares an annual report for the EBC. This report can be found at Appendix G on page 144.

All reports were delivered on schedule and within budget, where applicable. Annual reports and other reports and publications are available on the VEC website and from the VEC's head office.

Customer Service Charter

The VEC's Customer Service Charter ensures that it complies with best practice and is relevant to VEC operations. The Charter is reviewed regularly and is available on the VEC's website.

Financial Management Compliance Framework

The FMCF assures the Minister for Finance that Victorian Government entities have implemented the appropriate systems to ensure compliance with the FMCF. The FMCF provides for effective, efficient and responsible financial management of public resources.

The FMCF Standing Directions cover:

- financial code of conduct, financial governance including the establishment of an Audit and Risk Committee, financial risk management, delegations, and internal and external audits
- financial management structure, systems, policies and procedures. This includes roles and responsibilities of the financial management team and identified Key Management Personnel, managing outsourced services, information technology management, operations, development and change, and education and training
- financial management reporting, which includes internal and external reporting, reporting requirements for financial statements and reports of operations, performance management and evaluation, financial management compliance obligations, tax compliance, purchasing cards, and thefts and losses compliance.

The VEC's compliance with the FMCF Standing Directions is assessed by the internal auditor annually and is reviewed and endorsed by the Audit and Risk Committee. The 2019–20 internal review reported the VEC's overall compliance with the Framework in the annual attestation to DTF.

Identifying and managing risk

The Victorian Government's Risk Management Framework provides for a minimum standard across public sector entities. As the Accountable Officer, the Electoral Commissioner is responsible for the development, implementation and maintenance of the Framework to ensure risks are managed consistently across the organisation.

Risk management is embedded in the VEC's operations, including in regular workshops and assessments to identify and monitor organisational risks, evaluating existing risk controls and developing new controls where required. The VEC's risk practice is managed through an integrated enterprise risk system, with regular reporting to the Audit and Risk Committee, which oversees risk management and provides an independent perspective on the VEC's practices.

Risks are profiled and rated according to their potential hazard level across operational and non-operational activities. Risk ratings are presented to the Audit and Risk Committee in accordance with its charter. In an independent capacity, the Committee determines whether risks are adequately scoped, and whether sufficient controls are in place to mitigate and manage risks.

At an operational level, the VEC has comprehensive risk management plans for all electoral events and major projects. These are developed, discussed and analysed at branch level and at election planning groups during the planning phase and cover areas such as election management, infrastructure, communication, recruitment and information technology.

Internal audit

The VEC's internal audit program is designed to provide an independent, objective assurance to improve operations. The rolling four-year internal audit strategy and program is designed to be comprehensive and to enable effective and regular review of all operational, financial and related activities.

Part of the annual program includes annual attestations and certification reviews, such as Risk and Fraud Certification and compliance with Memorandums of Understandings entered into with other agencies. The VEC's internal audit program is reviewed annually and designed in consultation with the Audit and Risk Committee and the EMG.

Disclosures

Additional information available on request

Information relating to the 2019–20 reporting period is made available to Ministers, Members of Parliament and the public on request (subject to the *Freedom of Information Act 1982* [FOI Act]) and is listed in Appendix C on page 141.

Advertising disclosure

FRD 22D issued by the Australian Accounting Standards Board requires Victorian Government agencies to disclose advertising expenditure on campaigns with a media spend of \$150,000 or greater. No reportable advertising expenditure occurred during 2019–20.

Attestation to Public Sector Standards Commissioner

The Electoral Commissioner completed an annual attestation of hospitality and gifts as required.

Building Act 1993

The VEC does not own or control any Government buildings and, consequently, is exempt from notifying compliance with the building and maintenance provisions of the *Building Act 1993*.

Child Safe Standards

In 2015, the *Child Safety and Wellbeing Act 2005* was amended to include Child Safe Standards for all organisations involved in child-related work in Victoria.

The Commission for Children and Young People determined that the VEC is required to comply with the Child Safe Standards—primarily due to its work in student education. In early 2019, the VEC worked with CCYP on the following:

- Child Safe Code of Conduct
- Child Safety Policy
- Statement of Commitment to Child Safety
- Child Safety Risk Management Overview
- Child Safety Role Mapping Matrix.

In addition, advertising, recruitment and training procedures were also updated to reflect the Child Safe Standards.

Consultancies and contracts

Major contracts

In accordance with the requirements of FRD 12A, the VEC disclosed all contracts greater than \$10 million in value entered into during the year ended 30 June 2020. No contracts greater than \$10 million in value were entered into by the VEC during 2019–20.

Consultancy expenditure

Details of consultancies under \$10,000

In 2019–20, 12 consultancies were engaged where the total fees payable to the individual consultants was less than \$10,000. The total expenditure incurred in relation to these consultancies was \$56,387 (excluding GST).

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

In 2019–20, there were 15 consultancies where the total fees payable to the consultants was \$10,000 or greater. The total expenditure incurred in relation to these consultancies was \$1,667,730 (excluding GST). See Figure 11.

Disability Act 2006

The *Disability Act 2006* requires all public sector bodies to prepare a disability action plan and all departments to report on the implementation of their disability action plan in their annual report. The VEC's Disability Access and Inclusion Plan was developed and launched in 2019 after significant consultation. The VEC provided a report on its progress with deliverables to the EAAG. See 'Disability Access and Inclusion Plan' on page 76 for more information.

Disclosure index

The Annual Report of the VEC is prepared in accordance with all relevant Victorian legislation and pronouncements. A disclosure index has been prepared to facilitate identification of the VEC's compliance with statutory disclosure requirements. The disclosure index is included as Appendix A on page 138.

Employment and conduct principles

The VEC maintains and implements a suite of policies and guidelines with respect to upholding public sector conduct, managing and valuing diversity, employment, managing underperformance, reviewing personal grievances, and selecting on merit.

FIGURE 11: CONSULTANCIES VALUED AT \$10,000 OR GREATER

CONSULTANT	PURPOSE OF CONSULTANCY	TOTAL APPROVED PROJECT FEE (EX GST)	EXPENDITURE 2019-20 (EX GST)	FIXTURE EXPENDITURE (EX GST)
Arkade Digital Pty Ltd	Passport to Democracy website refresh	89,795	89,795	-
Clayton Utz	Legal advisory services	49,931	49,931	-
Cube Group Management Consulting	Strategy review	120,000	120,000	-
Data#3	Intranet and SOE modernisation strategy and design, funding and disclosure project completion	439,709	439,709	-
Deloitte Consulting Pty Ltd	Website strategy and design	687,606	453,000	234,606
Grange Advisory Pty Ltd	HR review services	18,966	18,966	-
Human Capital International Partner	Executive Management group development program	23,500	23,500	-
ID (Informed Decisions) Pty Ltd	Elector forecasts	195,000	195,000	-
Jeremy Wood	Representation reviews	20,424	20,424	-
John Watson	Representation reviews	14,520	14,520	-
KPMG Australia	Compliance audit	66,240	66,240	-
Life Works (Optum H&T) Morneau Shepe	HR wellbeing consultants	16,548	16,548	-
Mapdojo	Geographic information systems consultancy services	18,200	18,200	-
Pitcher Partners Consulting Pty Ltd	Probity and procurement services	37,792	37,792	-
Social Ventures Australia Ltd	Outcomes management framework and evaluation	29,787	29,787	-
The Social Research Centre	Non-voter research project	74,318	74,318	-

Environmental performance

The VEC has continued its commitment to reducing the negative impact of its operations on the environment, with ongoing communication and information programs to encourage positive behavioural changes.

The VEC's Environmental Sustainability Report for 2019-20 is included in 'Our Commission' on page 31.

Executive officer disclosures

The Electoral Commissioner and Deputy Electoral Commissioner are appointed by the Governor in Council as statutory office holders. These appointments do not fall within the definition of Executive Officer under the *Public Administration Act 2004*; therefore, disclosures were not necessary.

Disclosures (continued)

Freedom of information

The FOI Act gives the community the right to access information in the possession of the VEC. Of the two requests received by the VEC under the FOI Act, both were satisfied outside of the process. Information about how to lodge an application under the FOI Act is available on the VEC website or in Appendix E on page 142.

Gifts, benefits and hospitality register

In complying with Victorian Public Sector Commission standards for Victorian public sector employees on the giving and receiving of gifts, the VEC publishes its Gifts, Benefits and Hospitality Register on a quarterly basis. These reports are available on the VEC website.

Grants and transfer payments (other than contributions by owners)

Included in the 'Total expenses from transactions' on page 99 are payments of grants and assistance to certain companies and organisations. During 2019–20, the VEC provided grants totalling \$144,348 to five organisations (see Figure 12).

Information and records management

The VEC has responsibility for managing information in accordance with standards issued by the Public Records Office of Victoria and the Office of the Victorian Information Commissioner (OVIC). The types of information managed by the VEC are detailed in the VEC Information Asset Register.

During 2019–20:

- the VEC information classification scheme was updated to better support VEC functions and responsibilities
- the VEC became the first Victorian public sector agency to manage all records through the interface of SharePoint and Cloud Records
- the VEC met reporting obligations imposed by the *Privacy and Data Protection Act 2014*.

Legislation

The VEC is subject to, and complies with, a range of legislation, listed in Appendix B on page 140 and detailed in this report as applicable.

National Competition Policy

Competitive neutrality requires Government businesses to ensure that—where services compete with another Government business or, potentially, with the private sector—any advantage arising solely from their government ownership be removed if it is not in the public interest. Government businesses are required to cost and price these services as if they were privately owned and, thus, the services must be fully cost reflective.

Competitive neutrality policy provides Government businesses with a tool to enhance decisions on resource allocation. This policy does not override other policy objectives of Government and focuses on efficiency in the provision of service. The VEC continues to comply with the requirements of the National Competition Policy.

FIGURE 12: GRANTS TO EXTERNAL BODIES, 2019–20

ORGANISATION	PURPOSE OF GRANT	AMOUNT (EX GST)
Neighbourhood Houses Victoria	Silver Package Conference sponsorship	\$3,500
Richmond Football Club	Real Program sponsorship. Support for Richmond Emerging Aboriginal Leaders camps (at Korin Gamadji Institute) for Aboriginal and Torres Strait Islander youth to build their leadership skills through active citizenship and position them as role models within their community.	\$61,663
StreetSmart	Action against homelessness to gain access to this sector to promote the VEC's outreach and no-fixed address enrolment.	\$10,000
University of Melbourne	Development of Electoral Law Library and ongoing support of Electoral Regulation Research Network (ERRN) Sponsorship.	\$47,367
YMCA Youth and Community Services	Sponsorship of five youth Parliament teams.	\$21,818
Total		\$144,348

Occupational health and safety management

The goal of the VEC's occupational health and safety (OHS) system is to ensure all staff remain safe and healthy at work. An OHS management system is in place and VEC branches have implemented local OHS action plans aimed at enhancing safety performance and ensuring safe systems of work.

In 2019–20, there was one lost time injury arising from an on-site incident. For more on human resource management at the VEC, including performance against OHS management measures, see the 'Our People' section of this report (page 92).

Pecuniary interest declarations

The Electoral Commissioner and the Deputy Electoral Commissioner completed declarations of pecuniary interests as required.

Privacy

The VEC collects and handles personal information in relation to both the Victorian public and VEC staff in order to fulfil its functions under the Electoral Act. The VEC's policies regarding the management of personal information comply with the *Privacy and Data Protection Act 2014* and are set out in its Privacy Policy, available on the VEC website.

During 2019–20, the VEC's Privacy Officer collaborated with the OVIC. Updates were given to affected and interested VEC officers, as appropriate.

It was discovered that confidential information was published during a review of disclosures on the VEC website. The VEC immediately acted to remove the information and deployed a system change. The incident was reported to the OVIC, affected individuals and stakeholders.

Each year, the VEC responds to queries relating to the release of information to people and organisations, as authorised by legislation. These queries are not treated as privacy complaints or breaches.

Public Interest Disclosures Act 2012

The VEC is committed to the aims and objectives of the *Public Interest Disclosures Act 2012* (PID Act), previously the *Protected Disclosure Act 2012*. Improper conduct by its employees, officers or members is not tolerated, nor is reprisal against those who come forward to disclose such conduct.

The VEC recognises the value of transparency and accountability in its administrative and management practices and supports the making of disclosures that reveal corrupt conduct, conduct involving a substantial mismanagement of public resources, or conduct involving a substantial risk to public health and safety or the environment. For details about reporting procedures under the PID Act, see Appendix D on page 141.

Victorian Industry Participation Policy

The *Victorian Industry Participation Policy Act 2003* requires public bodies and departments to report on the implementation of the Victorian Industry Participation Policy (VIPPP). Departments and public bodies are required to apply VIPPP in all tenders over \$3 million in metropolitan Melbourne and \$1 million in regional Victoria. No contracts to which the VIPPP applies were commenced or completed by the VEC during 2019–20.

Social procurement

The VEC adopted the new Victorian social procurement framework, which seeks to streamline and embed social procurement within ordinary government processes. In line with its principles, the framework should be:

- a standard and consistent approach across the Victorian government
- easy to understand and adopt with minimal administrative burden for all businesses
- simple for government to embed in everyday business
- scalable for all sizes and types of businesses and suppliers
- user-friendly and supported with guidance, education, tools, and templates
- able to be effectively measured and reported
- demonstratable of government leadership in promoting the use of social procurement across Victoria.

The VEC developed and implemented its first social procurement strategy, in line with the Victorian social procurement framework and the VEC core legislative purpose. The following table provides an overview of the social procurement objectives, opportunities and performance targets, which are closely aligned to the LG2020 elections and will therefore cross over into the 2020–21 period.

Disclosures (continued)

SOCIAL PROCUREMENT FRAMEWORK (SPF) OBJECTIVES	NATURE OF PROCUREMENT ACTIVITY	COMMENTS/ACTIONS
<ul style="list-style-type: none"> • Opportunities for Victorian Aboriginal people. 	<p>Purchase opportunities: design work.</p> <p>Service opportunities: engagement with artists and performers (NAIDOC week), training, Aboriginal leadership engagement and cultural awareness, catering, internships, mentoring of Aboriginal staff, delivery of leadership forums for Aboriginal youth via the KGI Institute.</p>	<p>The desired social outcome is the employment of Aboriginal businesses and individuals for appropriate business-related activities. There is opportunity for the VEC to further expand its profile of indigenous suppliers across a range of services.</p> <p>Planned actions:</p> <ul style="list-style-type: none"> • Opportunities and activities that align with the VEC’s community engagement focus and Reconciliation Action Plan. • Sponsorship of KGI Aboriginal Leadership program – advocacy of civic participation in their communities. The sponsorship is key in enabling the program. The opportunity to engage and advance engagement is subject to the VEC’s work program and business requirements.
<ul style="list-style-type: none"> • Opportunities for Victorians with disability. • Opportunities for disadvantaged Victorians. • Supporting safe and fair workplaces. • Women’s equality and safety. 	<p>Purchase opportunities: design work and office material.</p> <p>Service opportunities: training, internships and employment opportunities for those with disability, community outreach expertise, onboarding election support staff, professional services.</p>	<p>The desired social outcome is that employment and outreach opportunities form part of the VEC’s community engagement program. These objectives welcome greater interaction and engagement from the various groups and provide an opportunity for employing people with a disability to represent and be a voice to their broader community.</p> <p>Various approaches include:</p> <ul style="list-style-type: none"> • the VEC’s Disability Access and Inclusion Plan • direct purchase of professional services (where required) • employment opportunities as per the VEC Democracy Ambassador Program, targeting CALD, disability, Aboriginal and homeless communities to extend the VEC’s reach into these specific priority communities to raise electoral awareness and participation • building relationships with employment agencies that specialise in the disadvantaged groups; part of the election staff onboarding and assistance program.
<ul style="list-style-type: none"> • Environmentally sustainable outputs. • Environmentally sustainable business practices. 	<p>Where possible, the VEC will continue to leverage from whole-of-government contracts and services that target sustainable and environmental benefits.</p> <p>The VEC also has the ‘Resource Smart’ in-house team, which drives environmentally sustainable practice within the organisation. There are limited procurement requirements in the 2019–20 period.</p>	<p>The desired social outcome is to establish a smaller environmental footprint.</p> <p>Planned or completed actions:</p> <ul style="list-style-type: none"> • The VEC’s major print contract is with a printer with environmentally friendly processes. The 100% recycled paper the VEC has recently purchased for use as ballot material for the LG2020 elections is from a Victorian-based provider (it was previously shipped from overseas). • The VEC now uses an electronic notification service, Voter Alert, which is providing an opportunity for direct elector contact. This enables the VEC to significantly reduce its amount of physical mail. • Across the organisation, the VEC will endeavour to implement further sustainable changes such as LED lighting in all work areas with timer and sensor trackers. This will bring economic and environmental benefits. • With 2020–21 being a local government election year, the increased budget and election program will provide further opportunity to plan and procure services with sustainability and environmental benefits. • This will be further considered as part of the VEC’s Sustainability Action Plan.

Our core business

Achievements 2019–20

-  Finalising matters resulting from the 2018 State election in the Magistrates' Court.
-  Finalising compulsory voting enforcement and other compulsory elections and polls, including lodging outstanding infringements with Fines Victoria.
-  Tabling the report on the 2018 State election in Parliament.
-  Delivering the election service plan for the 2020 local government elections.
-  Delivery of a corporate brand refresh.

Outlook 2020–21

-  Respond to changes affecting election operations resulting from the introduction of the *Local Government Act 2020*.
-  Provide administrative and technical support to the Electoral Representation Advisory Panel to be established by the Minister for Local Government under the new *Local Government Act 2020*.
-  Progress Funding and Disclosure system enhancements
-  Deliver a new co-designed, mobile-responsive website.
-  Complete the VEC Aboriginal Engagement Plan 2020–23.
-  Complete the Stakeholder Management Framework and Stakeholder Engagement Strategy.

Electoral activity

As no major electoral events took place in 2019–20, the VEC focused on delivering local government by-elections and countbacks, and fee-for-service elections. Overall, four local government by-elections, 12 local government countbacks, eight fee-for-service elections and polls, and 19 electoral representation and seven subdivision reviews took place during the year. All events were successfully conducted on schedule and within budget, with no result overturned.

Electoral representation and subdivision reviews

Under the *Local Government Act 1989* (LGA 1989), the VEC was prescribed as the ‘reviewer’ for the purposes of conducting local council electoral representation and subdivision reviews. During these reviews, the VEC considers whether a council has the most suitable electoral structure and number of councillors to help ensure fair and equitable representation for voters. The VEC consults community members and relevant organisations during this process. This year, the VEC conducted 19 electoral representation reviews and seven subdivision reviews that were required to be completed before the LG2020 elections. This is in addition to 12 representation reviews conducted in the previous year.

The councils reviewed during 2019–20 were:

- Buloke Shire Council
- Swan Hill Rural City Council
- Campaspe Shire Council
- Bayside City Council
- Kingston City Council
- Greater Dandenong City Council
- Darebin City Council
- Banyule City Council
- Manningham City Council
- Maroondah City Council
- Whitehorse City Council
- Murrindindi Shire Council
- Mansfield Shire Council
- Hepburn Shire Council
- Northern Grampians Shire Council
- Casey City Council
- Cardinia Shire Council
- Whittlesea City Council
- Mitchell Shire Council.

The VEC followed the electoral representation review process prescribed by the LGA 1989 (outlined in Figure 12 on page 46). The review process included rigorous modelling at each stage using purpose-built electoral boundary software, inputs from the Australian Census and population forecasts provided by a company specialising in demography and urban planning. Public consultation was an invaluable part of each review, with multiple stages of public submissions and an opportunity for further discussion at a public hearing.

The VEC considered all evidence, including public submissions, when determining the preliminary option(s) and final recommendations for each review. The Electoral Commissioner was advised by a panel of VEC officers and consultants with expertise in electoral boundaries, local government administration and governance, and public policy and research.

Jenny McMahon, John Watson, Michael Ulbrick and Jeremy Wood were the appointed consultants to the electoral representation review panel. All consultants were former Chief Executive Officers or senior officers at local councils in Australia and within Victoria and provided independent advice from their extensive experience in local government matters.

The legislative reform overlapped with the VEC's 2019–20 electoral representation review program. Commencing in January 2019, this program involved the review of 31 local councils prior to the LG2020 elections, with an expected completion date of April 2020. At the commencement of the electoral provisions in the *Local Government Act 2020* (LGA 2020) on 6 April 2020, the VEC was reviewing the final two councils (Mitchell Shire and Whittlesea City Councils) in its 2019–20 review program, which ceased with the introduction of the LGA 2020.

Final reports for electoral representation reviews conducted in 2019–20, excluding Mitchell Shire and Whittlesea City Councils, are available on the VEC website or from the VEC's head office.

For future years, the matters considered by the VEC as the 'reviewer' under the LGA 1989 will instead be considered by the Electoral Representation Advisory Panel to be established by the Minister for Local Government. The LGA 2020 prescribes that the Electoral Commissioner (or their delegate) will be a member of the Panel and the VEC will provide administrative and technical support to the Panel.

Subdivision reviews

The VEC regularly monitors enrolments in local councils across Victoria and, from time to time, identifies a council that contains wards moving outside the enrolment tolerance permitted by the LGA 1989.

If the council is not subject to a scheduled electoral representation review prior to its next general election, the Minister for Local Government can require the VEC to conduct a subdivision review of the council to identify and recommend ward boundaries to bring all wards within the enrolment tolerance. A subdivision review cannot consider the number of councillors and only one subdivision review can be required in between scheduled electoral representation reviews.

During 2019–20, the VEC conducted seven subdivision reviews. The subdivision review process was similar to electoral representation reviews but commenced with the release of proposed boundaries in the preliminary reports for each review. Public submissions were invited, and submitters were able to request to speak at a public hearing scheduled for each review. Public consultation played an important role in the VEC reaching its recommendations. A recommendation was included in a final report to the Minister for Local Government for each subdivision review.

The councils reviewed during 2020 were:

- Surf Coast Shire Council
- Wyndham City Council
- Stonnington City Council
- Yarra Ranges Shire Council
- Hume City Council
- Monash City Council
- Moorabool Shire Council.

All final reports for subdivision reviews conducted in 2020 are available on the VEC website or from the VEC's head office.

For future years, subdivision reviews will be constituted as 'Ward Boundary Reviews' under the LGA 2020.

Electoral activity (continued)

FIGURE 13: THE ELECTORAL REPRESENTATION REVIEW PROCESS

REPRESENTATION REVIEW	Commencement	The VEC conducts research and prepares material for the public.
	Public notification	A notice detailing the process for the review and specifying the timeline for making a submission is published in local media. A guide for submissions is available at vec.vic.gov.au and from the VEC's head office.
	Public information session	One or more information sessions on the review process is held within the municipality. Those interested in making a submission are advised to attend.
	Preliminary submissions (close 28 days after review commences)	An opportunity for the public to submit their views and local knowledge about issues relevant to the review.
SUBDIVISION REVIEW	Release of preliminary report	Based on the VEC's research, including information presented by the public in the case of representation reviews, the VEC models a series of options for the electoral structure of the municipality or makes a proposal for the ward boundary adjustments in a subdivision review. The model or models that best fit the aim of ensuring voters have fair and equitable representation are presented and explained in the preliminary report. Copies of the preliminary report are made available on vec.vic.gov.au , from the VEC's head office and can be inspected at the offices of the council under review.
	Response submissions (close 28 days after release of preliminary report)	Any person or group may make a submission in response to the VEC's preliminary report.
	Public hearing	A public hearing is held within the municipality for submitters who request to be heard in person to discuss their submission. Where no submitters request to speak, the public hearing is not held.
	Release of final report	After considering submissions in response to the preliminary report and information provided at the public hearing, the VEC prepares a final report making a recommendation on the electoral structure to the Minister for Local Government. Copies of the final report are made available on vec.vic.gov.au , from the VEC's head office and can be inspected at the offices of the council under review.
	Minister's determination	The Minister for Local Government considers the VEC's recommendation and makes a determination.

Geographic Information Systems

The Geospatial team provided support to the representation review program by providing projected growth analysis and boundary modelling to determine viable structures and boundaries for each council. The VEC-developed software, BoundaryMaker, was enhanced to accommodate additional functionality for the Geospatial modelling team.

Local government by-elections and countbacks

An extraordinary vacancy arises in a council when a councillor resigns, dies or can no longer hold office as a councillor. The LGA 1989 provides for a countback to be conducted in the first instance when an extraordinary vacancy arises in a multi-councillor ward or unsubdivided council. A by-election is necessary when an extraordinary vacancy arises in a single-councillor ward, or where the vacancy cannot be filled by a countback because of a failed countback, or because there are no eligible candidates for the election.

During 2019–20, the VEC conducted four local government by-elections and 11 countbacks to fill extraordinary vacancies. An additional countback was commenced to fill a vacancy within Whittlesea City Council. With proclamation of the *Local Government (Whittlesea City Council) Act 2020* in March 2020, the countback did not proceed as the Whittlesea City Council was dismissed.

Extraordinary vacancies are not required to be filled if they occur within six months of a general election, so councils were able to carry vacancies that occurred from 24 April 2020.

The details of all by-elections and countbacks conducted during 2019–20 are included in Figures 14 and 15 on page 48.

A report on each activity was prepared and provided to the relevant council within the legislated three-month period.

The number of extraordinary vacancies was higher in 2019–20 than in 2014–15, which is the previous reporting year comparable to this stage of the local government term, when four by-elections and nine countbacks were held. The four by-elections were conducted using postal voting.

In 2019–20, all countbacks but two were held within the respective local council area using the VEC's web-based computer countback application. In response to COVID-19, two of these countbacks were conducted online via Cisco Webex webinar.

The average cost of a countback in 2019–20 was \$2,682 (including GST). This cost includes public notices, configuration of the countback application, and staff time.

A modified countback procedure is necessary when there is only one remaining eligible candidate for election, but public notice of the countback is still required. There were two modified countbacks during 2019–20. The Gannawarra Shire Council Patchell Ward countback was held within the municipality and cost \$624 (including GST) and the Surf Coast Shire Council Anglesea Ward countback resulted in a by-election with the election day set for 31 August 2019.

All by-elections and countbacks were conducted in compliance with legislative requirements, within budget and with no elections failed or overturned. The VEC achieved its aim of providing 'value for money' local government election services.

Other elections and polls

Under Victorian legislation, the VEC is required to conduct certain elections and polls. Depending on the legislation, these elections and polls may be partly or wholly funded by the VEC. The VEC also conducts fee-for-service and non-statutory elections that meet certain criteria, including the number of electors, the existence of formal election rules, and election timing.

During 2019–20, the VEC conducted seven fee-for-service elections and polls. All were conducted in accordance with their relevant rules or legislation and were delivered on time and within budget. The Lake Tyers Aboriginal Trust Committee of Management election, to be conducted by attendance voting, was postponed in response to COVID-19 restrictions.

State by-elections

A State by-election occurs if a Member of Parliament for the Legislative Assembly resigns or can no longer hold office. The VEC maintains the capability and capacity to conduct State by-elections as required, within minimum prescribed timeframes. There were no State by-elections in 2019–20.

Electoral activity (continued)

FIGURE 14: ELECTORAL ACTIVITY, 2015-16 TO 2019-20

TYPE OF ACTIVITY	2015-16	2016-17	2017-18	2018-19	2019-20
State elections (88 districts 8 regions)	-	-	-	1	-
State by-elections	2	-	1	-	-
Local government (council) general elections	-	78	1	-	-
Local government (council) by-elections	4	-	2	5	4
Local government countbacks	9	4	10	18	12
Liquor licencing polls	-	1	1	-	3
Commercial elections, and polls	7	12	12	4	5
Representation reviews	12	-	-	12	19
Subdivision reviews	6	-	-	-	7
Total	40	95	27	40	50

FIGURE 15: ELECTIONS, BY-ELECTIONS, COUNTBACKS AND POLLS, 2019-20

ELECTION	TYPE	ELECTION DATE	VOTING METHOD	LOCATION	VOTERS
Surf Coast Shire Council	Municipal countback	2 July 2019	N/A	Torquay	N/A
Surf Coast Shire Council	Municipal by-election	31 August 2019	Postal	Anglesea	6,908
Ocean 13 Club Liquor Licensing Poll	Fee-for-service election	4 September 2019	Postal	VEC	1,278
Buloke Shire Council	Municipal countback	17 September 2019	N/A	Wycheproof	N/A
Kirrip Aboriginal Corporation Directors Election	Fee-for-service election	21 September 2019	Attendance	Melton South	31
Greater Bendigo City Council	Municipal countback	8 October 2019	N/A	Bendigo	N/A
Greater Dandenong City Council	Municipal countback	11 November 2019	N/A	Dandenong	N/A
Union Road Food and Wine Liquor Licensing Poll	Fee-for-service election	20 November 2019	Postal	VEC	1,347
Borough of Queenscliffe Council	Municipal countback	2 December 2019	N/A	Queenscliff	N/A
Moorabool Shire Council	Municipal by-election	14 December 2019	Postal	Ballan	3,451

ELECTION	TYPE	ELECTION DATE	VOTING METHOD	LOCATION	VOTERS
Strathbogrie Shire Council	Municipal countback	20 January 2020	N/A	Euroa	N/A
Gannawarra Shire Council	Municipal countback	2 March 2020	N/A	Kerang	N/A
Box Hill Institute Liquor Licensing Poll	Fee-for-service election	3 March 2020	Postal	VEC	992
Victoria Police Enterprise Agreement Ballot	Fee-for-service election	3 March 2020	Postal	VEC	17,718
Warrnambool City Council	Municipal countback	11 March 2020	N/A	Warrnambool	N/A
Strathbogrie Shire Council	Municipal by-election	21 March 2020	Postal	Euroa	1,461
Whittlesea City Council	Municipal countback	25 March 2020	N/A	Did not proceed as the Council was dismissed	N/A
Lake Tyers Aboriginal Trust Committee of Management Election	Fee-for-service election	29 March 2020	Attendance	Postponed due to COVID-19	299
Brimbank City Council	Municipal countback	30 March 2020	N/A	VEC via Cisco Webex	N/A
Dogs Victoria Management Committee Elections	Fee-for-service election	7 April 2020	Postal	VEC	8,711
Ararat Rural City Council	Municipal countback	7 May 2020	N/A	VEC via Cisco Webex	N/A
Mallacoota and Districts Recovery Association Committee election	Fee-for-service election	19 May 2020	Postal	VEC	680
Corangamite Shire Council	Municipal by-election	27 June 2020	Postal	Camperdown	6,011
Gannawarra Shire Council	Modified municipal countback	N/A	N/A	N/A	N/A

Electoral activity (continued)

Preparing for the 2020 local government elections

The VEC commenced planning for the LG2020 elections shortly after completing the 2018 State election; a draft election service plan for the local government sector was released in October 2019, based on 78 councils going to election in October 2020 (South Gippsland Shire Council was dismissed in June 2019 and their next general election scheduled for October 2021). The draft plan formed the basis for a series of consultation sessions held across the state with council officers in October 2019, before the election service plan was released in December 2019. The plan was positively received by the sector.

Following the release of the election service plan, both the City of Casey and the City of Whittlesea were also dismissed. Their next general elections are scheduled for October 2024, resulting in only 76 council elections to be conducted in October 2020.

Costing expectations

The VEC operates a marginal cost recovery program to invoice for reasonable expenses from the conduct of local government elections. At the consultation sessions in October 2019, the VEC identified a number of areas where significant cost increases were anticipated when compared with the previous local government general elections in 2016. More specific details were provided to each council through an estimate of costs for their election in December 2019.

In January and February 2020, VEC officers engaged directly with contacts at each of Victoria's 76 local councils going to election in October 2020 to refine the parameters from the December 2019 election cost estimate. As a result, the VEC prepared an electoral service agreement for each council (in March 2020) that included a formal quotation for their 2020 election. The electoral service agreements formally establish the electoral arrangements required under the LGA 2020 for councils' 2020–24 terms.

On a State-wide basis, the VEC anticipates recovering nearly \$34,773,124.40 from the LG2020 elections, including \$29 million (including GST) within the 2020–21 financial year. Modelling is based on a set number of variables, including anticipated enrolment, numbers of candidates and turnout, as well as parameters determined in consultation with council staff. Costs are not adjusted to include revenue from infringements and prosecutions for failing to vote at the LG2020 elections, which will be collected by the VEC and wholly remitted to councils.

Planned initiatives

The VEC's local government election program was prepared on the principles of providing a local focus for election services and keeping costs to a minimum. These principles are additional to the VEC's continuous focus on building and maintaining integrity in all electoral processes.

The election service plan, published in December 2019, provided details on each element of the planning and formal election timelines. The plan highlights several initiatives that are new to the local government program, including continuing the VoterAlert messages provided at the 2018 State election and local government by-elections.

VoterAlert messages reminded State-enrolled voters to check their enrolment details before the close of roll, and to vote during the voting period. Other initiatives included the increased assurance measures for ballot paper security implemented at the 2018 State election, continuing the online enrolment facility for State electors, and the possible sharing of computer count venues among a number of councils.

In order to evaluate the overall success of the LG2020 election program, the VEC also prepared 14 performance targets to report on at the conclusion of the program. These targets ranged from aspirational measures to enhance voter participation, to more operational measures, such as roll accuracy, results reconciliation, and outreach services.

Enforcement of compulsory voting

The VEC enforces compulsory voting (CV) requirements after elections, by-elections and polls in which voting is compulsory. In order to conduct CV follow-up, the Electoral Commissioner appoints a VEC staff member as the Prosecution Officer.

During 2019–20, the VEC finalised CV enforcement for the 2018 State election and four local council by-elections. Enforcement also commenced for two other local council by-elections and two liquor licensing polls, due to be finalised in the 2020–21 financial year.

The first stage of the non-voter follow-up process is conducted under Part 9, Division 2 of the Electoral Act, or section 40 of the LGA 1989. Subsequent follow-up of electors who do not respond, or who provide an invalid response, is conducted under the *Infringements Act 2006*.

The VEC manages three stages of enforcement (or non-voter follow-up):

1. Dispatch of Apparent Failure to Vote Notices to electors who appear not to have voted in an election. Apparent non-voters have 28 days from the date of the notice to provide a valid excuse for failing to vote.
2. Follow-up (by Infringement Notice) of electors who did not respond, or who provided an invalid response to the Apparent Failure to Vote Notice. A penalty amount is applied (currently set at \$81). Non-voters have 35 days to respond to the Infringement Notice by making the penalty payment or seeking a review of the infringement. The VEC also considers written correspondence from non-voters detailing their reasons for failing to vote.
3. A Penalty Reminder Notice is sent to those who do not pay the infringement penalty. An amount for prescribed costs is added to the original penalty amount (currently set at \$25.10). Non-voters have 28 days to respond to the Penalty Reminder Notice by making the penalty payment or seeking a review of the infringement.

During the infringement period, non-voters have several options under the *Infringements Act 2006*, including to:

- pay the penalty in full
- seek a payment plan

or

- seek an internal review of the infringement—the legislation sets out the criteria by which a review can be requested and the process for conducting the review.

Penalties collected during the infringement period are reconciled and transferred to consolidated revenue or forwarded to councils as required. A total of \$1,438,154.16 was paid into consolidated revenue from the 2018 State election. In addition, \$58,067.25 was forwarded to councils that had elections in 2019–20. Further remittance to councils will occur as payments are received from the court.

Lodgement with the courts

During the infringement and penalty reminder stages of enforcement, non-voters can choose to have their matter heard in the Magistrates' Court. The VEC concluded proceedings against 25 non-voters from the 2018 State election infringement and penalty reminder stages who chose to go to court.

At the completion of the penalty reminder stage, the VEC lodged final court files containing all outstanding infringements with Fines Victoria for further action. Following the three stages of enforcement for elections held in 2019–20, the VEC lodged 117,463 outstanding non-voter records with Fines Victoria.

Enforcement of compulsory voting (continued)

FIGURE 16: ENFORCEMENT OF COMPULSORY VOTING, 2019-20

ELECTION	NOTICE TYPE*	MAILOUT	RECORDS	PENALTIES COLLECTED TO 30 JUNE 2020	INFRINGEMENT COURT LODGEMENT	NUMBER OF RECORDS
Strathbogie Shire Council Honeysuckle Creek Ward by-election 21 March 2020	1	12 May 2020	95	N/A		
	2	30 June 2020	68	N/A		
	3			N/A		
Box Hill Liquor Licensing Poll (Box Hill Institute) 3 March 2020	1	12 May 2020	396	N/A		
	2	30 June 2020	275	N/A		
	3			N/A		
Moorabool Shire Council Woodlands Ward by-election 14 December 2019	1	24 January 2020	365	N/A		
	2	12 March 2020	247	\$4,980.00		
	3	12 May 2020	169	\$5,309.42	24 June 2020	110
Surrey Hills Liquor Licensing Poll (Union Road Food and Wine) 20 November 2019	1	24 January 2020	263	N/A		
	2	12 March 2020	164	\$4,482.01		
	3	12 May 2020	93	\$2,288.80	24 June 2020	60
Surf Coast Shire Council Anglesea Ward by-election 31 August 2019	1	4 October 2019	290	N/A		
	2	26 November 2019	197	\$3,984.00		
	3	24 January 2020	106	\$2,040.60	6 March 2020	67
#			0.00			
Hepburn Shire Council Coliban Ward by-election 30 March 2019	1	15 May 2019	166	N/A		
	2	3 July 2019	115	\$1,782.00		
	3	23 August 2019	77	\$1,690.20	8 October 2019	49
#			\$427.20			
Knox City Council Collier Ward by-election 30 March 2019	1	15 May 2019	1,472	N/A		
	2	3 July 2019	959	\$22,058.29		
	3	23 August 2019	589	\$9,408.80	8 October 2019	411
#			\$2,538.94			

ELECTION	NOTICE TYPE*	MAILOUT	RECORDS	PENALTIES COLLECTED TO 30 JUNE 2020	INFRINGEMENT COURT LODGEMENT	NUMBER OF RECORDS
Swan Hill Rural City Council Murray-Mallee Ward by-election 30 March 2019	1	15 May 2019	199	N/A		
	2	3 July 2019	138	\$2,349.00		
	3	23 August 2019	103	\$1,432.00	8 October 2019	70
#				\$66.80		
2018 State election 24 November 2018	1	13 to 19 March 2019	255,151	N/A		
	2	6 to 8 May 2019	191,452	\$2,145,412.21		
	3	3 to 5 July 2019	152,252	\$1,421,276.01	12 September to 1 October 2019	116,696
#				\$16,878.15		

* 1 - Apparent Failure to Vote
2 - Infringement
3 - Penalty Reminder

- Fines Victoria penalties collected or late payments received

Register of electors

One of the VEC’s key objectives is to maintain the accuracy and security of the register of electors, increase the proportion of eligible electors enrolled year-on-year and maintain this measure at or above the national average. The VEC undertakes a range of activities to keep the register of electors current and complete, and to ensure electors vote and vote correctly.

Collaboration with councils

The VEC has strong relationships with Victoria’s local councils and has worked closely with council roll data contacts since September 2019 to produce high quality and accurate municipal voters’ rolls within legislated timeframes. The VEC’s Enrolment Capability team completed a data matching project involving 40 councils through to June 2020, focused on preliminary roll production for the LG2020 elections.

Discretionary provision of enrolment information

The Electoral Act strictly regulates the way the VEC collects, uses and discloses enrolment information, and ensures that electors’ enrolment information is protected and not made freely available to the public.

Section 34 of the Electoral Act provides the mechanism under which the VEC may release enrolment information in defined circumstances. Where the public interest in providing the requested information outweighs the public interest in protecting the privacy of personal information, the VEC and the applicant can enter into an information-sharing deed. Strict conditions regulate the provision of information and penalties apply for non-compliance or misuse of enrolment information.

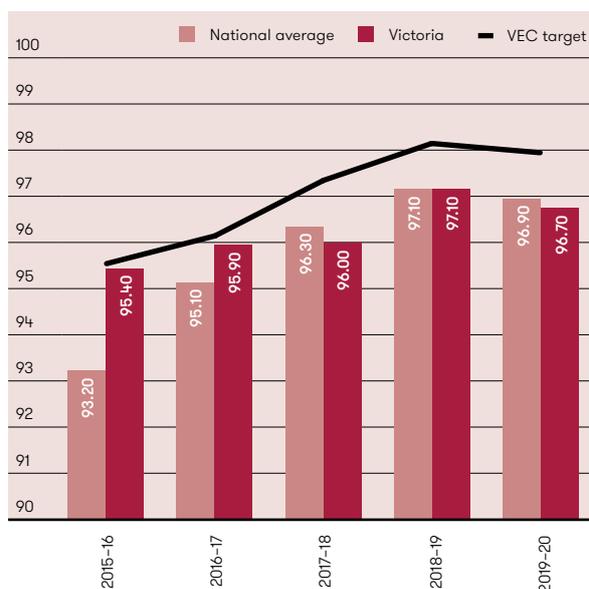
A continuing review of the provision of enrolment information under section 34 of the Electoral Act during 2019–20 led to the VEC terminating two information-sharing arrangements with organisations. Two new information-sharing deeds were entered into this year. The VEC provided the Department of Health and Human Services (DHHS) with a list of electors, excluding silent electors, in a once-off information sharing arrangement to assist the DHHS in monitoring the progress and impact of COVID-19.

Enrolment information was provided to six organisations under existing agreements subject to section 34 of the Electoral Act (see figure 22 on page 60). A standing agreement has been in place with Victoria Police since 2005, which allows immediate secure access to the register of electors.

Enrolment

The number of Victorians enrolled to vote on the register of electors increased by 45,497 to 4,256,925 (1.07%) in 2019–20. Using available data, it is estimated that 96.4% of eligible electors are enrolled. This is a decrease of 0.7% from 2018–19 and is 0.1% less than the national enrolment participation rate.

FIGURE 17: PROPORTION OF ELIGIBLE POPULATION ENROLLED FROM 30 JUNE 2016 TO 30 JUNE 2020



Enrolment programs

To maintain the accuracy of the register of electors, the VEC has a range of strategic programs to help Victorians enrol or update their enrolment. The VEC undertakes regular direct enrolment of electors, using data sourced primarily from the Australian Electoral Commission (AEC), VicRoads and the Victorian Curriculum and Assessment Authority. The VEC also uses several measures to identify individuals who may need to enrol or update their enrolment and encourage them to update their details, including SMS and email prompts.

The VEC undertakes several enrolment programs, including its critical youth enrolment program, which encourages and assists young people to enrol. The program includes:

- sending birthday cards with enrolment information to students turning 17, inviting them to provisionally enrol. This program leads to Victoria having a provisional enrolment rate three times higher than the national average. This year the VEC sent birthday cards to 64,872 young people
- a direct enrolment campaign for 18-year-old school leavers. This year, 11,383 school leavers were enrolled through the program (25% of records received) and a further 9,764 who enrolled were school leavers who were sent an enrolment form because their eligibility for enrolment could not be confirmed through the information held by the VEC

- sending youth brochures to newly enrolled young people to explain how voting and enrolment works in Federal, State and local government elections in Victoria. The VEC sent youth brochures to 8,573 newly enrolled young electors this year.

Geospatial services

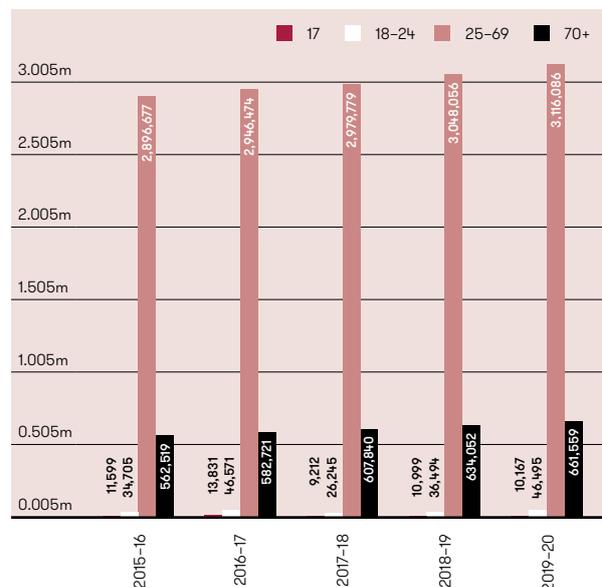
Underpinning the enrolment programs is work undertaken by the Geospatial team. Through the maintenance of key spatial datasets, including electoral boundaries, statistics and the address dictionary used by the Roll Management System (RMS) and the Enrolment Registry team, the Geospatial team maintains the register of electors from a physical location perspective. This enables the VEC to accurately provide voter information relating to the elector's primary place of residence.

The Geospatial team also worked closely with the Representation Review team on 26 councils, producing 53 boundary model options for consideration and publishing over 150 mapping products. The Geospatial team also maintained the online Redistricting Submission Tool, providing support for the public and supplying over 22,000 blocks through which the public could model their boundary ideas.

FIGURE 18: TOTAL NUMBER OF ENROLLED VOTERS AS AT 2015-16 TO 2019-20



FIGURE 19: ENROLMENT BY AGE RANGE 2015-16 TO 2019-20



Register of electors (continued)

FIGURE 20: ELECTOR STATISTICS BY REGION, 30 JUNE 2020

Below are the elector statistics by region for 2019–20:

- Total number of electorates: 8.
- Total number of electors: 4,256,925.
- Average number of electors per region: 532,115.

REGION	ELECTOR COUNT	VARIANCE TO AVERAGE (%)
Eastern Metropolitan	475,706	-10.60
Eastern Victoria	553,373	4.00
Northern Metropolitan	557,692	4.81
Northern Victoria	538,091	1.12
South-Eastern Metropolitan	519,916	-2.29
Southern Metropolitan	503,372	-5.40
Western Metropolitan	567,001	6.56
Western Victoria	541,774	1.82

FIGURE 21: ELECTOR STATISTICS BY DISTRICT, 30 JUNE 2020

Below are the elector statistics by district for 2019–20:

- Total number of electorates: 88.
- Total number of electors: 4,256,925.
- Average number of electors per district: 48,374.

DISTRICT	ELECTOR COUNT	VARIANCE TO AVERAGE (%)
Albert Park	50,404	4.20
Altona	58,374	20.67
Bass	66,105	36.65
Bayswater	44,582	-7.84
Bellarine	51,734	6.95
Benambra	50,455	4.30
Bendigo East	50,564	4.53
Bendigo West	46,371	-4.14
Bentleigh	43,970	-9.10
Box Hill	44,263	-8.50
Brighton	45,911	-5.09
Broadmeadows	44,476	-8.06
Brunswick	54,925	13.54
Bulleen	44,768	-7.45
Bundoora	41,030	-15.18
Buninyong	46,911	-3.02
Burwood	43,623	-9.82
Carrum	49,765	2.88
Caulfield	45,853	-5.21
Clarinda	44,693	-7.61
Cranbourne	67,227	38.97
Croydon	43,522	-10.03
Dandenong	43,120	-10.86
Eildon	45,463	-6.02
Eltham	44,805	-7.38
Essendon	49,521	2.37

DISTRICT	ELECTOR COUNT	VARIANCE TO AVERAGE (%)
Euroa	50,290	3.96
Evelyn	43,728	-9.60
Ferntree Gully	41,717	-13.76
Footscray	53,099	9.77
Forest Hill	39,787	-17.75
Frankston	44,822	-7.34
Geelong	48,032	-0.71
Gembrook	54,254	12.16
Gippsland East	47,446	-1.92
Gippsland South	43,599	-9.87
Hastings	52,235	7.98
Hawthorn	45,525	-5.89
Ivanhoe	47,480	-1.85
Kew	44,464	-8.08
Keysborough	46,724	-3.41
Kororoit	54,229	12.10
Lara	47,854	-1.07
Lowan	43,536	-10.00
Macedon	46,355	-4.17
Malvern	43,776	-9.51
Melbourne	52,484	8.50
Melton	56,577	16.96
Mildura	45,045	-6.88
Mill Park	47,646	-1.50
Monbulk	43,558	-9.96
Mordialloc	46,858	-3.13
Mornington	47,937	-0.90
Morwell	49,142	1.59
Mount Waverley	39,153	-19.06
Mulgrave	40,985	-15.27
Murray Plains	47,512	-1.78

DISTRICT	ELECTOR COUNT	VARIANCE TO AVERAGE (%)
Narracan	54,347	12.35
Narre Warren North	45,081	-6.81
Narre Warren South	50,581	4.56
Nepean	51,022	5.47
Niddrie	45,312	-6.33
Northcote	50,256	3.89
Oakleigh	42,411	-12.33
Ovens Valley	43,960	-9.12
Pascoe Vale	52,562	8.66
Polwarth	46,959	-2.93
Prahran	51,221	5.89
Preston	46,458	-3.96
Richmond	56,036	15.84
Ringwood	42,290	-12.58
Ripon	48,843	0.97
Rowville	40,060	-17.19
Sandringham	46,214	-4.47
Shepparton	49,606	2.55
South Barwon	58,174	20.26
South-West Coast	48,591	0.45
St Albans	46,837	-3.18
Sunbury	47,033	-2.77
Sydenham	52,582	8.70
Tarneit	58,719	21.39
Thomastown	46,717	-3.43
Warrandyte	43,339	-10.41
Wendouree	44,563	-7.88
Werribee	49,336	1.99
Williamstown	51,959	7.41
Yan Yean	62,470	29.14
Yuroke	65,102	34.58

Register of electors (continued)

FIGURE 22: ENROLMENT TRANSACTIONS, 2015-16 TO 2019-20

VEC ENROLMENT PROGRAMS¹	2015-16	2016-17	2017-18	2018-19	2019-20
New to roll direct enrolment	130,147	80,846	109,936	131,231	80,821
Provisional voter enrolment program	23,870	25,031	23,170	35,416	11,396
Other enrolment campaigns	225,144	257,196	332,172	387,636	210,815
Total enrolment transactions through the VEC's enrolment programs	379,161	363,073	465,278	554,283	303,032

ELECTOR INITIATED TRANSACTIONS	2015-16	2016-17	2017-18	2018-19	2019-20
Additions					
New to roll	4,807	N/A	52,483	32,152	20,141
Reinstatements	9,481	5,381	9,992	8,542	68
Changes					
Change of details	194,145	128,494	115,789	172,221	140,375
Total	208,433	133,875	178,264	312,915	160,584

JOINT ENROLMENT PROGRAM TRANSACTIONS	2015-16	2016-17	2017-18	2018-19	2019-20
New to roll	97,372	98,471	94,017	99,808	98,579
Reinstatements	12,555	7,937	12,454	5,851	17,385
Change of details	12,617	7,775	8,927	10,680	9,402
Removals	6,886	8,693	3,550	14,751	3,383

OTHER ENROLMENT-RELATED TRANSACTIONS	2015-16	2016-17	2017-18	2018-19	2019-20
Special category applications ²	2,135	3,625	1,732	28,568 ³	487
Administrative changes	6,269	1,345	986	2,977	1331
Subtotal	8,404	4,970	2,718	31,545	1,818
Total VEC enrolment transactions	242,730	175,550	211,579	266,603	585,133

¹ The VEC undertakes direct enrolment using information from a range of sources, including VicRoads, the Victorian Curriculum and Assessment Authority, and the AEC.

² Special category applications received by the VEC include: applications to become General Postal Voters (GPVs), silent electors, itinerant or eligible overseas electors. Some of these transactions are processed by the VEC and some are passed to the Australian Electoral Commission for processing under the Commonwealth Electoral Act 1918. Non-application changes include administrative changes made to ensure the accuracy and integrity of the register of electors, as well as the processing of undelivered mail returned to the VEC.

³ A GPV campaign was run by some candidates and registered political parties within the six weeks leading up to the close of roll for the 2018 State election, targeting electors 70 years of age or older. This led to a large-scale increase in GPV applications during this period.

Integrity of systems and collaboration

In October 2019, the VEC developed and implemented a new Roll Management Strategy 2019–23. The strategy was designed in consultation with internal and external stakeholders from July to September 2019. The strategy re-commits the VEC to the joint roll arrangement with the AEC and reaffirms the VEC’s commitment to collaborate widely to ensure its enrolment operations are elector-focused.

In March 2020, the VEC commenced a project to replace its RMS. Phase one of the project is to gather business requirements from business units across the VEC.

Joint roll arrangement

The VEC continues to work with the AEC to maintain a joint enrolment process. The VEC has a service level agreement with the AEC, managed by the Joint Roll Management Committee (JRMC), which meets quarterly and, as required, and a Joint Roll Management Board, which meets annually. The broad goal is enhanced collaboration, coordinated messaging, and improved enrolment service delivery for Victorians. An important focus of the JRMC during 2019–20 was responding to divergence between the Victorian register of electors and the Commonwealth electoral roll for Victoria, and creating programs to improve the clarity of communications with electors. The VEC also collaborated with the AEC in designing its Roll Management Strategy 2019–24.

Mandatory provision of enrolment information

The Electoral Act stipulates several circumstances in which electoral information must be made available and how must be made available.

1. The list of Victorian electors (names and addresses only), excluding silent electors, must be made available for public inspection at the offices of the VEC and updated every six months. Information can only be searched by name.
2. The latest print of any electoral roll produced for an election (which contains name and address details only) must be made available for public inspection, free of charge, at locations and during times determined by the VEC.
3. Enrolment information, excluding silent electors, must be provided a number of times each year (and at the time of an election) to registered political parties, Members of Parliament and election candidates for permitted purposes.

Enrolment information is also provided under other legislation. Under section 19 of the *Juries Act 2000*, jury rolls are prepared, as requested by Juries Victoria, for any of Victoria’s 14 jury districts to enable people to be called for jury duty (silent electors are included in this process). A total of 45 jury rolls were provided under this legislation during 2019–20.

The VEC also shares enrolment information with councils for the purposes of local government elections. Prior to March 2020, enrolment information was provided to councils under section 21 of the LGA 1989. Currently, the VEC and councils share enrolment information pursuant to section 8 of the LGA 2020, and as required under Regulation 15 of the Local Government (Electoral) Regulations 2020 for the purposes of preparing accurate voters’ rolls.

Pursuant to section 19 of the *Juries Act*, Juries Victoria must notify the VEC of the number of persons the Juries Commission estimates will be required for jury service in a jury district. The VEC provides lists to Juries Victoria of people who are eligible for jury service, and processes exemptions from jury service on a monthly basis.

On 14 March 2020, Juries Victoria announced that jury trials in Victoria were suspended indefinitely to prevent the spread of COVID-19. The VEC maintains the capacity to provide juries lists to Juries Victoria and process monthly exemptions.

Register of electors (continued)

FIGURE 23: INFORMATION PROVIDED TO ORGANISATIONS UNDER SECTION 34 OF THE ELECTORAL ACT, 2019-20

ORGANISATION	LOOK UPS REQUESTED	UNSUCCESSFUL SEARCHES	INFORMATION PROVIDED
Adoption Information Service (Previously Family Information Networks and Discovery)	107	34	73
Victorian Assisted Reproductive Treatment Authority	100	37	63
State Revenue Office	(List of electors provided monthly)		
BreastScreen	(List of electors within relevant cohort provided quarterly)		
Department of Health and Human Services	(Once-off list of electors provided)		
Victoria Police	N/A	N/A	10,821

Provision of enrolment information

The register of electors contains personal enrolment information, including name, address, date of birth and gender. Protecting the privacy of electors' personal enrolment information is of fundamental importance to the VEC, and information is only disclosed according to legislation.

Supporting Victorian electors

A major project for the VEC in 2019-20 was to make its mapping information more elector-focused. The aim was to ensure mapping applications could quickly and easily illustrate the answers to common elector questions: 'What is my council and electoral area?' 'Is there an election in my area?' 'Where and how can I vote?'

The solution enables an elector to enter an address and see which local and State government electoral boundaries apply. Information panels provide a key to colour-coded boundaries and links to answers to other questions, such as 'Who is my local member?' An automatic alert tells the user if there is an active election in the area and provides relevant information about the nearest voting centres, including wheelchair accessibility and directions. The map works on desktop, tablet and mobile devices and was well received by electors.

Communication services

Advertising

The VEC published statutory advertising in relation to its program of 38 representation and subdivision reviews, 16 local council by-elections and countbacks. A total of 190 statutory advertisements were published. This includes liquor licensing polls and registered political party notices.

The VEC partnered with advertising students at the Royal Melbourne Institute of Technology to develop a State-wide advertising campaign for the October 2020 local government elections. The focus of the effort is to increase awareness of, and engagement in, the elections—particularly among young people.

Corporate brand refresh

The VEC conducted a corporate brand refresh in late 2019 to ensure its logo and image remained contemporary, fresh and recognisable. While retaining the well-known ‘maroon football’ as its logo, the VEC’s updated brand ensures it stands out in its external publications and is immediately recognisable to the community. The refresh also considered the accessibility of the VEC’s corporate templates. One key result of this is that all VEC emails are now written in size 12 Arial, a bold and prominent font choice that is accommodating for people who have a vision impairment.

Media services

The VEC maintains an open and informative relationship with Victorian media outlets. Throughout 2019–20, the VEC provided metropolitan and regional media outlets with media releases around local council electoral events (including by-elections, countbacks and liquor licensing polls), as well as regular updates on its program of representation and subdivision reviews. The VEC also distributed media releases regarding its register of political parties, including de-registrations of political parties and applications to change parties’ names or logos. The VEC distributed a total of 116 media releases throughout 2019–20.

The VEC commits to responding to all media queries within three business days. In 2019–20, the VEC responded to 86 media enquiries, with 100% responded to within three business days.

Selections: the VEC newsletter

‘Selections’ is the VEC’s annual stakeholder newsletter. It is distributed to State and local government representatives, government departments, the Electoral Matters Committee of Parliament, VEC employees, senior election officials and registered political parties. The 2019 edition was published in November and highlighted key activity from 2018–19. The newsletter was distributed digitally through e-marketing software, with the stories hosted on the VEC website.

Social media

With no major electoral event in 2019–20, the VEC used its social media channels to publicise outreach and education activities, incidental electoral events including by-elections, as well as its program of representation and subdivision reviews. Social platforms were also used to respond to enquiries from the community.

VEC website

The VEC website continues to be the first point of contact with the VEC for thousands of Victorians each year. People visit the website to find out about election events, perform enrolment transactions, and learn about the VEC’s programs and activities.

In 2019–20, a total of 283,901 users visited the VEC website, and 48% of these visits were via a mobile device. The most popular pages aside from the home page were:

- local council maps
- maps
- electoral boundaries
- elections
- representation reviews
- council profiles
- enrolment
- 2018 State election results.

VoterAlert

Following the success of the VEC’s free SMS and email reminder notification system, VoterAlert, at the 2018 State election, all council by-elections this year deployed VoterAlert for State-enrolled electors. These electors received key election reminders by SMS, email, or both.

VoterAlert reminders were sent to 60,679 electors in the 2019–20 period.

VoterAlert will be deployed at the LG2020 elections to raise awareness and increase participation. This service will be delivered free of charge to councils.

Spotlight on

LYNETTE CHETTY

Enrolment Services Officer, Electoral Enrolment Branch



“It is a great team to be a part of and is always looking for new ways to improve the way it works.”

The VEC’s vision is for all Victorians to participate in their democracy. How does your role contribute to this?

The VEC supports all Victorians to exercise their democratic right by participating in all elections. For some people, this is a privilege that they have never experienced before, and it is a great honour to be able to help them enjoy this privilege.

What makes the VEC an innovative and engaging place to work?

The Electoral Enrolment Branch is very customer centric and committed to providing an efficient service to electors. The team works with the Australian Electoral Commission to improve the processes and controls in place, to better service Victorian electors. It is a great team to be a part of and is always looking for new ways to improve the way it works.

The VEC is busy preparing for the LG2020 elections. How has this affected your role?

COVID-19 has created new challenges and tested the VEC’s capability to remain agile in the workforce, while working from home. Despite these novel times, Enrolment staff have worked diligently to stay focused in continuing to deliver and maintain the electoral roll with minimum disruption. This is something I am most proud of, since starting at the VEC.

What do you like to do on the weekends?

If you know me, I am always working on getting my 10,000 steps a day. I also enjoy travelling and I look forward to being able to enjoy weekend away trips with my family. I do miss our walks at Torquay beach and Daylesford.

Warehouse

Warehousing and distribution facilities play a key role in supporting the core business of the VEC, ensuring it maintains a high level of operational readiness. As the VEC prepared to enter another major election cycle, the focus of warehouse operations was on the preparation and planning for the LG2020 elections.

Planning and preparation for the 2020 local government (LG2020) elections commenced with the review of resource and logistics requirements to support operations at election offices and other support locations across Victoria. Key activities undertaken at the warehouse in 2019–20 included:

- the ordering, receipt and storage of resources with long production lead times, such as ballot paper stock, envelopes and cardboard products (approximately 3,000 pallets of material)
- servicing, maintenance and repair of election equipment—additional or replacement resource items purchased where required
- inspection and maintenance of over 3,000 electrical items, including electrical safety checks and the ‘testing and tagging’ of equipment, cables and power boards
- picking and assembly of stationery kits, office equipment and materials.

As well as undertaking resource preparations for the upcoming elections and following last year’s exterior lighting improvements, two LPG forklifts at the end of their serviceable life were replaced with electric units.

The new units are quieter to operate and produce zero emissions in the warehouse. The electric forklifts have significantly reduced the VEC’s carbon footprint and resulted in lower operating costs compared to the LPG units. This upgrade has made a significant contribution to the VEC’s Resource Smart achievements for the year.

The outlook for 2020–21 is largely focused on the preparation and deployment of resources for the LG2020 elections. Activities will include:

- the picking and assembly of approximately 2,800 pallets of equipment and materials for multiple deliveries to 76 election offices across Victoria
- the delivery of 1,000 skids of ballot paper stock to the printers in preparation for printing
- sorting of returned election office equipment, stationery, forms and envelopes
- facilitating the secure storage of election records
- an annual stocktake of approximately 750 products.

Research and development

The VEC conducts research and development activity on an ongoing basis. A research policy and plan guides the conduct of research relating to service delivery and participation in the electoral process across a range of stakeholder groups.

Effect of age on voting turnout

In support of an external information request, the VEC commenced research into voter turnout by age cohorts over the five Victorian State elections held from 2002 to 2018. The VEC already has information about voter turnout by age groups; this research is enabling the VEC to learn how voting behaviour by electors born in particular years changes as they age.

Electoral Regulation Research Network

The VEC joined with the New South Wales Electoral Commission and the University of Melbourne in March 2012 to establish the Electoral Regulation Research Network (ERRN). The purpose of ERRN is to foster exchange and discussion among academics, electoral commissions and other interested groups on research relating to electoral regulation.

ERRN hosted a total of six seminars and workshops in Victoria and others interstate, covering topics including homelessness and voting, developing a legislative framework for a complex and dynamic electoral environment, and challenges to Indian democracy. A full-day workshop arranged by the Western Australian ERRN convenors (but held in Melbourne) discussed engagement and democracy. The sixth biennial ERRN workshop, held in Adelaide, was attended by all Australian electoral commissioners, the Chief Electoral Officers of New Zealand and the Indian states of Maharashtra and Rajasthan. This workshop focused on issues of trust in democracy and the inclusion of disadvantaged groups. It was also the occasion for the launch of the Australian Electoral Law Library, which is already proving a valuable resource for electoral commissions and academics.

Online Research Panel

The VEC approved a pilot concept for its own Online Research Panel to operate on a trial basis for a year. The central purpose of the Panel will be to help incorporate the voice of the customer into decision-making and all its activities. The Panel will recruit via the VEC's VoterAlert database, to obtain a representative sample of Victorian electors. Members of the Panel will be asked to provide feedback on such matters as ideas for a communication campaign and the VEC's services at the LG2020 elections. The Panel will also enable the VEC to measure any impact on reputation if issues or crises arise during the conduct of elections.

Voting behaviours in the 25 to 44 age group

The VEC has begun research into voting by electors aged 25 to 44, who were noted by Parliament's EMC as showing the sharpest decline in voter turnout at the 2018 State election. This is a wide age group, ranging from youth to middle age, and the VEC aims to learn why this group's voter turnout declined at the 2018 State election, and how the VEC might be able to reverse this trend at future elections.

Funding and disclosure

Victoria’s political funding and donation disclosure laws were reformed and updated in the Electoral Act in July 2018. The laws impose bans or caps on certain political donations, provide greater accountability and transparency through disclosure and real-time reconciliation of political donations, and provide access to public funding streams for Victoria’s Parliamentary elections. The VEC administers and enforces these laws.

The funding and disclosure regime includes disclosure obligations for those giving and receiving political donations, and provides candidates, elected members and registered political parties with access to three streams of funding:

- administrative expenditure funding
- policy development funding
- public funding¹.

Administrative expenditure funding and policy development funding entitlements occur annually and are subject to an annual return following the end of each calendar year. Public funding is calculated from first preference votes received at the last State election and may be paid in instalments in advance of the next State election. Any over-payment as a result of advance funding will be corrected and recovered in accordance with the Electoral Act.

As prescribed by section 217Q of the Electoral Act, donation caps, thresholds and funding amounts are to be indexed annually. The indexation increase factor for the 2019–20 financial year was 1.020481.

For the 2019–20 reporting year, the following caps, thresholds and funding amounts were in place:

	AMOUNT
Disclosure threshold	\$1,020.00
General cap	\$4,080.00
Public funding MLA	\$6.12 per vote
Public funding MLC	\$3.06 per vote
Administrative expenditure funding (per year)	\$204,100 for the first member
Capped at 45 members.	\$71,430 for the second member
	\$35,720 for the third to forty-fifth members
Policy development funding	\$1.02 per first preference vote or \$25,510 (whichever is greater)

¹ Public funding is available for Members of the Legislative Assembly (MLA) and Members of the Legislative Council (MLC). Different entitlement amounts apply per member.

Funding and disclosure (continued)

Annual returns

Annual returns for the 2018–19 reporting period² were required to be lodged by 20 October 2019.

The VEC published:

- 12 annual returns from registered political parties
- 47 annual returns from associated entities
- two annual returns from third party campaigners
- two annual returns from nominated entities
- one annual return from independent candidates, groups or elected members.

The quality of the annual returns and their associated audit certificates was mixed. Each issue was reviewed by qualified auditors and an action plan was prepared. Possible actions include referral for further investigation, a formal caution or other enforcement action, one-on-one engagement with the reporting entity to assist compliance, identifying opportunities for internal process and system improvements, and identifying opportunities for specific or sector-wide messaging to facilitate future compliance.

The VEC also initiated two case studies of entities that were identified as having annual reporting obligations, but believed they were not subject to the requirements. The case studies are yet to be completed and will inform the VEC's future approach for identifying and guiding entities in respect to their annual reporting responsibilities.

Compliance and enforcement

The VEC has adopted a constructive compliance approach for its regulatory activities. Accordingly, the VEC is committed to—in the first instance—engaging with stakeholders to promote compliance with Victoria's funding and disclosure laws. In situations of specific non-compliance, the VEC will assess the nature of the issue and determine an appropriate compliance and enforcement response.

The VEC may initiate an investigation and is empowered to issue notices to require information to assist with investigations. Depending on the extent of any offence, the VEC may issue a formal caution or initiate a prosecution within a period of three years from the time of the offence.

During the reporting period, no notices were issued by compliance officers requiring information pursuant to section 222B of the Electoral Act.

During the reporting period, 38 formal warnings were issued in response to matters of non-compliance. These generally related to the timeliness and quality of an annual return or audit certification.

During the reporting period, no charges were filed against persons alleged to have committed offences against Part 12 of the Electoral Act.

² For the first year, an adjusted financial year was used from 26 November 2018 to 30 June 2019.

Donations disclosure

During the reporting period, the VEC received 56 donation disclosures through 'VEC Disclosures', the online disclosure system.

As at 30 June 2020, there were:

- 39 reconciled donations for 2019–20, amounting to \$63,232.53.
- 17 unreconciled donations for 2019–20, amounting to \$14,974.63.

Only donations over the disclosure threshold are required to be disclosed. Donations under the disclosure threshold are aggregated and the aggregated amount must be disclosed once it exceeds the disclosure threshold.

Donations over the general cap and all donations from overseas donors are banned. The VEC received no reports of banned donations during the reporting period.

Political funding

During the reporting period, the VEC paid a total of \$12,274,592.56 on behalf of the State to eligible registered political parties, independent elected members and candidates entitled to access funding. This includes:

- \$5,918,412.96 in public funding
- \$6,311,960.00 in administrative expenditure funding
- \$44,219.60 for policy development funding.

The VEC also recovered \$175,301.69 in relation to over-payments for political funding paid during the previous financial year. As at 30 June 2020, there were no known amounts of political funding outstanding for payment or over-payments to be recovered.

Stakeholder engagement

The VEC adopted a multi-channel approach to assist and respond to stakeholder enquiries. This included targeted and direct communication alerting and reminding known entities of their political donation disclosure and reporting responsibilities.

At the end of the reporting period, the VEC had commenced planning for a longer-term stakeholder engagement framework in anticipation of political donation activity beginning to increase during the 18-to-24 month period leading into the 2022 State election.

Statutory matters

Public funding dispute

The VEC is defending an application in the Supreme Court for declaratory relief in respect to the distribution of public funding for composite groups in elections for the Legislative Council. The joint application, dated 28 February 2020, was made by the State Director of the National Party of Australia (Victoria) and the State Director of the Liberal Party of Australia (Victorian Division) and is scheduled to be heard on 14 September 2020.

Annual returns compliance review

In January 2020, the VEC commissioned an independent auditor to review compliance with the 2018–19 annual returns process. The auditor's findings were incorporated into the forward work program for the Funding and Disclosure Unit.

VEC Disclosures: The online disclosure system

A development program to enhance back-and front-end functionality for VEC Disclosures and identify and resolve system bugs and issues has been initiated. The development program is monitored in accordance with the major projects schedule.

Spotlight on

AMY CARPENTER

Schools Engagement Coordinator, Communication and Engagement Branch



“...the staff culture is so encouraging and supportive that it makes it easy to suggest new and innovative ideas...”

The VEC’s vision is for all Victorians to participate in their democracy. How does your role contribute to this?

I like to think of my role as the starting point for this vision. As a facilitator of the VEC’s schools program, *Passport to Democracy*, I interact with the young people of Victoria—and their teachers—on a daily basis. In these interactions, we discuss how voting actually goes beyond being simply a civic duty, or something you do to avoid getting a fine. In actuality, voting is a huge privilege and something that has a real impact. We also discuss the importance of voting in an informed way, considering the policies of the various candidates, and reading news media in a critical and careful way to help electors make a decision, never letting anyone else make that decision for them.

What makes the VEC an innovative and engaging place to work?

The nature of what the VEC does means that we have to be responsive to the community and be mindful of legislation. This results in a steady flow of work and a requirement to be responsive to community needs. As well as this, the staff culture is so encouraging and supportive that it makes it easy to suggest new and innovative ideas without feeling like you’ll be shouted down.

The VEC is busy preparing for the LG2020 elections. How has this affected your role?

Whenever there is an election on, there is more interest from schools. The ‘teachability’ of *Civics and Citizenship* skyrockets, and the real-world applicability of what the VEC can offer is made more evident. This year is a bit different, as outreach sessions have been interrupted by COVID-19 and the ongoing effects on both the VEC and the education sector. We’ve delivered some remote sessions, geared directly toward VCE and VCAL students (17- and 18-year-olds) who will soon be voting; teaching them not only how to enrol and vote, but why it’s so important for them to do so.

What do you like to do on the weekends?

I’m a bit of a social butterfly, so I love having friends and family over for board game nights or dinner parties. I also love to get out and get active, so can often be found running or riding down on the beautiful Maribyrnong Trail, or out hiking in the bush. In isolation, I’ve been doing a lot of at-home workouts, lots of cooking and baking, and have run a few virtual trivia nights for my friends.

Our stakeholders

Achievements 2019–20



External evaluation of the Passport to Democracy Program



Development of a Diversity and Inclusion Framework. Launch and implementation of the VEC's new Disability Access and Inclusion Plan



Completion of the Multicultural Inclusion Plan

Outlook 2020–21



Complete the Aboriginal Inclusion Plan, Out-of-Home Inclusion Plan and Young People's Inclusion Plan and Co-design project with young people to better understand attitudes and behaviours around electoral participation



Delivery of a Stakeholder Management Framework and Stakeholder Engagement Strategy 2020-2023

Inclusion and participation

Informed citizens actively participating in free and fair elections is vital to any healthy, functioning democracy. Providing accessible, engaging electoral information and education is a fundamental part of ensuring full electoral participation across the community.

Diversity and Inclusion Framework

This year, the VEC developed its Diversity and Inclusion Framework. The Framework articulates the VEC’s commitment to authentic, best-practice diversity and inclusion for its staff and communities that are typically under-represented in electoral participation.

Diversity is about respecting and appreciating individual differences; it’s more than any one gender, race, ability, age, sexual orientation, income, faith, socio-economic background or living situation. Diversity needs to represent the richness of all people, all backgrounds, and all perspectives. A range of barriers can impact someone’s right to vote or their opportunity to partake in meaningful paid work. These barriers can be both personal and environmental.

The benefits of having a focus on diversity and inclusion are many—and not just because it’s the right thing to do. Various studies show the benefits of embedding diversity and inclusion in a business, including more innovation and creativity, more engaged employees, enhanced corporate reputation, better decision-making, higher rates of job attraction and retention, better organisational performance and problem-solving, and stronger governance.

The inward focus of the Framework is primarily provided through the VEC’s HR Strategy (see page 16) with support provided by the VEC’s Education and Inclusion team. The external focus and engagement are delivered through the various inclusion plans shown in the following diagram.

Specific diversity and inclusion initiatives 2019–20

Active citizenship workshop for CALD community leaders

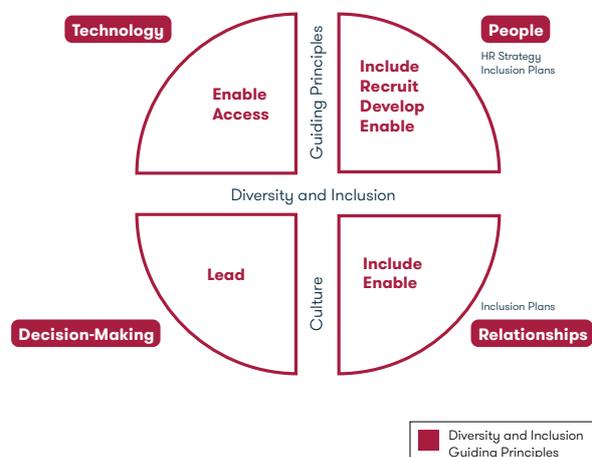
During the year, five workshops were delivered to community leaders from a broad range of CALD backgrounds, in collaboration with several councils and community organisations.

A further workshop was delivered at the third Advancing Community Cohesion Conference at Western Sydney University, which was a sector development workshop attended by professionals, academia and CALD front-line workers from around Australia.

ECANZ Aboriginal Engagement Working Group

The VEC is represented on the ECANZ Aboriginal Engagement Working Group, which has developed principles to support better practice in engaging with Aboriginal and Torres Strait Islander communities. Various electoral commissions have led the development of targeted strategy documents and the VEC has led the Youth Engagement Strategy.

ALIGNMENT OF DIVERSITY AND INCLUSION FRAMEWORK WITH STRATEGY 2023



Inclusion of Aboriginal and Torres Strait Islander communities

Reconciliation Action Plan

The VEC's Reconciliation Action Plan (RAP) 2017–19 concluded in December 2019. Following this, a review around impact, election events and Victorian Government policy occurred. To ensure future alignment with the VEC's planning for election cycles and Strategy 2023, a decision was made to develop an organisation-wide engagement plan, which spans longer than the endorsed RAP model. The VEC reviewed the Aboriginal Engagement Plans (AEP) of various organisations and government departments, along with the Victorian Aboriginal Affairs Framework, and is now working towards developing a new AEP. As a first step in this process, the VEC has developed a policy and 'Statement on Self Determination and Improved Outcomes for Aboriginal Victorians'. The focus for the next financial year will be on supporting initiatives for Aboriginal engagement in the LG2020 elections, while working on consultation and partnerships for development of the new AEP.

Inclusion of multicultural communities

The VEC developed its first Multicultural Inclusion Plan 2020–23 (MIP) this year. This plan focuses on the cultural and religious diversity of the Victorian community and ensures the design of engagement activities and materials is culturally responsive and appropriate.

A design-thinking approach was used to conduct internal and external consultations. Through external consultation, the VEC heard stories and feedback from some 50 representatives from culturally and linguistically diverse communities and community organisations.

The key action areas of the MIP are:

- employment and training
- access to in-language information
- in-language support at voting centres
- cultural awareness training
- community partnerships.

A MIP Working Group will be established to ensure endorsed actions are implemented.

Inclusion of Out-of-Home communities

An Out-of-Home specialist was appointed this year, with the first priority of developing an Out-of-Home Inclusion Plan to focus on people experiencing homelessness or incarceration. Prior to the appointment of the specialist, work focused on people experiencing homelessness was completed by the members of the Education and Inclusion team. The Homelessness Advisory Group members met in November 2019 and May 2020. Traditional outreach activity ceased in March due to the COVID-19 pandemic, when many support services closed their doors or had limited access.

Work in this area also included a submission to the Victorian Parliament's Inquiry into Homelessness, relationship-building with key homelessness advocates, and a review of the approach to providing education sessions within Victorian prisons.

Inclusion of people with disabilities

The VEC developed and launched its second Disability Access and Inclusion Plan (DAIP) in 2019 (see full report on page 76). Consultation with people with disabilities was critical for the development of the DAIP. People with disabilities and their supporters have been able to learn more about their voting rights and supports available through events such as the expos hosted by Victorian Advocacy League for Individuals with Disability (VALiD) in Geelong and Bairnsdale.

Disability support services and schools booked sessions on a regular basis to ensure new attendees and students learnt about voting. TAFE students with disabilities at Victoria University, TAFE Gippsland, Kangan Institute and Melbourne Polytechnic gained hands-on experience with voting; which has now been incorporated as a yearly incursion. The VEC continued to employ Democracy Ambassadors (DAs) who can talk about their personal experience of learning to vote, supporting others to vote, and self-advocating for their right to enrol.

Inclusion and participation (continued)

Inclusion of young people

This year, the VEC commenced work on its first Young People's Inclusion Plan 2020–23, which aims to address the issue of lower electoral participation by young people compared to other age groups. This plan will include evidence-based, co-designed, flexible strategies encompassing:

- establishing a Young Peoples' Advisory Group to inform the work of the VEC
- building the knowledge of the youth sector workforce to support young people to enrol and vote
- encouraging young people to become advocates of enrolling and voting
- further enhancing the VEC's Civics and Citizenship engagement programs
- targeted research of young people to gather evidence for program design.

YMCA Victorian Youth Parliament

The VEC continued its sponsorship of five teams, each including six young people, to attend the annual YMCA Victorian Youth Parliament in July 2019. Held annually since 1987, Youth Parliament is a program designed to give young Victorians a chance to be heard at the highest levels of State government on a wide range of issues relevant to young people's lives.

The teams were:

- Gleneagles Secondary College – a school group based out of Endeavour Hills
- Korin Gamadji Institute – young Aboriginal leadership participants
- Wellington Shire – regional team from the Gippsland area
- Deafhood – representatives from Deaf Children Australia
- Comms United! – group of youth advocates.

Victorian Student Representative Council 2019–20

The VEC's support for the Victorian Student Representative Council and its events continued in 2019–20, with sponsorship of the Council's student voice awards event in October—including the prize for Student Voice Secondary School of the Year. Early in 2020, the Education and Inclusion team delivered training workshops to the Council's Executive on democracy, inclusion and electoral and civic participation.

Korin Gamadji Institute's REAL Program

Three electoral education workshops were delivered to 67 young Aboriginal and Torres Strait Islander people in 2019–20. The VEC sessions had a marked impact on levels of understanding and confidence in electoral processes, with both understanding and confidence increasing amongst participants. This partnership, in its tenth year, has matured to the point that VEC staff are now working with alumni from the program to develop and deliver these workshops. However, the COVID-19 situation stopped the face-to-face program for the last half of the financial year.

Outreach education including the Democracy Ambassador program

Following the evaluation of the VEC's BeHeard DA Program delivered at the last State election, the VEC has continued to enhance and deliver the DA Program as part of everyday electoral education outreach. The DA Program is run by members of the Education and Inclusion Team and supplemented by the DAs.

The DA Program employs community members to deliver face-to-face voter education and electoral enrolment sessions to:

- people with disabilities
- people experiencing homelessness
- Indigenous communities
- CALD communities
- young people across all communities.

Figure 24 provides an overview of outreach sessions conducted in 2019–20.



Krushnadevsinh (Kano) Ravalji, one of the VEC's Democracy Ambassadors.

FIGURE 24: OVERVIEW OF OUTREACH SESSIONS, 2017-18, 2018-19 AND 2019-20

PRIORITY COMMUNITY GROUP		2017-18	2018-19 (STATE ELECTION YEAR)	2019-20
CALD communities	Participants	992	6,906	4,436
Young people (including Passport to Democracy)	Participants	6,579	11,500	19,442
People with disabilities	Participants	1,021	1,362	921
Aboriginal and Torres Strait Islander people	Participants	233	895	530
People experiencing homelessness	Participants	45	1,207	0
Total		8,870	21,870	24,866

Passport to Democracy

The VEC's main electoral education program for young people is Passport to Democracy (PTD). Now in its twelfth year, PTD has evolved from a hard-copy resource to one primarily delivered online. It also provides the opportunity for schools to book a free incursion, which includes a mock election.

In the reporting year, PTD has:

- engaged with 315 schools (including via online engagement and in-person school incursions)
- reached 19,442 students (including via online engagement and in-person school incursions)
- had 245 website program unit downloads.

Talking Democracy online resource

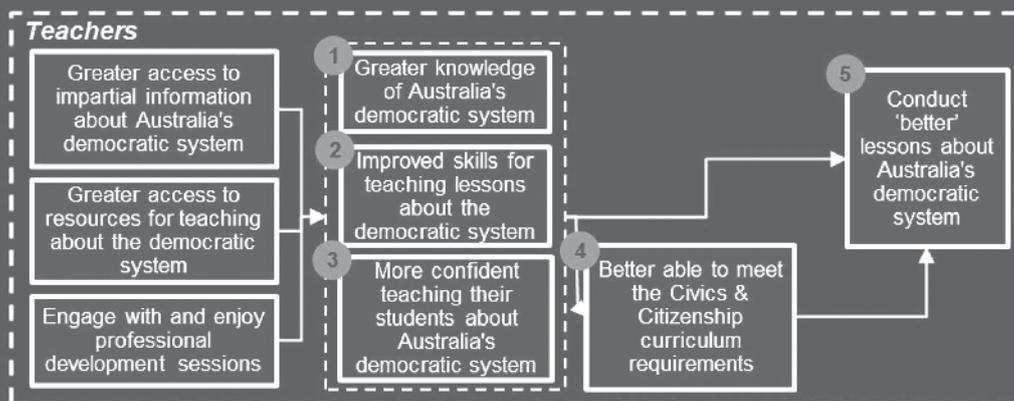
The Talking Democracy kit is in its second year post-production and people have continued to access the various parts of the online resource.

In 2019-20, there were:

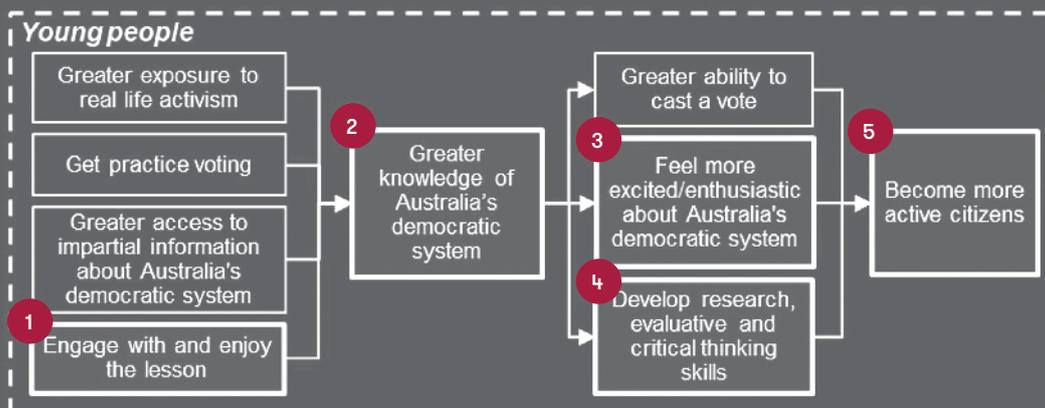
- 816 visits to the landing page
- 243 downloads of various components
- 1229 views of the 'Three levels of government' video
- 285 views of the 'Enrolling and voting' video.

EXTERNAL REVIEW OF THE VEC'S PASSPORT TO DEMOCRACY PROGRAM

The evaluation specifically focused on measuring the impact of the program on the priority outcomes for teachers as described in the Program's logic model. These outcomes (those numbered) are presented below:



The evaluation explored the impact of the Program regarding the outcomes for young people in the Program's logic model, highlighted below (and numbered) as the Program's 'Golden Thread'.



This year, the VEC engaged Social Ventures Australia Consulting to evaluate the PTD program. The VEC sought to assess the impact of the program through the development of a theory of change, an evaluation framework and methodology, and an approach to measuring the program’s impact in an ongoing way. Conducted between May and August 2019, the evaluation focused on the program’s operations between April 2017 and April 2019. The evaluation will inform the continual improvement and potential expansion of the program.

The evaluation sought to understand teacher experience of using the program, as well as its impact on teachers and students, by asking three key evaluation questions:

1. How effective is the program in meeting the civics and citizenship curriculum needs of its key stakeholders (teachers and students)?
2. How does the program influence the attitudes of young people towards democracy and their intention to vote in elections, and how can this impact be increased?
3. In what ways could the program contribute to, or influence, students’ ongoing (post-delivery) active citizenship?

In addition, a monitoring and evaluation framework was developed for the program, which includes guidance on the data that should be collected to strengthen the evidence of the program’s impact.

The report’s findings were very encouraging and reaffirming:

- The program offers high quality, contemporary and flexible resources that meet the civics and citizenship curriculum needs of teachers.
- The program is accessible to all schools, teachers and students—it is free, all materials are available online and structured in a user-friendly format.
- The program team members bring the right skills and attitude, which is critical to its overall success.

Importantly, the report noted that:

- The presentations and in-class mock elections provided by VEC staff are critical elements of the effectiveness of the program.
- The program has positive outcomes on the teacher knowledge, skills and confidence to teach civics and citizenship lessons.
- The program design facilitates student engagement and enjoyment of the lessons, particularly when augmented by the VEC-led mock election during the ‘Vote’ module.
- Teachers report that the program helps students acquire knowledge and skills to be active citizens in the democratic system and builds their excitement about democracy and voting.

The report also recommended a range of actions to be implemented across the short- and longer-term, including:

- developing new resources of curriculum-aligned educational materials
- enhancing the existing PTD website to offer more opportunities for engagement
- developing a new and refined monitoring and evaluation framework for the program
- designing additional resources for students and young people close to voting age (senior students)
- developing teacher training resources and events to be delivered at scale.

Disability Access and Inclusion Plan

The Disability Access and Inclusion Plan (DAIP) 2019–23 was officially launched on International Day of People with Disability, 3 December 2019. The DAIP incorporates the lessons learned from previous action plans and focuses on diversity, access and inclusion.

The VEC commits to engaging with people with disabilities from various communities that are traditionally under-represented in Victoria’s democracy, including young people, Aboriginal and Torres Strait Islanders, those who are culturally and linguistically diverse, and people experiencing homelessness or in prison. The DAIP has been developed in consultation with VEC staff and contractors, all VEC advisory groups, and external Victorian public sector staff from the Enablers Network.

Based on feedback from staff, the community and its advisory groups, the VEC has developed four key priority areas for the new DAIP:

- access—to premises, information and services
- employment—staff recruitment, training and retention
- community—engagement and consultation
- changing attitudes—lead by example.

The DAIP has been aligned with Strategy 2023. It is intended to be a living document and may evolve as annual reviews are conducted.

FIGURE 25: PROGRESS ON THE DAIP

SUMMARY STATISTICS AS AT 30 JUNE 2020	
Status	Overall action
On track	20
Delivered	10
Minor issues	10
Superseded	0
Not yet commenced	10

The following outputs have been delivered:

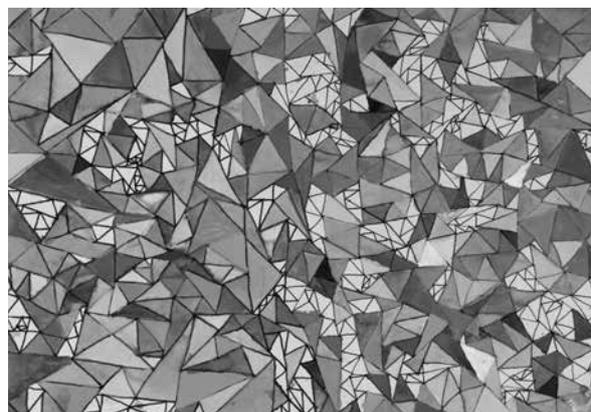
- launch of the DAIP 2019–23
- consultation with external access consultant, resulting in updated accessibility audit forms used by the VEC
- end-user testing and accessibility audits implemented as a part of the VEC website redevelopment project
- maintenance of a broad stakeholder database, utilised throughout the organisation
- the VEC culture supported staff to share their stories of living with disabilities
- students with disabilities participated in Youth Parliament 2019 and 2020.

Review of key priority areas and actions

A review of the DAIP was conducted across the VEC Senior Leadership Group in May 2020. Minor changes to the wording of two actions/deliverables, and due dates, were approved by EMG. The changes do not alter the outward-facing actions of the DAIP.



Helen Matthews, EAAG member and Krushnadevsinh (Kano) Ravalji at the launch of the VEC DAIP.



“How many Triangles can you see” by Monica Lazzari, purchased through Arts Project Australia for the cover of our DAIP.

Services to political parties

Changes to registered political parties

On 28 February 2020, Sustainable Australia (VIC) applied to change its logo and its name to ‘Sustainable Australia – Stop overdevelopment. Stop corruption.’ As required by the Electoral Act, the VEC advertised the application and invited objections to the proposed changes. No objections were received, and on 20 April 2020, the VEC granted the application.

The VEC also processed changes of registered officer by the Liberal Party of Australia – Victorian Division, the Australian Labor Party – Victorian Branch, the Democratic Labour Party (DLP), Derryn Hinch’s Justice Party, the Transport Matters Party and the Australian Greens – Victoria, and a change of address by Pauline Hanson’s One Nation and the Liberal Party of Australia – Victorian Division.

De-registration of political parties

Section 54(a) of the Electoral Act requires the VEC to de-register a registered political party if the party has not endorsed at least one candidate for an election held within the last five years. As the Socialist Alliance (Victoria) last endorsed a candidate for the State election held on Saturday, 29 November 2014, the VEC was obliged to de-register the Socialist Alliance (Victoria) on 2 December 2019.

Registered political parties can also request voluntary de-registration of the party under section 53 of the Electoral Act. On 19 June 2020, the Voluntary Euthanasia Party applied to de-register the party, with the VEC approving the application on 19 June 2020.

Register of political parties

The Electoral Act requires the VEC to establish and maintain a register of political parties. In order to qualify for registration, a political party must have a written constitution and at least 500 members who are Victorian electors, party members in accordance with the party’s rules, and not members of another registered political party or party applying for registration.

It is not compulsory for political parties to be registered to contest an election, but registration gives a party several important entitlements. These include:

- the right to have the party’s registered name or abbreviation and registered logo opposite its endorsed candidates or group on ballot papers
- access to enrolment and voter information on a periodic basis
- public funding for parties obtaining enough votes
- administrative expenditure funding for endorsed elected members of Parliament
- policy development funding if eligible.

Review of registered political parties

Carrying over from the 2018 State election, the VEC was required to review the registration of political parties that did not obtain 4% of first preference votes over all electorates contested by that party. 16 parties were reviewed and this work was completed in August 2019.

11 parties retained their registration, and five parties were de-registered. The Australian Liberty Alliance, the Australian Country Party and Hudson for Northern Victoria de-registered voluntarily. The Aussie Battler Party and Vote 1 Local Jobs were de-registered because the VEC was not satisfied they had at least 500 eligible members.

Services to political parties (continued)

FIGURE 26: REGISTERED POLITICAL PARTIES, 30 JUNE 2020

POLITICAL PARTY	POLITICAL PARTY LOGO	REGISTERED OFFICER	ADDRESS
Animal Justice Party		Ms Magda Wozny Secretary	113 Milpera Crescent Wantirna VIC 3152
Australian Labor Party – Victorian Branch		Ms Clare Burns State Secretary	438 Docklands Drive Docklands VIC 3008
Democratic Labour Party (DLP)		Ms Jennifer Bowden State Secretary	23 Highfielde Avenue Berwick VIC 3806
Derryn Hinch's Justice Party		Ms Ruth Stanfield Secretary	2/4 Small Street Hampton VIC 3188
Fiona Patten's Reason Party		Ms Ange Hopkins Registered Officer	8 Shaftsbury Street Coburg VIC 3058
Health Australia Party		Mr Andrew Hicks Victoria State Secretary	1 Erinne Court St Helena VIC 3088
Liberal Democratic Party		Mr David Leyonhjelm Registered Officer	405/19 Roseby Street Drummoyn NSW 2047
Liberal Party of Australia – Victorian Division		Mr Sam McQuestin State Director	Level 2, 60 Collins Street Melbourne VIC 3000
National Party of Australia – Victoria		Mr Matthew Harris State Director	Suite 908, Level 9 343 Little Collins Street Melbourne VIC 3000
Pauline Hanson's One Nation		Pauline Hanson Registered Officer	Unit 17, 109 Holt Street Eagle Farm QLD 4009
Shooters, Fishers and Farmers Party Victoria		Ms Nicole Bourman Secretary	Suite 504 365 Little Collins Street Melbourne VIC 3000
Sustainable Australia – Stop overdevelopment. Stop corruption.		Mr William Bourke Registered Officer	20 Burlington Street Crows Nest NSW 2065
The Australian Greens – Victoria		Mr Martin Shield State Director	Level 1, 45 William Street Melbourne VIC 3000
Transport Matters Party		Mr André Baruch Registered Officer	861 Glen Huntly Road Caulfield VIC 3162
Victorian Socialists		Mr Corey Oakley Registered Officer	54 Victoria Street Carlton VIC 3053
Voluntary Euthanasia Party (Victoria)		Mr Dermot Ryan Secretary	4 Punari Mews Eltham VIC 3095

Interaction with electoral bodies

The VEC works with various national and international electoral bodies with the aim of supporting increased innovation and electoral harmonisation. The exchange of ideas, collaborative research and discussion on key matters of interest with other electoral bodies (including through established forums), is an important basis for continued innovation. These interactions also support the VEC's capacity to recommend and advise on relevant legislative change in Victoria.

Arrangements with other electoral agencies

In a reciprocal arrangement, the VEC provides election services such as voting services and information provision for other electoral agencies. There were no requests for the VEC to support other Australian electoral commissions with electoral events during 2019–20.

The exchange of ideas and experiences within ECANZ on elections impacted by COVID-19 proved exceptionally beneficial.

As a sub-group of ECANZ, the Deputy Electoral Commissioners group continued to meet to share information and strategies around contemporary electoral practice, election evaluation and security.

Electoral Boundaries Commission

The VEC is required by legislation to provide administrative and technical services to the Electoral Boundaries Commission (EBC). The Report of the EBC 2019–20 is included in this report (See Appendix G on page 144).

The next redivision of State electoral boundaries will commence in November 2020. The EBC met on 1 May 2020 to plan for the redivision.

Electoral Matters Committee

The VEC has an interest in the work of the Electoral Matters Committee (EMC), a joint investigatory committee of the Parliament of Victoria. Its powers and responsibilities are determined by the *Parliamentary Committees Act 2003*.

The VEC appeared before the EMC on 28 October 2019, providing evidence at a public inquiry into the conduct of the 2018 Victorian State election. This was supported by the VEC's report to the EMC on its perspective of the election as the statutory authority, along with responses to specific questions arising subsequently from the public hearing.

On 19 March 2020, the EMC announced an inquiry into the impact of social media on elections and electoral administration to which the VEC will contribute. The EMC's report on this inquiry will not be delivered until June 2021.

Electoral Council of Australia and New Zealand

The Electoral Council of Australia and New Zealand (ECANZ) is a consultative forum with membership comprising Commonwealth, New Zealand and State and Territory Electoral Commissioners. This forum recognises the strong association and commonality existing between these organisations. ECANZ met on seven occasions in 2019–20.

ECANZ considers best practice and innovation in activities such as the maintenance of electoral rolls, the operation of new electoral legislation and the management of elections. ECANZ has also established several cross-jurisdictional working groups to advance projects on common topics.

This year, ECANZ consulted on several issues including the security of national electoral systems, social media in elections and election operations under COVID-19 restrictions. Through an Interjurisdictional Working Group established out of the Council of Australian Governments, ECANZ gave critical attention to cyber and physical security in elections. Consequently, the VEC hardened its election systems and applications and is contributing to the work on a common national electoral platform as another election security response.

Other interactions

In August, the Electoral Commissioner contributed to a forum on the Future of Electoral Democracy in India and Australia. The forum was held in New Delhi, sponsored by the University of Melbourne, Ashoka University, the Australia India Institute and the Australian Department of Foreign Affairs and Trade. The forum, attended by academics, government officials, and retired and serving election administrators, was very successful in exploring the challenges faced in elections in these two very different democracies. The VEC also established and hosted an electoral Industry Communication and Engagement Network in February 2020. The purpose of the informal Network is to share learnings around technology changes and best practice in communication and engagement relating to enrolling and voting in Australia's democracy.

Spotlight on

KOUROS ZIRAK

Technical Lead/Solution Architect, Information Technology Branch



“Nowadays, technology is the best tool to make connections with people. Having sophisticated and strong relations with the general public is ideal for VEC”

The VEC’s vision is for all Victorians to participate in their democracy. How does your role contribute to this?

Well, we are living in a digital era and moving with a fast pace. Nowadays, technology is the best tool to make connections with people. Having sophisticated and strong relations with the general public is ideal for VEC. My job as a member of IT is to provide tools and technologies to make this happen and also design and establish technologies to facilitate the processes for the VEC.

What makes the VEC an innovative and engaging place to work?

One of the great things about the VEC, is the freedom to meet and talk to people of all specialties at any level. This openness gives everyone opportunities to present (or embrace) new ideas. One example of engagement I can bring is about the VEC strategy. I remember that every staff member had been invited to participate. This sort of engagement is very rare within other companies and organisations.

The VEC is busy preparing for the LG2020 elections. How has this affected your role?

In the last three years, IT has delivered many new services and applications. Like any other members of IT, I’m also responsible for these services. Other than that, my availability is also important in this period; pre-election, election time and post-election. We have to respond to incidents and issues promptly and resolve them as quickly as possible. It’s stressful and tiring sometimes, but it’s part of our job.

What do you like to do on the weekends?

A lot. Weekends are never enough. I enjoy playing the classical guitar and flute recorder, playing and coaching table tennis, watching movies with my family. I also love to visit friends and escape to rural areas if the weather allows me to do so.

Our people

Achievements 2019–20

-  Extension of the VEC Leadership Capability Framework into success profiles that map critical behaviours, knowledge and skills, including mapping success profiles for succession planning of critical roles and development of talent.
-  Facilitation of branch strategies that aligned with Strategy 2023. To give staff clarity and meaningfulness in their work by being able to connect their goals to the goals of the organisation.
-  Evolution of the Performance and Development program to drive operational outcomes through increased engagement and productivity. Making the program more engaging and meaningful for staff and more effective for the VEC.
-  Investment into e-learning and digital authoring tools and transitioning all staff to a new learning management system called Litmos, then using these tools to support the rapid delivery of training of 150 staff on Electra, our new intranet and document management system.
-  Integration and rationalisation of VEC VPS Enterprise Agreement (EA) related policies with VPSC policies to eliminate duplication and administrative burden, and further rationalisation of broader non-VPS EA related policies.
-  Engagement of business champions in the launch of Electra support to the transition to a remote working environment in response to the COVID-19 pandemic.
-  Engagement of all branches across the VEC to address key findings from the People Matter Survey through meaningful and outcomes-based action plans.

Outlook 2020–21

-  Implementing a change management framework to guide and support the rollout of change across the VEC. This includes the development of tools and templates as part of a toolkit to ensure thorough preparation for the implementation of change.
-  Providing HR and change management support to the 2020 local government (LG2020) elections project team.
-  Increasing HR digitalisation, with a focus on automation of HR processes and workflows; increased data analytics to guide broader strategic and operational planning, and drive more responsive HR business partnering, without losing sight of the need for connectivity and the human touch.

Human resources management

Delivering on our vision that the VEC is an amazing place to work, by developing a working environment that is empowering, engaging, stimulating and inspiring.

A new approach

A complete review of the human resources strategic approach was undertaken to ensure complete alignment with the Strategy 2023 goals and the broader organisational initiatives supporting those goals.

We believe the VEC should be an amazing place to work. The VEC will achieve this through five key elements that support a highly engaged workforce:

- meaningful work
- responsive leadership
- positive work environment
- growth opportunities
- trusted leadership.

The VEC recognises that how we behave is just as important as what we achieve. The VEC will create space for our people to innovate more, collaborate better and look to the future with confidence.

Celebrating our diversity

Continuing to embrace diversity, the VEC actively promoted the themes of recognition, support, inclusion and the removal of barriers to inclusion to ensure all staff are respected and valued for their unique contributions.

All Staff meetings and key events throughout the year were used to increase awareness and understanding, and to promote the benefits of an inclusive work culture.

Events on the VEC calendar included:

- International Women's Day
- Cultural Diversity Week
- National Reconciliation Week
- Men's Health Week
- NAIDOC Week
- R U OK? Day
- Safe Work Australia Month
- International Day of People with Disability
- International Day Against Homophobia, Transphobia and Biphobia

The HR Branch also worked with the Communication and Engagement Branch on the development and execution of inclusion action plans relating to under-represented or at-risk groups, such as the DAIP. The HR Branch was also represented on the discussion panel at the launch of the DAIP, providing insight into the value of inclusion and how action on making the VEC a great place to work extends to all at the VEC across the five elements of a highly engaged workforce.

Change management

Effective change management is essential for the successful implementation of Strategy 2023.

The VEC needs to continue to grow change management skills in its managers and leaders. Effectively managing change is a core capability for all VEC managers, developing them to become more resilient and more prepared to make the most of opportunities.

Whilst the immediate focus of work is technology-driven, the introduction of a certified change management role helped to create capability to deal with the human impact of all planned change, so the VEC is better able to prepare and adapt when moving into the transformational leadership phase of the agenda. The VEC engaged a certified change manager to upskill managers at all levels to lead their teams effectively through change. This has helped to deliver outcomes by facilitating 'safe' individual and team change.

The introduction of a Change Management Framework will provide the VEC with the tools that underpin successful change management. The Framework will include artefacts to help us include change management as a planned component of VEC initiatives.

The Framework and artefacts will provide us with a lens through which to view the changes implemented at the VEC. It will require us to think differently about change, and to ask, for each initiative, 'What does this mean for our people?' The VEC will need to ask this question early and consider the response so it can plan and design changes with our people in mind. In turn, this will encourage adoption and ownership of the change.

Code of Conduct – VEC values

All employees are provided with a copy of the Victorian Public Service (VPS) Code of Conduct on commencement of employment. The VPS values, as outlined in the Code of Conduct, continue to be a feature in the Employee Performance and Development (P&D) program. Staff are required to establish behavioural intentions at the commencement of the performance year and document examples of meeting these intentions throughout the performance cycle.

Below-the-line behaviours (inappropriate behaviours) are called out when witnessed or identified, and appropriate action is taken.

Employee engagement

The 2019 People Matter Survey (PMS) was the largest ever for the VEC with 152 people responding due to the inclusion of our contractors for the first time. Our overall engagement score of 69% was a pleasing result and remains consistent with previous years' results.

The key themes resulting from this survey were:

- the VEC has a highly positive culture of diversity and inclusion
- our people are strongly connected to the organisation's purpose
- staff strive and work hard to deliver.

Areas for improvement encompassed in organisation-wide action planning included:

- a focus on learning and development for all our people
- improving our change communication
- providing more support to our employees to enable them to more effectively manage stress and psychological safety and at work.

This year, the approach to addressing feedback from across the branches has been for each branch to analyse their specific results and, as a team, work on activities that address those specific issues.

Flexible work arrangements

While the VEC has well-established policies and practices in place to support employees with flexible work arrangements, this was never more evident than during the COVID-19 pandemic. The VEC was effectively and efficiently able to transition 95% of the workforce to working remotely in a one-week window.

In addition to working remotely, flexible work practices include flexible start and finish times, compressed work fortnights, job-share, purchased leave, banking and taking 'flex-time' and the provision of 'make-up time'.

Working flexibly will continue to be an important factor for the workforce, and several mobility measures are in progress to further improve the availability of flexible work options.

Introduction of the VPSC Job and Skills Exchange program

In line with the VPSC, the VEC has deployed the Job and Skills Exchange program (JSE). The JSE promotes developmental and promotional opportunities for staff within the Victorian public sector before they access the wider job market. The VEC supports staff to build their careers within the public sector and act as employment advocates for the VEC.

Success through the JSE has been mixed, with some roles requiring re-advertising when a suitable candidate has not been identified. However, the VEC is confident this program of work will continue to provide benefits to staff, the VEC and the VPSC.

Learning and development

The modern learner learns not just through periodic training or events, but daily—or regularly—and often in informal ways. Modern learners want to self-improve and self-develop; to organise and make their own decisions about their learning and performance needs. They are self-reliant and self-sufficient continuous learners.

Consequently, the HR Branch is taking a fresh approach to our learning strategy, promoting a culture of continuous improvement at the VEC. The VEC will develop a learning ecosystem to support self-directed learning experiences. An ecosystem mindset is also a great way to bring the 70:20:10 model into reality. The model proposes that, on average, 70% of a person's learning at work is internal and experience-based, 20% comes from interacting with fellow employees and 10% is the result of formal training and development.

Human resources management (continued)

Knowledge-based support systems are at the core of our learning ecosystem. The VEC wants to make sure staff have access to the knowledge they need, when they need it. Work this year has involved investing in the right e-learning and digital authoring tools and in transitioning all staff to a new learning management system called Litmos. These tools were used to support the rapid delivery of training on Electra, the VEC's new intranet and document management system, to 150 staff with VEC-developed learning videos and virtual training sessions.

Through Litmos, staff also have access to created content for just-in-time learning in the flow of their daily work. Since its launch at the end of March 2020, there have been 272 individual logins to Litmos and 149 courses completed. By the end of the 2020 financial year, the VEC will begin a 12-month pilot of the LinkedIn Learning platform providing access to certified and non-certified technical, leadership and management courses. The VEC also launched 'Learning TV', a video streaming channel to increase access to in-house developed video training materials.

This learning ecosystem is not just about having great learning resources; what makes it work is people. Our employees need to reflect and find ways to learn with leaders and peers alike. The VEC has continued to support social learning at the VEC with communities of practice and 'Lunchbox Learning' sessions. The focus next year will be on building resources to support fledgling communities of practice and to develop a mentoring program.

Our formal learning experiences are designed around the context of the VEC and will provide employees with the opportunity to practice the decisions they will face in the workplace. While developing a full suite of leadership programs will be the focus next financial year, leadership development has this year focused on coaching sessions for people leaders on supporting their direct reports with goal setting and performance conversations. Several individuals have been debriefed on their Dominance, Influence, Steadiness and Conscientiousness (DISC) profile to help with their development. This work has extended to two branch leadership teams, along with facilitation of high-performing team sessions to support leadership across VEC branches.

Finally, by the end of the 2020 calendar year, the VEC will have completed a refresh of its collection of induction training, including launching security awareness training across the organisation.

Organisational capability

A new approach to our strategy this year also meant a refresh of our organisational capability program. The focus has been on improving the alignment of operational delivery across the business with organisational strategy.

Key to this was a great deal of consulting work across several VEC branches. The HR Branch facilitated a series of workshops to develop branch strategies that aligned with Strategy 2023 to give staff clarity and meaningfulness in their work by being able to connect their goals to the goals of the organisation. Additional workshops were used to start profiling the behaviour, knowledge, skills, experience and attributes needed in roles across the VEC to deliver these strategies, as part of the right organisational operating model.

Starting to build an organisational capability heat map relied on launching the VEC Leadership Capability Framework and a complementary VEC Technical Framework at our Inspired People roadshows, attended by over 150 VEC employees. The tools are multifaceted, supporting individual performance and development, recruitment, workforce planning, capability development and career management. They describe the expectations of leadership behaviour at four levels and identify the skills, knowledge, experience and attributes needed for technical operational excellence.

Finally, extensive work has started on evolving the Performance and Development program. While ensuring alignment with VPS values and the VPS EA, it is important to have a Performance and Development program that drives VEC operational outcomes through increased engagement and productivity. Changes being implemented to make the program more engaging and meaningful for staff—and more effective for the VEC—include:

- standardising goal writing with the ability to collect more real-time business data
- embedding the Leadership Capability Framework as the standard for behaviour and as a tool for coaching and development
- making it easier to give and receive feedback, and adding the ability for others to provide timely feedback and recognition
- enabling more frequent conversations about performance and development and making it easy to keep track of progress
- simplifying and standardising annual performance evaluation.

Senior Leadership Group

The VEC has historically valued and supported the contributions and insights of people leaders across the organisation. The Senior Leadership Group (SLG) was established in 2019 as a cohort to support the strategic and operational initiatives of the EMG. The SLG also provided a forum for its cohort to raise, address and champion ideas, initiatives and actions independently, and with the confidence they will be heard. Success to date has been observed through improved interactions, collaboration and engagement.

Wellbeing for 2020 local government elections

All electoral events provide the opportunity to refresh the focus on staff wellbeing during peak periods. To support all staff, the Corporate Services Group identified several programs and approaches for these busy periods. In preparation for the LG2020 elections, the VEC are working to develop, guide and support:

- increased focus on workforce management and understanding operational needs, risk mitigation and contingency planning to ensure delivery of the elections effectively, efficiently and safely
- clearly established working guidelines for staff during the election period, promoted and supported by the Electoral Commissioner and the EMG
- initiatives designed to support staff in maintaining mental and physical wellbeing during peak periods, including resilience training, meditation sessions and provision of quiet spaces
- organisation-wide team building activities to encourage staff to take time out and refresh
- support of people leaders in managing their teams during the peak periods through the SLG, PG and People Leader forums.

Workforce profile

The VEC realised significant growth this year, compared to recent years. With the introduction of the Electoral Integrity and Regulation Branch, and the expansion of a number of teams to further support the progressive work of the VEC, the headcount grew by approximately 31% on the previous financial year. Restructures in the Communication and Engagement Branch, the expansion and rebrand of Finance to Finance and Corporate Governance Branch, expanded learning and development support, and the inclusion of change management in HR all contributed to the increased head count.

Further, with LG2020 planning work firmly underway, a number of fixed-term opportunities were created to underpin the successful delivery of the LG2020 elections.

Turnover for 2019–20 significantly decreased compared to 2018–19 from 12.41% to 9.27%, maintaining the downward trend observed over the past two financial years. This reduction in staff turnover is attributed to both growth within the business and increased stability in the workforce due to uncertainties related to COVID-19.

Gender diversity at the VEC remains balanced with 51% male versus 49% female representation, and a balanced representation across all age groups.

Human resources management (continued)

FIGURE 27: RECRUITMENT, DEPARTURES AND TURNOVER, 2015-16 TO 2019-20

	HEADCOUNT (ONGOING)	FTE	COMMENCEMENTS FTE	DEPARTURES FTE	STAFF TURNOVER
2015-16	67	64.4	13	10	15.50%
2016-17	82	77.1	13	11	14.30%
2017-18	109	103.3	24	16.5	15.97%
2018-19	119	137.01	25.6	17	12.41%
2019-20	143	179.01	45.2	16.6	9.27%

FIGURE 28: RECRUITMENT (FTE ONGOING), 2015-16 TO 2019-20

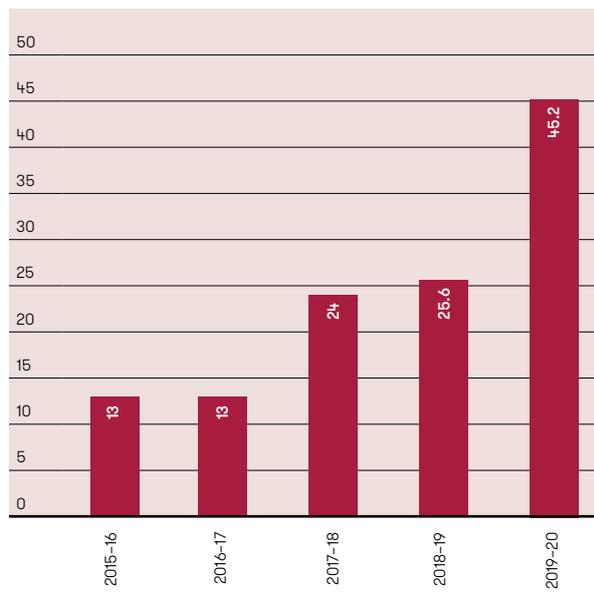
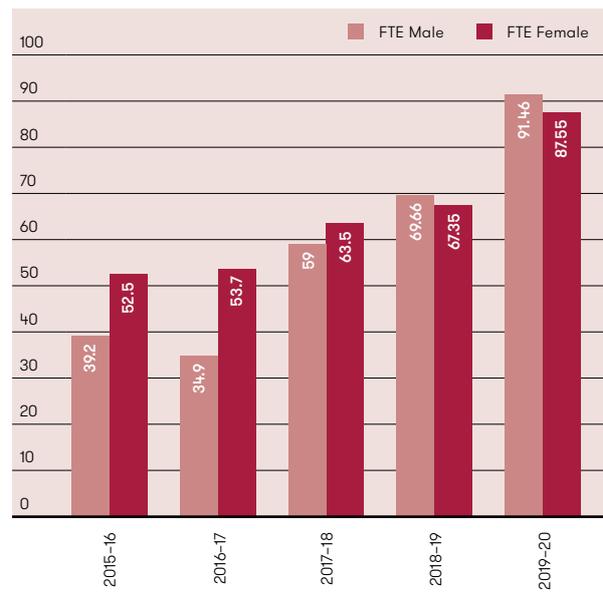


FIGURE 29: VEC STAFF BY GENDER, 2015-16 TO 2019-20



Staff profile

Comparative workforce data

FIGURE 30: VEC ACTIVE STAFF PROFILE, LAST PAY PERIOD JUNE 2020 (NOT INCLUDING STATUTORY APPOINTEES)

	2019					2020				
	ONGOING		FIXED TERM AND CASUAL		TOTAL	ONGOING		FIXED TERM AND CASUAL		TOTAL
	HEAD-COUNT	FTE	HEAD-COUNT	FTE	FTE	HEAD-COUNT	FTE	HEAD-COUNT	FTE	FTE
Gender										
Male	60.00	58.66	11.00	11.00	69.66	73.00	71.46	20.00	20.00	91.46
Female	59.00	54.95	15.00	12.40	67.35	70.00	65.15	26.00	22.40	87.55
Total	119.00	113.61	26.00	23.40	137.01	143.00	136.61	46.00	42.40	179.01
Age										
Under 25	-	-	-	-	-	-	-	1.00	1.00	1.00
25-34	27.00	26.60	7.00	6.60	33.20	23.00	22.80	18.00	17.20	40.00
35-44	43.00	40.56	11.00	10.30	50.86	59.00	55.76	14.00	13.60	69.36
45-54	31.00	29.75	3.00	3.10	32.85	38.00	36.55	7.00	5.20	41.75
55-64	14.00	12.90	4.00	3.40	16.30	12.00	11.20	6.00	5.40	16.60
Over 64	4.00	3.80	-	-	3.80	11.00	10.30	-	-	10.30
Total	119.00	113.61	26.00	23.40	137.01	143.00	136.61	46.00	42.40	179.01
Classification										
STS	8.00	8.00	-	-	8.00	6.00	6.00	1.00	1.00	7.00
VPS Grade 1	-	-	-	-	-	-	-	-	-	-
VPS Grade 2	16.00	14.61	3.00	2.10	16.71	19.00	17.61	5.00	4.10	21.71
VPS Grade 3	25.00	23.60	9.00	8.30	31.90	31.00	29.00	12.00	10.70	39.70
VPS Grade 4	28.00	25.70	6.00	5.00	30.70	32.00	30.20	19.00	17.60	47.80
VPS Grade 5	34.00	33.70	7.00	7.00	40.70	43.00	41.80	8.00	8.00	49.80
VPS Grade 6	8.00	8.00	1.00	1.00	9.00	12.00	12.00	1.00	1.00	13.00
Total	119.00	113.61	26.00	23.40	137.01	143.00	136.61	46.00	42.40	179.01

Excluded are those absent on secondment, external contractors and temporary staff employed by employment agencies, staff on leave without pay, election appointees to statutory offices as defined in the Public Administration Act 2004, and election casual staff employed under the Electoral Act.

Staff profile (continued)

FIGURE 31: FULL TIME EQUIVALENT (FTE) STAFFING TRENDS, 30 JUNE 2016 TO 30 JUNE 2020

	ONGOING EMPLOYEES				FIXED TERM		CASUAL		TOTALS	
	NUMBER (HEAD COUNT)	FULL TIME (HEAD COUNT)	PART- TIME (HEAD COUNT)	FTE	NUMBER (HEAD COUNT)	FTE	NUMBER (HEAD COUNT)	FTE	NUMBER (HEAD COUNT)	FTE
2016	67.00	59.00	8.00	64.40	25.00	22.80	12.00	5.70	112.00	92.00
2017	82.00	69.00	13.00	77.20	13.00	11.20	2.00	0.20	97.00	88.60
2018	109.00	93.00	15.00	103.30	20.00	18.60	2.00	0.80	131.00	122.70
2019	119.00	122.00	23.00	113.60	24.00	23.30	1.00	0.10	145.00	137.00
2020	143	124	19	136.61	45	42.3	1	0.1	189	179.01

Occupational health and safety

The period 2019–20 has been focussed on supporting VEC OHS in core activities, as well as preparation for the LG2020 elections.

As in past years, the VEC aimed to provide a safe and positive workplace, without risk to employees' physical or mental wellbeing. The VEC recognises that the ongoing health, safety and wellbeing of staff requires continuous improvement to ensure all elements are considered.

The VEC's Health, Safety and Wellbeing program of work aligns to the 'People' and 'Decision-making' pillars of the VEC's Strategy 2023. Ensuring the VEC creates an environment that inspires our people to reach their full potential and that staff are enabled to make smart decisions on time and by the book requires effective and efficient processes, programs and initiatives. Inherent in staff reaching their full potential is their feeling of safety in their roles and their access to tools and support to make the right decisions, specifically in line with legislature and policies.

Staff are clear about requirements for compliance, and robust business processes are in place to support accountabilities, including risk identification and minimisation, incident reporting investigation, and regular workplace audits.

Online onboarding training programs for new staff and compliance-based refresher training for the broader workforce has been deployed to build understanding of how the VEC will support staff to work in a safe environment.

The OHS Committee has continued to take an active role in monitoring the application of the Occupational Health and Safety Management System (OHSMS) by taking part in all quarterly inspections, reviewing OHS documentation and supporting OHS events, such as OHS Month.

Formal quarterly reporting on OHS data and activity has continued throughout 2019–20. The reports provide executives and managers with oversight of OHS performance and trends.

Impact of COVID-19

Of significant focus in the second half of the year has been the VEC's response to COVID-19. Through these unprecedented times, the VEC has ensured that staff are supported through clear and consistent work practices, underpinned by relevant VEC policies.

The VEC transitioned to remote working as soon as the State of Emergency was declared on 16 March 2020 and moved swiftly to ensure the ongoing safe and compliant delivery of all of the VEC's legislative obligations. A COVID-19 working group was established to support business continuity and staff communication.

Policies and guidelines were quickly developed in line with Victorian and federal government requirements, including management of COVID-19 positive test results, revised working from home guidelines, leave and other management support. Additional initiatives were created to reinforce staff health, wellbeing and connectedness in the new remote working environment, including 'Wellness Wednesday' events and regular communication on new safety and support measures being put in place.

All external stakeholder engagements were successfully moved to the online environment, including formal electoral functions such as representation review public hearings, countbacks and ballot draws. Observation of ballot paper extraction and counting via video conferencing facilities was trialled at a small council by-election.

Occupational health and safety (continued)

Other significant achievements in the latter period of 2019–20 included:

- Fee-for-service election activities were seamlessly progressed using online technologies.
- A move to a fully online training program for senior election officials.
- A number of countbacks conducted online.
- The preparation of significant support materials for election office staff to ensure delivery of a COVIDSafe local government elections.
- Adaptive practices employed for head office support programs including the Election office help desks and call centres and modified recruitment programs.

A staff survey in June 2020 demonstrated increased staff engagement and satisfaction compared to 2019 and an improvement in psychosocial safety. Predictably 34% of staff reported increased stress as a result of COVID-19 and working from home, and the VEC continues to support staff wellbeing initiatives while work progresses towards the LG2020 elections.

A COVIDSafe election

In March 2020, work began on the development of a comprehensive COVIDSafe Election Plan for the LG2020 elections. Operational planning was based on COVID-19 guidance from Safe Work Australia, the Victorian Chief Health Officer, Department of Health and Human Services and others as of 31 May 2020, regardless of any subsequent relaxation of restrictions. This ensures that the work of the VEC can continue to safely withstand further outbreaks or restrictions as operations ramp up for the delivery of the LG2020 elections.

A reference group was established to assist the VEC's response to COVID-19. The group consists of the Electoral Commissioner and external representatives from Local Government Victoria, the Department of Premier and Cabinet, the Department of Health and Human Services and a consultant with expertise in complex risk management. The group provides advice and subject matter expertise to the VEC in the implementation of the COVIDSafe election plan.

Work is ongoing to ensure election operations continue as safely as possible in all VEC premises including the 76 election offices which will be established in August 2020. For example, the VEC's head office workspace design exceeds the current recommended density quotient of four metres-squared, onsite attendance is strictly limited to those functions that cannot be conducted offsite, and separate working zones have been established to minimise people movement.

At year end, the situation remained dynamic, and the VEC continued to actively monitor conditions and restrictions to deliver local government elections that are safe, accessible, compliant and successful.

Hazards, incidents and injuries

During 2019–20, the VEC received a total of 11 incident notifications (see Figure 34).

This is a significant decrease from the previous year. This can be attributed to 2019–20 being a non-election year, as well as a significant portion of the year being worked remotely in a working from home arrangement.

As seen in Figure 36, there is not a strong trend in incident types as observed in the previous year. The VEC will hold a future focus on increased hazard reporting for 2020–21.

As detailed in Figure 37, the VEC observed a reduction in on-site work area inspections at VEC offices. This is attributed to a change to remote working arrangements. As a result of the working from home arrangements, the VEC was able to demonstrate compliance in on-site work area inspections from home, including completion of Working from Home Checklists by all employees. These checklists ensured employees' home offices and work areas were safe and conducive to productive and safe working.

FIGURE 32: CLAIMS FOR WORKCOVER, 2015-16 TO 2019-20

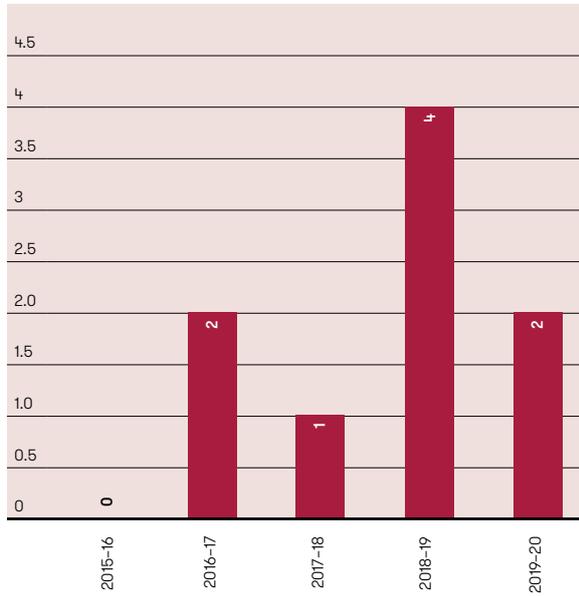


FIGURE 34: HAZARD, INCIDENTS AND INJURIES REPORTED, 2015-16 TO 2019-20

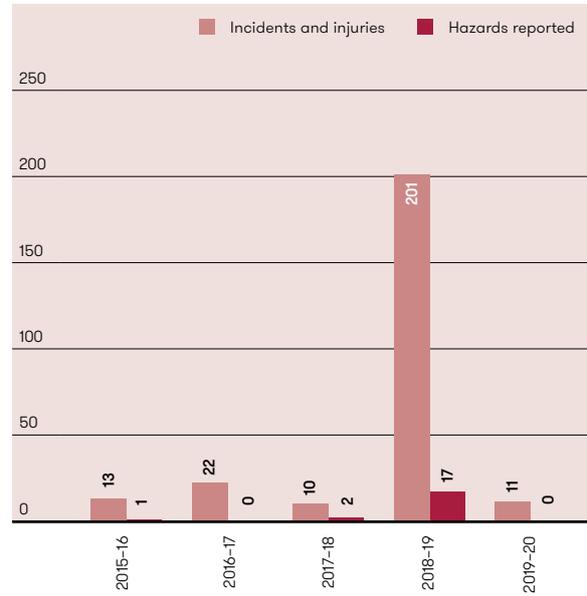


FIGURE 33: DAYS LOST AS A RESULT OF WORKPLACE-RELATED INJURY, 2015-16 TO 2019-20

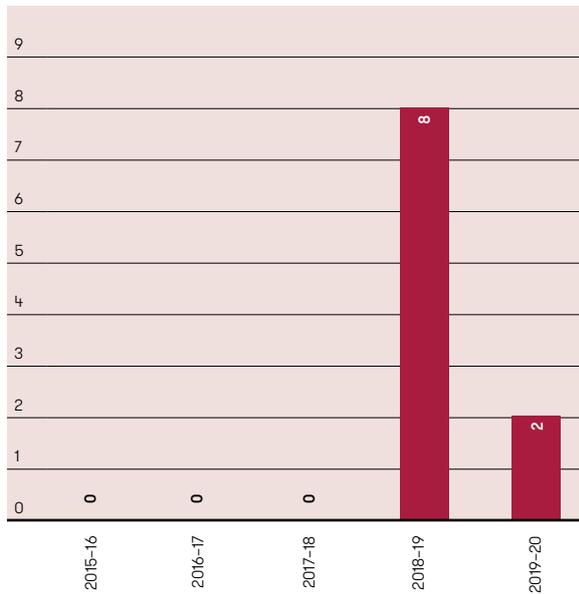
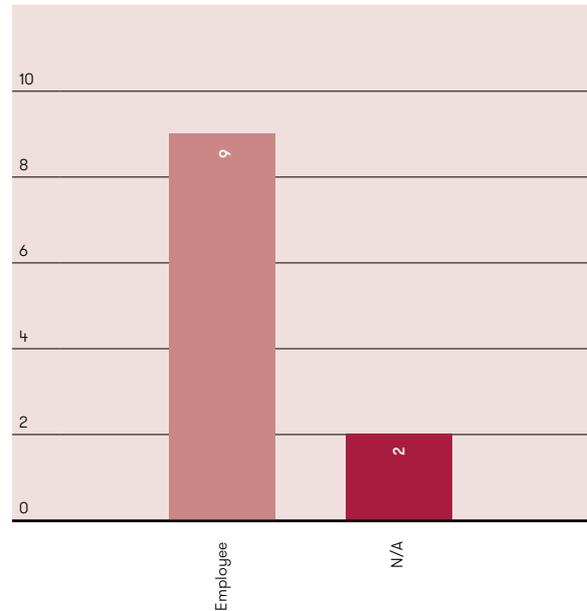


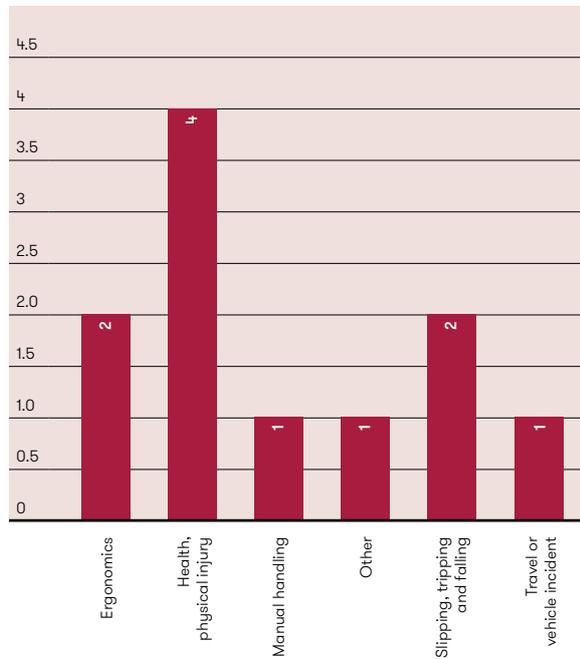
FIGURE 35: REPORTED INCIDENTS, HAZARDS AND NEAR MISSES—BY AFFECTED PERSON, 2019-20



Note: Figure 35 does not include election data for years prior to 2018-19
N/A includes property damage or hazards reported.

Occupational health and safety (continued)

FIGURE 36: REPORTED INCIDENTS, HAZARDS AND NEAR MISSES—BY TYPE, 2019-20



Staff wellbeing services

The VEC continued to focus on delivery against the VEC's Wellbeing Strategy for 2017-20. The Strategy provides the framework to support the personal and professional development of staff in a culture that is inclusive, supportive and engaging. Success in these areas will ensure the VEC truly is a great place to work.

This year, the VEC delivered a program of wellbeing events and initiatives that contribute to this strategic intent. The activities offered to staff included:

- promotion and education of mental health and support seeking through R U OK? Day and World Mental Health day
- International Women's Day events, with an onsite morning tea and presentation by Stephanie Woollard OAM founder of Seven Women onsite
- ten VEC-funded places at the annual Institute of Public Administration Australia's International Women's Day Gala Dinner was also supported with a diversity of staff attending, including female and male staff
- a flu vaccination program which was adapted to continue to support staff in a COVID-19 environment
- promotion of men's health
- celebration of International day against homophobia, transphobia and biphobia.

The VEC Mental Health and Wellbeing Commitment Statement, introduced in 2018, remains active to provide clarity on the responsibilities and expectations of the VEC, managers, and employees to prevent and address psychological injury or illness and contribute to a culture of positive wellbeing.

As outlined in the Impact to COVID-19 section, the wellbeing of staff and contractors has remained a priority with the increased promotion of the Employee Assistance Program (EAP) and extension of EAP services to contractors for the first time.

Support for people leaders through the Senior Leadership Group has continued, as has the use of regular staff communications focussed on recognising challenges faced by staff as well as corrective actions or services to overcome challenges.

FIGURE 37: THE VEC'S PERFORMANCE AGAINST OHS MANAGEMENT MEASURES, 2015-16 TO 2019-20

MEASURE	KPI	2015-16	2016-17	2017-18	2018-19	2019-20
Incidents	Staff FTE (VPS only)	86.2	88.6 ¹	122.7	137	179.01
	Number of incidents	13	5 ²	10	16 ³	11
	Rate per 100 FTE	15.08	5.6	8.1	11.7	6.1
Claims	Number of standard claims	-	1 ⁴	1	1	2
	Rate per 100 FTE	-	1.1	0.8	0.7	1.1
	Number of lost time claims	-	-	-	1	1
	Rate per 100 FTE	-	-	-	0.7	0.5
	Number of claims exceeding 13 weeks	-	1	-	-	-
	Rate per 100 FTE	-	1.1	-	-	-
Fatalities	Fatality claims	-	-	-	-	-
Claim costs	Average cost per standard claim	-	8,210	452	479	706.18
Return to work (RTW)	Percentage of claims with RTW plan <30 days	-	-	-	-	-
Management	Evidence of OHS policy statement, OHS commitment objectives, regular reporting to senior management of OHS, and OHS plans (signed by CEO or equivalent)	Completed	Completed	Completed	Completed	Completed
	Evidence of OHS criteria in purchasing guidelines (including goods, services and personnel)	Completed	Completed	Completed	Completed	Completed
Consultation	Evidence of agreed structure of designated workgroups (DWGs), health and safety participation representatives (HSRs), and issue resolution procedures (IRPs)	Completed	Completed	Completed	Completed	Completed
	Compliance with agreed structure on DWGs, HSRs, and IRPs	Completed	Completed	Completed	Completed	Completed

Occupational health and safety (continued)

MEASURE	KPI	2015-16	2016-17	2017-18	2018-19	2019-20
Risk management	Percentage of internal audits/inspections conducted as planned	100%	100%	75%	88%	50%
	Percentage of issues identified and actioned arising from:					
	• internal audits	100%	100%	N/A	100%	100%
	• HSR provisional improvement notices (PINs)	N/A	N/A	N/A	N/A	N/A
	• WorkSafe notices	N/A	N/A	N/A	N/A	N/A
Training	Percentage of managers and staff that have received OHS training:					
	• induction	100%	100%	100%	100%	100%
	• management training	0%	100%	78%	0%	0%
	• contractors, temps and visitors	100%	50	36%	9% ⁵	100%
	Percentage of HSRs trained:					
	• acceptance of role	100%	100%	100%	100%	100%
	• refresher training	0%	100%	100%	100%	100%
• reporting of incidents and injuries	100%	100%	100%	100%	100%	

¹ Figure does not include casual staff

² Figure does not include casual staff or members of the public

³ Figure does not include incidents incurred by casual staff or members of the public. Does not include hazards or near misses.

⁴ Figure includes casual election staff

⁵ Figure does not include casual election staff

Financial statements

Achievements 2019–20



Compliance with the Standing Directions of the Minister for Finance — no reportable deficiencies.



Delivery of the VEC's programs and initiatives within available funding envelope.



Branch structural growth in-line with VEC strategic direction and internal audit recommendations.



New social procurement strategy.

Outlook 2020–21



Implementation of VEC corporate governance framework, further enhancing compliance best practice.



Expanding the VEC's enterprise risk intelligence software platform to include health and safety practice, business continuity, corporate governance and compliance management.



Implementation of bespoke program and project management framework.



Financial and corporate support to the 2020 local government elections.

Financial report

The objective of the financial report is to provide stakeholders with an understanding of the VEC’s financial performance and position over the 2019–20 reporting period.

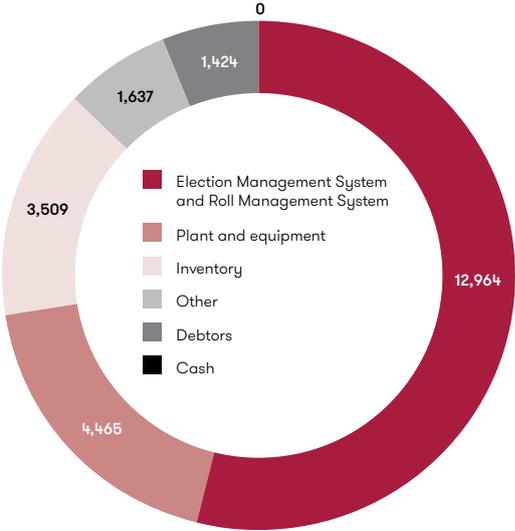
Assets – what the VEC owns

Non-financial assets make up the majority of the VEC’s assets. Assets include election inventory, plant and equipment; and intangible assets, which cover all VEC systems and programs. The organisation continued to invest in the IT environment over the year with the delivery and implementation of a new intranet site, a new electronic document management system, the uplift of the VEC’s operating platform to Microsoft Windows 365, enhancements to the Funding and Disclosure system, further improvements to VEC cyber security and continued work on the new Election Management System (EMS2). EMS2 is scheduled for completion in 2020–21 as work starts on the roll management system.

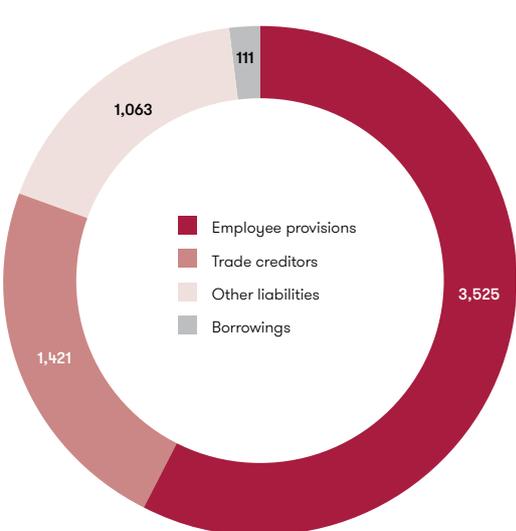
Liabilities – what the VEC owes

The VEC’s liabilities are largely represented by employee provisions (annual leave and long service leave owing to staff) and supplier commitments. Money owed to suppliers and creditors was timing related at 30 June 2020, based on terms of trade between the VEC and respective suppliers. Utilising strong internal cash flow management, the VEC endeavours to keep outstanding supplier commitments to a minimum—ensuring payments are made within agreed trade terms. Trade creditor balances owing at 30 June 2020 were subsequently cleared the following month. The impact of COVID-19 meant staff were unable to take leave for a lengthy period, causing this staff entitlement provision to increase considerably in comparison to previous reporting periods. The liability is being managed.

VEC ASSETS (\$’000)



VEC LIABILITIES (\$’000)



Equity – what the VEC is worth

The VEC’s equity is measured as the net of its assets less its liabilities. The VEC’s total equity position at 30 June 2020 is \$17.88 million, comprising contributed capital and carrying accumulated deficit.

Funding fluctuations

The VEC’s only source of funding is its special appropriation from the State Government. The VEC’s funding fluctuates year-on-year depending on the electoral activity being delivered (see Figure 38). Every two years, the VEC conducts either a State election or local government elections, which significantly increase the VEC’s funding for the particular year. With 2019–20 being a non-election year, the VEC’s funding decreased to \$37.54 million (2018–19: \$89.62 million). Special appropriation funding does not include non-cash expenses, such as depreciation, staff entitlement provisions and year-end accruals.

Expenses – how the VEC’s funding is utilised

Being a non-election year, the majority of the VEC’s expenditure was incurred in general areas such as wages and overheads, mail and postage, lease rental consultancy and professional services and project related expenditure. Due to COVID-19, expenditure associated with planning and readiness for the 2020 local government (LG2020) elections were pushed out and scheduled for 2020–21.

Administrative services

The VEC also manages administrative services on behalf of the State Government and local government. Funding collected and dispersed during 2019–20 was \$19.01 million. This is not shown in the VEC financial results or in the financial statements but is declared in Note 4.1: Administered (non-controlled) items. This included:

- collection and payment of fines
- advance payment of 2020 State election public funding
- administrative expenditure funding (Funding and Disclosure legislation).

VEC OPERATIONAL EXPENDITURE (\$'000)

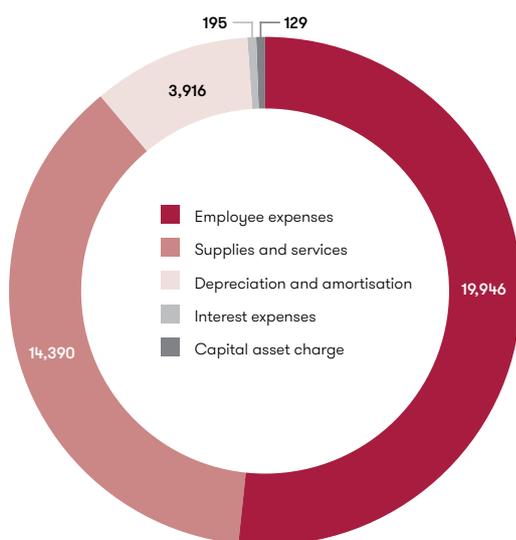
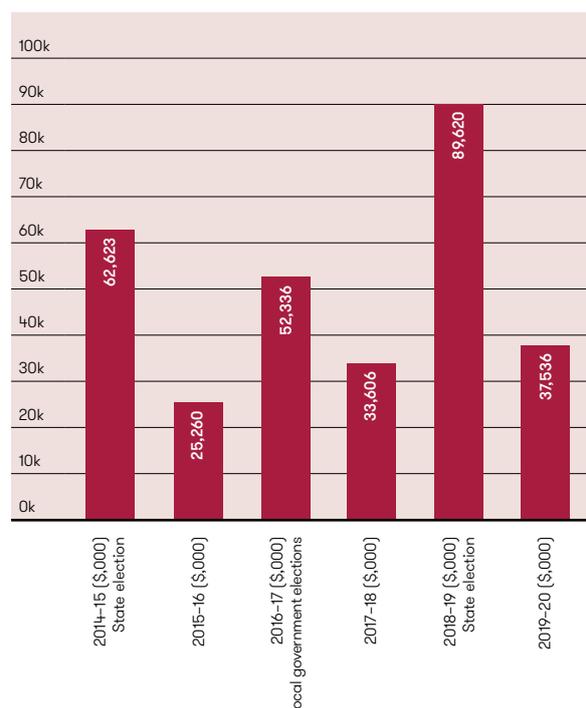


FIGURE 38: SPECIAL APPROPRIATION 2014–15 TO 2019–20 (\$'000)



Declaration in the financial statements



Declaration in the Financial Statements

The attached financial statements for the Victorian Electoral Commission have been prepared in accordance with Directions 5.2 of the Standing Directions 2018 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, statement of changes in equity, cash flow statement and accompanying position of the Commission at 30 June 2020.

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

We authorise the attached financial statements for issue on 7 August 2020.

A handwritten signature in black ink, appearing to read 'MM Gately', is written over a white rectangular box.

Warwick Gately AM
Electoral Commissioner
Victorian Electoral Commission

Melbourne 7 August 2020

A handwritten signature in black ink, appearing to read 'Binh Le', is written over a white rectangular box.

Binh Le
Chief Financial Officer
Victorian Electoral Commission

Melbourne 7 August 2020

Comprehensive operating statement

for the financial year ended 30 June 2020

	NOTES	2019 \$'000	2020 \$'000
Continuing operations			
Income from transactions			
Special appropriations	2.1	89,620	37,536
Total income from transactions		89,620	37,536
Expenses from transactions			
Employee expenses	3.1.1	(47,159)	(19,946)
Depreciation and amortisation	5.1.1	(2,240)	(3,916)
Interest expense		(4)	(195)
Capital asset charge	3.2	(500)	(129)
Other operating expenses	3.3	(44,395)	(14,390)
Total expenses from transactions		(94,298)	(38,576)
Net result from transactions (net operating balance)		(4,678)	(1,040)
Other economic flows included in net result			
Net gain/(loss) arising from revaluation of long service liability		(102)	74
Total other economic flows included in net result		(102)	74
Net result		(4,780)	(966)
Comprehensive result		(4,780)	(966)

The comprehensive operating statement should be read in conjunction with the notes to the financial statements.

Balance sheet

as at 30 June 2020

	NOTES	2019 \$'000	2020 \$'000
Assets			
Financial assets			
Cash and deposits	7.1	(2)	-
Receivables	6.1	598	1,424
Total financial assets		596	1,424
Non-financial assets			
Inventories	6.3	2,429	3,509
Property, plant and equipment	5.1	4,745	4,465
Intangible assets	5.2	8,982	12,964
Prepayments	6.4	1,187	1,637
Total non-financial assets		17,343	22,575
Total assets		17,939	23,999
Liabilities			
Payables	6.2	1,172	1,421
Borrowings		121	111
Employee-related provisions	3.1.2	2,978	3,525
Other provisions	6.5	675	1,063
Other liabilities	6.6	859	-
Total liabilities		5,805	6,120
Net assets		12,134	17,879
Equity			
Accumulated (deficit)/surplus		(30,310)	(31,276)
Contributed capital		42,444	49,155
Net worth		12,134	17,879

The balance sheet should be read in conjunction with the notes to the financial statements.

Statement of changes in equity

for the financial year ended 30 June 2020

	NOTES	ACCUMULATED SURPLUS \$'000	CONTRIBUTED CAPITAL \$'000	TOTAL \$'000
Balance at 1 July 2018		(25,530)	37,408	11,878
Net result for the year		(4,780)	-	(4,780)
Capital appropriations	9.9	-	5,036	5,036
Balance at 30 June 2019		(30,310)	42,444	12,134
Net result for the year		(966)	-	(966)
Other Transfers	9.3.1	-	232	232
Capital appropriations	9.9	-	6,479	6,479
Balance at 30 June 2020		(31,276)	49,155	17,879

Cash flow statement

for the financial year ended 30 June 2020

	NOTES	2019 \$'000	2020 \$'000
Cash flows from operating activities			
Receipts			
Receipts from Government		89,133	37,577
Net goods and services tax recovered from the ATO		4,796	1,631
Total receipts		93,929	39,208
Payments			
Payments to suppliers and employees		(93,943)	(38,482)
Interest and other costs of finance paid		-	(195)
Total payments		(93,943)	(38,677)
Net cash flows from/(used in) operating activities	7.1	(14)	531
Cash flows from investing activities			
Purchases of non-financial assets		(5,036)	(6,060)
Net cash flows (used in)/from investing activities		(5,036)	(6,060)
Cash flows from financing activities			
Owner contributions by State Government		5,036	6,479
Repayment of finance leases		9	(948)
Net cash flows from/(used in) financing activities		5,045	5,531
Net increase/(decrease) in cash and cash equivalents		(5)	2
Cash and cash equivalents at the beginning of the financial year		3	(2)
Cash and cash equivalents at the end of the financial year	7.1	(2)	(0)

The above cash flow statement should be read in conjunction with the notes to the financial statements.

Note: (i) goods and services tax paid to the ATO is presented on a net basis

Notes to the financial statements

for the financial year ended 30 June 2020

Note 1: About this report

The VEC is an independent body of the State of Victoria, established pursuant to an order made by the Premier under the *Electoral Act 2002*.

Its principal address is:

Victorian Electoral Commission
Level 11, 530 Collins Street
Melbourne VIC 3000

The VEC is an administrative agency acting on behalf of the Crown.

A description of the nature of the VEC's operations and its principal activities is included in the report of operations which does not form part of these financial statements.

Objectives

The VEC's overall objective is to provide election services to State and local government, as well as conducting various fee for service elections.

The VEC is funded by accrual-based parliamentary appropriations for the provision of outputs. It provides on a fee-for-service basis election services for Local Government and Commercial elections. The fees charges for these services are determined by prevailing market forces.

Basis of preparation

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

These financial statements are presented in Australian dollars, and prepared in accordance with the historical cost convention 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. The only exception is for special appropriation revenue, which is recognised on a cash basis when the amount appropriated for a specific purpose is received by the VEC.

Judgements, estimates and assumptions are required to be made about financial information being presented. The significant judgements made in the preparation of these financial statements are disclosed in the notes where amounts affected by these judgements are disclosed. Estimates and associated assumptions are based on professional judgements derived from historical experience and various other factors that are believed to be reasonable under the circumstances. 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. Judgements and assumptions made by management in the application of AASs that have significant effects on the financial statements and estimates relate to:

- the fair value of measurement of property, plant and equipment (refer to 5.1)
- superannuation contributions (refer to 3.1.3)
- employee and provisions (refer to 3.1.1 and 3.1.2)
- useful lives of property, plant and equipment (refer to 5.1.1)

All amounts in the financial statements have been rounded to the nearest thousand dollars, unless otherwise stated. Figures in the financial statements may not equate due to rounding.

Compliance information

These general-purpose financial statements have been prepared in accordance with the *Financial Management Act 1994* 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 the 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 are selected in a manner which ensures 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.

Notes to the financial statements (continued)

for the financial year ended 30 June 2020

Note 2: Funding delivery of our services

Introduction

The VEC's purpose is to deliver high quality, accessible electoral services with innovation, integrity and independence to enable all Victorians to actively participate in the democratic process.

To enable the VEC to fulfil its objectives and outputs, it receives parliamentary appropriations.

2.1 Summary of Income that funds the delivery of services

	NOTES	2019 \$'000	2020 \$'000
Special appropriations	2.2	89,620	37,536
Total income from transactions		89,620	37,536

2.2 Appropriations

Annual parliamentary appropriations income becomes controlled and is recognised by the VEC when it is appropriated from the Consolidated Fund by the Victorian Parliament, via the Department of Premier and Cabinet and applied for the purposes defined under the *Electoral Act 2002*.

Special appropriations

The appropriation revenue is recognised upon receipt when the operating bank account is funded by the State Government.

Note 3: The cost of delivering services

Introduction

This section provides an account of the expenses incurred by the VEC in delivering services and outputs. In Note 2, the funds that enable the provision of services were disclosed and in this note the cost associated with provision of services are recorded.

3.1 Expenses incurred in delivery of services

	NOTES	2019 \$'000	2020 \$'000
Employee expenses	3.1.1	47,159	19,946
Capital asset charge	3.2	500	129
Other operating expenses	3.3	44,395	14,390
Total expenses incurred in delivery of services		92,054	34,465

3.1.1 Employee benefits in the comprehensive operating statement

	2019 \$'000	2020 \$'000
Defined benefit and contribution superannuation expense	3,428	1,585
Salaries and wages, annual leave and long service leave	43,731	18,361
Total employee expenses	47,159	19,946

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

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

The VEC does not recognise any defined benefit liability in respect of the plan(s) because the entity has no legal or constructive obligation to pay future benefits relating to its employees; its only obligation is to pay superannuation contributions as they fall due. The Department of Treasury and Finance (DTF) discloses the State's defined benefit liabilities in its disclosure for administered items.

3.1.2 Employee benefits in the balance sheet

Provision is made for benefits accruing to employees in respect of wages and salaries, annual leave and long service leave for services rendered to the reporting date.

	2019 \$'000	2020 \$'000
Current provisions		
Annual leave (i)		
Unconditional and expected to be settled within 12 months	784	1,292
Unconditional and expected to be settled after 12 months (ii)	301	26
Long service leave (i)		
Unconditional and expected to be settled within 12 months	127	137
Unconditional and expected to be settled after 12 months (ii)	1,094	1,208
	2,306	2,663
Provisions for on-costs (i)		
Unconditional and expected to be settled within 12 months	140	217
Unconditional and expected to be settled after 12 months (ii)	215	188
	355	405
Total current employee-related provisions	2,661	3,068
Non-current provisions (ii)		
Employee benefits (i)	275	397
On-costs	42	60
Total non-current employee-related provisions	317	457
Total employee-related provisions	2,978	3,525

Note: (i) Employee benefits consist of annual leave and long service leave accrued by employees. On-costs such as payroll tax and workers' compensation insurance are not employee benefits and are reflected as a separate provision.

(ii) Amounts are measured at present values.

Notes to the financial statements (continued)

for the financial year ended 30 June 2020

Reconciliation of movement in on-cost provision

	2020 \$'000
Opening balance	397
Additional provisions recognised	1,449
Reductions arising from payments/other sacrifices of future economic benefits	(1,381)
Closing balance	465
Current	405
Non-current	60
Total employee benefits	465

Annual leave

Liabilities for annual leave and on-costs are recognised as part of the employee benefit provision as current liabilities. Liabilities expected to be settled within 12 months of the reporting period are measured at undiscounted amounts. Liabilities that are not expected to be settled within 12 months are also recognised in the provision for employee benefits as current liabilities, but are measured at present value of the amounts expected to be paid when the liabilities are settled using the remuneration rate expected to apply at the time of settlement.

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

Long service leave

Liability for long service leave (LSL) is recognised in the provision for employee benefits.

Unconditional LSL is disclosed in the notes to the financial statements as a current liability, even where the VEC does not expect to settle the liability within 12 months because it will not have the unconditional right to defer the settlement of the entitlement should an employee take leave within 12 months:

The components of this current LSL are measured at:

- undiscounted value – if the VEC expects to wholly settle within 12 months

or

- present value – if the VEC does not expect to wholly settle within 12 months.

Conditional LSL 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 LSL liability is measured at present value.

Any gain or loss following revaluation of the present value of non-current LSL 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 other economic flows included in the net result.

3.1.3 Superannuation contributions

Employees of the VEC are entitled to receive superannuation benefits and the VEC contributes to both defined benefit and defined contribution plans. The defined benefit plan(s) provides benefits based on years of service and final average salary.

As noted in 3.1.1, the defined benefit liability is recognised in DTF as an administered liability. However, superannuation contributions paid or payable for the reporting period are included as part of employee benefits in the comprehensive operating statement of the VEC.

The name, details and amounts expensed in relation to the major employee superannuation funds and contributions made by the VEC are as follows:

	PAID CONTRIBUTION FOR THE YEAR	
	2019 \$'000	2020 \$'000
Defined benefit plans:		
State superannuation fund—revised and new (i)	8	55
Defined contribution plans:		
VicSuper	1,407	623
Other	2,013	907
Total	3,428	1,585

Notes: (i) The bases for determining the level of contributions is determined by the various actuaries of the defined benefit superannuation plans.

There were no outstanding contributions at year end.

3.2 Capital asset charge

	2019 \$'000	2020 \$'000
Capital asset charge	500	129

A capital asset charge is a charge levied on the written down value of controlled non-current physical assets in the VEC's balance sheet. It aims to attribute to the VEC outputs, a cost of capital used in service delivery. Imposing this charge provided incentives for the VEC to identify and dispose of underutilised or surplus non-current physical assets.

3.3 Other operating expenses

	2019 \$'000	2020 \$'000
Purchase of supplies and consumables	14,422	1,040
Purchase of services	18,038	9,701
Maintenance	1,585	1,413
Operating lease rental expense	10,350	-
Accommodation expenses	-	2,236
Total other operating expenses	44,395	14,390

Other operating expenses generally represent the day-to-day running costs incurred in normal operations and are recognised as an expense in the reporting period in which they are incurred.

Notes to the financial statements (continued)

for the financial year ended 30 June 2020

Note 4: Administered financial information output

4.1 Administered (non-controlled) items

In addition to the specific VEC operations which are included in the financial statements (comprehensive operating statement, balance sheet, statement of changes in equity and cash flow statement), the Commission administers or manages, but does not control, other activities and resources on behalf of the State and local governments.

Administered income includes the provision of services for conducting local government elections, fines and electoral entitlements. Administered expenses include payments made in conducting local government elections, payments to Councils and payments for Administrative Expenditure, Policy Development and Advance Public funding. Administered assets include government income earned but not yet collected.

	STATE		LOCAL GOVERNMENT		TOTAL	
	2019 \$'000	2020 \$'000	2019 \$'000	2020 \$'000	2019 \$'000	2020 \$'000
Administered income from transactions						
Income from local government and commercial elections	996	1,335	-	-	996	1,335
Fines	2,208	2,271	4,128	3,162	6,336	5,433
Candidate deposits	141	-	-	-	141	-
Electoral entitlements	29,052	12,135	-	-	29,052	12,135
Receipts for Funding and Disclosure	-	175	-	-	-	175
Total administered income from transactions	32,397	15,916	4,128	3,162	36,525	19,078
Administered expenses from transactions						
Payments into the consolidated fund	4,408	3,951	-	-	4,408	3,951
Payments to councils	-	-	4,518	3,215	4,518	3,215
Payments for Funding and Disclosure	16,381	6,383	-	-	16,381	6,383
Total administered expenses from transactions	20,789	10,334	4,518	3,215	25,307	13,549
Total administered net result from transactions (net operating balance)	11,608	5,582	(390)	(53)	11,218	5,529
Administered assets						
Cash	-	-	837	784	837	784
Prepaid and advanced funding	13,066	18,729	-	-	13,066	18,729
Total administered assets	13,066	18,729	837	784	13,903	19,513
Administered liabilities						
Payables	331	411	-	-	331	411
Compulsory voting fines	-	-	837	784	837	784
Total administered liabilities	331	411	837	784	1,168	1,195
Total administered net assets	12,735	18,318	-	-	12,735	18,318

Note 5: Key assets available to support output delivery

Introduction

The VEC controls property, intangibles, plant and equipment that are used in fulfilling its objectives and conducting its activities. They represent the resources that have been entrusted to the VEC to be utilised for delivery of those outputs.

5.1 Total property, plant and equipment (i)

	GROSS CARRYING AMOUNT		ACCUMULATED DEPRECIATION		NET CARRYING AMOUNT	
	2019 \$'000	2020 \$'000	2019 \$'000	2020 \$'000	2019 \$'000	2020 \$'000
Plant, equipment, fixtures and fittings and vehicles at fair value	6,145	7,176	(3,650)	(4,516)	2,495	2,660
Leasehold improvements and Make Good	5,745	6,133	(3,495)	(4,328)	2,250	1,805
Net carrying amount	11,890	13,309	(7,145)	(8,844)	4,745	4,465

Notes: (i) AASB 16 Leases has been applied for the first time from 1 July 2019.

Initial recognition

All non-financial physical assets are measured initially at cost and subsequently revalued at fair value, less accumulated depreciation and impairment.

The cost of leasehold improvements is capitalised as an asset and amortised over the shorter of the remaining term of the lease or the estimated useful life of the improvements.

The initial cost for non-financial physical assets under a finance lease is measured at amounts equal to the fair value of the leased asset or, if lower, the present value of the minimum lease payments, each determined at the inception of the lease.

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

Refer to Note 8.3 for additional information on fair value determination of plant and equipment.

Impairment of property, plant and equipment

The recoverable amount of primarily non-cash-generating assets of not-for-profit entities, which are typically specialised in nature and held for continuing use of their service capacity, is expected to be materially the same as fair value determined under AASB 13 fair Value Measurement, with the consequence that AASB 136 does not apply to such assets that are regularly revalued.

Notes to the financial statements (continued)

for the financial year ended 30 June 2020

5.1.1 Depreciation and amortisation

CHARGE FOR THE PERIOD (i)	2019 \$'000	2020 \$'000
Property, plant and equipment	1,606	1,781
Right of use assets – buildings (refer note 9.3.1)	-	1,171
Intangible assets	634	964
Total depreciation and amortisation	2,240	3,916

Notes: (i) The table incorporates depreciation of right of use assets under AASB 16 Leases which has been applied for the first time from 1 July 2019.

All property, plant and equipment and other non-financial physical assets (excluding items under operating leases) that have finite useful lives are depreciated. Depreciation is calculated on a straight-line basis, at rates that allocate the asset's value, less any estimated residual value, over its estimated useful life.

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

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

The following are typical estimated useful lives for the different asset classes for current and prior years.

ASSET CLASS	USEFUL LIFE (YEARS)
Leasehold improvements	10–12
Leased motor vehicles	3
Plant and equipment	5–10
Furniture and fittings	5–14
Computer equipment	5–7
Intangible produced assets— software development	14–16

5.1.2 Reconciliation of movements in carrying amounts of property, plant, equipment and vehicles (i)

	PLANT, EQUIPMENT, FIXTURES AND FITTINGS AND VEHICLES AT FAIR VALUE		LEASEHOLD IMPROVEMENTS AND MAKE GOOD		TOTAL	
	2019 \$'000	2020 \$'000	2019 \$'000	2020 \$'000	2019 \$'000	2020 \$'000
Opening balance	2,776	2,495	2,890	2,250	5,666	4,745
Additions	568	1,144	117	389	685	1,533
Disposals	-	(32)	-	-	-	(32)
Depreciation	(849)	(947)	(757)	(834)	(1,606)	(1,781)
Closing balance	2,495	2,660	2,250	1,805	4,745	4,465

Notes: (i) The table incorporates depreciation of right of use assets under AASB 16 Leases which has been applied for the first time from 1 July 2019.

5.2 Intangible assets

	2019 \$'000	2020 \$'000
Gross carrying amount		
Opening balance	20,597	24,948
Addition from internal development	4,351	4,946
Closing balance	24,948	29,894
Accumulated amortisation		
Opening balance	(15,332)	(15,966)
Amortisation expense (i)	(634)	(964)
Closing balance	(15,966)	(16,930)
Net book value	8,982	12,964

Note: (i) The consumption of intangible produced assets is included in 'depreciation and amortisation' line item on the Comprehensive Operating Statement.

Notes to the financial statements (continued)

for the financial year ended 30 June 2020

5.2.1 Reconciliation of movements in carrying amounts of intangibles

	SOFTWARE		WORK IN PROGRESS		TOTAL	
	2019 \$'000	2020 \$'000	2019 \$'000	2020 \$'000	2019 \$'000	2020 \$'000
Opening balance	5,019	7,775	246	1,207	5,265	8,982
Additions	3,390	2,782	961	2,164	4,351	4,946
Amortisation	(634)	(964)	-	-	(634)	(964)
Closing balance	7,775	9,593	1,207	3,371	8,982	12,964

Initial recognition

Purchased intangible assets are initially recognised at cost. When the recognition criteria in AASB 138 *Intangible Assets* are 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. Depreciation and amortisation begins when the asset is available for use, that is, when it is in the location and condition necessary for it to be capable of operating in the manner intended by management.

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

- the technical feasibility of completing the intangible asset so that it will be available for use or sale
- an intention to complete the intangible asset and use or sell it
- the ability to use or sell the intangible asset
- the intangible asset will generate probable future economic benefits
- the availability of adequate technical, financial and other resources to complete the development and to use or sell the intangible asset
- 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 as an 'expense from transactions' on a straight-line basis over their useful lives. Produced intangible assets have useful lives of 14–16 years.

Intangible non-produced assets with finite useful lives are amortised as an 'other economic flow' on a straight-line basis over their useful lives. The amortisation period is 14–16 years.

Impairment of intangible assets

All intangible assets with indefinite useful lives are not depreciated or amortised, but are tested for impairment by comparing its recoverable amount with its carrying amount:

- annually
- whenever there is an indication that the intangible asset may be impaired.

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

Significant intangible assets

The VEC has capitalised software development expenditure for the development of its election management and electoral rolls development. The carrying amount of the capitalised software development expenditure of \$13.0 million (2019: \$9.0 million) includes existing developed software and software under development.

Note 6: Other assets and liabilities

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

6.1 Receivables

	2019 \$'000	2020 \$'000
Current receivables		
Statutory		
GST input tax credit recoverable	598	1,287
	598	1,287
Contractual		
Other receivables	-	137
	-	137
Total current receivables	598	1,424
Total receivables	598	1,424

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. The VEC holds the contractual receivables with the objective to collect the contractual cash flows, and therefore subsequently measured at amortised cost using the effective interest method, less any impairment. They include mainly debtors in relation to goods and services.

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 for disclosure purposes. The VEC applies AASB 9 for initial measurement of the statutory receivables and as a result statutory receivables are initially recognised at fair value plus any directly attributable transaction cost. They include predominantly amounts owing from the Victorian government and GST input tax credits recoverable.

All receivables are neither past due nor impaired.

6.2 Payables

	2019 \$'000	2020 \$'000
Current payables		
Contractual		
Supplies and services (i)	1,172	1,357
Other payables	-	64
Total current payables	1,172	1,421
Total payables	1,172	1,421

Note: (i) The average credit period is 30 days. No interest is charged on payables.

Notes to the financial statements (continued)

for the financial year ended 30 June 2020

Contractual payables, classified as financial instruments and measured at amortised cost. Accounts payable represent liabilities for goods and services provided to the VEC prior to the end of the financial year that are unpaid.

Maturity analysis of contractual payables (i)

	(\$'000) MATURITY DATES			
	CARRYING AMOUNT	NOMINAL AMOUNT	LESS THAN 1 MONTH	1-3 MONTHS
2019 Payables				
Trade and other payables	1,172	1,172	1,092	80
Total	1,172	1,172	1,092	80
2020 Payables				
Trade and other payables	1,421	1,421	1,421	-
Total	1,421	1,421	1,421	-

Notes: (i) Maturity analysis is presented using the contractual undiscounted cash flows.

6.3 Inventories

	2019 \$'000	2020 \$'000
Current inventories		
Supplies and consumables		
At cost	2,429	3,509
Total inventories	2,429	3,509

Inventories include goods and other property for distribution at zero or nominal cost, or for consumption in the ordinary course of business operations. Inventories held for distribution are measured at cost, adjusted for any loss of service potential. Bases used in assessing loss of service potential for inventories held for distribution include current replacement cost and technical or functional obsolescence. Technical obsolescence occurs when an item still functions for some or all of the tasks it was originally acquired to do, but no longer matches existing technologies. Functional obsolescence occurs when an item no longer functions the way it did when it was first acquired.

6.4 Other non-financial assets

	2019 \$'000	2020 \$'000
Current other non-financial assets		
Prepayments	1,187	1,637
Total current other non-financial assets	1,187	1,637

Other non-financial assets include prepayments which represent payments in advance of receipt of goods or services or that part of expenditure made in one accounting period covering a term extending beyond that period.

6.5 Other provisions

	2019 \$'000	2020 \$'000
Non-current provisions		
Make good-provision (i)	675	1,063
Total other provisions	675	1,063

Note: (i) In accordance with the lease agreement over the head office and warehouse facilities, the VEC must remove any leasehold improvements from the leased premises and restore the premises to its original condition at the end of the lease term.

A provision has been established for make good of the leased premises to cover those make good costs expected to be incurred at the expiry of the leases.

6.6 Other liabilities

	2019 \$'000	2020 \$'000
Current other liabilities		
Lease incentive	236	-
Total current other liabilities	236	-
Non-current other liabilities		
Lease incentive	623	-
Total non-current other liabilities	623	-
Total other liabilities	859	-

Other liabilities refer to lease incentives granted for the head office and warehouse facilities on the execution of the lease agreements respectively.

All incentives for the agreement of a new or renewed operating lease are recognised as an integral part of the consideration agreed for the use of the leased asset.

In the event that lease incentives are received to enter into operating leases, the aggregate cost of incentives are recognised as a reduction of rental expense over the lease term on a straight-line basis, unless another systematic basis is more representative of the time pattern in which economic benefits from the lease asset are consumed.

Under AASB117 and Interpretation 115, lease incentives are to be recognised and amortised over the life of the lease on a straight line basis.

In August/September 2019 the DTF announced the establishment of CAM (Centralised Accommodation Management), an initiative managed by Shared Service Provider (SSP) on behalf of the whole of Government. The purpose of CAM is that, by centralising planning and accommodation management on behalf of the Victorian Government, DTF-via-SSP can deliver savings to the whole of Government.

SSP through CAM has taken ownership of the VEC's lease commitments. Rental for all VEC accommodation is to be paid and managed by SSP through CAM, effective from December 2019. The effect of this is that the VEC is no longer invoiced for rental for the leased premises.

The impact of this is that the lease incentive balance has been offset against rental expenses to recognise the transfer of the lease commitments from VEC to SSP.

Notes to the financial statements (continued)

for the financial year ended 30 June 2020

Note 7: How the VEC financed its operations

This section provides information on the sources of finance the VEC used during its operations, along with interest expense (the cost of borrowings) and other information related to financing the VEC's activities. This section includes disclosures of balances that are financial instruments (such as borrowings and cash balances).

7.1 Cash balances and cash flow information

Cash and deposits comprise cash on hand and cash at bank which 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.

	2019 \$'000	2020 \$'000
Total cash and deposits disclosed in the balance sheet	(2)	-
Balance as per cash flow statement	(2)	-

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

These funding arrangements can result in the VEC having a notional shortfall in the cash at bank required for payment of unpresented cheques at reporting date. At 30 June 2019, cash at bank included the notional shortfall for the payment of cheques. There were no unpresented cheques at 30 June 2020.

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

	2019 \$'000	2020 \$'000
Net result for the period	(4,780)	(966)
Non-cash movements		
(Gain)/loss on sale or disposal of non-current assets	-	-
Depreciation and amortisation of non-current assets	2,240	3,916
Other non-cash movements	-	(388)
Movements in assets and liabilities		
(Increase)/decrease in receivables	393	(826)
(Increase)/decrease in inventories	1,166	(1,080)
(Increase)/decrease in other non-financial assets	451	(450)
Increase/(decrease) in payables	(111)	249
Increase/(decrease) in provisions	864	935
Increase/(decrease) in other liabilities	(237)	(859)
Net cash flows from/(used in) operating activities	(14)	531

7.2 Commitments for expenditure

Commitments for future expenditure include operating and capital commitments arising from contracts. These commitments are recorded at their nominal value and inclusive of the goods and services tax (GST) payable. In addition, where it is considered appropriate and provides additional relevant information to users, the net present values of significant individual projects are stated. These future expenditures cease to be disclosed as commitments once the related liabilities are recognised in the balance sheet.

The following commitments have not been recognised as liabilities in the financial statements:

7.2.1 Total Commitments payable

NOMINAL VALUE	2019 \$'000	2020 \$'000
Operating and lease commitments (i)		
Less than one year	4,905	-
Longer than one year but not longer than five years	13,406	-
Five years or more	-	-
Total operating and lease commitments	18,311	-
Other commitments (ii)		
Less than one year	1,922	7,117
Longer than one year and not longer than five years	1,922	1,698
Total other commitments	3,844	8,815
Total commitments (inclusive of GST)	22,155	8,815
Less GST recoverable from the Australian Taxation Office	(1,568)	(801)
Total commitments (exclusive of GST)	20,587	8,014

Notes: (i) In 2019 Operating leases relate to office and warehouse facilities with lease terms between one to twelve years. All operating lease contracts contain market review clauses in the event that the VEC exercises its option to renew. The VEC does not have an option to purchase the leased asset at the expiry of the lease period.

(ii) Other commitments include outsourcing contracts for joint electoral roll procedures and SSP Accommodation services at the end of the reporting period.

In August/September 2019 the Secretary of DTF announced the establishment of CAM (Centralised Accommodation Management), with the initiative being managed by SSP (Shared Service Provider) on behalf of whole of Government. The purpose of CAM is to centralise planning and accommodation management on behalf of Victorian Government, DTF through SSP can deliver savings to Whole of Government.

SSP through CAM have taken ownership of the VEC's lease commitments. Rental for all VEC accommodation to be paid and managed by SSP through CAM effective from December 2019. The effect of this is that the VEC is no longer invoiced for rental for the leased premises.

Therefore, the VEC no longer has operating lease commitments.

Notes to the financial statements (continued)

for the financial year ended 30 June 2020

Note 8: Risks, contingencies and valuation judgements

The VEC is exposed to risk from its activities and outside factors. In addition, it is often necessary to make judgements and estimates associated with recognition and measurement of items in the financial statements. This section sets out financial instrument specific information (including exposures to financial risks), as well as those items that are contingent in nature or require a higher level of judgement to be applied, which for the VEC relates mainly to 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 the VEC's activities, certain financial assets and financial liabilities arise under statute rather than a contract. Such financial assets and financial liabilities do not meet the definition of financial instruments in AASB 132 *Financial Instruments: Presentation*. For example, statutory receivables arising from taxes, fines and penalties do not meet the definition of financial instruments as they do not arise under contract. However, guarantees issued by the treasurer on behalf of the VEC are financial instruments because, although authorised under statute, the terms and conditions for each financial guarantee may vary and are subject to an agreement.

From 1 July 2018, the VEC applies AASB 9 *Financial Instruments* and classifies all of its financial assets based on the business model for managing the assets and the asset's contractual terms.

Categories of financial assets

Financial assets at amortised cost

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

- the assets are held by the VEC to collect the contractual cash flows

and

- the assets contractual terms give rise to cash flows that are solely payments of principal and interests.

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

The VEC recognises the following assets in this category:

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

Categories of financial assets

Receivables and cash are financial instrument assets with fixed and determinable payments that are not quoted on an active market. They are initially measured at fair value plus any directly attributable transaction costs. Subsequent to initial measurement, these are measured at amortised cost using the effective interest method, less any impairment.

The VEC recognises the following assets in this category:

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

Categories of financial liabilities

Financial liabilities at amortised cost are initially recognised on the date they are originated. They are initially measured at fair value plus any directly attributable transaction costs. Subsequent to initial recognition, these financial instruments are measured at amortised cost with any difference between the initial recognised amount and the redemption value being recognised in profit and loss over the period of the interest-bearing liability, using the effective interest rate method.

The VEC recognises the following liabilities in this category:

- payables (excluding statutory payables)

and

- borrowings (including finance lease liabilities).

Derecognition of financial assets

A financial asset (or, where applicable, a part of a financial asset or part of a group of similar financial assets) is derecognised when:

- the rights to receive cash flows from the asset have expired

or

- the VEC 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

- the VEC has transferred its rights to receive cash flows from the asset 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 the VEC has neither transferred nor retained substantially all the risks and rewards or transferred control, the asset is recognised to the extent of the VEC'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 or 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 the VEC business model for managing its financial assets has changes such that its previous model would no longer apply.

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

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 carrying amount and fair value is recognised in net result.

Notes to the financial statements (continued)

for the financial year ended 30 June 2020

8.1.1 Financial instruments: categorisation

	CASH AND DEPOSITS \$'000	FINANCIAL ASSETS AT AMORTISED COST \$'000	FINANCIAL LIABILITIES AT AMORTISED COST \$'000	TOTAL \$'000
2019				
Contractual financial assets				
Cash and deposits	(2)	-	-	(2)
Receivables (i)	-	-	-	-
Total contractual financial assets	(2)	-	-	(2)
Contractual financial liabilities				
Payables (i)	-	-	1,172	1,172
Borrowings	-	-	121	121
Total contractual financial liabilities	-	-	1,293	1,293

Note: (i) The total amounts disclosed here exclude statutory amounts (e.g. Amounts owing from Victorian Government, GST input tax credit recoverable, and GST payables).

	CASH AND DEPOSITS \$'000	FINANCIAL ASSETS AT AMORTISED COST \$'000	FINANCIAL LIABILITIES AT AMORTISED COST \$'000	TOTAL \$'000
2020				
Contractual financial assets				
Cash and deposits	-	-	-	-
Receivables (i)	-	137	-	137
Total contractual financial assets	-	137	-	137
Contractual financial liabilities				
Payables (i)	-	-	1,421	1,421
Borrowings	-	-	111	111
Total contractual financial liabilities	-	-	1,532	1,532

Note: (i) The total amounts disclosed here exclude statutory amounts (e.g. Amounts owing from Victorian Government, GST input tax credit recoverable, and GST payables).

8.1.2 Financial risk management objectives and policies

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

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

The VEC 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 the Electoral Commissioner in consultation with the Audit and Risk Committee.

Financial instruments: Liquidity risk

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

The VEC's maximum exposure to liquidity risk is the carrying amounts of financial liabilities as disclosed in the face of the balance sheet. The VEC's exposure to liquidity risk is deemed insignificant based on prior periods' data and current assessment of risk.

Financial instruments: Credit risk

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

In addition, the VEC does not engage in hedging for its contractual financial assets and mainly obtains contractual financial assets that are on fixed interest, except for cash assets, which are mainly cash at bank. As with the policy for debtors, the VEC's policy is to only deal with banks with high credit ratings.

Provision of impairment for contractual financial assets is recognised when there is objective evidence that the VEC will not be able to collect a receivable. Objective evidence includes financial difficulties of the debtor, default payments, debts which are more than 60 days overdue, and changes in debtor credit ratings.

The carrying amount of contractual financial assets recorded in the financial statements, net of any allowances for losses, represents the VEC's maximum exposure to credit risk without taking account of the value of any collateral obtained. The VEC is not exposed to any material credit risk at balance date.

There has been no material change to the VEC's credit risk profile in 2019–20.

Financial instruments: Market risk

The VEC's exposures to market risk are primarily through foreign currency risk. Objectives, policies and processes used to manage this risk is disclosed below.

Foreign currency risk

The VEC is exposed to foreign currency risk mainly through its payables relating to purchases of supplies and consumables from overseas. This is because of a limited amount of transactions denominated in foreign currencies and a relatively short timeframe between commitment and settlement.

Based on past and current assessment of economic outlook, it is deemed unnecessary for the VEC to enter into any hedging arrangements to manage the risk.

The VEC is not exposed to any material foreign currency risk.

Interest rate risk

Fair value interest rate risk is the risk that the fair value of a financial instrument will fluctuate because of changes in market interest rates. The VEC does not hold any interest bearing financial instruments that are measured at fair value, therefore has no exposure to fair value interest rate risk.

Cash flow interest rate risk is the risk that the future cash flows of a financial instrument will fluctuate because of changes in market interest rates.

The VEC has no exposure to cash flow interest rate risks as cash is non-interest bearing.

The VEC's financial assets and liabilities are all non-interest bearing, except finance leases which are at fixed interest rates.

Notes to the financial statements (continued)

for the financial year ended 30 June 2020

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.

Contingent assets

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

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

Contingent liabilities

Contingent liabilities are:

- possible obligations that arise from past events, whose existence will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the entity, or
- present obligations that arise from past events but are not recognised because:
 - it is not probable that an outflow of resources embodying economic benefits will be required to settle the obligations or
 - the amount of the obligations cannot be measured with sufficient reliability.

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

There are no contingent assets or contingent liabilities as at 30 June 2020 (2019 - Nil)

8.3 Fair value determination

Significant judgement: Fair value measurements of assets and liabilities

Consistent with AASB 13 Fair Value Measurement, the VEC determines the policies and procedures for both recurring fair value measurements such as property, plant and equipment and financial instruments, in accordance with the requirements of AASB 13 and the relevant Financial Reporting Directions.

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 the VEC.

This section sets out information on how the VEC 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:

- property, plant and equipment.

In addition, the fair values of other assets and liabilities that are carried at amortised cost, also need to be determined for disclosure purposes.

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

Fair value hierarchy

All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorised within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole:

- 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.
- Level 3 – Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable.

For the purpose of fair value disclosures, the VEC has determined classes of assets and liabilities on the basis of the nature, characteristics and risks of the asset or liability and the level of the fair value hierarchy as explained above.

In determining fair values, a number of inputs are used. The VEC uses only Level 3 unobservable inputs.

- Level 3 – valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable.

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)
- which level of the fair value hierarchy 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
 - details of significant unobservable inputs used in the fair value determination.

This section is divided between disclosures in connection with fair value determination for financial instruments (refer to Note 8.3.1) and non-financial physical assets (refer to Note 8.3.2).

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 as follows:

- Level 1 – the fair value of financial instrument with standard terms and conditions and traded in active liquid markets are determined with reference to quoted market prices.
- Level 2 – the fair value is determined using inputs other than quoted prices that are observable for the financial asset or liability, either directly or indirectly.
- Level 3 – the fair value is determined in accordance with generally accepted pricing models based on discounted cash flow analysis using unobservable market inputs.

The VEC considers that the carrying amount of financial instrument assets and liabilities recorded in the financial statements to be a fair approximation of their fair values, because of the short-term nature of the financial instruments and the expectation that they will be paid in full.

8.3.2 Fair value determination: Non-financial physical assets

Fair value measurement hierarchy for assets as at 30 June 2020

	(\$'000) CARRYING AMOUNT		FAIR VALUE MEASUREMENT AT THE END OF REPORTING PERIOD USING:					
	2019	2020	LEVEL 1	LEVEL 2	LEVEL 3	LEVEL 1	LEVEL 2	LEVEL 3
			(I)	(I)	(I)	(I)	(I)	(I)
	2019	2020	2019	2019	2019	2020	2020	2020
Plant, equipment, fixtures and fittings and vehicles at fair value	2,495	2,660	-	-	2,495	-	-	2,660
Total of plant, equipment, fittings and fixtures, and vehicles at fair value	2,495	2,660	-	-	2,495	-	-	2,660

Note: (I) Classified in accordance with the fair value hierarchy, see Note 8.3.1

Plant, equipment, fixtures and fittings and vehicles

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

There have been no transfers between levels during the period.

There were no changes in valuation techniques throughout the period to 30 June 2020.

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

Notes to the financial statements (continued)

for the financial year ended 30 June 2020

Reconciliation of Level 3 fair value movements

	PLANT, EQUIPMENT, FIXTURES AND FITTINGS, AND VEHICLES (\$'000)
2019	
Opening balance	2,776
Purchases (sales)	568
Depreciations	(849)
Closing balance	2,495
2020	
Opening balance	2,495
Purchases (sales)	1,144
Disposals	(32)
Depreciations	(947)
Closing balance	2,660

Description of significant unobservable inputs to Level 3 valuations

	VALUATION TECHNIQUE	SIGNIFICANT UNOBSERVABLE INPUTS
Plant, equipment, fixtures and fittings and vehicles	Current replacement cost	Useful life

Note 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 Ex-gratia expenses
- 9.2 Economic dependency
- 9.3 Changes in accounting policies
- 9.4 Responsible persons
- 9.5 Remuneration of executives
- 9.6 Related parties
- 9.7 Remuneration of auditors
- 9.8 Subsequent events
- 9.9 Other accounting policies
- 9.10 Australian Accounting Standards issued that are not yet effective
- 9.11 Glossary of technical terms and style conventions

9.1 Ex-gratia expenses

The VEC made no ex-gratia payments during the reporting period. (2019 – Nil).

9.2 Economic dependency

The VEC is dependent upon the State of Victoria, via the Department of Premier and Cabinet, for the funding of its operations. At the date of this report management has no reason to believe that this financial support will not continue.

9.3 Changes in accounting policies

9.3.1 Leases

This note explains the impact of the adoption of AASB 16 Leases on the VEC's financial statements.

The VEC has applied AASB 16 with a date of initial application of 1 July 2019.

The VEC has elected to apply AASB 16 using the modified retrospective approach, as per the transitional provisions of AASB 16 for all leases for which it is a lessee. The cumulative effect of initial application is recognised in retained earnings as at 1 July 2019. Accordingly, the comparative information presented is not restated and is reported under AASB 117 and related interpretations.

Leases classified as operating leases under AASB 117

As a lessee, the VEC previously classified leases as operating or finance leases based on its assessment of whether the lease transferred significantly all of the risks and rewards incidental to ownership of the underlying asset to the Department. Under AASB 16, the VEC recognises right-of-use assets and lease liabilities for all leases except where exemption is availed in respect of short-term and low value leases.

On adoption of AASB 16, the VEC recognised lease liabilities in relation to leases which had previously been classified as operating leases under the principles of AASB 117. These liabilities were measured at the present value of the remaining lease payments, discounted using the VEC's incremental borrowing rate as of 1 July 2019. On transition, right-of-use assets are measured at the amount equal to the lease liability, adjusted by the amount of any prepaid or accrued lease payments relating to that lease recognised in the balance sheet as at 30 June 2019.

Impacts on financial statements

On initial transition to AASB 16, the VEC recognised \$22.17 million of right-of-use assets and \$21.89 million of lease liabilities.

When measuring lease liabilities, the VEC discounted lease payments using an interpolated interest rate from the TCV yield curve.

In August/September 2019 the Secretary of DTF announced the establishment of CAM (Centralised Accommodation Management), with the initiative being managed by SSP (Shared Service Provider) on behalf of whole of Government. The purpose of CAM, by centralising planning and accommodation management on behalf of the Victorian Government, DTF through SSP can deliver savings to whole of government of approximately \$100 million over the next 4 years.

In November 2019, through a Machinery of Government (MOG) directive, the VEC was advised that the Right-of-Use assets and associated liabilities were to be transferred to the DTF under the CAM initiative.

This was pursuant to FRD 119A Transfers through Contributed Capital under the Financial Management Act 1994. These transfers were to be accounted for as Contributions by owners based on 'Other transfers' designated by the Assistant Treasurer.

This was effective from 1 November 2019 and included accumulated depreciation for the period 1 July 2019 to 31 October 2019.

The Department of Treasury and Finance advised that the depreciation expense of \$1.171 million and interest charge on lease liabilities of \$0.19 million would be expensed in VEC's accounts for this period.

Notes to the financial statements (continued)

for the financial year ended 30 June 2020

NET RESULT FROM TRANSFERS OF PROPERTY LEASES UNDER CENTRALISED ACCOMMODATION MANAGEMENT (CAM)	\$'000
2020	
Assets	
Opening balance – Right-of-use buildings	(22,173)
Right-of-use buildings – accumulated depreciation	1,171
ROU assets	(21,002)
Liabilities	
Current	
Opening balance – Right-of-use lease liability	2,610
Lease adjustments	336
Right-of-use lease liability at amortised cost – current	2,946
Non-current	
Opening balance – Right-of-use lease liability	19,280
Lease reduction	(992)
Right-of-use lease liability at amortised cost - non-current	18,288
Lease liabilities – at amortised cost	21,234
Net assets/net liabilities	232
Equity	
Equity transfers to other government entities (fixed assets)	(232)

9.3.2 Service Concession

Arrangements: Grantors

AASB 1059 Service Concession Arrangements: Grantors applies to reporting periods beginning on or after 1 January 2020.

The VEC has reviewed all of its arrangements to assess whether AASB applies. The assessment has indicated that it has no impact and is dependent on the arrangement between the VEC a guarantor (public sector entity) and the operator because the VEC has no involvement in concession arrangements.

9.3.3 Income of Not-for-Profit Entities

AASB 1058 Income-of-Not-for-Profit Entities replaces AASB 1004 Contributions and establishes revenue recognition for transactions where the consideration to acquire an asset is significantly less than fair value to enable the not-for-profit entity to further its objectives.

The assessment has indicated that this has no impact as special appropriations are recognised as revenue (up-front). For parliamentary appropriations, AASB 1004 Contributions remains in force as the timing of the income recognition continues to be based on when control of the funds passes to the VEC. That is, special appropriations are recognised as income, immediately on receipt.

Fines (Administered Income) paid to the VEC and collected on behalf of State and local governments are in accordance with statute, i.e. the Electoral Act. These compulsory transfers do not give rise to a contract liability or revenue under AASB 15, even if raised in respect of specific services. These will now be recognised under AASB 1058 on receipt.

9.3.4 Revenue from Contract with Customers

AASB 15 Revenue from Contract with Customers supersedes AASB 118 Revenue, AASB 111 Construction Contracts and related interpretations and it applies, with limited exceptions, to all revenue arising from contracts with customers. AASB 15 establishes a model to account for revenue arising from an enforceable contract that imposes a sufficiently specific performance obligation on an entity to transfer goods or services and requires entities to recognise revenue upon fulfilment of the performance obligation.

The assessment has indicated that this would apply to recognition of revenue relating to income from local government and commercial elections (Administered income), with performance obligation upon the completion of the contract. There is \$Nil impact as the current method of recording is consistent with recognising the revenue only when the related obligation is satisfied.

9.4 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.

Section 7 of the Electoral Act states that the 'Commission [the VEC] consists of one member being the person who is appointed as the Electoral Commissioner'. Section 10 of the Electoral Act also states that the VEC 'is not subject to the direction or control of the Minister in respect of the performance of its responsibilities and functions and the exercise of its powers', therefore, the accountable officer including a person delegated to act in this capacity by the VEC is listed below.

Section 16(2): Functions, powers and duties of the Electoral Act states that 'if the Electoral Commissioner is absent or unavailable to discharge the duties of his or her office or the office of Electoral Commissioner is temporarily vacant, has the duty to act in the office of Electoral Commissioner in which case the Deputy Commissioner has all the functions, powers and duties specified in subsection (1) being the functions, powers and duties of the Electoral Commissioner as delegated by the Commission [the VEC]'

Names

Responsible Minister

The Hon. Danny Pearson MP
Minister for Government Services
Minister for Regulatory Reform
Assistant Treasurer
(from 22 June 2020)

Accountable Officers

Mr Warwick Gately AM
Electoral Commissioner
1 July 2019 to 30 June 2020

Ms Elizabeth Williams
Deputy Electoral Commissioner
1 July 2019 to 30 June 2020

Notes to the financial statements (continued)

for the financial year ended 30 June 2020

Remuneration of Responsible Persons

The Responsible Persons, excluding ministers, received remuneration for the financial year ended 30 June 2020. The number of Responsible Persons whose total remuneration in connection with the affairs of the VEC as shown in the following bands, were:

INCOME BAND	TOTAL REMUNERATION 30 JUNE 2019 NO.	TOTAL REMUNERATION 30 JUNE 2020 NO.
\$240,000–\$249,999	-	-
\$270,000–\$279,999	1	1
\$330,000–\$339,999	-	-
\$370,000–\$379,999	1	1
Total number of responsible persons	2	2
	\$'000	\$'000
Total remuneration received, or due and receivable by Responsible Persons from VEC Services for the financial period:	646	646

9.5 Remuneration of executives

There were no other Executive Officers with key management responsibilities in the 2019–20 financial year (2019: Nil).

9.6 Related parties

The VEC is a wholly owned and controlled entity of the State of Victoria.

Related parties of the VEC include:

- all key management personnel and their close family members and personal business interests (controlled entities, joint ventures and entities they have significant influence over)
- all cabinet ministers and their close family members
- all departments and public sector entities that are controlled and consolidated into the whole of state consolidated financial statements.

All related party transactions have been entered into on an arm's length basis.

Significant transactions with government-related entities

Controlled

The VEC received funding of \$37.5 million (2019: \$89.1 million).

Administered

The VEC received funding and made payments to the Consolidated Fund of \$12.1 million (2019: \$29.0 million) and \$3.9 million (2019: \$4.4 million) respectively.

Remuneration of key management personnel (KMP) of the VEC include:

Mr Warwick Gately AM, Electoral Commissioner
Ms Elizabeth Williams, Deputy Electoral Commissioner

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

Compensation of KMPs

	2019 \$'000	2020 \$'000
Short-term benefits	577	577
Post-employment benefits	55	55
Other long-term benefits	14	14
Total compensation (i)	646	646

Transactions and balances with KMP and other related parties

The VEC has prepared the related party disclosures for the year based on reasonable enquiries made by management in relation to the portfolio ministers and their related parties and the information available to the organisation.

There were no related party transactions that involved KMP, their close family members and their personal business interests. No provision has been required, nor any expense recognised, for impairment of receivables from related parties.

9.7 Remuneration of auditors

VICTORIAN AUDITOR GENERAL'S OFFICE	2019 \$'000	2020 \$'000
Audit of the financial statements	24	25
	24	25

9.8 Subsequent events

The VEC has no material or significant events occurring after the reporting date.

9.9 Other accounting policies

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 the VEC.

Additions to net assets that have been designated as contributions 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.

9.10 Australian Accounting Standards Boards issued that are not yet effective

Certain new AASBs have been published that are not mandatory for the 30 June 2020 reporting period. DTF assesses the impact of these new standards and advises the VEC of their applicability and early adoption where applicable.

As at 30 June 2020, the following AASBs have been issued by the AASB but not yet effective. They become effective for the first financial statements for reporting periods commencing after the stated operative dates as follows:

Notes to the financial statements (continued)

for the financial year ended 30 June 2020

STANDARD/ INTERPRETATION	SUMMARY	APPLICABLE FOR ANNUAL REPORTING PERIODS BEGINNING ON	IMPACT ON VEC FINANCIAL STATEMENTS
AASB 2018-7 Amendments to Australian Accounting Standards – Definition of Material	<p>This standard principally amends AASB 101 Presentation of Financial Statements and AASB 108 Accounting Policies. Changes in Accounting Estimates and Errors. It applies to reporting periods beginning on or after 1 January 2020 with earlier application permitted. The VEC has not earlier adopted the Standard.</p> <p>The amendments refine and clarify the definition of material in AASB 101 and its application by improving the wording and aligning the definition across AASB Standards and other publications. The amendments also include some supporting requirements in AASB 101 in the definition to give it more prominence and clarify the explanation accompanying the definition of material.</p>	1 January 2020	The VEC is in the process of analysing the impacts of this Standard. However, it is not anticipated to have a material impact.
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 2022 with earlier adoption permitted however the AASB has recently issued ED 301 Classification of Liabilities as Current or Non-current – Deferral of Effective Date with the intention to defer the application by one year to periods beginning on or after 1 January 2023. The VEC will not early adopt the Standard.	1 January 2023	The VEC 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 the VEC's reporting.

9.11 Glossary of technical terms and style conventions

Glossary

Amortisation

Amortisation is the expense which results from the consumption, extraction or use over time of a non-produced physical or intangible asset. This expense is classified as an other economic flow.

Borrowings

Borrowings refers to finance leases.

Comprehensive result

The net result of all items of income and expense recognised for the period. It is the aggregate of operating result and other comprehensive income.

Capital asset charge

The capital asset charge represents the opportunity cost of capital invested in the non-financial physical assets used in the provision of outputs.

Commitments

Commitments include those operating, capital and other outsourcing commitments arising from non-cancellable contractual or statutory sources.

Depreciation

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'.

Employee benefits expenses

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

Ex-gratia payments

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

Financial asset

A financial asset is any asset that is:

- a. cash
- b. an equity instrument of another entity
- c. a contractual or statutory right:
 - to receive cash or another financial asset from another entityor
 - to exchange financial assets or financial liabilities with another entity under conditions that are potentially favourable to the entityor
 - 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 instrumentsor
 - 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

A 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 assets or liabilities that are non-contractual (such as statutory receivables or payables that arise as a result of statutory requirements imposed by governments) are not financial instruments.

Notes to the financial statements (continued)

for the financial year ended 30 June 2020

Financial liability

A 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

- a contract that will or may be settled in the entity's own equity instruments and is:

(i) 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

(ii) 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

A complete set of financial statements comprises:

- a balance sheet as at the end of the period
- a comprehensive operating statement for the period
- a statement of changes in equity for the period
- a cash flow statement for the period
- notes, comprising a summary of significant accounting policies and other explanatory information
- comparative information in respect of the preceding period as specified in paragraphs 38 of AASB 101 *Presentation of Financial Statements*
- 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.

General government sector

The 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 which are mainly non-market in nature those which are largely for collective consumption by the community and those which involve the transfer or redistribution of income. These services are financed mainly through taxes, or other compulsory levies and user charges.

Intangible produced assets

Refer to produced asset in this glossary.

Interest expense

Costs incurred in connection with the borrowing of funds includes the interest component, of finance lease repayments.

Net result

Net result is a measure of financial performance of the operations for the period. It is the net result of items of income, gains and expenses (including losses) recognised for the period, excluding those that are classified as 'other economic flows – other comprehensive income'.

Net worth

Assets less liabilities, which is an economic measure of wealth.

Other economic flows included in 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. It includes gains and losses from disposals, revaluations and impairments of non-financial physical and intangible assets and fair value changes of financial instruments.

Other economic flows – other comprehensive income

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.

Payables

Includes short- and long-term trade debt and accounts payable, grants, taxes and interest payable.

Produced assets

Produced assets include plant and equipment, inventories and certain intangible assets. Intangible produced assets include computer software.

Receivables

Includes amounts owing from government through appropriation receivable, short- and long-term trade credit and accounts 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

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 the VEC.

Transactions

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 within 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 or 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.x} negative numbers

20xx year period

20xx-xx year period

Independent Auditor's Report

To the Commissioner of the Victorian Electoral Commission

Opinion I have audited the financial report of the Victorian Electoral Commission (the Commission) which comprises the:

- balance sheet as at 30 June 2020
- comprehensive operating statement for the year then ended
- statement of changes in equity for the year then ended
- cash flow statement for the year then ended
- notes to the financial statements, including significant accounting policies
- declaration of the financial statements.

In my opinion the financial report presents fairly, in all material respects, the financial position of the Commission as at 30 June 2020 and its financial performance and cash flows for the year then ended in accordance with the financial reporting requirements of the *Financial Management Act 1994* and applicable Australian Accounting Standards.

Basis for opinion I have conducted my audit in accordance with the *Audit Act 1994* which incorporates the Australian Auditing Standards. I further describe my responsibilities under that Act and those standards in the *Auditor's Responsibilities for the Audit of the Financial Report* section of my report.

My independence is established by the *Constitution Act 1975*. My staff and I are independent of the Commission in accordance with the ethical requirements of the Accounting Professional and Ethical Standards Board's APES 110 *Code of Ethics for Professional Accountants* (the Code) that are relevant to my audit of the financial report in Victoria. My staff and I have also fulfilled our other ethical responsibilities in accordance with the Code.

I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my opinion.

Commissioner's responsibilities for the financial report The Commissioner is responsible for the preparation and fair presentation of the financial report in accordance with Australian Accounting Standards and the *Financial Management Act 1994*, and for such internal control as the Commissioner determines is necessary to enable the preparation and fair presentation of a financial report that is free from material misstatement, whether due to fraud or error.

In preparing the financial report, the Commissioner is responsible for assessing the Commission's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless it is inappropriate to do so.

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 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 the Commission's internal control
- evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Commissioner
- conclude on the appropriateness of the Commissioner's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Commission's ability to continue as a going concern. If I conclude that a material uncertainty exists, I am required to draw attention in my auditor's report to the related disclosures in the financial report or, if such disclosures are inadequate, to modify my opinion. My conclusions are based on the audit evidence obtained up to the date of my auditor's report. However, future events or conditions may cause the Commission to cease to continue as a going concern.
- evaluate the overall presentation, structure and content of the financial report, including the disclosures, and whether the financial report represents the underlying transactions and events in a manner that achieves fair presentation.

I communicate with the Commissioner regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that I identify during my audit.

MELBOURNE
10 August 2020



Timothy Maxfield
as delegate for the Auditor-General of Victoria

Spotlight on

FRAN LOMBARDI

Client Liaison Manager, Elections Branch



“The VEC has many areas of expertise under the one roof that work together and enable each other to meet the VEC’s vision”

The VEC’s vision is for all Victorians to participate in their democracy. How does your role contribute to this?

I oversee the Client Liaison team, which leads the contact between the VEC and each of our local government election clients. The team works in partnership with council contacts to plan and coordinate local government elections, by-elections and countbacks, and oversees the end-to-end service delivery of these elections. My role promotes collaboration and engagement among internal and external stakeholders, and supports each of the Client Liaison Officers to provide the interface between the VEC and contact officers at local councils. The team has a broad reach across Victoria to ensure that, together with the council contacts, they are providing high quality local government electoral services to all Victorians and that these services are consistent and compliant. Ultimately, this helps to make sure voters can engage in their local democracies.

What makes the VEC an innovative and engaging place to work?

The VEC has many areas of expertise under the one roof that work together and enable each other to meet the VEC’s vision for all Victorians to actively participate in their democracy. The VEC shows innovation by continuing to manage elections in an ever-changing environment, where the vision is always at the heart of the work we do.

The VEC is busy preparing for the LG2020 elections. How has this affected your role?

The VEC is right in the midst of planning and preparing for the LG2020 elections, which means I have been supporting the Client Liaison team to build council partnerships and to finalise key parameters and service agreements, collaborate with internal and external stakeholders, and contribute to the VEC’s local government program through internal reporting of progress and execution of activities.

What do you like to do on the weekends?

On the weekends, you will find me at the local park training with my dog, trying my hand at a new recipe in the kitchen or watching a good music documentary (the older, the better!)

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Appendix B: Governing legislation and regulations

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- *Equal Opportunity Act 2010*
- *Essential Services Act 1958*
- *Financial Management Act 1994*
- *Fines Reform Act 2014*
- *Freedom of Information Act 1982*
- *Infringements Act 2006*
- *Juries Act 2000*
- *Legal Profession Act 2004*
- *Liquor Control Reform Act 1998*
- *Local Government Act 1989*
- *Local Government Act 2020* (from 6 April 2020)
- *Local Jobs Act 2003*
- *Monetary Units Act 2004*
- *Privacy and Data Protection Act 2014*
- *Public Interest Disclosures Act 2012*
- *Public Records Act 1973*
- *Shop Trading Reform Act 1996*
- *Vital State Projects Act 1976*

Regulations

- *Agricultural Industry Development (Polls) Regulations 2011*
- *City of Melbourne (Electoral) Regulations 2012*
- *Electoral Regulations 2012*
- *Fines Reform Regulations 2017*
- *Infringements (General) Regulations 2006*
- *Infringements (Reporting and Prescribed Details and Forms) Regulations 2006*
- *Legal Profession (Board Election) Regulations 2006*
- *Liquor Control Reform Regulations 2009*
- *Local Government (Electoral) Regulations 2016* (to 7 July 2020)
- *Local Government (Electoral) Regulations 2020* (from 7 July 2020)

Appendix C: Additional information available on request

On request, the following information sets are available from the VEC:

- details of publications produced by the VEC about itself, and where these can be obtained
- details of changes in prices, fees, charges, rates and levies charged by the VEC
- details of any major external reviews carried out in respect of the operation of the VEC
- details of major research and development activities undertaken by the VEC that are not otherwise covered in this report
- details of overseas visits undertaken, including a summary of the objectives and outcomes of each visit
- details of assessments and measures undertaken to improve the occupational health and safety of employees not otherwise detailed in this report
- a general statement on industrial relations within the VEC and details of time lost through industrial accidents and disputes.

Appendix D: Reporting procedures under the *Public Interest Disclosures Act 2012*³

Disclosures of improper conduct or detrimental action by the Electoral Commissioner or another officer of the VEC must be made to the Independent Broad-based Anti-corruption Commission (IBAC).

Independent Broad-based Anti-corruption Commission
GPO Box 24234
Melbourne VIC 3001
Phone 1300 735 135

Further information

Written guidelines outlining the system for reporting disclosures of improper conduct or detrimental action by the VEC or its employees, and the disclosure handling procedures, are available from the VEC.

³ Formerly known as the *Protected Disclosure Act 2012*

Appendix E: Making a request under the *Freedom of Information Act 1982*

As detailed in section 17 of the FOI Act, access to documents may be obtained through written request to the Freedom of Information Officer.

In summary, requests should:

- be in writing
- identify as clearly as possible which document is being requested

and

- be accompanied by the appropriate application fee (the fee may be waived in certain circumstances).

Requests for documents in the possession of the VEC should be lodged by email to foi@vec.vic.gov.au or by mail addressed to:

Freedom of Information Officer

Victorian Electoral Commission
Level 11, 530 Collins Street
Melbourne VIC 3000

Access charges may also apply once documents have been processed and a decision on access is made; for example, photocopying and search and retrieval charges.

The VEC may arrange with the applicant to provide information or documents outside of the FOI Act. This avoids the need for processing a formal FOI request.

Information that may be released outside of the FOI Act includes:

- information relating only to the applicant
- information that may have been previously released to another applicant
- publicly available information.

Further information regarding Freedom of Information can be found at the Victorian Government Freedom of Information website (ovic.vic.gov.au).

Appendix F: Attestation for compliance



Victorian Electoral Commission

Financial Management Compliance Attestation Statement

The Victorian Electoral Commission has not identified any Material Compliance Deficiency in relation to 2019-20.

I, Warwick Gately, Electoral Commissioner, certify that the Victorian Electoral Commission has complied with the applicable Standing Directions under the *Financial Management Act 1994* and Instructions.

A handwritten signature in black ink that reads 'MM Gately'.

Warwick Gately AM
Electoral Commissioner

Date: 7 August 2020

Appendix G: Report of the Electoral Boundaries Commission, 2019–20

The EBC is constituted under the *Electoral Boundaries Commission Act 1982* and must establish and maintain electorates of approximately equal enrolment (that is, not varying by more than 10% from the average for each House of Parliament) for the conduct of Parliamentary elections.

The members of the EBC during 2019–20 were:

- the Honourable Justice Peter Kidd, Chief Judge of the County Court of Victoria (Chairman)
- Mr Warwick Gately AM, Electoral Commissioner
- Mr Craig Sandy, Surveyor-General for Victoria.

The VEC provides administrative and technical support to the EBC and Dr Paul Thornton-Smith of the VEC is the secretary.

The next redivision of electoral boundaries will commence in November 2020, two years before the 2022 State election, in accordance with the provision that a redivision must take place after every two general elections.

The EBC met on 1 May 2020 to plan for the redivision. The meeting considered current disparities in electoral enrolments across Victoria, the allocation of resources for the redivision, the engagement of a demographer to provide elector projections down to a local level, and the development of a mapping tool to facilitate submissions by the public.



Electoral Boundaries
Commission

Glossary

Attendance election

In an attendance election, voting is conducted at voting centres on election day, although voters may vote at early voting centres or by postal vote.

Ballot

A method of secret voting.

By-election

A by-election is an election in a single-member electorate to fill a casual vacancy caused by the departure of a sitting Member of Parliament or local government councillor before the term expires. A by-election may also be held in a multi-member electorate when no unsuccessful candidates remain for a countback.

Candidate

A candidate is an eligible elector who nominates for election.

Community of interest

The VEC defines a community of interest as a group of people who share a range of common concerns or aspirations. A community of interest may occur where people are linked with each other geographically (e.g. a town or valley) or economically, such as where people work in similar industries (e.g. tourism) or where people work in mutually dependent industries (e.g. fruit growers, transporters and canners).

A community of interest may also appear where people share a number of special needs because of similar circumstances (such as people who have recently immigrated to Australia and may have low English literacy or need assistance with housing or employment).

Compulsory enrolment

All Australian citizens 18 years and over are required by law to enrol.

Compulsory voting

All enrolled electors must vote at State elections. With some exceptions, enrolled voters must vote at local government elections.

Contested election

A contested election is an election where more candidates than the number of vacancies for the election have nominated by the close of nominations.

Continuous Roll Update (CRU)

The CRU process consists of a range of strategies to ensure that the electoral roll is continuously kept up to date by using internal and external data to direct roll review activities to targeted people and residences.

Councillor

An elected representative of a local government council.

Countback

Method of filling extraordinary vacancies in multi-member wards and unsubdivided municipalities in electorates where general election results were obtained using the proportional representation method. The votes of the vacating councillor are transferred to the previously unelected candidates to fill the vacancy.

District

One of the 88 Legislative Assembly electorates in Victoria. Each District elects one member and comprises approximately 48,300 electors.

Election

An event at which electors choose their representatives.

Election date

The legislated date of the election.

Election Manager

A person appointed by the Electoral Commissioner to conduct an election for a State electoral District or Region or a local government election.

Elector

A person whose name appears on the register of electors and who is entitled to vote in elections.

Glossary (continued)

Electoral Commissioner

The statutory officer appointed by the Governor in Council with responsibility for the proper conduct of Parliamentary and statutory elections.

Electoral Matters Committee (EMC)

The EMC comprises ten Members of Parliament drawn from both Houses and is a Joint Investigatory Committee of the Parliament of Victoria. Its powers and responsibilities are determined by the *Parliamentary Committees Act 2003*. The EMC inquires into, considers and reports to the Parliament on any proposal, matter or thing concerned with the conduct of Parliamentary elections and referendums in Victoria, the conduct of elections of councillors under the LGA 2020 and the administration of, or practices associated with, the Electoral Act and any other law relating to electoral matters.

Electoral roll

A list of names of all the people who are entitled to vote in an election under relevant legislation.

Electronically-assisted voting

A method of casting a vote in State elections by electors who are blind, have low vision or have a motor impairment.

Enrolment

The placement of a person's name and address on the register of electors. A person cannot vote at an election unless they are enrolled.

Enrolment information

The information about electors that is held by the VEC.

Entitlement date

To be eligible to vote at a local government election, people must be on the State or local government voters' roll 57 days before election day. This is called the 'entitlement date'.

Geo-coding

Geo-coding is the process of assigning geographic identifiers (e.g. codes or geographic coordinates expressed as latitude-longitude) to map features and other data records, such as street addresses.

Informal vote

A ballot paper that is either left blank or is incorrectly marked. These ballot papers do not contribute to the election of a candidate.

Legislative Assembly (Lower House)

One of the two Houses in the Victorian State Parliament. There are 88 Members of the Legislative Assembly (MLAs), one from each electoral district. The party or coalition of parties that wins majority support in this House forms the Government.

Legislative Council (Upper House)

One of the two Houses in the Victorian State Parliament. There are 40 Members of the Legislative Council (MLCs), five from each region. The Legislative Council is often referred to as the 'House of Review'.

Lost Time Injury (LTI)

An LTI is an occupational injury or illness that results in days away from work on any rostered shift subsequent to that on which the injury occurred. A fatality is also recorded as an LTI.

Marginal costs

Marginal costs include direct labour and associated on-costs, materials, equipment, mail processing, postage, advertising, printing, rent, utilities, insurance, IT equipment and software licences purchased especially for the specific activity.

Postal election

In a postal election, voting papers are posted to voters by the Election Manager. A vote is cast by completing a ballot paper and returning it to the Election Manager in the reply-paid envelope provided.

Preferential voting

A vote for all candidates in order of preference. If no candidate has an absolute majority of first preference votes, preferences are distributed until one candidate has an absolute majority.

Proportional representation

A system of voting designed to elect representatives in proportion to the amount of support each has in the electorate.

Redivision

The redrawing of electoral boundaries to ensure that there are, as near as possible, equal numbers of voters in each electorate within Victoria.

Region

One of the eight Legislative Council electorates. Each region comprises approximately 532,000 electors and elects five Members.

Register of electors

The VEC's database of all Victorian electors.

Registered political party

A political party that is registered under the Electoral Act. A registered party must have at least 500 members who are Victorian electors and not members of another registered political party.

Senior Election Official (SEO)

A trained election official who may be appointed to act as an Election Manager for a Parliamentary election or an Election Manager or Assistant Election Manager for a local government election.

Victorian Electoral Commission (VEC)

The VEC is the independent statutory body that conducts State elections and certain statutory elections. The VEC also conducts local government elections, and commercial and community elections. The VEC also conducts boundary reviews and electoral research, maintains the Victorian register of electors and provides education and information services.

Voter

An elector who votes in an election.

Voting centre

A place at which electors can vote in an election. There are three types of voting centres that operate in State elections: early voting centres, mobile voting centres and election day voting centres.

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Feedback on this report is welcome.
Please mark to the attention of:

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