27 April 2015

The Board of Directors
Education Services Australia Ltd
Level 5, 440 Collins Street
Melbourne VIC 3000

Dear Directors

EDUCATION SERVICES AUSTRALIA (ESA) LETTER OF EXPECTATION JULY 2014 – JUNE 2016

I am writing on behalf of the Council of Australian Governments' (COAG) Education Council (the Council), as company owners of Education Services Australia Ltd (ESA), to set out the Council's priorities and expectations for ESA during the 2014-15 and 2015-16 financial years.

PURPOSE

This Letter of Expectation is an agreement between the Council and ESA. It outlines the roles and responsibilities of ESA and sets out the Council's high-level performance expectations and strategic priorities for the Company. It will be reviewed biennially and updated, as required. It builds on the previous Letters of Expectation.

This Letter of Expectation should inform the development of ESA's corporate and strategic planning. All annual reporting from ESA should be consistent with this letter.

CONTEXT

This Letter of Expectation is developed within the following context that informs the work priorities of ESA.

The Education Council was established on 1 July 2014 to assist COAG, through national collaborative action, to improve educational outcomes for all Australians across all stages of the learning and development lifecycle. It is the successor body to the Standing Council on School Education and Early Childhood (SCSEEC). The Council's remit covers: early childhood education and care; primary and secondary education including vocational education and training in schools (VETiS); higher education; and international education. For the purpose of this Letter of Expectation any reference to the 'education sector' also encompasses early childhood education and care.

The Council is responsible for progressing national education reforms including the development and delivery of an Australian Curriculum, promoting quality teaching and school leadership, promoting improved outcomes for Indigenous students, and improving quality in early childhood education and care.

The Council is responsible for ensuring that performance information is in place to monitor outcomes and addressing data gaps. All Australian governments are undertaking initiatives to support the effective integration of Information & Communication Technologies (ICT) into teaching and learning in the context of these reforms.

The ministerial companies and authorities that comprise the national education architecture are integral to this reform agenda. The Australian Curriculum, Assessment and Reporting Authority (ACARA) is developing the Australian Curriculum, implementing national frameworks for assessment, and reporting on educational outcomes. The Australian Institute for Teaching and School Leadership (AITSL) has a leadership role in the teacher quality initiatives. The Australian Children's Education and Care Quality Authority (ACECQA) is responsible for supporting States and Territories in the implementation of the National Quality Framework for early childhood education and care and school age care.

ESA has an important role in supporting the development and delivery of the COAG reform agenda as a leading service provider for the education sector in Australia and in supporting the other ministerial companies and authorities in their work.

Given the Education Council's new scope, ESA should also take the opportunity to offer its services, where appropriate, to the higher education and training sectors and explore areas of intersection between the education sectors in progressing priority work. ESA should also foster opportunities, where relevant, to contribute to the Council's objective to reduce or remove regulatory burden, wherever possible, on individuals, early childhood and school community organizations, education institutions and business.

OPERATING PRINCIPLES

The Education Council expects ESA to operate in accordance with the following five principles:

Innovation and Quality: ESA should deliver high-quality and innovative products and services and creatively work through innovative engagement models, to meet the requirements of the education sector in implementing the broader reform agenda.

Engagement: ESA should engage closely with all jurisdictions, systems, the bodies that comprise the national education architecture, and where appropriate, individual providers, in the education sector to determine the sector's requirements as consumers and to ensure that ESA products and services are aligned with these requirements and do not replicate existing service delivery offered by jurisdictions.

Leveraging existing capital: Wherever possible, ESA should work to leverage existing investment in resources, tools and infrastructure that is either owned nationally or by states or territories, and existing knowledge, expertise and capacity in jurisdictions and the non-government education sector, where practical and mutually beneficial.

Efficiency: ESA should ensure products and services are cost-effective and delivered competitively. In developing products and services ESA should consider, where possible, hosting and maintenance arrangements that support long term sustainability.

Sustainability: ESA should continue to build its capability to ensure its financial viability into the future such as proactive exploration of business opportunities across all sectors of education and related industries.

PRIORITIES

In providing support for the national education initiatives in this Letter the Council requests that ESA works in the four priority areas identified under the ESA Company Objects, in line with the operating principles listed above. These are:

- researching, testing and developing effective and innovative ICT systems and tools for education, in line with national eLearning initiatives;
- devising, developing and delivering curriculum and assessment, professional development and career and information support services, consistent with the work of ACARA, AITSL, states, territories and other key stakeholders;
- facilitating the pooling, sharing and distribution of knowledge, resources and services to support and promote eLearning, across jurisdictions, sectors and internationally; and
- ensuring access to quality assured systems and content and interoperability between individuals, entities and systems.

Development of an Online National Assessment Platform

The Education Council requests that ESA considers, as a key priority, work on the development of an online national assessment platform (the platform). In the first instance, the platform will deliver NAP Civics and Citizenship online in 2016 and NAPLAN online in 2017, with provision for other systemic assessment (subject to states and territories making modifications to enable this to be delivered via the technical platform) and provision for classroom assessment in the future, subject to further funding being made available.

In undertaking this work ESA must operate within the governance arrangements, implementation timeframes and models, agreed by the Council, including working co-operatively with the independent Project Management Office (PMO) established by AESOC[1] at the request of the Council to co-ordinate the effective transition to the delivery of NAPLAN online. ESA must also work closely with the National Schools Interoperability Program (NSIP) Steering Group in ensuring interoperability issues are considered and managed. ESA is expected to deliver:

a) Platform and infrastructure development - to design build/buy and implement the IT hardware and software systems and infrastructure requirements to create/deliver tests, mark, analyze and generate reports, including undertaking work to deliver an updated design, scope, budget, schedule and risk mitigation plan.

b) Technical and system operations – to configure, manage and maintain the IT hardware, software and infrastructure and ensure it performs at the required level.

c) Technical advice and assistance to ACARA, the Online Assessment Working Group (or its successor), and the PMO including, but not limited to, advice on system requirements, privacy issues and solutions, risk, identity, and technical requirements at the school level.

---

[1] This acronym is reflective of the anticipated name change resulting from the COAG decision to create the Education Council. Subject to approval of the Council's terms of reference the senior officials committee is expected to be renamed the Australian Education Senior Officials Committee (AESOC).

Nationally Consistent Collection of Data on School Students with Disability

The Education Council acknowledges the work undertaken to date by ESA in the development, delivery, evaluation and enhancements to the online professional learning module that provides guidance and support for teachers, support staff and school leaders to enable nationally consistent collection of data on students with a disability.

The Council requests that ESA undertakes further evaluation of, and enhancements to, the professional learning module and continues to host and maintain the online site.

Trans-border Attendance Strategy Central Schools System (CSS)

The Education Council is responsible for improving Indigenous attendance with additional effort in remote schools and communities. Ministers acknowledge the work undertaken by ESA in the transfer of the existing Central School System functionality and business processes from Western Australia to ESA, the upgrade of the system and the work with participating jurisdictions. The Council expects ESA to maintain and support the Central Schools System for participating jurisdictions and their selected schools for the funded period and to develop advice and options for AESOC consideration on the CSS sustainability beyond June 2015.

National Online Learning Services (NOLS) for Australian Teachers, Students and Parents.

The Education Council expects that ESA will continue to host and maintain the national digital resources repository, Scootle, and Scootle Community, and back-end application services including technical infrastructure, intellectual property, help desk, and technical, accessibility and metadata standards. The Council notes that ESA will provide advice to Council on the sustainability of the NOLS beyond the current funding period, which expires at the end of June 2017.

National Career Information Service (myfuture)

Jurisdictions have supported an extension of the *myfuture* information service, with state and territory funding continuing at current levels to 30 June 2015. The Education Council expects that ESA will continue to manage, host and maintain information services for this national career information system.

The Council requests ESA to also provide advice to Council by May 2015 on the capacity for *myfuture* to become self-sustaining and options for its future viability beyond June 2015. In doing so ESA should consider the efficacy of changes such as the use of cloud-based services, industry sponsorship, reduced data costs and direct user services.

School Survey System

The Australian Government will support maintenance of the School Survey system until 30 June 2015. The Education Council notes that ESA will maintain and support the School Survey system, which includes the Ministerial-agreed national parent and student opinion items, until this time. Council expects ESA to work with the Data Strategy Group (or its successor) on the preparation of advice to AESOC by May 2015 on options for the ongoing viability of the national satisfaction data collection.

Support for ACARA and AITSL

Collaboration between the bodies comprising the national education architecture is essential for the effective and efficient delivery of COAG and Education Council priorities. The Council acknowledges the collaborative environment that has been established by ESA in its work to support ACARA and AITSL.

The Council expects ESA to maintain and support the Australian Curriculum website including the consultation portal and mobile version and assist with its further development to support the ongoing introduction of the Australian Curriculum, including curriculum for the arts, languages civics and citizenship, business and economics and technologies.

The Council expects ESA to maintain the National Teacher Standards website, the School Leadership Development Strategies Clearinghouse, and the AITSL website and intranet site and provide systems and website development support for AITSL. It is acknowledged that this work is contingent on funding provided by these agencies.

Other Work Supporting National Education Reform

The Education Council notes that ESA has been engaged by a number of organizations, including the Australian Government, to undertake specific projects and activities to support the national education reform agenda. While the Council does not have governance responsibility for these works they are integral to the achievement of the Council's remit. The Council expects ESA to undertake this work within the context of the principles and four priority areas identified in this Letter of Expectation above. This work includes:

- development of online language learning applications for pre-school age children through the Early Learning Languages Australia Programme;
- development, delivery and maintenance of an Early Childhood Resource Hub that provides a one-stop-shop to access early childhood materials and information aligned to the National Quality Framework and the implementation of the National Quality Standard;
- supporting flexible delivery of language teaching and learning, including enhancements and promotion of the online Language Learning Space in Chinese, Indonesian and Japanese;
- maintaining and refining the *Improve* online assessment system which provides support for teachers, students and parents;
- hosting, supporting and improving content of the Safe Schools Hub website; and
- supporting parents to more effectively engage with their child's learning by making available a range of online resources and tools for parents;
- enhancing and supporting the provision of seamless access to the national portal, Scootle.

Corporate Responsibilities

The EC expects that ESA will continue to undertake its following corporate responsibilities effectively and efficiently:

- act as the legal entity for the Education Council as required;
- provide legal, human resource, financial and IT services as required to the Education Council

Secretariat while ensuring that the essential independence of the Council Secretariat as set out in the Memorandum of Understanding between ESA and the Secretariat is maintained;

- provide support for the Education and Care Services Ombudsman, the National Education and Care Services, Privacy Commissioner and the National Education and Care Services Freedom of Information Officer;

- ensure that the development and delivery of products and services include Aboriginal and Torres Strait Islander content and perspectives, where appropriate, and that ESA includes this element of its work in its progress reports to the Council;

- provide accommodation, technical and corporate services to support the National Schools Interoperability Program;

- undertake the registration of domain names for education organizations in Australia;

- manage the Schools Cataloguing Information Service (SCIS) online subscription service; and

- maintain licensing and copyright for the national digital resource collection to ensure, where possible, open access to educational resources through Creative Commons licensing arrangements.

GOVERNANCE OF ESA WORK

In the development and implementation of its projects and activities, the Education Council considers it critical that ESA seeks to engage collaboratively with and gain support from key stakeholders, including bodies such as ACARA, AITSL, state, territory and Australian government authorities, and the non-government education sector.

A strong collaborative approach to service delivery will have benefits for both ESA and all parts of the education system with whom it engages. Formal consultation mechanisms such as project steering groups and project reference groups should be employed for this engagement and collaboration. ESA should also engage with the National Schools Interoperability Program (NSIP) Steering Group on any eLearning or ICT projects to gain advice on interoperability aspects, public organisations active in the eLearning and digital resources space, cultural agencies and universities, and the broader eLearning industry, including providers of digital tools, resources and infrastructure, where appropriate.

REPORTING

The Education Council asks that ESA prepares a Work Plan that builds on this Letter of Expectation and details ESA's proposed relationships, services and engagements in relation to all relevant work. At a minimum the Work Plan must identify for each project included in the Work Plan: its relative priority to other work; governing jurisdiction(s)/body; budget and resources; commencement and end dates and key milestones; and its alignment with ESA's identified priorities as set out in its Company Objects. The Council requests that ESA reports against its Work Plan at least twice per year (to coincide with scheduled Council meetings) or more frequently if requested by the Council, and that ESA consults with and is responsive to the Australian Education Senior Officials Committee (AESOC). Progress reports against the Work Plan should at a minimum identify the project status (whether commenced, completed or percentage partially completed) and key issues.

The Council requests that ESA provides an Annual Report that outlines ESA's activities during the preceding financial year and how these relate to this Letter. The Annual Report should be provided no later than 31 October following each financial year unless otherwise agreed.

The Council requests that this Annual Report specifically includes:

- a report on consultation undertaken with states, territories and key education stakeholders regarding the sector's requirements and activities undertaken to meet these requirements;
- detailed financial information;
- progress against the program of work; and
- potential opportunities to leverage and build on existing work led by other key stakeholders and possible future areas of work to pursue to support the national reform agenda, subject to agreement by the Australian, states and territories governments.

ESA must also provide a separate version of the Annual Report for the ESA website that provides a high-level update on the strategic and financial positions of ESA and its work. This Letter is also to be published on the ESA website.

FUNDING

The Education Council acknowledges the valuable role ESA plays in providing cost-effective services to Australian, state and territory Governments and other national agencies given its not for profit status and its specialist educational ICT expertise. It notes that, while ESA does not receive baseline operational funding from Council in the same way as ACARA and AITSL, it does rely on funding from Council for core national services (including NOLS), as well as for Council approved projects, which it is expected to deliver within the agreed funding commitments. The Council also expects ESA to seek opportunities for commissioned work and to provide products and services commercially. It is expected that ESA will retain and build capacity to respond to opportunities provided by the Council, the Australian, state and territory governments, ACARA, AITSL, ACECQA and other key stakeholders.

CONCLUSION

The Education Council notes the significant achievements of ESA to date in effectively supporting the COAG education reform agenda, particularly its ongoing critical role in delivering national assessment reform in the schooling sector through development of the technical platform that will deliver NAPLAN and other assessments online and looks forward to ESA's reports on its operations in line with these expectations.

Yours sincerely

KATE JONES MP
Chair
Education Council