

Senate Committee: Education and Employment

QUESTION ON NOTICE Additional Estimates 2014 - 2015

Outcome: Schools and Youth

Department of Education and Training Question No. SQ15-000094

Senator Leyonhjelm, David provided in writing.

Education Services Australia (ESA)

Question

1. Regarding the arrangement with Education Services Australia (ESA) to develop an online assessment capability for the 'National Assessment Program - Literacy and Numeracy' (NAPLAN) online, is this arrangement a contract? Is the contract, or other documentation of the arrangement, public? If so, where can it be located? If not, could you provide the contract to the Committee?
2. How much funding is to be provided to ESA? How much of the funding is to come from the Commonwealth Government? Is the funding amount fixed or subject to change?
3. What are the performance criteria and who is assessing this performance? What are the deadlines?
4. Is ESA duplicating anything previously developed by ACARA?
5. Does the engagement of ESA serve to extract contributions from States and Territories?
6. How was ESA selected? Was ESA selected as the best bid following a competitive tender? Were other IT consulting organisations considered? Why was a private sector company not selected?
7. Is ESA's annual report tabled in any Australian Parliament?
8. Do Commonwealth Government payments to ESA appear in Portfolio Budget Statements? If so, where?
9. Has ESA ever appeared at Senate Estimates? Can they be called?
10. Can the Commonwealth Minister divest his share of ESA?
11. What is the monetary value of the Commonwealth Minister's share of ESA?

Answer

1. The Department of Education and Training has finalised contractual arrangements with ESA for the development of the platform. The contract is not a public document so a copy is attached for the committee.
2. Cost sharing arrangements for the move to online assessments have been agreed by the COAG Education Council. Under these arrangements, the Commonwealth is investing up to \$24.7 million in the development of the platform.
3. The contract between the department and Education Services Australia (ESA) sets out payment schedules and delivery milestones that require the platform to be ready for user testing from June 2016 and to deliver the National Assessment Program (NAP) — Civics and Citizenship sample assessment in October 2016 and NAPLAN online in May 2017.

The Department of Education and Training has established a Programme Control Board to oversee the execution of the contract. The Education Council has also established an

Online Assessment Working Group to oversee progress of the interdependent work streams necessary to deliver national assessments online.

4. No.
5. No.
6. ESA is a not-for-profit company owned by all Australian education ministers to provide online services to the education and training sectors in Australia and has expertise in this area. ESA will manage the development and ongoing maintenance of the platform and is responsible for the integration of components of the platform.

ESA will procure the technical components that make up the platform through competitive procurement processes.

7. ESA is established under the *Corporations Act 2001*. The ESA Constitution does not require its annual report to be tabled in any Australian Parliament.
8. ESA does not receive ongoing core funding from the Government and therefore does not appear as its own line item in Portfolio Budget Statements (PBS). The Government commissions ESA to undertake work on a project-by-project basis as required. This project funding appears in the PBS under relevant appropriation titles.
9. ESA has not appeared at Senate Estimates. Whether the Committee has power to call ESA to appear is a matter for the Secretariat of the Committee.
10. The Commonwealth Minister can divest his share of ESA under terms outlined in the ESA Constitution.
11. The ESA Constitution does not provide a 'monetary value' for each member's share.