



Department of Customer Service Annual Report 2021-2022

NSW Department of Customer Service Annual Report 2021-22

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Author

Department of Customer Service

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The Hon. Victor Dominello MP
Minister for Customer Service and Digital Government
Minister for Fair Trading
Minister for Small Business
GPO Box 5341
SYDNEY NSW 2001

Dear Minister

I am pleased to submit the annual report for the NSW Department of Customer Service for the year ended 30 June 2022 for presentation to Parliament.

This report has been prepared in accordance with the *Annual Reports (Departments) Act 1985* (ARDA), the *Government Sector Finance Act 2018* and the regulations under those Acts.

As previously advised, this report is being submitted 30 days late due to delays arising from completion of the audit opinion on the Department of Customer Service's 2021-22 financial statements. An application for an extension of time was made under section 16 of the ARDA, and an extension of time was granted to submit the annual report to the Minister by 30 November 2022.

The report also includes annual reports for the:

- Registrar General
- Surveyor General
- Geographical Names Board.

The annual report of the Surveyor General was prepared in accordance with section 33 of the *Surveying and Spatial Information Act 2002*. The annual report of the Geographical Names Board was prepared in accordance with section 16 of the *Geographical Names Act 1966*.

Yours sincerely

A handwritten signature in black ink, appearing to read "Emma Hogan".

Emma Hogan
Secretary

Acknowledgement of Country

The Department of Customer Service acknowledges, respects and values Aboriginal peoples as the Traditional Custodians of the lands on which we live, walk and work. We pay our respects to Elders past, present and future. We recognise and remain committed to honouring Aboriginal and Torres Strait Islander peoples' unique cultural and spiritual relationships, and continuing connection to their lands, waters and seas. We acknowledge their history here on these lands and their rich contribution to our society.

We also acknowledge our Aboriginal employees who are an integral part of our diverse workforce, and recognise the knowledge embedded forever in Aboriginal and Torres Strait Islander custodianship of Country and cultures.

The 'Connecting Communities' artwork used here is by Alison Williams, proud Gumbaynggirr woman.



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About this report

This report covers the Department of Customer Service (DCS) and cluster agencies from 1 July 2021 to 30 June 2022.

Chapter 6 of this report, *DCS-related entities' annual reports*, contains annual reports for the:

- Registrar General
- Surveyor General
- Geographical Names Board.

The Department of Customer Service Annual Report 2021-22 is available at <https://www.nsw.gov.au/customer-service/publications-and-reports>

The total external cost of producing this report was \$1600 excluding GST.

Entity annual reports

The following entities produce their own separate annual reports as required under legislation:

- Board of Surveying and Spatial Information: <https://www.bossi.nsw.gov.au/>
- Digital Restart Fund: <https://www.digital.nsw.gov.au/funding/digital-restart-fund>
- Independent Pricing and Regulatory Tribunal: <https://www.ipart.nsw.gov.au/Home/About-IPART/Governance/Annual-Reports/List-of-Annual-Reports>
- Independent Review Office: <https://iro.nsw.gov.au/publications/annual-report>
- Information and Privacy Commission NSW: https://www.ipc.nsw.gov.au/sites/default/files/2022-11/IPC_Annual_Report_2021-22_Web.PDF
- Long Service Corporation: <https://www.longservice.nsw.gov.au/>
- NSW Architects Registration Board: <https://www.architects.nsw.gov.au/publications>
- NSW Government Telecommunications Authority (NSW Telco Authority): <https://www.nsw.gov.au/telco-authority/publications>
- Personal Injury Commission: <https://pi.nsw.gov.au/resources/annual-review>
- Professional Standards Council: https://www.psc.gov.au/sites/default/files/2022-10/PSC_Annual_Report_2021_22.pdf
- Rental Bond Board: <https://www.nsw.gov.au/customer-service/publications-and-reports>
- Service NSW: <https://www.service.nsw.gov.au/about-us/annual-reports>
- Small Business Commission: <https://www.smallbusiness.nsw.gov.au/resources/year-review-2021>
- State Insurance Regulatory Authority: <https://www.sira.nsw.gov.au/corporate-information/annual-reports>

About this report

Changes during the reporting period

The Small Business Commission was transferred into the Customer Service cluster on 1 April 2022.

The following entities and business units were transferred to another cluster on 1 April 2022:

- Greyhound Racing NSW
- Greyhound Welfare and Integrity Commission
- Harness Racing NSW
- Independent Liquor and Gaming Authority
- Liquor and Gaming NSW
- Office of Racing
- Office of Responsible Gambling
- Racing NSW.

This annual report includes liquor and gaming activities from 1 July 2021 to 31 March 2022. For information on their activities from 1 April to 30 June 2022, please refer to the annual report of the Department of Enterprise, Investment and Trade.

Changes after the reporting period

No after balance date events that have a significant effect on financial operations, other operations or clientele/community served have been identified.

DCS related entities

The following entities, which were established administratively or pursuant to legislation, existed outside the principal office's administrative body but formed part of the cluster:

Customer Service portfolio

(Customer Service and Digital portfolio from 1 April 2022 onwards)

- Board of Surveying and Spatial Information
- Geographical Names Board
- Independent Liquor and Gaming Authority (until 31 March 2022)
- Independent Pricing and Regulatory Tribunal
- Independent Review Office
- Information and Privacy Commission NSW
- NSW Telco Authority
- Personal Injury Commission
- Service NSW
- State Insurance Regulatory Authority.

Better Regulation and Innovation portfolio

(Fair Trading and Small Business portfolios from 1 April 2022 onwards)

- Greyhound Racing NSW (until 31 March 2022)
- Greyhound Welfare and Integrity Commission (until 31 March 2022)
- Harness Racing NSW (until 31 March 2022)
- Long Service Corporation
- NSW Architects Registration Board
- Professional Standards Council
- Racing NSW (until 31 March 2022)
- Rental Bond Board
- Small Business Commission.

Secretary's message



I'm pleased to provide the 2021-22 Annual Report for the Department of Customer Service.

In the past 12 months, we have continued to deliver world class service delivery to our more than 8 million customers across NSW. At the same time, our state has also faced many significant events including unprecedented floods, storms, and the ongoing COVID-19 pandemic response and recovery. The impact of these events on individuals and businesses across NSW has shaped the work of our teams, and our dedication to continuous improvement and delivery.

From February to June 2022, more than 389 DCS staff contributed to the NSW Government disaster response, including the staffing of 80 Disaster Recovery Centres and Disaster Welfare Access Points across flood-affected regions. The NSW Registry of Births Deaths and Marriages issued 5865 free certificates for people affected by the NSW floods.

This delivery has only strengthened the work of our digital teams to drive forward the world-first pilot of the digital birth certificate, and other digital identity and verifiable credentials projects which have continued to gain momentum this year. We have truly transformed the digital landscape and the speed at which our customers can access important and critical government services.

Operating in this continued state of heightened response has also meant that our role as a central government agency has never been more important. During this time, we've continued to lead the sector's on the ground and regulatory response, delivering world-leading stimulus and cost-of-living relief including over \$12 billion in grants, payments and vouchers to support economic recovery efforts.

As we continue to foster this customer-driven approach to digital, signature programs like the Digital Restart Fund have approved \$2.2 billion of investments since being established in 2020, to further improve the way we work, live and play. It is the single largest government reform for accelerating digital transformation and growth across NSW Government, and has led to significant strategic outcomes, particularly against the NSW Premier's Priorities.

This year, the Fund allocated \$509 million to 107 new projects, including the Education Wallet to centralise the learning and credentials of customers across the state and help them to make informed decisions. In addition, the Rural Access Gap program is addressing the digital divide between rural and metropolitan NSW by enhancing the digital efficacy of more than 1000 public schools.

The Fund has also supported the Government Made Easy program, providing solutions to keep NSW communities safe and connected. The Tell Your Story Once project improves the disaster registration and recovery process for impacted people when applying for government assistance. Customers are now able to register and manage their key information and allow for this to be shared across government services.

Inclusion and accessibility also remain at the heart of all we do and ensures that our services reflect the needs of our diverse people and customers. This year, we've implemented several core strategies, including hardship and fairer fines frameworks, diversion programs and broadening our translation services, all focused on supporting our culturally diverse, indigenous, multicultural and vulnerable communities.

Internally, our inclusive culture remains central to how we operate, and I am incredibly proud that our employee engagement score of 74% continues to be one of the highest in the sector.

“
At DCS we have a
culture of care that
supports our vision to
be the world’s most
customer centric
government
”

At DCS, we have a culture of care that supports our vision to be the world’s most customer centric government and this was reflected through the launch of our Care and Belonging Strategy 2022-2025. This strategy celebrates, guides, and amplifies our commitment to putting our people at the heart of everything we do, empowering and supporting our 12,000 people and more than 8 million customers to feel valued and respected.

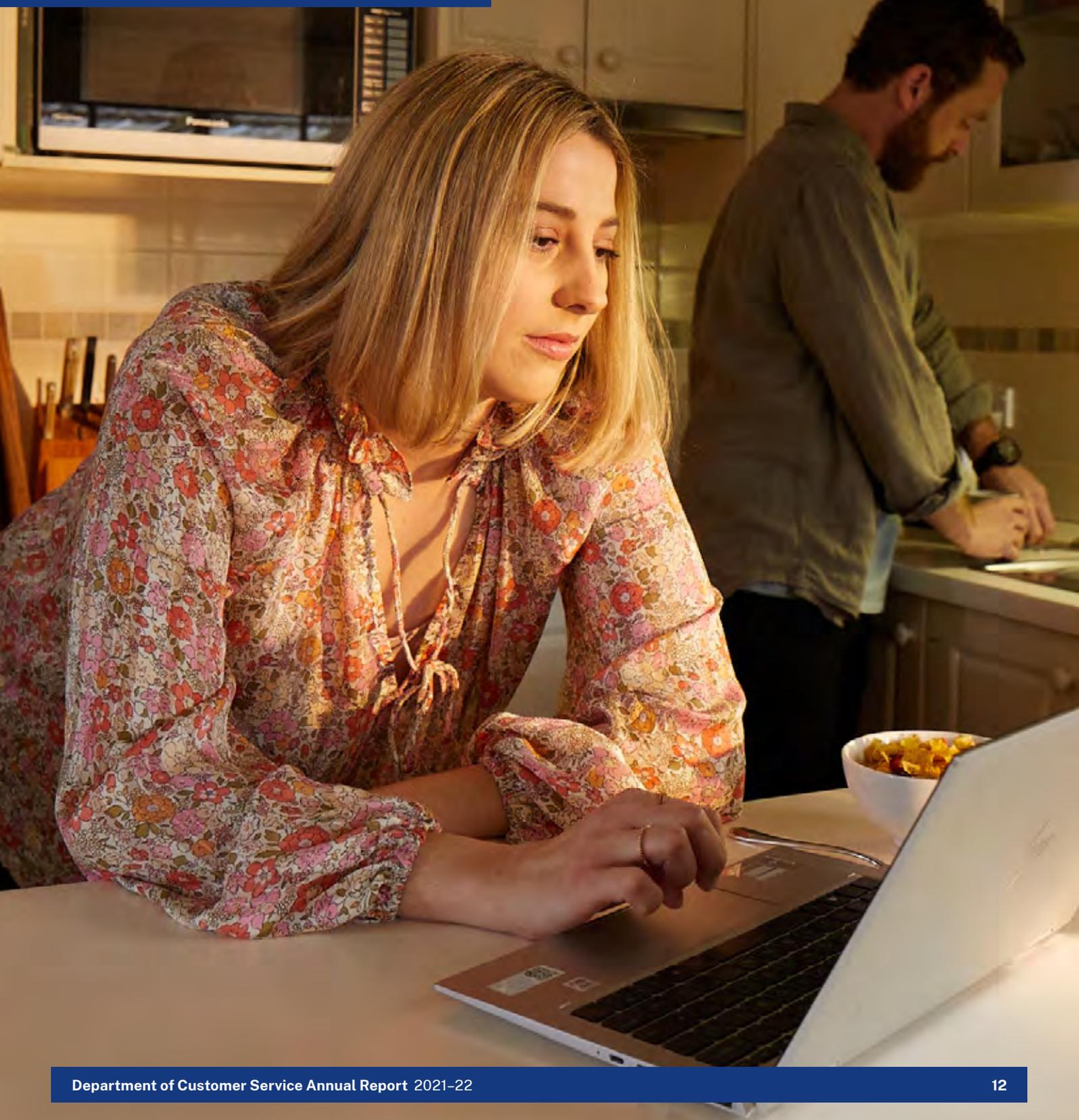
I’m incredibly proud of how we’ve all responded to the ongoing challenges and opportunities of this year while continuing to deliver exceptional outcomes for the people of NSW in collaboration across the whole of government. You can read about our many highlights for 2021-22 on pages 41 to 75 of this Annual Report.

To our customers, thank you for putting your trust in us to support you through some of your most difficult and vulnerable times.



Emma Hogan
Secretary

1. About Customer Service



About Customer Service

Who we are

Our purpose, vision, and values

DCS was established on 1 July 2019 as the world's first integrated customer service public sector organisation.

Our vision is for NSW to be the world's most customer-centric government. To realise this, we are working to:

- establish the customer at the centre of all programs and initiatives across the NSW Government
- deliver a more consistent and efficient digital experience with government
- use data and behavioural insights to drive customer service improvements
- modernise and simplify regulation to make it easier for businesses to comply and transact with their customers
- engage more effectively with the people of NSW.

We are accountable for driving the state's digital, data and innovation agenda. We also administer a vast regulatory framework that delivers safety, consumer and business protections as well as insurance schemes that allow NSW to maintain fair, secure and efficient markets.

As a broad and diverse organisation, DCS provides services on behalf of the NSW Government to our customers and the community with the mission that our customers receive a consistently great experience. We also embrace our role as sector leader and provide services to fellow government agencies.

As a NSW public sector organisation, we are committed to upholding the sector values of integrity, trust, service and accountability. DCS is also proud to contribute to the Premier's Priority of *World Class Public Service* by taking practical steps to achieve diversity targets:

- 50% of senior leadership roles held by women
- increasing the number of Aboriginal people in senior leadership roles
- 5.6% of government sector roles held by people with a disability by 2025.

More information about DCS's achievements towards these targets can be found under the *Diversity and inclusion policies and services* section, at pages 108 to 114 of this Annual Report.

DCS progress against the Premier's Priority diversity target:

50.4%
of senior leadership roles held by women

29
additional Aboriginal staff in 2021-22 (2.8% of all roles held by Aboriginal people), with 3 DCS senior leaders identifying as Aboriginal

4.9%
of DCS staff identify as having a disability

About Customer Service

Our functional structure

Customer Service Cluster					
Office of the Secretary					
People and Culture					
Better Regulation	Corporate Services	Customer Delivery and Transformation	Digital.NSW	Revenue NSW	Service NSW
One stop shop for regulation	Audit and Risk	Accelerating customer and digital transformation	Government Chief Information and Digital Officer	Fines administration and resolution	Customer service channels for all NSW Government agencies and transactions
NSW Fair Trading	Cluster Chief Information Officer	Births Deaths and Marriages	Cyber Security	Collection of taxes and state debts	
Long Service Corporation	Cluster Chief Information and Security Officer	Cluster Strategy and Delivery Unit	Government Technology Platforms	Distribution of grants	Disaster preparation and recovery
Office of the Registrar General	GovConnect	NSW Government brand, advertising, communications, nsw.gov.au	NSW Telco Authority	Hardship support for vulnerable citizens	MyServiceNSW
Professional Standards Authority	Cluster Finance	Premier Priorities	Spatial Services and Surveyor General		One stop shop for citizens and businesses across Service Centres, mobile, digital, contact centre
SafeWork NSW	Cluster Procurement	Whole of Government customer experience, behavioural insights and data analytics			Transformation of customer service delivery channels
Subsidence Advisory NSW	Governance		Whole of Government ICT investment prioritisation, coordination and assurance process		
TestSafe Australia	Legal		Whole of Government Digital Identity Strategy		
	Transformation and Continuous Improvement				
	Workplace and Property				

Other Cluster Functions and Entities ¹							
Independent Pricing and Regulatory Authority (IPART)	Independent Review Office (IRO)	Information and Privacy Commission (IPC)	Office of the NSW Building Commissioner	Office of the Property Services Commissioner	Personal Injury Commission (PIC)	Small Business Commission (SBC)	State Insurance Regulatory Authority (SIRA)

¹ Includes major DCS entities only. Some of the other cluster functions and entities produce their own annual report, including SIRA, PIC, IRO, IPART, IPC and SBC

Note: Liquor Gaming and Racing, the Independent Liquor and Gaming Authority and the Greyhound Welfare and Integrity Commission moved to the Department of Enterprise, Investment and Trade on 1 April 2022 as part of Machinery of Government changes

About Customer Service



VISION
To be the world's most customer-centric government

PURPOSE
Customers and communities can expect government services to be trustworthy, effective and easy no matter who they are, where they are or what they need

VALUES
Service | Integrity
Trust | Accountability

Our role

- Central agency**
Set whole of government customer and digital strategy, standards, investment prioritisation and ways of working
- Network leader**
Partnering with clusters to leverage our specialist services and unique expertise to support whole of sector customer priorities
- Service delivery and reform**
Service excellence in the delivery of customer facing functions both for DCS and whole of government

8+ million customers

Easy to engage
Act with empathy
Respect my time
Explain what to expect
Resolve the situation
Engage the community

Our accountability

- Lighthouses**
Signature whole of government projects that deliver significant customer value
- Greenhouses**
Signature division level projects that deliver significant customer value
- Serving customers and community**
Excellence and continuous improvement in our core delivery and regulatory functions
- Corporate and support services**
Whole of cluster enabling services to support delivery

CULTURE



Customers and community at the centre



People and inclusion at the heart



Partner collaboration at its best

- Our digital & customer capabilities**
- Customer at the centre
 - Collaboration and agility
 - Data, decisions and ethics
 - Ideas to impact
 - Enabling technologies
 - Digital leadership

- Our outcomes**
- Excellence in customer service
 - Digital leadership and innovation in government services
 - Fair, secure and efficient markets

- Success indicators**
1. Top Australian jurisdiction for customer satisfaction
 2. Top Australian jurisdiction for digital government readiness
 3. Lighthouse and Greenhouse projects deliver measurable change
 4. Enhanced trust in government services
 5. People engagement >75%

Our strategy and responsibilities

We take our strategic and specific priorities from the NSW Government. We are responsible for delivering the Premier's *Government Made Easy* and *World Class Public Service* priorities (jointly with the NSW Public Service Commission), as well as three State Outcomes:

- excellence in customer service
- digital leadership and innovation in government services
- fair, secure and efficient markets.

The *DCS Connect Strategy 2020-23* shares our vision, purpose and strategic direction and how our employees connect across the department. It aligns with our three State Outcomes and supports the NSW Government Customer Commitments.

The strategy demonstrates the important role DCS plays in delivering services to and for NSW Government agencies and customers. Our role is multi-dimensional and encompasses the following key functions:

Central agency – setting whole of government customer and digital strategy, standards, investment prioritisation and ways of working, and driving agency accountability against those standards, by influencing and steering service delivery improvements.

Network leader – leveraging our specialist services and unique expertise to support cluster and whole of sector delivery in digital, data, behavioural insights and regulatory leadership.

Service delivery and reform – driving excellence in service delivery to customers and driving reform in the delivery of customer facing functions for the whole of government.

The strategy highlights how DCS drives customer service excellence to help make NSW the most customer-centric government. DCS provides leadership, policy and practice, transformation and capacity building across government, as well as a diverse range of customer service delivery and regulatory activities.

About Customer Service

DCS¹ brings together transactional services, digital, data and design, regulatory and compliance activities, and a whole of government view of customer service across six broad functions:

Better Regulation Division oversees regulating, educating and delivering services directly to citizens and businesses. The division's focus is to create a responsive regulatory environment that aims to make NSW safe, fair and competitive for consumers, businesses and workers.

Corporate Support Services are collectively delivered through our Corporate Services, Office of the Secretary, and People and Culture functions. These teams deliver strategic and operational policy, advisory, transaction and assurance services, which enable the department to deliver centre-led, customer focused support to our people, executive and Ministers.

Customer, Delivery and Transformation is responsible for leading transformation in customer focused service delivery across NSW Government. The division provides best practice insights, data-led analytics and advisory support to drive a customer-centred culture across sector services and improved user experience for customers. It's also home to the customer-facing NSW Registry of Births Deaths and Marriages.

Digital.NSW is responsible for driving digital transformation and developing digital capacity across NSW Government. Digital.NSW provides strategic governance, advisory and assurance functions to support other NSW Government clusters and the people of NSW through a whole of government lens.

Revenue NSW is NSW's principal revenue management agency. Revenue NSW fairly administers state taxation and revenue, collects taxes and duties, manages fines, and administers grants and subsidies to provide valuable assistance to communities and businesses.

Service NSW offers customers access to services via a multi-channel network for a range of transactional and community support services. Service NSW delivers 'one-stop' access for citizens and businesses to NSW Government's services and transactions.

What we do

Better Regulation

Better Regulation Division

Better Regulation Division (BRD) protects the NSW community through innovative regulatory services and contributes to DCS's overarching goal of making NSW the world's most customer-centric government.

BRD is responsible for delivering the NSW Government's State Outcome of fair, secure and efficient markets, and is working to improve regulation and simplify service delivery to make it easier for businesses to comply with laws and improve customer outcomes.

As a group of several regulators and agencies, BRD works to reduce detrimental impacts to workers, consumers and the broader community. BRD also seeks to reduce regulatory burdens, complexity and costs to make it easy to start and stay in business in NSW, while enabling a level playing field for businesses to operate within the regulatory environment.

Office of the Building Commissioner

The Office of the Building Commissioner (OBC) leads the transformation of the NSW residential apartment building sector. Working alongside NSW Fair Trading and SafeWork NSW, the OBC's strategy is to raise consumer confidence levels and industry standards by facilitating the delivery of more trustworthy buildings and helping consumers to identify developers who are producing quality work. Through Project Remediate, the OBC is also helping owners corporations to rectify flammable cladding.

Property Services Commissioner

The Office of the Property Services Commissioner was created in 2021 to lead transformation of the property services industry. The Office's focus includes licensed real estate and property agents, residential tenants, landlords, vendors and purchasers, owners and residents in strata and community schemes.

¹ Service NSW and other DCS cluster functions and entities produce their own annual reports. This includes the State Insurance Regulatory Authority, the Personal Injury Commission, the Independent Review Office, the Independent Pricing and Regulatory Tribunal, the Information and Privacy Commission

About Customer Service

State Insurance Regulatory Authority

The State Insurance Regulatory Authority was established in 2015 to steward and regulate the state's statutory insurance and care schemes – workers compensation, motor accidents and home building compensation. It's a small agency with a large remit of ensuring that NSW insurance schemes protect and support the people who need them most – now and in the future.

Corporate Support Services

Corporate Services Division

The Corporate Services Division supports DCS to achieve our goals by providing strategic and operational policy, advisory, transaction and assurance services. Delivering centre-led customer and client focused support, Corporate Services connects the agencies, divisions and business units of DCS, to support and enable our frontline and customer facing services.

Corporate Services is also home to our internal transformation program where we continue to re-shape our foundations and reimagine the way we operate – so that our systems, functions and accountabilities are clear and streamlined, and our energies are focused on our customers.

Corporate Services also oversees the delivery of shared services through GovConnect, to DCS and other GovConnect client agencies.

Office of the Secretary

The Office of the Secretary provides ministerial, cabinet and executive support services, including strategic policy advice for the DCS cluster. The division is also leading the development of the NSW Small Business Strategy and is home to the Aboriginal Outcomes Unit, which leads and provides advice on the strategies, reforms and frameworks to contribute to better social and economic outcomes for Aboriginal people, communities and businesses.

People and Culture

The People and Culture Division provides a range of services and people-related advice to over 12,000 DCS team members, supporting our people to deliver on the department's strategic objectives of putting customer and community at the centre, people and inclusion at the heart, and partner collaboration at its best. This includes shaping modern recruitment and onboarding practices, building on our strong culture of wellbeing, inclusion and care, and enhancing the experience of our people across the employee lifecycle.

People and Culture has a focus on attracting and retaining talented people as well as supporting business divisions within DCS to adopt new ways of working that improve outcomes and productivity. Services and advice provided by People and Culture relate to HR policies, industrial relations including pay and conditions, recruitment, diversity and inclusion, safety and wellbeing, conduct, behaviour, learning and development, and workforce analytics, insights and strategy.

Customer, Delivery and Transformation

The Customer, Delivery and Transformation (CDT) division leads the transformation of customer-focused service delivery within DCS and across government. CDT is also the custodian of the NSW Government brand, advertising, communications and digital online web and social channels.

CDT's remit is to apply a meaningful, evidence-driven approach to drive innovation in the design, funding, communication and delivery of government services, to ensure we engage better with our customers on the things that matter to them.

CDT provides support and expert advice to our partner agencies and stakeholders, utilising data from both inside and outside of government to understand our customers, what drives their decision-making and how they experience the services we provide.

About Customer Service

Digital.NSW

Digital.NSW delivers smart, simple, and seamless personalised services for our customers. In building a stronger digital economy and putting our customers at the centre, Digital.NSW is focused on building digital capability across government and investing in innovative technology to provide more efficient and accessible services to customers via digital platforms.

Digital.NSW also operates critical infrastructure on behalf of the state, with NSW investing heavily in communications technologies to advance interoperability and give regional communities equity of access.

Revenue NSW

Revenue NSW's objectives are to collect revenue due to the state, fairly administer state taxation, administer grants and subsidies, manage unclaimed money, and offer socially responsible ways for customers experiencing hardship to satisfy their debts. Revenue NSW provides valuable assistance to individuals, communities and businesses. Over \$39 billion dollars was collected by Revenue NSW in 2021-22, providing more than one-third of the state's budget to fund and deliver essential core services for the people of NSW.

Service NSW

Service NSW provides one-stop-shop access to NSW Government services for individuals and businesses via an omni-channel network made up of service centres, contact centres, mobile service centres, the Service NSW website and the popular Service NSW app. It also provides a business concierge service statewide, and a dedicated business digital platform. Service NSW is proud of its world-class customer service. Of our NSW citizens, 99% live within 30 minutes of a Service NSW point of presence, with a customer satisfaction score of over 97% in 2021-22.

Principal officers

Emma Hogan

Secretary for Digital, and the Department of Customer Service

Emma Hogan became the Secretary of the Department of Customer Service in October 2019, after joining government in May 2018 as the NSW Public Service Commissioner. Prior to joining government, Em had a 20 year career in the private sector, working with iconic Australian brands across hospitality, retail, aviation, media and entertainment. Em is an experienced transformation leader across customer, digital, people, culture and communications, and has led teams of over 10,000 people in Australia and globally.

Em holds postgraduate qualifications in HR and Business Management and is a graduate of the Stanford University Executive Program. Em is currently a board member of the NSW Telco Authority and has previously held board roles with the Can Too Foundation (2014-18) and AIME (2015-19). Em is also a graduate of the Australian Institute of Company Directors and is a member of Chief Executive Women.

Jody Grima

Chief People Officer

Jody was appointed to the role of Chief People Officer for the Department of Customer Service in January 2021. Prior to this, Jody held leadership roles across the NSW Government, including Service NSW, Department of Premier and Cabinet, and the Department of Family and Community Services. These roles have been transformational, leading significant reform in service provision and running large multidisciplinary teams in complex environments.

Jody is passionate about improving outcomes for NSW customers and improving the experiences of our people within DCS, delivering results through building staff capability and cultural transformation.

Jody holds an Executive Master of Public Administration and a Bachelor of Arts (Social Welfare).

About Customer Service

Damon Rees

Chief Executive Officer, Service NSW

Damon Rees was appointed as the Chief Executive Officer of Service NSW in November 2017. Damon's focus is on ensuring that Service NSW provides easy access to a broad range of services for individuals and businesses, including supporting NSW Government crisis and disaster response during the COVID-19 pandemic and flood and storm events, and that it is a global leader in customer service excellence.

Previously, as the NSW Government's first Chief Information and Digital Officer, Damon advocated for digital adoption across the NSW public sector, defined the long-term vision for ICT and digital technologies, implemented the NSW Open Data Policy and improved integration across government agencies.

Damon holds an Executive Master of Business Administration from the University of Sydney.

Stephen Brady

Chief Operating Officer

(March 2020 – December 2021)

Stephen Brady held the role of Chief Operating Officer for the Department of Customer Service from March 2020 to December 2021 before moving to the role of Managing Director TAFE NSW.

Prior to this, Stephen spent almost 5 years as the Deputy Secretary, Revenue NSW, Chief Commissioner of State Revenue and Commissioner of Fines Administration.

Stephen has also held Deputy Secretary roles in both the NSW Department of Premier and Cabinet and NSW Treasury. In addition to 20 years' experience in NSW Government, Stephen has 16 years' experience in investment banking and corporate management.

Stephen holds honours degrees in Commerce and Law from the University of Queensland.

Mandy Young

Acting Chief Operating Officer*

(December 2021-current)

**Appointed to the role August 2022*

Mandy Young was appointed as the Acting Chief Operating Officer for the Department of Customer Service in December 2021.

Prior to this, Mandy was the Executive Director, Partnerships, Projects, and Insights at Service NSW where she was responsible for driving customer and government outcomes in partnership with other government agencies, NGOs, and private sector organisations.

With a NSW Public Sector career spanning 20 years, Mandy has dedicated her career to driving better outcomes for people and communities, improving service delivery, and implementing large-scale socioeconomic and justice changes for the citizens of NSW.

Mandy has diverse leadership and public sector experience, having held Executive Director and Deputy Secretary roles within the NSW Department of Communities and Justice and its predecessor agencies. Mandy holds a Bachelor of Social Work from the University of New South Wales.

Rose Webb

Deputy Secretary, Better Regulation NSW Commissioner for Fair Trading

(November 2017 – December 2021)

Rose Webb was appointed as the Deputy Secretary, Better Regulation, and NSW Fair Trading Commissioner on 6 November 2017. Before joining the Better Regulation Division, Rose worked as the Chief Executive Officer of the Hong Kong Competition Commission. Prior to this, Rose served in leadership roles at the Australian Competition and Consumer Commission and the Australian Securities and Investments Commission.

Rose holds a double degree in Economics and Laws from the Australian National University and a Master of Laws from the University of Sydney. Rose retired on 10 December 2021.

About Customer Service

Natasha Mann

**Deputy Secretary, Better Regulation
NSW Commissioner for Fair Trading, Head of
SafeWork NSW**

(December 2021-current)

Natasha Mann was appointed as the Deputy Secretary of the Better Regulation Division on 13 December 2021. Natasha is also the NSW Fair Trading Commissioner and the Head of SafeWork NSW. Natasha is responsible for an extensive portfolio of regulatory functions to protect and support individuals, businesses and communities in NSW.

Natasha is an experienced regulator and public policy advisor with extensive experience leading significant regulatory and public policy reform in the NSW public sector. She has held various senior leadership roles across the government sector in the NSW Department of Communities and Justice, the NSW Department of Premier and Cabinet, NSW Health and the NSW Privacy Commission.

Natasha holds a Bachelor of Arts (Hons) and Bachelor of Laws from the University of Sydney.

Greg Wells

**Government Chief Information and Digital
Officer**

Greg Wells was appointed Government Chief Information and Digital Officer in July 2018. Greg advocates for technology that enables the NSW Government's objectives and fosters sector-wide collaboration on a digital agenda to continue to transform the state into a global technology leader. Greg is responsible for building digital capacity, accelerating technology services for customers and integration across the public sector. He also leads the implementation of 'Beyond Digital' and the adoption and expansion of the Digital Restart Fund.

Greg's extensive career in government technology has included leading the delivery of a multi-agency platform to help protect children at risk with the NSW Department of Family and Community Services, and running NSW Health's ICT strategy, policy governance and operations as the Chief Information Officer.

Greg holds a Bachelor of Electrical Engineering (Hons) from the University of NSW.

Scott Johnston

**Deputy Secretary, Revenue NSW,
Chief Commissioner of State Revenue,
Commissioner of Fines Administration**

Scott Johnston is the Deputy Secretary of Revenue NSW and has legislative responsibilities as the Chief Commissioner of State Revenue and Commissioner of Fines Administration. Scott has led Revenue NSW since April 2020. Prior to joining Revenue NSW, Scott was Acting Commissioner at the NSW Public Service Commission.

Scott is a highly experienced senior leader with a career spanning the Australian and United Kingdom public sectors. Scott is passionate about shaping future workforce strategy through evidence-based decision-making, driving innovation, building digital capability, and advocating for diversity and inclusion.

Scott holds an Executive Master of Public Administration from the Australian New Zealand School of Government and the University of Sydney, a Graduate Diploma of Statistics from Victoria University, and a Bachelor of Commerce from the University of Newcastle.

John Minns

Property Services Commissioner

(December 2021 – June 2022)

John Minns was appointed Property Services Commissioner in December 2021.

As Property Services Commissioner, John brought his skills in property industry leadership to deliver new opportunities and performance benchmarks for consumers and the industry. Innovation, technology, collaboration and education are the most important elements for John in achieving those objectives.

John Minns has over 30 years' prior experience in property industry leadership and transformation as Managing Director of the Dexar Group, which included the highly regarded brands Independent Property Group and the NSW Laing & Simmons network.

John is a Class 1 Licensed Agent NSW/ACT and holds an Advanced Certificate in Real Estate Agency. John will return to the role in 2022-23 to continue the industry reforms.

About Customer Service

William Murphy

Deputy Secretary, Customer, Delivery and Transformation

William Murphy was appointed Deputy Secretary of Customer, Delivery and Transformation in June 2019.

Prior to joining DCS, William led the Premier's Implementation Unit at the NSW Department of Premier and Cabinet, where his focus was to improve outcomes for customers through the delivery of the NSW Premier's Priorities, including improving customer satisfaction with government services, reducing domestic violence reoffending, improving education outcomes, reducing litter, and delivering better outcomes for children at risk of significant harm. William has previously held several senior roles in government focusing on transformation to digital government, better use of public sector data and driving better outcomes for customers.

William is a graduate of the Executive Fellows and Executive Master of Public Administration programs from the Australian New Zealand School of Government, University of Sydney. He also holds a Master of Management (Industry Strategy) from the Australian National University, and a Bachelor of Commerce (Economics and Finance) from Curtin University.

In June 2022, William was awarded the Public Service Medal in recognition of his outstanding public service to NSW, particularly during the COVID-19 pandemic.

David Chandler OAM

Building Commissioner

David Chandler OAM was appointed Building Commissioner in August 2019, with over 50 years' experience in the building and construction industry. He has delivered major infrastructure and urban renewal projects including the new Parliament House in Canberra and performed a leading role in inquiries into the performance of the building industry, including the Building Education Revolution Taskforce review.

As Adjunct Professor at Western Sydney University (2017 to 2019, 2021-ongoing), David has helped to shape the next generation of construction professionals and academics. He also helped establish the Centre for Smart Modern Construction to invest in new academic and research capabilities for the construction sector.

David was awarded an Order of Australia Medal in 1989 for his services to the construction industry. David holds a Bachelor of Building from the University of NSW.

Adam Dent

Chief Executive, State Insurance Regulatory Authority

Adam Dent has served as Chief Executive and board member of SIRA since July 2021, leading the regulation of insurance and care schemes in NSW.

Adam's background spans the public, private and non-profit sectors, working as the Chief Executive Officer of NSW Trustee and Guardian and the Commissioner of Dormant Funds. He was the Director of Government and Public Sector Advisory at Ernst & Young, Commissioner of the NSW State Emergency Service, and State Manager of Emergency Services for the Australian Red Cross in Victoria.

Adam is passionate about improving customer outcomes, data and digital innovation, and transformational change. He has led significant policy reform, national and state-wide disaster and crisis response, and has a proven track record of building organisational capability and results.

Adam holds a Master of Business Administration from the Australian Institute of Business and an Executive Certificate in Public Policy from the Harvard Kennedy School. He also holds a Graduate Certificate in Professional Legal Studies from Griffith University and is a graduate of the Australian Institute of Company Directors.

Lauryn Bae Brokate

Executive Director, Strategy, Office of the Secretary

Lauryn Bae Brokate commenced as Executive Director, Strategy in the Office of the Secretary in July 2021. Before this, Lauryn worked as Chief of Staff to the Secretary, NSW Department of Premier and Cabinet.

Prior to joining the NSW Public Service, Lauryn held leadership roles in the Commonwealth Public Service, including at the Department of the Prime Minister and Cabinet, and the former Department of Families, Housing, Community Service and Indigenous Affairs.

Lauryn holds a Master of International Public Health from the University of NSW and an honours degree in International Development from La Trobe University.

2. Supporting NSW through natural disasters and state emergencies



Supporting NSW through natural disasters and state emergencies

DCS plays an important role in delivering services to and for NSW Government agencies and customers, and during the year DCS supported the state's response to several adverse weather events, COVID-19 and other emergencies.

Flood and storm response and recovery

In 2021-22, NSW residents experienced unprecedented flooding events, with the floods in February and March 2022 being declared a natural disaster. Further storms and floods impacted communities in June 2022.

As part of our work assisting businesses, citizens and staff affected by the floods across NSW, DCS deployed 389 staff to contribute to the NSW Government response. This included the staffing of 80 Disaster Recovery Centres and Disaster Welfare Access Points across the flood-affected regions, and providing assistance to emergency services and advice to customers on disaster assistance grants programs and payment distributions.

Additionally, Hypercare Support was provided for flood affected staff and teams, to ensure a proactive and early intervention approach and psychological support through our Employee Assistance Program.

Service NSW

Together with their business partners, Service NSW provided \$12.07 billion in financial support for our customers during 2021-22¹.

Service NSW assisted residents whose homes had been damaged in the floods with payments to help cover the costs of restoring their property to a habitable condition, and rental assistance for residents unable to live in their home due to the storms and floods. As at 30 June 2022, some of the payments successfully delivered included:

Back Home Grant – a one-off payment to help pay for costs of restoring housing to a habitable condition and/or replacing essential household contents where customers' residential property was damaged as a direct result of the severe weather and flooding events in NSW. 7600 applications were paid, totalling \$106 million.

Rental Support Payment – a one-off payment to help pay short-term accommodation costs. 2286 applications were paid, totalling \$20.8 million.

¹ This figure is different from the Service NSW financial statements which discloses amounts from 1 July 2021 to 30 June 2022, due to delays between customers redeeming vouchers up to 30 June 2022 and participating businesses being paid for voucher redemptions shortly after in 2022-23.

Supporting NSW through natural disasters and state emergencies

Service NSW for Business

Service NSW for Business answered over 264,250 calls from businesses requesting support and over 3 million page visits to its dedicated COVID-19 and flood support business online information hubs. The Service NSW for Business team also worked closely with partner agencies and stakeholders to quickly deliver a range of economic stimulus and disaster recovery support measures, including business grants, vouchers and rebates.

As a result of the storm and flood events, Service NSW has administered three small business grants, in collaboration with Resilience NSW, NSW Treasury, Revenue NSW and the Department of Regional NSW. Grants have been available to small businesses impacted by two flood events – October 2021 to January 2022, and February to March 2022 – to provide up to \$50,000 to eligible small businesses and not-for-profit organisations that have suffered direct damage to help pay for the costs to clean-up and reinstate the business and operations.

Storm and Flood Disaster Recovery Small Business Grant (October 2021 to January 2022) – 123 applications were paid, totalling \$1.6 million¹ (as at 30 June 2022).

Storm and Flood Disaster Recovery Small Business Grant (February and March 2022) – 5753 applications were paid, totalling \$88.1 million¹ (as at 30 June 2022).

Additional business grant support to Northern Rivers businesses impacted by severe flooding include:

Small Business Northern Flood Grant – a grant of \$10,000 to help businesses in the Northern Rivers pay for business operating costs during the immediate recovery period. 686 applications were paid, totalling \$6.9 million (as at 30 June 2022).

Northern Rivers Medium Business Grant – a grant of up to \$200,000 to help medium sized business and not-for-profit organisations pay for the costs of clean-up and reinstatement. 37 applications were paid, totalling more than \$2 million (as at 30 June 2022).

Additional support for businesses

Revenue NSW assisted Service NSW and other government agencies to process grants and relief payments on several targeted regional and sector recovery programs to support communities impacted by flooding. Revenue NSW has paid almost 700 Disaster Recovery Grants with a value of almost \$6 million. Revenue NSW also paused debt recovery activities for people impacted by floods.

Regulatory response

In March 2022 SafeWork commenced activities in the Northern Rivers region, providing advice, relevant resources and promoting the \$1000 small business rebate.

Following the community volunteers clean up, there was a significant increase in businesses undertaking high risk work activities, including licensed asbestos removal, electrical work, working at heights, mobile plant, and demolition. SafeWork commenced asbestos removal and demolition verifications and conducted 47 asbestos verification visits and issued 12 notices. This targeted presence also provided visibility across other high-risk issues.

Registration certificates

The NSW Registry of Births Deaths and Marriages issued 5865 free certificates for people affected by the NSW floods in early 2022. A further 153 free certificates were issued to people affected by the floods that occurred in Queensland during the same period.

Telecommunications

The NSW Telco Authority played a crucial role supporting the flood recovery response. Staff from the Operations and Emergency Management team provided 46 days of 24/7 support during the flood and recovery operations, working with telecommunications carriers, Emergency Services Organisations, the Australian Defence Force, and energy providers to help restore mobile, landline and internet services by carriers.

Liaison Officers were also deployed to the State Emergency Operations Centre, the Regional Emergency Operations Centre in Coffs Harbour and to the recovery response in Lismore. An additional 15 non-operational staff worked on the ground in Northern NSW, Londonderry and Wisemans Ferry with others deployed to Disaster Recovery Centres.

¹ These figures do not include an additional \$40,681,581 paid in February 2021 under the Flood Recovery Grant (2,654 claims paid).

Supporting NSW through natural disasters and state emergencies

The Public Safety Network remained operational and stable during the floods with no significant outages. During the height of the floods between 26 February and 4 April 2022, the network managed 4.3 million calls.

Campaigns and communications

DCS provided flood communications support across government including:

- chairing the cross-government Communications and Engagement Subcommittee to share data, statistics and customer insights
- leading a multi-channel communications approach to support flood affected communities and government agencies on the ground, giving consideration to communities cut off by road access and technology and reaching individuals, businesses, farmers, primary producers, Aboriginal communities, and non-English speaking communities
- disseminating key messages through a number of channels including media releases, radio live reads, social media, Member of Parliament/stakeholder toolkits, factsheets, electronic direct mail and posters
- providing communications support to agencies on the ground including Service NSW Centres, Disaster Recovery Centres and Emergency Evacuation Centres
- organising and promoting a series of Northern Rivers Grant Support Sessions that gave customers access to all government services to fast track their grant applications.

COVID-19 response and recovery

In 2021-22, DCS continued to support the state's COVID-19 response, which has an ongoing impact on the people of NSW and continues to shape the work of the department.

Service NSW

Service NSW continued to play a critical role in supporting NSW communities during the COVID-19 pandemic. During 2021-22, Service NSW received over 1.7 million calls to its dedicated 24/7 COVID-19 hotline and over 3800 enquiries through its COVID-19 live chat tool.

Through these support services, individuals and businesses across NSW were provided the latest information and advice to help them understand the current rules and restrictions, as well as available support. In response to a new COVID-19 outbreak in June 2021 and new stay-at-home orders for Greater Sydney, Service NSW continued to provide essential services across its network.

Service NSW has also continued to support the response to the COVID-19 pandemic by collaborating with agencies including NSW Treasury and NSW Health to deliver grants, payments and vouchers to support businesses and the community. Community support included:

Test and Isolate Payments – one-off payment of \$320 to eligible NSW workers who needed to self-isolate and lost income while waiting for their COVID-19 PCR test result. There were 288,855 applications paid, totalling \$92.43 million.

Stay NSW Vouchers – provided support for accommodation providers. NSW residents aged 18 and over can apply for one \$50 voucher to use towards the cost of accommodation bookings. As at 30 June 2022, 357,008 vouchers were redeemed, which injected \$17.83 million into the economy directly from voucher usage only.

Parents NSW Vouchers – were used to reward and thank eligible NSW households for their efforts to support learning from home in 2021. From February 2022, one person from each eligible household can apply for five \$50 vouchers, worth \$250 in total. As at 30 June 2022, 1.2 million were vouchers redeemed, which injected \$61.17 million into the economy directly from voucher usage only.

Supporting NSW through natural disasters and state emergencies

Dine & Discover NSW Vouchers – allowed all NSW residents aged 18 and over to apply for two \$25 Dine NSW vouchers to be used for dining and two \$25 Discover NSW vouchers to be used for entertainment and recreation. As of 30 June 2022, over 23 million vouchers were redeemed, with a total value of more than \$586 million¹, and a total spend of over \$977 million. On average 43,000 vouchers were redeemed daily. In the last week of the program, there was an increase of 800%, and in the last two days 685,721 and 1.2 million vouchers were redeemed respectively.

Before and After School Vouchers – families with children aged 4 to 13 years who attend a primary school in NSW can receive one \$500 voucher per child to reduce the out-of-pocket costs of before and after school care. In 2021-22, 150,357 vouchers were redeemed, which injected \$75.17 million² into the economy directly from voucher usage only.

First Lap Swim Vouchers – parents, guardians and carers of children aged 3 to 6 years who are not enrolled in school, can apply for one \$100 voucher to contribute towards the cost of swimming lessons. The program was extended in 2021-22 to include children in kindergarten in 2021 and children starting kindergarten in 2022, who missed out on vital water safety education during their preschool years due to COVID-19 restrictions. In 2021-22, 155,048 vouchers were redeemed, which injected \$15.5 million into the economy directly from voucher usage only.

¹ Over 23.7 million Dine & Discover NSW Vouchers have been redeemed, with a total value of over \$586 million. A total of \$362,669,943 was paid for Dine & Discover NSW in 2021-22, which is different to the \$306.9 million in payments reported in the Service NSW financial statements. As a voucher program, there was a delay between customers redeeming vouchers up to 30 June 2022 and participating businesses being paid after 30 June 2022 for voucher redemptions, bringing the total to \$362,669,943.

² The \$75,178,500 total value of Before and After School Care Vouchers redeemed captures vouchers redeemed from 1 July 2021 to 30 June 2022. This is different from the Service NSW financial statements which discloses payments from 1 July 2021 to 30 June 2022. As a voucher program, there was a delay between customers redeeming vouchers up to 30 June 2022 and participating businesses being paid for voucher redemptions.

Service NSW for Business

Service NSW has continued to support the response to the COVID-19 pandemic during this past year to assist businesses. This included:

Export Assistance Grant – payments of up to \$10,000 to support NSW exporters access global markets and targeted businesses that were impacted by bushfires, drought and COVID-19. The export assistance grant program opened on 18 August 2020 and closed on 23 February 2022. As of 30 June 2022, 571 claims were paid, totalling \$4.7 million.

Jobsaver Grant – to help businesses maintain their employee headcount, covering the period from 18 July 2021 to the end of the lockdown restrictions on 18 October 2021 for mainstream business customers and 15 November 2021 for not-for-profit organisations. Eligible businesses and not-for-profit organisations with employees received fortnightly payments equivalent to 40% of weekly payroll for work performed in NSW (minimum payment: \$1500 per week, and maximum payment: \$100,000 per week). Over 1.6 million claims were paid as of 30 June 2022, totalling \$7.4 billion.

2021 Micro-business Grant – provided cash flow support for businesses with an aggregated turnover between \$30,000 and \$75,000 in NSW who experienced a decline in turnover of 30% or more due to the impact of the Public Health Orders, while continuing to incur costs. Payments of \$1500 were made fortnightly reducing to \$750 from 30 October 2021 (two weeks after NSW reached 80% double vaccination). Service NSW paid \$780.7 million in claims to 62,965 Micro-business customers as of 30 June 2022.

Small Business Fees and Charges Rebate – assisted small businesses, sole traders and not-for-profit organisations to recover from the impacts of COVID-19 and encourage growth by reducing the cost of running their business. Businesses could apply to receive a digital voucher that could be redeemed for payment of rebates (up to a total value of \$3000) for over 150 NSW Government fees and charges, certain road tolls incurred on NSW roads, and up to 50% of the cost of COVID-19 Rapid Antigen Tests (for employing businesses). Service NSW paid \$191.2 million in claims to 117,131 businesses as of 30 June 2022.

Supporting NSW through natural disasters and state emergencies

Help with fees and taxes

Revenue NSW partnered with Service NSW to provide both stimulus and support measures to individuals, businesses and the wider community. These measures supported businesses and property landlords to keep services available within the community and enabled financial relief to those directly impacted by a downturn in employment or loss of customer traffic.

This significant and rapid increase in services and support to the community required a substantial temporary redeployment of staff to assist stakeholders effectively. Revenue NSW redeployed over 500 staff to this important work. The following programs were delivered:

Land Tax relief measures/Residential tenancy support package – introduced to assist landlords and tenants, which included a freeze on evictions for rental arrears for eligible tenants impacted by COVID-19 from 14 July 2021 to 11 November 2021.

Financial support was also introduced, including land tax rebates for residential landlords who provide rental relief to their tenants, or a payment of up to \$4500 per tenancy agreement to offset rent reductions, where a tenant's household income had decreased by 25% or more. Applications for residential tenancy support payments closed on 31 December 2021 with over 23,000 applications equating to more than \$57 million paid towards impacted tenants.

Payroll Tax relief measures - several different payroll tax relief measures were offered to assist businesses. This included deferral of annual and monthly returns, 12 months interest free payment plans for deferred payments and a 50% reduction of the 2021-22 tax liability for eligible customers who had experienced a 30% decline in turnover.

Quarantine fees - Revenue NSW facilitated cross-agency collaboration with the NSW Police Force, NSW Health, the Department of Premier and Cabinet, and NSW Treasury for the collection of quarantine fees. Revenue NSW has collected a total of \$116.9 million for the 2021-22 financial year and continues to seek outstanding payments.

Regulatory response

As part of the NSW Government response to the COVID-19 pandemic, the Better Regulation Division (BRD) helped the business community understand their obligations under the Public Health Orders. BRD has also taken strong enforcement action against harmful offences and repeat offenders. Inspectors from across BRD have been routinely deployed throughout NSW to provide frontline education, advisory and compliance services. This important work has contributed to the overall safety of the NSW.

BRD's compliance approach was flexible and adaptive during 2021-22, balancing both education and compliance as COVID-19 case numbers fluctuated. In BRD, 469 inspectors conducted more than 16,000 visits to businesses to undertake inspections and provide advice to ensure compliance with Public Health Orders. Of these businesses, 90% were compliant with the Public Health Orders. Forty penalty notices and more than 280 written warnings were issued.

Supporting NSW through natural disasters and state emergencies

Liquor and Gaming¹

Liquor and Gaming NSW has undertaken a wide range of initiatives to assist liquor and gaming businesses during the COVID-19 pandemic, with targeted strategies to help businesses survive the pandemic and transition back to normal trading once the crisis eased. These initiatives include:

- extending the date by which licensees need to pay their 2022 annual liquor licence fees to 30 September 2022, which is an additional four months to make the payment, or to apply for fee waivers if they are facing financial hardship
- allowing takeaway alcohol to be sold and delivered by licensed restaurants, cafes and small bars during the existing trading hours specified on their licence. Streamlined processes to allow venues to temporarily expand their licensed boundaries outdoors
- deferring club and hotel gaming related payments such as the Community Benefit Payments to the Responsible Gambling Fund, gaming machine lease levy payments by clubs and hotels to the Responsible Gambling Fund, and statutory payments for expired gaming machine tickets to the Community Development Fund on request
- providing free refresher training courses to those with a 'Responsible Service of Alcohol' (RSA) or 'Responsible Conduct of Gambling' (RCG) competency card to encourage former hospitality workers to return to the sector. As at 30 June 2022, 21,189 RSA competencies and 10,084 RCG competencies have been refreshed under this program.

Telecommunications

To support the whole of government response, the NSW Telco Authority provided liaison officers to the State Emergency Operations Centre and the Dubbo Regional Operations Centre. Liaison officers worked with NSW Health, the Commonwealth Department of Defence and carriers to ensure telecommunications infrastructure remained stable.

NSW Telco Authority also worked with other jurisdictions on travel restrictions and advocated on behalf of industry to allow cross-border movement of essential workers. The team assisted Service NSW to process around 5000 travel exemption requests and cross border permits from members of the telecommunications and broadcasting industries.

Data

Since the start of the COVID-19 pandemic, DCS has used data and behavioural insights to understand the COVID-19 situation in NSW, to communicate with the community and to inform key policy decisions in response to COVID-19.

To keep the community informed, the NSW Data Analytics Centre created citizen-facing visualisations on nsw.gov.au focused on infection, testing and vaccination. These images, informed by behavioural insights, allowed people to see where infection was spreading, and where testing and vaccination was taking place.

Spatial Services has supported the state's emergency response to recent weather events and biodiversity risks, remotely and through multiple simultaneous deployments to the Biosecurity State Coordination Centre in Orange, and the State Emergency Operations Centre.

The Spatial Services Emergency Information Coordination Unit delivers event planning, spatial data, location analysis and recovery support services to the emergency management sector as well as off-site support to the State Emergency Operations Centre.

Through NSW Point, the team also supported the tracking of Border Zone Permits, Border Zone Dashboard, and delivery of the Small Business Grant and Dine & Discover NSW Vouchers. Several Spatial Services teams worked closely with Service NSW and DCS more broadly to ensure these COVID-19 related forms could be implemented quickly and remain stable, often with short notice before their launch.

The NSW Data Analytics Centre has drawn on the approach used to inform insights into the economic and social impacts of COVID-19, and used similar data sources to estimate demand for temporary 'pod' accommodation following the floods in Northern NSW in early 2022.

¹ Liquor and Gaming NSW, Office of Responsible Gambling, Office of Racing (and related entities including the Independent Liquor and Gaming Authority and Greyhound Welfare and Integrity Commission) transferred to the newly formed Department of Enterprise, Investment and Trade (DEIT) on 1 April 2022. Reporting for the period 1 April 2022 to 30 June 2022 can be found in the DEIT annual report 2021-22.

Supporting NSW through natural disasters and state emergencies

Campaigns and communications

DCS implemented continuous COVID-19 campaigns and communications to both citizens and businesses across the state.

This year's campaigns focused on the NSW Government's recovery support for citizens and businesses to assist NSW in moving forward. DCS partnered closely with NSW Health, Multicultural NSW, and other government and non-government organisations throughout all COVID-19 campaigns to ensure the critical messages were effectively delivered via trusted and diverse community voices.

All campaign activity was supported by other communication channels. Tailored stakeholder communications targeted to specific industries and regular emails to five million NSW customers and 1.2 million NSW businesses provided the latest advice, guidance and regulations to help NSW stay safe during the COVID-19 pandemic. With restrictions regularly changing, nsw.gov.au was home to all the latest COVID-19 information for individuals and business owners.

Behavioural Insights

Insights into the social and economic impacts of COVID-19 were compiled and provided where needed on COVID-19 and Economic Recovery, including on customer sentiment, needs and attitudes towards the COVID-19 situation, and on the health and needs of NSW businesses.

Behavioural insights were used to assist the NSW Government COVID-19 campaigns and were made available across all clusters and key non-government organisations to address COVID-19 behavioural challenges. Assistance provided by the Behavioural Insights Unit included:

- testing campaign messages to encourage COVID safe behaviours across different demographics, such as mask wearing, social distancing and vaccinations
- identifying the behavioural barriers which prevented the adoption of COVID safe behaviours.

DCS workplace response

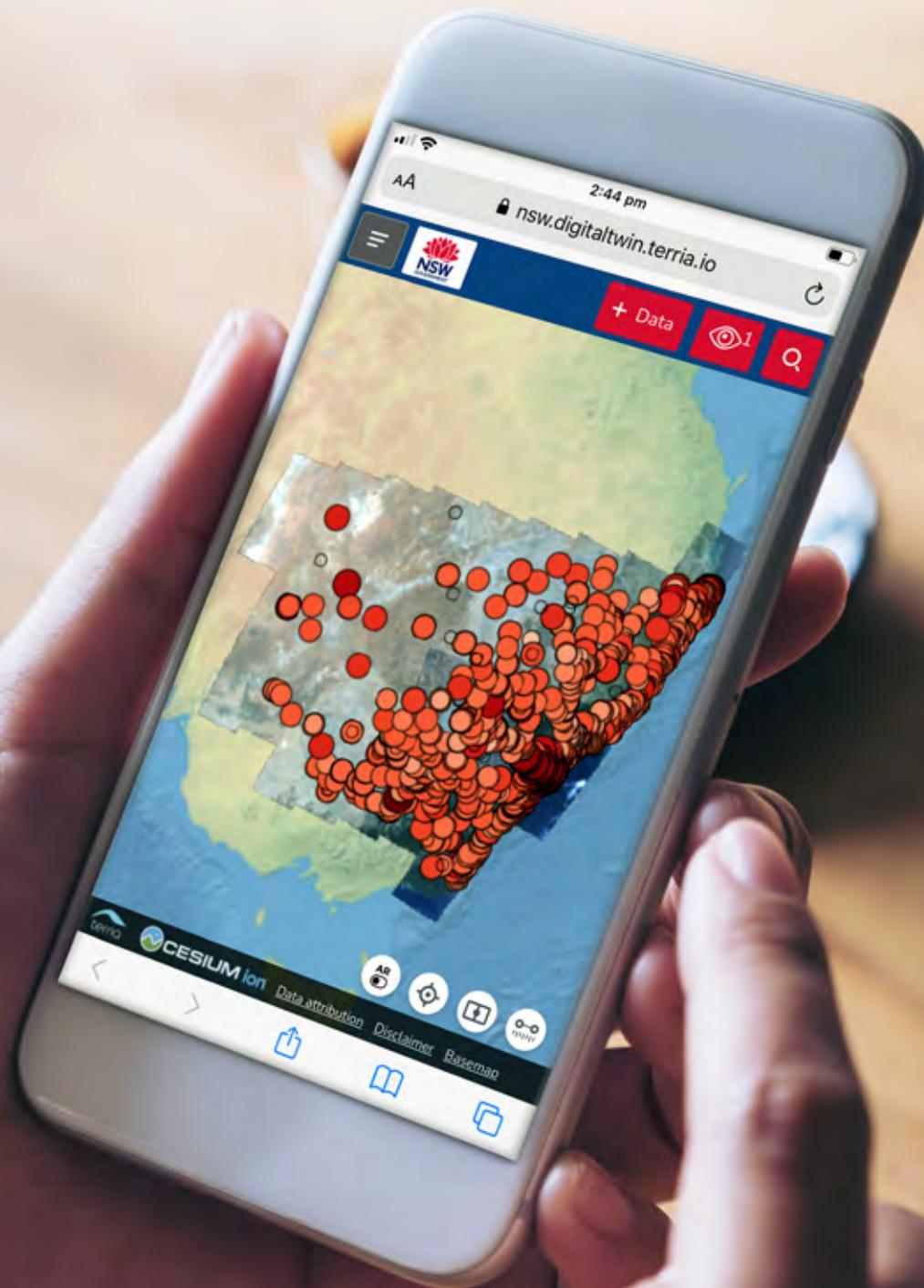
The ongoing DCS workplace response to the COVID-19 pandemic, led by Corporate Services and People and Culture, continues to focus on the safety of DCS customers and staff.

New measures have been put in place through the Healthy Hybrid Habits program to reimagine and support flexible ways of working that balance the needs of individuals, teams and the department to deliver great customer outcomes. The program has leveraged the effective remote working environment, while also supporting staff to return to our workplaces in a COVID safe way.

To ensure business continuity and a safe and inclusive environment, a range of resources and support measures have been implemented throughout the pandemic. This includes:

- providing safety equipment and implementing Rapid Antigen Testing for some frontline staff, based on a risk assessment of roles and work environment
- introducing a mandatory COVID-19 Vaccination Policy (with support from People and Culture Hypercare team) to protect our staff and customers after extensive risk assessments and consultation, in line with the advice at the time from NSW Health and our responsibility under work health and safety legislation to provide a safe place to work (from 1 July 2022, mandatory vaccination will no longer be required)
- developing an Illness Prevention Program aimed at encouraging behaviours that limit transmission of seasonal illnesses, and supported by a Flu Vaccination Program
- providing a dedicated COVID-19 Information Hub for employees to access key information on hygiene, travel and illness prevention, flexible working and leave arrangements, IT support as well as mental health and wellbeing information
- making pandemic special leave available in situations where staff may need to isolate, cannot access their workplace or when childcare arrangements have been impacted.

3. Our Lighthouse projects



Our Lighthouse projects

During 2021-22, DCS led seven significant whole of government projects known as DCS Lighthouse projects. These include:

	Lead division	Description	Customer impact
NSW Digital Identity and Verifiable Credentials Program	Digital NSW	Deliver a sustainable and scalable Digital Identity and Credential Sharing ecosystem for NSW and establish IDSupport NSW.	Customers have access to new and more efficient, trusted, private and secure digital services across the entire NSW economy.
Government Made Easy and Life Journeys	Customer, Transformation & Delivery	Deliver the Premier's Priority to increase the number of 'Tell us Once' services; and streamline customer journeys.	Reduced time and effort for customers, increased engagement and trust for better customer outcomes.
Digital Restart Fund	Digital NSW	Fund and accelerate digital transformation to quickly deliver service improvements for all customers.	Funding digital transformation, ICT infrastructure and cyber capability uplift.
Licensing and e.Regulation	Better Regulation Division	Deliver customer improvements along the whole journey and consolidate all licencing work under one program.	End-to-end digital licence journeys for individuals and business. Simpler compliance, easier applications, better experience.
Service NSW for Business	Service NSW	Provide one front door for business across three levels of government.	Make NSW the easiest state for small business to start, run, adapt and prosper.
Critical Communications Enhancement Program	NSW Telco Authority	Expand the Government Radio Network to build a Public Safety Network for emergency service officers and frontline responders.	Safer and better protected communities through an expanded and enhanced Public Safety Network
One Customer Experience (OneCX)	Customer, Delivery & Transformation	Consolidate 500 websites across government into one easy-to-use nsw.gov.au	One single source of government information that is timely, accurate and easy to navigate to find what I need.

Introduced as part of the *DCS Connect Strategy 2020-23*, our Lighthouse projects have become a core part of the work DCS delivers. True collaboration is the hallmark of these projects, involving teams across the department, whole of government delivery with multiple agencies and clusters, and partnering across state and federal government and industry.

Since their introduction, the role of these projects in delivering significant customer value has been recognised.

The highlights and achievements of DCS Lighthouse projects during 2021-22 follow.

NSW Digital Identity and Verifiable Credentials Program

Project lead: Digital.NSW

Key collaborators:

Transport for NSW
Department of Education
NSW Treasury
Department of Planning and Environment
Department of Premier and Cabinet
Stronger Communities
NSW Health
Information and Privacy Commission NSW
Births Deaths and Marriages

Co-funded through the Digital Restart Fund, the Digital Identity & Verifiable Credentials (DI&VC) Program will develop a series of pilot verifiable credential and digital identity related products to make it easier for people to conduct everyday tasks, such as access government services, open a bank account, buy a phone, start a new job, prove their age or enrol to study.

At the same time, the DI&VC Program will implement initiatives and infrastructure to ensure the digital integrity of data and information used for identification and certifications by NSW residents. This enables NSW to take a leading position in the national conversation regarding digital identity and verifiable credentials.

Citizens in NSW are already on the path toward digital interactions that require identity verification and data sharing. This trend has increased in recent years with strong uptake across NSW. As at 30 June 2022 there were:

- 8.7 million MyServiceNSW Account users
- 4.8 million total Service NSW app users
- 1.39 billion COVID Safe Check-ins
- over 4.1 million drivers now opting in to carry a digital version of their driver licence
- \$684 million¹ in vouchers redeemed.

As such the NSW Government has developed a 'NSW Identity Strategy' and a key pillar of this strategy is for the government to act as a digital identity provider. The DI&VC Program is the key enabler of this whole of government digital strategy and will ensure customers can easily and safely:

- prove who they claim to be
- prove what they are entitled to, or what they have achieved
- digitally share a set of identity or credential attributes with whoever they choose.

This will not only benefit people, businesses and government, but also enable further growth in digital start-up companies to participate in a growing digital economy in NSW.

The DI&VC Program has commenced with an opt-in approach. The key purpose is to enhance choice for our customers. This is in line with the priorities of the NSW Identity Strategy to enable inclusion and access for all citizens across NSW.

¹ This figure is different from figure reported in the Service NSW financial statements, due to the value of the voucher being more than the value of the product or service it was redeemed for.

Our Lighthouse projects

Government Made Easy and Life Journeys

Project lead: Customer, Delivery and Transformation (CDT)

Key collaborators:

Department of Premier and Cabinet
NSW Treasury
Department of Planning and Environment
Transport for NSW
NSW Health
Department of Education
Stronger Communities
Department of Regional NSW

Government Made Easy

The Government Made Easy Program is dedicated to making customer interactions with government easier. The team has worked in partnership with all 10 government clusters to uplift and embed best practice customer service across the NSW public sector.

As at 30 June 2022, the program has delivered its target of 60 'tell us once' services, one year ahead of schedule and has exceeded the target of 5 million unique customer interactions. The program will continue into next year on a range of work from producing journey maps to inform government programs, to playing an advisory role across major projects.

The projected time saved by customers as a result of changes to services is 200+ years, forecasted over a five year period. Converted through cost analysis, this is around \$43 million saved by customers.

Examples of the services delivered this year include:

Westmead Antenatal Clinic – supported NSW Health to improve their customer experience, with initiatives from piloting an in-language parent education program, to procuring more comfortable chairs for a better waiting experience for patients.

Stay NSW Vouchers – the program provides one \$50 voucher to customers to redeem at eligible accommodation (part of the Dine & Discover NSW program). They can apply via their MyServiceNSW Account with previously validated and saved proof of identification (POI).

Enrolment Hub – parents and carers can enrol children into a NSW public school online, including digital POI via Service NSW federated login. Utilising the prefill and save option saves customers time and effort.

Digital Renewal Notice (vehicle only) – providing customers with a choice to receive their Digital Renewal Notices through their MyServiceNSW Account. Customers can easily manage preferences, and view and update their details.

Our Lighthouse projects

Government Made Easy and Life Journeys

Project lead: Customer, Delivery and Transformation (CDT)

Key collaborators:

Department of Premier and Cabinet
NSW Treasury
Department of Planning and Environment
Transport for NSW
NSW Health
Department of Education
Stronger Communities
Department of Regional NSW

Life Journeys

CDT also leads the Life Journeys Program, partnering with other government agencies and working with customers to simplify, streamline and connect services and information that support positive outcomes across major life events. Life Journeys focuses on journeys that are multi-faceted and complex, where engagement is high and contains multiple government touchpoints. Some examples include:

End of Life Planner – gets customers started easily and effectively on making a will and putting end of life plans in place. Customers can list assets, prepare documents, and set up an appointment with the NSW Trustee and Guardian to complete the process.

Life Administrator – is a set of digital customer experiences (digital co-pilot) in a single, central location that provides personalised support for customers interacting with government during significant life events. Life Administrator will reduce steps and prompt outcomes (with consent), to simplify complex processes and assist customers when they need it at various stages of their life journey.

Brighter Beginnings – this journey aims to improve the experience of parents and families when accessing government services within the first 2000 days of a child's life.

Life Events Navigators – a suite of 25 'navigators' on nsw.gov.au that give customers a more targeted experience, supporting them to find the information or services they need more efficiently, and providing a more connected and seamless journey for the customer across identified major life events.

Digital Restart Fund

Project lead: Digital.NSW

Key collaborators:

Department of Premier and Cabinet

NSW Treasury

Department of Planning and Environment

Transport for NSW

Department of Education

NSW Health

Stronger Communities

Department of Regional NSW

Information and Privacy Commission NSW

The NSW Government Digital Restart Fund (DRF) is the single largest government reform for accelerating digital transformation and growth in NSW, stimulating the economy, driving productivity growth and supporting regional communities. The DRF funds iterative, multi-disciplinary approaches to planning, designing and developing digital products and services in NSW. It encourages projects that use modern methodology and foster customer-driven business transformation and collaboration across the NSW Government Sector.

The DRF was established under the *Digital Restart Fund Act 2020*. A standalone annual report will be published on Digital.NSW.gov.au by December 2022.

The DRF is driving reform through fast, iterative funding to ensure our customers benefit from multiple new and innovative digital products and services, to improve customers' lives and increase government productivity.

The DRF's 2021-22 highlights include:

- a total of 107 projects funded through the DRF (243 DRF projects funded since it was established in August 2020)
- students and teachers of rural, remote, and regional NSW benefit through the Rural Access Gap, impacting 16,000 teaching staff, 217,000 students and 6500 administration support staff across 1003 schools
- 20,000 devices for students, 13,000 devices for teachers and more than 6000 smart boards delivered across regional and remote areas of NSW
- digitising industrial plant registrations delivers significant time savings for businesses and is expected to contribute an estimated \$1 million and 3600 workdays to the NSW economy every month.

Since the DRF was established:

- over \$1.8 billion has been allocated to date for projects that meet the eligibility criteria
- \$278.15 million has been approved from the total \$315 million Cyber Security reservation to accelerate and uplift capability in NSW Government
- \$42.14 million has been approved from the \$45 million Smart Places reservation to accelerate the development of smart places across NSW
- \$367 million has been committed for regional investment through Department of Education's Rural Access Gap program.

Licensing and e.Regulation

Project lead: Digital.NSW

Key collaborators:

Better Regulation Division
Service NSW

The e.Regulation strategy for DCS is creating easy and secure digital licensing and regulatory experiences for customers and businesses. The Licensing and Complaints, Compliance and Enforcement Programs are strategically aligned through new digital case management platforms, called Licence.NSW and Regulation.NSW. They are both built on the AMANDA solution, which is used extensively internationally and is the first time this commercial software product has been implemented in Australia. The Licence.NSW and Regulation.NSW platforms seamlessly integrate with Service NSW and other services to streamline and improve the customer experience across the end-to-end regulatory landscape.

Licensing Program

The Licensing Program is a \$173 million multi-year program, majority funded by the Digital Restart Fund (DRF), to create digital end-to-end licensing journeys for customers through the Licence.NSW platform. This means making it easier to apply, renew and use licences in NSW.

Application and renewal processes are being digitised, incorporating identity verification, an integrated payment engine and automated processes, which for some customers already provides immediate licence approval. The program is projected to generate over \$600 million in economic benefits over 10 years.

More than 130 industry or occupational licence and permits will be available digitally by the end of 2024. Over \$4.6 million of benefits were realised in 2021-22 across several industries.

In 2021-22 the Licensing Program delivered:

- 13 product releases for customers, along with 19 internal regulator product releases to support licensing management
- more than 232,000 digital trade licence downloads onto customers' phones
- more than 9800 Service NSW Centre visits avoided, with these transactions assessed and processed through the new Licence.NSW platform
- 43,000 days contributed to the NSW economy through time savings in licence application processes
- 37 integrated services created for Licence.NSW to enable quicker, easier transactions.

Our Lighthouse projects

Licensing and e.Regulation

Project lead: Digital.NSW

Key collaborators:

Better Regulation Division
Service NSW

Complaints, Compliance and Enforcement Program

The Complaints, Compliance and Enforcement (CCE) Program is providing digitally enhanced compliance and enforcement integrated solutions. The capability uplift for NSW regulators through these digital tools enables modern, proactive, risk-based regulatory practices.

Achievements for the CCE Program include:

- more than 16,000 licences saved in the Licence Manager tool of the Service NSW Business Profile, enabling businesses to proactively keep track of tradesperson and real estate licences for employees and subcontractors
- 2 critical proofs of concept for Regulation.NSW and delivery of a customer complaints form for the automotive sector with just under 900 online lodgements in a period of around 2 months
- 7 data dashboard products that enable Fair Trading and SafeWork regulators to have a single view of business and industry sectors, targeting regulator time and resources on data-driven decision-making opportunities.

A further \$38.8 million will build end-to-end regulatory management for Fair Trading and will increase features in the Service NSW Business Profile.

The remaining \$83.77 million costs for the total CCE Program will be secured through future budget processes to realise the projected \$608 million in economic benefits over 10 years, and to ensure these digital regulator tools are available across the sector.

Our Lighthouse projects

Service NSW for Business

Project lead: Service NSW

Key collaborators:

Department of Premier and Cabinet
NSW Treasury
Department of Planning and Environment
Department of Education
Stronger Communities
Department of Regional NSW

Service NSW for Business provides free, personalised support for NSW businesses to start, run, grow, adapt and recover in times of change. Throughout the year, Service NSW for Business continued and expanded support for businesses through its 'one front door' approach, helping businesses access a range of NSW Government support and services.

They delivered significant support through an omni-channel service approach, which includes:

- a team of dedicated Business Concierges offering one-on-one case management and support over the phone, via email and in person
- a digital Business Profile to make it faster and easier to transact with the NSW Government
- online business information hubs outlining a range of support and resources, including dedicated COVID-19, and storm and flood information.

On 1 April 2022, Business Connect joined Service NSW for Business. Business Connect provides business customers with access to professional, independent advisors, as well as events, webinars and resources, to support business customers. The program complements the existing Service NSW for Business support and provides businesses with tailored business advice on matters such as business planning, cashflow management, marketing and digital tools.

Digital Business Profile

The digital Business Profile is another key offering that makes it faster and easier for businesses to transact with the NSW Government. A Business Profile can be used to store business details, apply for rebates, grants and other financial support, complete and track the progress of government transactions, and manage regulatory obligations, such as licences and permits – all in one secure place. This year, Service NSW for Business reached a milestone of 500,000 Business Profiles across NSW and launched some exciting new features of the digital tool.

Critical Communications Enhancement Program

Project lead: NSW Telco Authority

Key collaborators

Department of Planning and Environment
Stronger Communities

The Critical Communications Enhancement Program (CCEP) will deliver a single, interoperable network for Emergency Services Organisations to communicate with each other and coordinate responses to critical incidents and disasters.

Once complete, the Public Safety Network will feature over 675 sites, providing coverage across 85% of NSW and reach 99.7% of the state's population. Prior to the commencement of the program, NSW land coverage was less than approximately 31%, and reached 86% of the state's population.

During 2021-22, 87 new sites were added to the network, taking the total number of sites delivered to date under CCEP to 254.

With NSW covering around 801,000 square kilometres, much of it rugged terrain, the CCEP has grown the network's coverage by more than 16,000 square kilometres in the past 12 months to help Emergency Services Organisations keep people and places safe.

Our Lighthouse projects

One Customer Experience (OneCX)

Project lead: Customer, Delivery and Transformation

Key collaborators:

Department of Premier and Cabinet
NSW Treasury
Department of Planning and Environment
Transport for NSW
NSW Health
Department of Education
Stronger Communities
Department of Regional NSW

In line with the Premier's Priority of 'putting the customer at the centre', the OneCX program aims to create a better customer-centric digital experience for people interacting with the NSW Government, by designing content based on customer needs.

This whole of government strategy will see content migration from 500 websites across government, each with their own design, user experience and technology platforms, to transform customer information into one single source: nsw.gov.au. In doing so, we will create a consistent, world-class customer experience by ensuring agency content is accessible, written in plain English and deliver digital capability uplift across government.

With more content on nsw.gov.au, the customer can find information quickly and in one location. Customers will no longer need to work out what issue sits with which agency, as they can search by issue and easily access all relevant information.

In 2021-22:

People visiting nsw.gov.au increased **86%** to 67 million users compared with 36 million users the previous financial year

199 new platform features were released to enhance the customer experience on the website

Phase 1 of the Grants and funding finder was launched, with more than **300** grants now listed across 24 agencies

28 government websites were migrated to nsw.gov.au

848 staff were trained on Drupal and Google Analytics from across 26 agencies

4. Other highlights and achievements



Other highlights and achievements

Many of our highlights are known as Greenhouse projects, which are signature divisional level projects which deliver significant customer value.

Greenhouse projects are identified within this chapter using this symbol 

Better Regulation Division

The Better Regulation Division (BRD) delivers regulatory leadership and activities to innovate, protect and regulate for fair, secure and efficient markets.

In 2021-22, BRD also led or was co-lead on six significant Greenhouse projects under the *DCS Connect Strategy 2020-23*.

Innovate

Automatic Mutual Recognition

Delivery of the Automatic Mutual Recognition legislative model achieved automatic licence recognition between NSW and other Australian jurisdictions to make it easier for occupational licence holders to work across jurisdictions, without needing to reapply for licences when crossing state lines.

Regulatory Qualifications Review

BRD improved the management of regulatory qualifications, ensuring new licence applicants and Registered Training Organisations have timely and clear information on the regulatory qualification requirements for BRD licensing. A total of 238 licence and permit categories across three regulators and 2000 qualifications and units of competency were reviewed and updated. A specialist regulatory qualifications team was also appointed as a single point of contact for key NSW Vocational Education and Training sector stakeholders and regulatory officers.

Paintball Marker Safety

The development of Paintball Marker Safety Training to replace the NSW Police Long Firearms Course led to the development of a new training platform and reduced time and cost for applicants, from a four week wait and \$200 cost, down to a 30-minute completion time and \$71.50 cost. Paintball licence applications have subsequently increased by 178%.

Retail Bonds onboarding project

NSW Rental Bonds completed Stage 1 of the Retail Bonds onboarding project with the successful migration of the Small Business Commissioner 'WeAgree' system to the Rental Bonds System. This added over 30,500 bonds valued at over \$225 million into the Rental Bond System.

Other highlights and achievements

Long Service Portal

A new Long Service Levy Portal and customer relationship management system for the building and construction industry went live. The new system makes it easier for customers who pay a levy each year to manage their payments and transactions, with self-service capability, a personalised dashboard and more ways to pay. This helps us manage our 65,000 customer accounts better and protect data more securely.

TestSafe Australia

Our testing facilities in NSW have over 50 years of experience delivering thorough and rigorous testing services such as analysis of chemical exposure, mechanical and electrical testing. After the closure of an external testing laboratory, TestSafe took responsibility for more than 145 product safety certificates. This prevented disruption to 25 manufacturing businesses, ensuring they could continue operations.

Centre for Work Health and Safety

The Centre for Work Health and Safety leverages cutting-edge research and data to create awareness, suggest smarter approaches and bring about behavioural change in work health and safety in NSW. In 2021-22, the Centre:

Delivered the Air XS device in partnership with UK-based technology innovators Trolex Sensors. This device is a world-first in silica detection, accurately monitoring silica dust levels in real time to help protect workers from developing major, potentially fatal, health conditions, including the lung-disease silicosis.

Launched the Centre for Work Health and Safety Academic Studies Program to develop the next generation of WHS practitioners. The program invests in students and their research to enable them to tackle WHS problems that will improve the lives of NSW workers, grow our economy, generate new knowledge in harm prevention and better regulation, and increase the WHS professionalism of corporate Australia.

Released a crowdsourcing campaign seeking partnerships with developers, innovators and product owners towards the development of harm prevention solutions. We have awarded four development partnerships, with the potential of producing tangible products and tools that can prevent harm in the workplace.

Protect

Transforming the building and construction industry



BRD partners with and supports the Office of the Building Commissioner to implement the NSW Government building industry reforms and restore confidence in the residential apartment building industry.

Key 2021-22 achievements include:

- assessed and approved 7554 Design Practitioner, Building Practitioner, Principal Design Practitioner and Professional Engineer registrations
- commenced the building work levy under the *Residential Apartment Buildings (Compliance and Enforcement Powers) Act 2020*. This supports the building legislative reform program to address seriously defective and non-compliant building work in current and future buildings and construction work
- collaborated with the Office of the Building Commissioner and Department of Planning and Environment to develop the workflows and processes within the NSW Planning Portal to support developers and practitioners to comply with their obligations under the *Residential Apartment Buildings (Compliance and Enforcement Powers) Act 2020* and the *Design and Building Practitioners Act 2020*
- conducted 81 audits of newly constructed apartment buildings across NSW to ensure compliance with standards and codes. From these audits, 31 orders (including stop work and rectification orders) were issued.

Mentally healthy workplaces media campaign and communication

As part of SafeWork's Mentally Healthy Workplaces Strategy 2018-22, several campaigns were undertaken to raise awareness for mental health in the workplace. These included 'Mental health matters to me', Sydney Football Club Campaign, and a regional NSW communication focus urging employers to use the free business coaching to improve workplace culture. In August 2021, a refreshed Mental Health at Work website was launched on nsw.gov.au. The website is a self-service hub with practical resources to help create mentally healthy workplaces and has received 633,552 unique website views to date.

Other highlights and achievements

BRD sponsorship program implementation

BRD provides sponsorship from \$2000 to \$25,000 to help organisations deliver activities and events that promote workplace health and safety and customer protection. The new program improves on previous arrangements by centralising and digitising the process to ensure better consistency and transparency. The program paid 35 sponsorships with a value of \$453,000.

Food delivery rider safety

The Food Delivery Industry involves the ordering and delivery of food and drinks from restaurants and other food providers to members of the public by workers who transport food using a car, bicycle, motor scooter or motorbike. Achievements include the implementation of an agreed Industry Action Plan with 82 actions to improve safety. These are implemented by food delivery platforms, rider factsheets in multiple languages, and guidance for platforms, food outlets and riders.

Regulate

COVID-19 Regulatory Innovation



BRD supported NSW Treasury to examine temporary regulatory changes put in place by BRD regulators due to COVID-19 and consider which changes should be retained to benefit our customers. In December 2021, government approved the recommendation to progress those measures that were subject to a Regulatory Impact Assessment, including the Contract Cleaning Industry (Portable Long Service Leave Scheme), the *Associations Incorporation Regulation 2022*, the *Strata Schemes Management Act 2015*, and various community schemes.

Statutory review of the Strata Schemes Management Act 2015

BRD conducted a statutory review into the *Strata Schemes Management Act 2015* and published the final report on the review in November 2021. BRD received 222 written submissions and 2329 responses to survey questions.

In August 2021, new laws commenced that remove barriers to pet ownership for owners and tenants living in strata schemes: *Strata Schemes Management Amendment (Sustainability Infrastructure) Act 2021* and *Strata Schemes Management Amendment (Pets) Regulation 2021*. The laws mean that a pet can only be refused in a strata scheme lot if the pet unreasonably interferes with another resident's use and enjoyment of their lot or the common property. With current high pet ownership rates and over half of Sydney's population projected to be living in strata buildings by 2040, the laws benefit residents living in strata schemes now and into the future.

Look before you book campaign

The 'Look before you book' campaign was launched in November 2021 to give consumers a better understanding of their travel bookings and draws attention to the terms and conditions and other key information about travel cancellations. The 'Look before you book' web information contains travel checklists for both consumers and industry. These checklists include key information for consumers to look out for before making a booking and provides industry with suggested actions to ensure that consumers are made appropriately aware should their travel be cancelled.

Other highlights and achievements

Liquor and Gaming NSW, Office of Responsible Gambling and the Office of Racing

Liquor and Gaming NSW, Office of Responsible Gambling, Office of Racing (and related entities including the Independent Liquor and Gaming Authority and Greyhound Welfare and Integrity Commission) transferred to the newly formed Department of Enterprise, Investment and Trade (DEIT) on 1 April 2022. Reporting for the period 1 April 2022 to 30 June 2022 can be found in the DEIT annual report 2021-22.

Liquor and Gaming

Support for people experiencing gambling harm

The GambleAware support and treatment model was launched on 1 July 2021. Designed as a stepped model of care, clients can access services face-to-face, by telephone, video and online chat, as well as self-help on the GambleAware website. GambleAware providers are funded across 10 regions in NSW to provide community awareness and education, support and treatment, as well as two specialist Aboriginal and multicultural services to work with GambleAware providers.

In addition, two new apps were launched to support people impacted by gambling harm: *GamblingLess in the moment*, which acts as a counsellor in your pocket, and *Gambling Habit Hacker*, which is designed for people that want to reduce the time and money spent gambling.

Alcohol Delivery Laws

On 1 July 2021, an enhanced framework to regulate alcohol deliveries began as the first targeted framework of its kind in Australia. This included the introduction of new laws and training to help lift harm minimisation standards, particularly for alcohol deliveries made on the same day as they are ordered. The measures are intended to help address the risks of minors or intoxicated people accessing alcohol through the growing online sales and alcohol delivery sector.

Responsible Supply of Alcohol Training went live on 1 July 2021 and became mandatory from 1 December 2021 for all people making same day alcohol deliveries directly to the public in NSW. The course has been well received by the industry and 23,337 learners have successfully completed the course to 30 June 2022.

Implementation of the Bergin Inquiry into the Crown Casino

A high-level implementation plan was agreed in September 2021 to implement the findings and recommendations of the report from the inquiry by the Honourable P A Bergin SC under section 143 of the *Casino Control Act 1992*, relating to the regulation of casinos in NSW. The approach will strengthen the regulatory structure for casinos in NSW to help improve oversight and address misconduct and unlawful behaviour.

Enhanced consumer protection for wagering customers

On 6 June 2022, the *Racing and Gambling Legislation Amendment Act 2022* received assent. The legislation completes the implementation of the National Consumer Protection Framework for online wagering. The changes include a requirement for staff of operators to complete a training course developed to support responsible gambling in online wagering, player activity statements for customers and prescribed consumer harm messaging for operators to adopt.

Other highlights and achievements

Office of Responsible Gambling Achievements

The Office of Responsible Gambling supports the Responsible Gambling Fund's key outcome areas of education and awareness, services and support, and leadership and influence.

In 2021-22, the Office of Responsible Gambling:

Delivered a new three-year strategic plan 2021-24 to drive priorities for the next period, following consultation workshops and surveys with stakeholders to inform the plan.

Delivered GambleAware Week 2021 in collaboration with a range of industry and community service partners. The event saw 6500 visitors to the website during the week, and 450 views of the podcast series. Campaign messaging was communicated through extensive media coverage including on prime-time TV news and over 100 radio news and interviews.

Expanded the Reclaim the Game program with four new partners: the Canterbury-Bankstown Bulldogs and South Sydney Rabbitohs NRL clubs and the basketball clubs Sydney Kings and Sydney Flames. The program challenges the normalisation of sports betting and advertising in sport. These partnerships reached millions of people viewing sports at home and in stadiums at over 40 home games, as well as through targeted online communication. A survey of our partners' fans has found promising changes in attitudes and behaviours towards gambling, and increased awareness of services and support.

Partnered with the Centre for Community Welfare Training (CCWT) to deliver training for community workers to support screening and referral of people affected by gambling harm in community service settings and related sectors. CCWT have conducted 6 workshops with 122 participants, with more workshops planned in 2022.

Worked with the Royal Australian College of General Practitioners to develop and deliver gambling harm awareness training for General Practitioners, with over 350 GPs participating in the webinars and over 5400 listening to the podcasts.

Developed and piloted an improved Responsible Conduct of Gambling (RCG) training course, online RCG refresher and a new Advanced RCG course. The courses will be finalised and implemented in 2022-23 in consultation with training providers, industry bodies and gaming venues.

Delivered the award-winning Betiquette campaign on mainstream and catch-up TV, as well as online during the NRL finals, designed to encourage young men to use some good old-fashioned etiquette when betting so they stay in control. 85% of frequent bettors exposed to the campaign took positive action and 88% planned to take action as a result of seeing the campaign.

Continued 'The number that changed my life' campaign which raises awareness about gambling harm and services available for people from culturally diverse backgrounds and their family and friends. The campaign aims to reduce stigma, educate about the signs of gambling-related harm, raise awareness of in-language support services and encourage help-seeking behaviour by individuals impacted by gambling. This first phase of the campaign saw over 23,000 visits to the website and an increase of 27% of calls from the target languages.

Launched the Be Aware Be GambleAware campaign to raise awareness of the GambleAware support and information service. The campaign encourages people to think about how gambling might be impacting their lives and to seek further information, support and treatment options through GambleAware. There was a 27% increase in visits to the website in the first month of the campaign.

Published commissioned research reports including the Gambling Research Summary Report 2020-2021, as well as three reports which received funding through Gambling Research Australia: *A behavioural trial of voluntary opt-out pre-commitment for online wagering in Australia*, *Behavioural trial for consistent gambling messaging under the national consumer protection framework* and *The second national study of interactive gambling in Australia*.

Supported the publication of two research reports from the Responsible Gambling Research Grants program: *Development and randomised controlled trial of safer gambling practices for EGM play* and *Smartphone betting on sports, esports and daily fantasy sports amongst young adults*.

Supported seven early career researchers through the Gambling Research Capacity Grants program, which aims to build capability and capacity for academic gambling research.

Other highlights and achievements

Office of Racing Achievements

In 2021-22, the Office of Racing's achievements included:

- the enactment of the *Racing and Gambling Legislation Amendment Act 2022* that amended four pieces of legislation to enhance the regulation of the NSW racing industry and consumer protection for online wagering, including by:
 - strengthening consumer protections to reduce negative outcomes for individuals who participate in online wagering
 - enhancing governance, integrity and consultation frameworks for the NSW harness racing industry
 - establishing a new avenue of appeal for harness racing participants
 - providing legislative clarity to the controlling bodies for harness and greyhound racing to guide decision-makers and those exercising legislative functions.
- commitment of \$3.24 million in funding from the Greyhound Capital Grants Program assisting Greyhound Racing NSW and its clubs upgrade race tracks to make them safer for greyhounds
- finalised a \$60 million funding deed with Racing NSW as part of the NSW Government's Racing for the Regions program, to deliver new and upgraded infrastructure at nine regional racecourses.

Other highlights and achievements

Corporate Services

The Corporate Services Division provides centre-led, client focused support across operational, transactional and corporate governance functions to support the department and broader cluster. Through integrated support services and a culture of continuous improvement, we aim to deliver trustworthy, effective, and easy to engage operations through partnership with our cluster businesses and staff, to enable the delivery of frontline and customer-facing services in line with the vision and strategy for DCS.

Key Corporate Services delivery highlights for 2021-22 include:

Upgrades to Service NSW Service Centre Wi-Fi network enabling customers to access Service NSW Wi-Fi and services in the immediate vicinity of service centres, without needing to enter the Service Centre

Continued support of our businesses and colleagues to work through the pandemic (whether they were in service centres, inspectorates or, one of the many other roles in DCS), through the work of our crisis management and corporate services delivery teams

Delivery of approximately \$20 million in procurement savings for Financial Year 21-22

Launch of the DCS Security Operations and Integrated ICT Operations Centres enabling provision of continuous proactive security incident detection and ICT event response to prevent or minimise service disruption for our customers

1,326 work from home equipment requests and 729 workplace technology requests completed. 146,050 mail items digitised and 651 property and facilities requests actioned

Supported 21,000 customers in 58 public sector agencies consuming GovConnect shared service business processing and/or ICT service delivery with a customer engagement score of 8.7/10

Significant Legal Service delivery in support of critical corporate, regulatory, commercial and digital projects including ensuring appropriate arrangements, directions and delegations were in place across our DCS response to COVID, flooding and other emergencies

Operational management of 42 DCS workplace sites across NSW, including in FY21-22 the consolidation of 5 DCS workplaces and increased capacity in 3 regional workplaces

Surpassing DCS FY21-22 target for expenditure with Aboriginal suppliers by \$20 million

Delivery of high speed satellite network connectivity to remote Service Centre locations and to mobile Service Centres, ensuring network connectivity and service availability

Migrated 14 government agencies between GovConnect Cluster Platforms as a result of 2021 Machinery of Government Changes

Other highlights and achievements

Project Trust



Project Trust is a cyber security transformation program led by Corporate Services, which was established in response to major cyber security incidents and data breaches in 2020. The program consists of three phases designed to uplift and enhance the cyber security posture of the department. In 2021-22, Phase One and Phase Two of the program were completed, delivering remediation actions and strengthening security controls and business processes. The final phase of Project Trust commenced in 2022 under three workstreams: Cyber Security, Information Protection and Privacy Protection.

The Cyber Security workstream is responsible for ensuring the digital systems and information we work with across DCS are appropriately secured and safeguarded against cyber attacks. The workstream deliverables are:

- assessing digital systems used across the department to ensure they are appropriately secured and that remediation occurs where gaps are identified
- implementing effective controls for how we access and work with digital systems across the department and when working remotely
- ensuring the department has effective systems, policies and processes in place to prevent, detect and respond to cyber attacks.

Through the Information Protection workstream we are developing and promoting work processes and practices that help us protect sensitive information to keep it secure. The deliverables are:

- implementing an effective information and data governance framework
- implementing standards and controls to protect customer and employee personal information
- establishing revised sensitivity labelling
- upskilling employees on the best digital tools to manage, share and protect information.

The Privacy Protection workstream is responsible for strengthening privacy protection capabilities and awareness across the department and includes the following deliverables:

- implementing a robust privacy management framework
- effective privacy incident management processes
- effective employee privacy management training and education resources.

Project Reimagine



DCS established a transformation program to build the right foundations to deliver against the State Outcomes and 'reimagine' the way we operate. The Reimagine portfolio is coordinating the broadscale changes that we're making to bring DCS agencies and entities together as one organisation – in name and in practice.

With a significant department-wide focus, Reimagine is fortifying large-scale collaboration and uniting people across DCS as an enabling partner, helping to make our customer and people experiences simpler, faster, and better, by:

- drawing strength from internal expertise across DCS
- addressing inefficiencies driven by process, technology, and workforce complexity
- simplifying and scaling existing capabilities that are having a notable impact.

The work is evolutionary. We will continue to review and plan to ensure we have the right people, in the right functions, using common systems and working in modern ways that will further support our people to deliver on the State Outcomes.

Other highlights and achievements

Since November 2021, some of the portfolio's achievements include:

DCS Knowledge Management

Development of a Cluster-wide knowledge management strategy and operating framework. This framework was co-designed through a specialist network of 90 individuals across DCS and in collaboration with the Service NSW Customer Integration Engagement program team who validated business requirements from over 200 business representatives across the Cluster.

Established the Reimagine Change for Good Community with over 70 volunteers from across DCS, who are passionate about continually improving how we operate and serve our customers, championing change, and willingly participating in ideation and other co-design activities to improve services for our customers and employee experiences.

DCS Insights & Data Accelerator

Enabled the acceleration of good data practices in partnership with Customer, Delivery & Transformation Division to advance platform foundations across the Cluster. Draft operating model has been developed to facilitate adoption at scale.

Investment Portfolio and Ways of Working

Developed a Lean Portfolio Management playbook in collaboration with DCS Portfolio Management and Assurance to increase delivery and reduce waste by improving the ways in which we measure value, prioritise funding investments, ensure strong governance guardrails and processes, and organise our people for delivery across the Department.

Service Prioritisation and Funding

Developed an overarching funding framework and cost/pricing methodology, in collaboration with NSW Treasury, to standardise Budget submissions across the Cluster to ensure future sustainability and ongoing supply management across DCS's broad and diverse portfolio offering.

Corporate Services Transformation

Co-designed a Corporate Services operating model that will further advance our vision for an integrated corporate services enabled to support great employee and customer experiences.

Business Process Excellence and Automation

Undertook a business process excellence review across our People & Culture corporate function to streamline processes, reduce manual intervention, and improve the 'Hire to Retire' journey for employees. Over 65 processes were reviewed and validated, with 300 actions to improve the employee experience identified, with an estimated productivity efficiency gain of approximately \$29 million once improvements are implemented.

Other highlights and achievements

Customer, Delivery and Transformation

CDT leads transformation in customer-focused service delivery across government and the department. In 2021-22, CDT also led four significant Greenhouse projects as part of the *DCS Connect Strategy 2020-23*.

Listening to our customers



The NSW Government Customer Experience Survey (CXS)

The NSW Government Customer Experience Survey (CXS) was launched in December 2021 and provides a continuous, modern and holistic insight into how customers are experiencing services across the whole of government. The CXS replaces the previous annual Customer Satisfaction Measurement Survey (CSMS), in place from 2015 through to 2020.

The new CXS is one of the largest of its kind, surveying more than 30,000 customers every year – about 24,000 citizens and 6000 businesses. The survey measures customer experience by covering a range of actionable metrics around the ease of using our services, satisfaction with our services and trust in services. The continuous approach to the survey enables the NSW Government to listen to what customers are telling us, be more responsive to feedback and improve the customer experience with government services overall.

Have your say – Digital community engagement

The 'Have your say' digital engagement platform provides a modern, easy to use, always open forum to generate an ongoing dialogue with our customers. The Have your say platform acts as a centralised online hub for consultations relating to improving services, policy, programs the economy and infrastructure across NSW. Customers can choose to engage and provide feedback through a variety of ways, including surveys, quick polls, discussion forums and ideas boards. Use of the platform is transformative, using informal and conversational language, to create real discussions between customers and government.

In 2021-22, the platform hosted 50 community engagement projects, with more than 130,000 visitors having their say by completing approximately 25,000 surveys, contributing over 4300 ideas, and completing 9000 quick polls.

The platform has received an outstanding 37% engagement rate among unique visitors, while the industry benchmark is 10%.

Customer, data and insights at the centre of decision-making



A customer-centric government maintains deep knowledge of customer expectations, experiences, behaviours and outcomes, and uses these customer insights to inform decision-making. Understanding our customers is central to the NSW Government achieving its mission to be the world's most customer-centric government.

This model for insights-led decision-making is designed to achieve the goal of putting the customer at the centre of all significant policy, initiatives or service decisions. DCS has led the way by building an ecosystem of insights, leveraging multiple data sources, and leveraging the expertise of staff to act as stewards who will help guide the sector and embed the path to customer-centricity and improved outcomes for customers.

Strategic and integrated data assets



The NSW Data Analytics Centre enables use and sharing of strategic and integrated data assets across NSW Government that support agencies in making data informed policy and service decisions. Data and insights from these data assets are made available through data services such as the Business Insights Hub and the Better Outcomes Lab.

The Better Outcomes Lab is a cross-agency initiative to enhance the safe and secure access and use of strategic and integrated human services data assets. In 2022 the Better Outcomes Lab completed its pilot phase, implementing five enabling and analytic tools. The Better Outcomes Lab has continued to refine these tools and support their application by policy makers and service owners. The tools support access to, and the generation of, valuable, de-identified insights on customer journeys, experiences and outcomes.

Other highlights and achievements

Behavioural insights

The Behavioural Insights Unit (BIU) uses the latest research about how people really think and act to help NSW Government agencies deliver better services to our customers. Examples of successful initiatives this year include:

Supporting teachers -126 primary schools participated in a trial where the BIU supported teachers to provide SMS messages to parents with simple information and easy actions to support their child's learning. After receiving the messages, parents reported that they were more likely to help kids with homework, feel informed and feel welcome at school after one term. Parents who spoke a language other than English at home, or who's child attended more disadvantaged schools were especially positive about the messages.

Supporting staff to assist customers in distress - the BIU worked with one frontline government agency to identify behavioural barriers staff face when working with customers in distress. The partner agency is now implementing new ways of supporting staff to help them respond to customers experiencing suicidal distress. Further frontline agencies are now participating in wider research and tool development.

Supporting staff to respond to cyber security threats - an innovative online training game to establish safe cyber security habits among public sector staff was developed using behavioural evidence on the impact of gaming on learning. During testing, 89% of participants preferred to learn with the game compared to traditional educational strategies. All users reported greater confidence in identifying and reporting phishing emails.

Implementing the NSW Sludge Audit Method - this innovative tool helps NSW Government agencies to quantify the impact of 'sludge', or unnecessary customer effort, and identify how it can be reduced, leading to saved customer time and effort. Agencies can access the tool and expert assistance to improve customer experience in common types of customer interaction.

Leading by example for NSW Government communication

Throughout 2021-22, DCS has continued to transform the way we communicate to our customers, to further strengthen our efforts to become the world's most customer-centric government. Our communications ethos helps our customers engage with us at a time and on the channel that best suits them.

While recovery communications for floods and COVID-19 have been of the highest priority, communications and campaigns across the web, social media, email and events, continue to deliver higher levels of engagement. We are increasingly becoming known as a network leader in how we engage with people in NSW, as we leverage our specialist services and enhance our expertise.

NSW Government Brand and Campaigns team performance

During 2021-22, the NSW Government Brands and Campaigns team:

- reviewed more than 70 advertising campaigns (\$199.1 million expenditure) to ensure they were efficient and effective
- implemented a new NSW Government Brand Framework and resources for the sector, underpinned by best practice brand, design and communications principles
- completed the procurement of a new \$70 million whole of government Media Agency Services contract to ensure streamlined and effective management of government campaigns, which is expected to deliver cost savings of at least \$100 million across three years
- educated more than 2800 public sector participants in professional development sessions and workshops on topics including best practice multicultural communications, branding, and digital and social marketing.

Customer care and engagement on social media

New technology has enhanced how we engage with customers on social media. This has allowed DCS social media officers to better triage customer responses, monitor emerging issues of concern, triage enquiries so that customer resolution is more efficient, and provide more granular and useful reporting.

Other highlights and achievements

The social media teams have monitored, reviewed and responded to more than 400,000 customer comments and enquiries, and all pages have seen significant growth in engagement. DCS is responsible for various social media accounts, including the NSW Government, Service NSW, SafeWork, and Fair Trading Facebook pages and other social media content.

In 2021-22, the NSW Government Facebook page:

- increased followers by 41%
- attracted 13.1 million engagements (shares, comments, reactions)
- handled over 270,000 comments
- answered over 20,000 COVID-19 customer queries.

Highlights for the channels listed above (excluding the NSW Government Facebook page):

- 109% increase in incoming comments, messages and posts compared to the previous year
- responded to 384% more enquiries and comments than 2020-21
- handled more than 172,900 comments, messages and posts
- received 32,292 private messages (19% of comment volume).

Customer emails

The email channel is a highly effective way for the NSW Government to distribute information, drive behaviour change and help consumers and businesses receive critical information quickly. It plays an essential role in the success of key programs such as COVID-19 health regulations and vaccination, QR code check-in, Have your say platform consultations, Digital Registration Renewal, Dine & Discover NSW, and flood support and recovery.

Targeted emails are sent to customers to inform them about changes in government policy, floods and other disaster recovery programs, and new programs and services. Customers who have chosen to join our email service receive relevant and personalised information which results in strong engagement. Emails can be translated into any language.

The number of emails sent by the Customer Marketing team has grown more than 100% year-on-year. For the 2021-22 period, 332 emails were sent on behalf of NSW Government, Service NSW and a range of agencies.

Delivered 369 departmental and community engagement events

DCS has continued to enhance our events with new event formats, including Auslan interpreters and live captioning for fully accessible engagement.

Forty-one major events were also delivered in 2021-22, including internal DCS engagements and external stakeholder events that met NSW Government priorities. Of these major events, the highlights include:

- Future.nsw: a hybrid thought leadership event that focused on continuing to build a smarter, customer-centric and fully digital NSW with a key address from the Minister for Customer Service and Minister for Digital
- Property Services Listening Tour: six face-to-face community engagement events for property industry professionals with the Minister for Small Business and Minister for Fair Trading, and the Property Services Commissioner
- supporting 239 community engagement events on behalf of Service NSW through the supply of event support resources, branded items and merchandise, fundraising initiatives and coordination of major events.

Other highlights and achievements

Improved customer experiences

Digital Birth Certificate



A birth certificate enables people to establish their legal identity and participate within the community. The NSW Government, on behalf of all Australian states and territories, is leading the digitising of the birth certificate and is on track for delivery by December 2022, which will allow customers to apply for and receive their digital birth certificate at their own convenience, providing considerable time savings.

Providing citizens with access to their birth certificate as a digital record will play a key role in helping establish a customer's digital identity, allowing people to transact online at times most convenient to them and providing faster and simpler delivery of government services and benefits. Digital accessibility will significantly benefit rural and regional customers by reducing transaction time and increasing customer satisfaction and trust in government, contributing to the NSW Premier's Priority to 'make government easy'.

Australian Death Notification Service

The Australian Death Notification Service is a free national service led by the NSW Registry of Births Deaths and Marriages, supported by Registries across Australia to make challenging times easier during the process of death administration.

The service enables people to notify multiple organisations of a death of someone close to them through a single secure online environment. The service has partnered with over 77 organisations from multiple high customer value market segments, including financial services, utilities, telecommunications, and government services.

This service reduces a 40 hour administration process to an approximately 10-minute streamlined online customer experience.

Micro weddings

The NSW Registry of Births Deaths and Marriages has revolutionised the registry wedding concept by developing a new micro wedding service. This market leading initiative was a first for registries in Australia and was developed under two key DCS strategic pillars, 'putting customer needs at the centre' and 'government made easy'.

Understanding the challenges presented by COVID-19 and cost of living pressures, a micro wedding provides couples with an opportunity to have the wedding of their dreams on a smaller scale and budget.

In 2021-22, we completed our first full year offering micro weddings, delivering 165 micro weddings across 17 dedicated events. On Valentine's Day (February 14), 29 couples were married at the Sydney Opera House, and more than 600 people attended. This Valentine's Day event, along with other micro weddings, have created an opportunity to generate incremental revenue for a wide range of businesses.

Other highlights and achievements

Digital.NSW

Digital.NSW is the home of technology and is responsible for driving digital transformation and developing digital capacity within the NSW Government through collaboration across clusters. We're led by the Government Chief Information and Digital Officer. Digital.NSW accelerates digital transformation to quickly deliver service improvements for our customers.

We provide strategic governance, advisory, assurance functions and digital platforms to support agencies across NSW Government and the people of NSW. This includes Government Data Centres (GovDC), Government Radio Network services, digital sourcing, investment and cyber security.

Digital.NSW is also the key provider of spatial information services, surveying and mapping information, and land and property services for the people and businesses of NSW as well as the NSW Government and interjurisdictional agencies.

In 2021-22, Digital.NSW led six significant Greenhouse projects as part of the *DCS Connect Strategy 2020-23*.

Spatial Services

Spatial Services is leading the delivery of NSW wide Address Management Services through the NSW Point and Service Point applications.

Effective and efficient government service delivery relies on up-to-date, accurate and easily accessible address data. NSW Point provides NSW Government agencies with a real-time address validation service, while Service Point is an anonymised transaction reporting service for NSW Government.

Spatial Services is also assisting with efforts to eradicate the Varroa mite, which poses a national biosecurity threat to bees and potential deleterious impacts on native fauna and the agriculture industry. Spatial Services is supporting the state's emergency level response by preparing maps for emergency orders, modelling potential baiting locations, hotspot analysis, updating surveillance and eradication zones, and assisting with internal and public facing web maps.

Digital Twin



Spatial Services is leading the development of a whole-of-state NSW Spatial Digital Twin. This involves transforming foundation spatial data from two dimensions to three and four dimensions. The data will be available as a digital representation of the real world which can be used to facilitate better planning, design and modelling for the future needs of government service delivery.

Our achievements in 2021-22 include:

- Live NSW – expanding the NSW Spatial Digital Twin for the first regional centre
- commencing the NSW Gravity Model Project
- developing a 4D real-world environment, which will increase capability for disaster relief in NSW.

NSW Telco Authority

NSW Telco Authority leads a \$1.5 billion portfolio of NSW Government projects to provide critical communications for Emergency Services Organisations (ESOs) and to bridge the digital divide to address connectivity challenges across NSW.

The Telco Authority operates and manages the Public Safety Network to deliver mission-critical radio communications for frontline responders. It works with ESOs and telecommunications carriers to protect communications infrastructure during emergencies and natural disasters.

The Telco Authority also coordinates whole of government connectivity programs and priorities to deliver improved connectivity for people across the state. This includes playing a central role in coordinating spectrum holdings on behalf of government agencies as well as supporting and managing major digital connectivity programs for the NSW Government.

Other highlights and achievements

Connectivity



Our achievements in 2021-22 include:

- 13 base stations were delivered to boost mobile phone coverage and address black spots, providing coverage to more than 3900 premises and 580 kms of transport routes
- 142 of 150 planned mobile base stations have now been delivered under Connecting Country Communities Program expanding coverage to 41,500 people across 1200 kilometres of major transport routes
- 41 of 46 new or enhanced base stations have provided fixed wireless broadband coverage to around 3900 premises across the Kangaroo Valley and Southern Tablelands.

Identity NSW

ID Support went live on 15 December 2021. In 2021-22, the service provided complex identity remediation support to over 1000 customers. ID Support has also worked with Cyber Security NSW on 6 NSW Government data breaches, providing guidance, platforms, data enrichment and notification support.

Government Technology Platforms



Government Technology Platforms provide ICT infrastructure and service delivery, including the NSW Government Data Centres (GovDC) and technology solutions and digital services delivered by OneGov.

Our achievements in 2021-22 include:

- working with the Department of Education to trial digital school enrolments in 20 public schools, saving time for parents and reducing staff processing time by up to 40 minutes per enrolment
- 2.1 million FuelCheck app downloads, 21,000 daily visits and a 4.7-star rating
- 311,000+ Park'nPay transactions, 114,000 downloads and 93% satisfaction score.

Cyber Security Maturity Uplift



Cyber Security NSW provides an integrated approach to preventing and responding to cyber security threats and incidents across NSW, safeguarding our information, assets, services and citizens.

Cyber Security NSW is working with cyber security teams in all government clusters to implement a Domain-based Messaging, Authentication, Reporting and Conformance and brand protection solution. This is making it harder for cyber criminals to send phishing emails and impersonate NSW Government websites, helping us to protect NSW Government customers.

ICT/Digital Sourcing

ICT/Digital Sourcing is responsible for the NSW Government ICT and Digital sourcing policies and frameworks; industry engagement strategies; establishment and governance of whole of government arrangements, panels and marketplaces; managing our strategic partnerships; and the transformation of our digital procurement systems.

With a vision to be the easiest government to partner and do business with, ICT/Digital Sourcing is focused on:

- creating a more strategic, diverse and innovative partnership ecosystem
- delivering optimal economic, social and environmental outcomes from our ICT and digital sourcing
- streamlining and digitally transforming our sourcing and procurement processes
- establishing innovative procurement pathways and an industry development strategy to enable innovation and the engagement and development of our growing technology (including emerging technology) sector.

This year we established the ICT and Digital Sovereign Procurement Taskforce, with the first tangible recommendations creating these commitments:

- Permission: up to \$250,000, agencies may buy ICT direct from an SME (Subject Matter Expert or Small and Medium-sized Enterprise) regardless of whether or not they have a whole of government arrangement
- Target: ICT contracts of more than \$3 million with NSW Government must have a minimum addressable spend target of 25% to be directed to SMEs via subcontracting or supply chain spend
- Target: 30% of NSW Government's total addressable direct ICT spend to be with SMEs.

Other highlights and achievements

Innovation Procurement Pathways

The NSW Government is creating innovation procurement pathways (IPP) to make it easier to find and develop the best solutions to the problems people face in NSW, and to stimulate growth in the research, development, innovation and emerging technologies.

Following a series of workshops across NSW Government in 2021 that identified barriers to attracting innovative solutions through procurement, the work on IPP has now moved to a phase of co-development and testing of initiatives to address those barriers.

Procurement Savings program

The ICT Procurement Savings program was established to generate benefits through a whole of government approach to ICT and digital sourcing. This included the establishment of whole of government panels and agreements across telecommunications, software, and cloud categories, coordinated procurements under whole of government ICT agreements and spend optimisation activities with NSW Government buyers.

The program has secured \$536.1 million in benefits over three years from 2019-20 to 2021-22, meeting its \$400 million benefits target over the forward estimates (2019-20 to 2022-23), ahead of time.

During 2021-22, the Procurement Savings Program delivered \$155.6 million in benefits (cash and non-cash) for the sector and has exceeded the target of \$121 million.

e-Invoicing

The whole of government e-Invoicing service was extended to the Department of Education and NSW Health. In 2021-22, 35 out of the overall 77 agencies were on-boarded for e-Invoicing. These included two agencies from the Department of Education and 33 agencies from NSW Health.

The NSW Government e-Invoicing mandate came into effect on 1 January 2022. This year, 62 suppliers were on-boarded with about \$18 million value of e-Invoices exchanged. Increasing supplier adoption and uptake will be the key focus for the next year.

Digital Procurement Transformation Program



The Digital Procurement Transformation program (buy.nsw) is delivering a simplified, secure and connected procurement experience for buyers and suppliers, and creates greater diversity of spend, particularly with SMEs, Aboriginal-owned enterprises and start-up businesses.

During 2021-22, buy.nsw continued to grow and now supports over 37,000 suppliers, 70,000 registered users and 3300 government buyers. The platform also includes more than 27,000 SMEs. During this period, buy.nsw has matched over 3700 government supply opportunities worth more than \$4.6 billion to registered sellers through its Supplier Hub. Our click and buy platform, catalogues. buy, is also on track to exceed \$160 million in spending and over 200,000 transactions.

Other achievements for 2021-22 include:

- development of a modern, simpler and more agile ICT Purchasing Framework for high-risk high-value ICT procurements, which launched on 1 July 2021 and has replaced Procure IT version 3.2
- buy.nsw has exceeded the annual target for matched opportunities with \$7.6 billion worth of contracts awarded to suppliers registered on the buy.nsw Supplier Hub. Direct spend on buy.nsw has also exceeded the target with \$158 million in 2021-22
- the buyer and seller user experience continues to evolve with baseline registration for both groups being completed in less than 10 minutes.

buy.nsw continues to support diverse suppliers and spend with a new social procurement reporting portal and extended supplier registration. reporting.buy.nsw tracks social procurement initiatives including Aboriginal, SME, and diversity and inclusion spend targets. It simplifies the reporting process, making it quicker and easier for suppliers to complete their reporting and for agencies to review. This provides greater insights into social procurement outcomes for government and the community.

Other highlights and achievements

Digital and ICT Investment Strategy

The Digital and ICT investment Strategy (DIIS) provides a whole of government lens to drive digital and ICT strategic alignment, accelerate investments, and support agencies to prioritise the right ICT projects and deliver on time and budget. The Strategy was approved by the Expenditure Review Committee of Cabinet in April 2022.

Under the Strategy, DCS is establishing a new Digital Transformation Board (DTB) to oversee strategy, prioritisation, investment and program assurance. One of the key functions of the DTB is to provide advice on investment priorities for the entire digital and ICT portfolio, providing governance and oversight beyond the Digital Restart Fund (DRF).

The DIIS sets out guardrails which will help NSW Government:

- make **defensible investment decisions** on ICT and digital projects, building the foundations to grow the digital economy
- create **sustainable Digital and ICT funding** pathways for digital state priorities and growth
- **optimise operations** in support of strategies, investments and delivery, for ICT and digital with appropriate governance and assurance.

The DTB will improve investment agility, endorsing DRF seed pathway projects under \$5 million for ministerial approval. DCS is currently working with NSW Government clusters to set up the Digital Transformation Board and its strategic direction.

NSW Digital Service Toolkit

The NSW Digital Service Toolkit makes it easy for the digital creators of NSW to deliver quality products and services to the customer. To support these outcomes, the toolkit encourages teams to work together to attract, recruit, develop and retain a responsive and capable workforce.

By providing guidance to digital teams across the sector, it has been able to engage employees, reduce duplication of effort, evoke empathy, encourage experimentation, and deliver a better, more accessible customer experience. This has been achieved through building better outcomes using the design standards, harnessing research to better understand user needs, and introducing highly collaborative planning and delivery processes that are aligned to agile ways of working.

Achievements in 2021-22 include:

- integration of the NSW brand guidelines into the NSW Design System, so that services are designed in a brand-compliant way from the outset
- estimated savings of \$5.2 million (since inception) by teams using the NSW Digital Service Toolkit
- estimated savings of \$12,000 per project by using out of the box components
- 59 new websites launched using the NSW Design System
- 800 new users of the NSW Design Systems Toolkit for designing and prototyping
- launch of the Activities and Templates hub, which sources effective research and design activities and templates, to make them reusable and accessible for all of government
- launch of user-friendly standards co-designed with leading practitioners from across government and industry, to cover key benchmarks required of government services.

ICT and Digital Assurance Framework

ICT and investment reforms continue to deliver positive changes in the health and administration of ICT and digital projects in NSW. The ICT and Digital Assurance Framework (IDAF) has reduced average project costs by 59% and reduced the average project duration by 36%. The Assurance team has reviewed more than 300 projects, made almost 3000 project recommendations and has received a sponsor satisfaction rate of 92%. As at 30 June 2022, two-thirds of projects were rated green and progressing according to the expected budget, time and scope.

In 2021-22, a total of 153 projects, worth \$3.9 billion, were successfully assured by reviewers from the ICT Assurance Expert Reviewer panel. Some of the 153 projects were reviewed multiple times, so the total number of reviews was 165, as shown in Chart 1. When taken as a whole, the overall delivery confidence has significantly improved. Analysis of recommendations from project reviews shows that risk management, project management, governance, business cases and benefits management are the key areas for focus by project sponsors in the next financial year – see Chart 2 for emerging themes.

Chart 1: 2021-22 Digital and ICT project reviews conducted by cluster or department

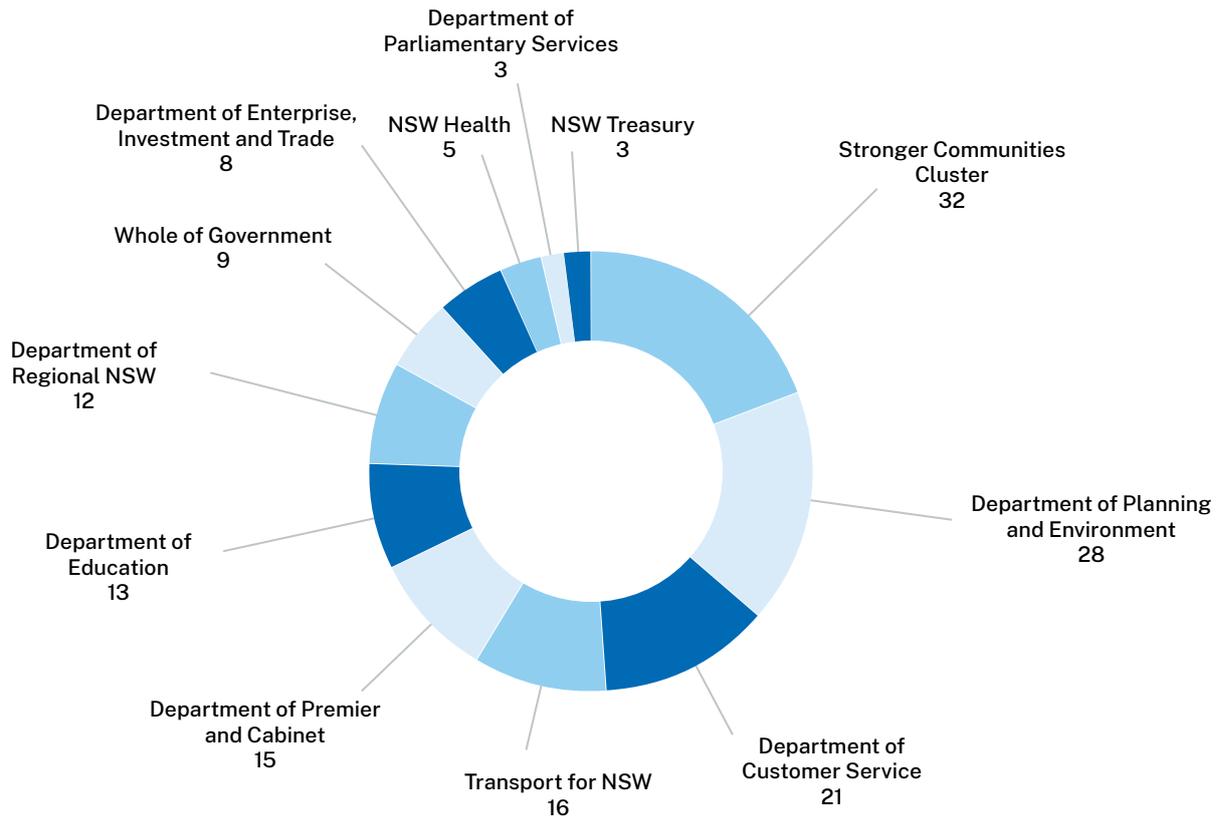
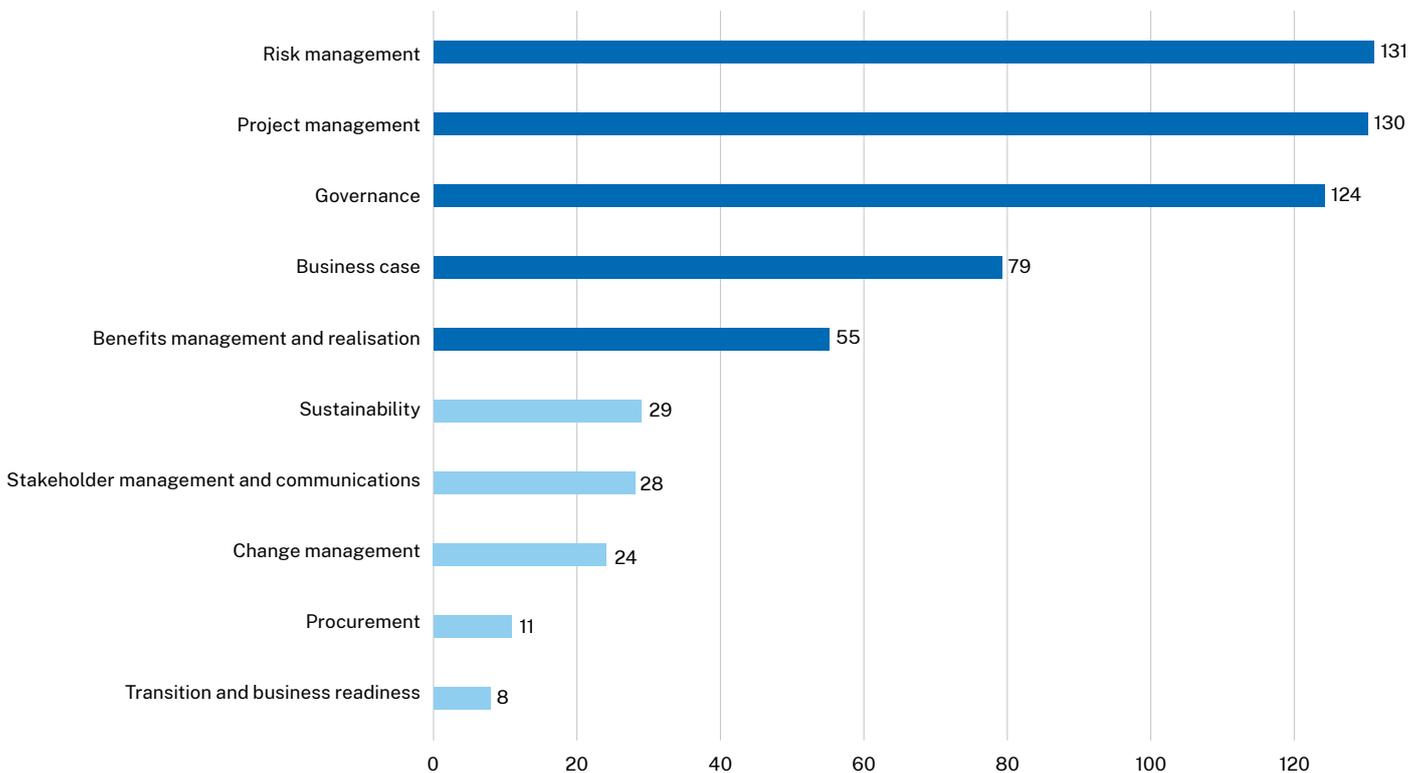


Chart 2: 2021-22 recommended focus area for Digital and ICT project sponsors



Other highlights and achievements

Office of the Building Commissioner

The Office of the Building Commissioner (OBC) is leading the implementation of the Construct NSW strategy and is making significant progress in restoring public confidence in the NSW construction industry and enhancing the capabilities of the building regulator.

In 2021-22, the OBC co-led one significant Greenhouse project as part of the *DCS Connect Strategy 2020-23* – Embedding Construct NSW. Key highlights for the OBC in 2021-22 include:

Construct NSW



Construct NSW focuses on six areas of industry reform: regulation, ratings, education, contracts, digital tools, and data and research.

Regulation

From 1 July 2021, design and building practitioners and professional engineers who make declarations about regulated designs related to class 2 buildings, must be registered under new legislation, the *Design and Building Practitioners Act 2020*. These new obligations ensure better compliance with the Building Code of Australia and higher quality design documentation.

Ratings

Launched in December 2021, the Independent Construction Industry Rating Tool (iCIRT) uses a five-star system to rate builders or developers. More than 100 have signed engagements to get rated, with 19 published on the register as at 30 June 2022.

Education

The new Construct NSW Digital Learning Platform, hosted under an agreement with TAFE NSW, has generated over 30,000 enrolments from 21 courses since its launch in late 2020. The courses allow learners to accumulate Continuing Professional Development points.

Contracts

Strengthening contracts and standards across residential building construction is supporting industry to adapt to reforms, by modernising contracts and clearly outlining the roles and responsibilities of all practitioners to ensure trustworthy building work.

Digital Tools

Following an open market procurement in 2021, work is underway on a building assurance solution risk tool which uses a blockchain technology platform to provide quality and assurance information about a building's trust profile. The tool will support the modern regulator's compliance work.

Two digital products have been developed on the current platform:

Building trustworthy indicator: a rating for buildings based on the level of evidence against compliance provided. The solution is being piloted with industry participants and socialised with insurers and financiers during 2022, with further refinements until February 2023.

Embodied carbon indicator: a complementary product that has been developed to measure the embodied carbon estimated at design compared to 'as built' on completion.

Data and Research

Two pieces of research were commissioned and published by the OBC in 2021-22:

Fire safety in class 2 residential buildings: a working group of industry experts identified practical responses to help improve fire safety in class 2 residential buildings in NSW. The report made recommendations to enhance effective regulatory and compliance action.

Consumer confidence in class 2 residential buildings: Consumer confidence levels towards purchasing an apartment in NSW were tested. Results indicated that only 30% of NSW residents would be confident to buy an apartment in the current market. Communication of government initiatives increased this confidence to 47%.

Other highlights and achievements

Project Intervene

Project Intervene is a new initiative to respond to serious defects in the common property of occupied apartment buildings that were completed in the past six years and where there is an available developer or builder to remediate those defects. A pilot program of 15 buildings has commenced, applying various legislative powers to order for the developer or builder to attend to and fund necessary remediation works through a voluntary enforceable undertaking.

Project Remediate

This NSW Government program supports owners corporations to replace combustible cladding on high-risk residential apartment buildings. Significant progress has been made to establish the program and initiate the extensive investigation, design, procurement and remediation work that will be carried out on up to 200 eligible buildings.

It is anticipated that up to 350,000m² of facades will be remediated under the program. PanelCycle has been appointed to undertake the recycling and waste management role. This process will divert the equivalent of approximately 6 Olympic sized swimming pools of aluminium, polyethylene and steel material from landfill to the production of alternative materials.

The NSW Cladding Product Safety Panel continued to provide expert advice regarding cladding and replacement materials. Their second report was released on 28 April 2022.

Office of the Secretary

In 2021-22, the Office of the Secretary led two significant Greenhouse projects and continued to partner across the cluster on a number of deliverables as part of the *DCS Connect Strategy 2020-23*.

Digital Identity and Verifiable Credentials



The Office of the Secretary led the policy and legislation stream during the establishment of the NSW Government's Digital Identity and Verifiable Credentials Lighthouse Project. This project is looking at ways to help customers prove who they are, to make everyday tasks simpler, safer and more secure.

Aboriginal Customer Engagement Strategy



In January 2022, the Office of the Secretary created an identified Director role to oversee the Aboriginal Outcomes Unit. This role leads and provides advice on policy, strategies, reforms and frameworks to contribute to better social and economic outcomes for Aboriginal people, communities and businesses.

The unit launched the *DCS Aboriginal Customer Engagement Strategy 2021-2025* in August 2021. The strategy's purpose is to support and meet the needs of Aboriginal people who interact with DCS and create a culturally safe environment to expand Aboriginal customer engagement. It lays the foundation for actions that will better support genuine and ongoing engagement with Aboriginal people and communities, and improve service design and accessibility of DCS services.

Artificial intelligence strategy

Released in March 2022, the NSW Artificial Intelligence (AI) Assurance Framework was developed to assist NSW Government agencies to design, build and use AI-enabled products. Consistent with the NSW Government AI Ethical Principles, the framework helps agencies identify and mitigate risks and ensures that AI is being used ethically, transparently and for community benefit.

Other highlights and achievements

iCare Review

The Office of the Secretary led the delivery of the recommendations from the *iCare and State Insurance and Care Governance Act 2015 Independent Review* (by the Hon. Robert McDougall SC) through development of the *State Insurance and Care Legislation Amendment Bill 2022*. The Bill aimed to strengthen governance and regulation and clarify agency roles in the NSW workers compensation system and to make further provision on workers compensation death benefits and the commutation of workers compensation liabilities.

Licensing and registration reforms

The Office of the Secretary led the reform of the *Licensing and Registration (Uniform Procedures) Act 2002*. This included extensive consultation with licensing authorities across NSW Government and led to the *Licensing and Registration (Uniform Procedures) Amendment Act 2022*.

The Amendment Act updated the uniform licensing procedures to better reflect the needs and expectations of regulators and their customers. The Office of the Secretary partnered with the Better Regulation Division, who led the development of an overarching legal framework for the issue and use of digital licences in NSW. The amendments will support the ongoing development of digital licences across NSW Government by allowing any agency to issue a licence in a digital form which can be lawfully recognised.

COVID-19 information privacy legislation

The Office of the Secretary led the development of the *Service NSW (One-stop Access to Government Services) Amendment (COVID-19 Information Privacy) Act 2021* to limit the disclosure of personal and health information collected by Service NSW under a COVID-19 Public Health Order.

This Amendment Act legislated the position established by Public Health Orders that contact details collected through the COVID Safe Check-in app could only be used for contact tracing purposes. In doing so, it aimed to protect public trust in the COVID Safe Check-in app and other pandemic response measures involving Service NSW.

Data Sharing Act 2015 Review

The Office of the Secretary delivered the statutory review of the *Data Sharing (Government Sector) Act 2015* in August 2021. The review made 14 recommendations to amend the Act and NSW privacy legislation, to better support the data sharing needs of agencies and encourage more effective policy and program design.

Small Business Strategy

In April 2022, the Office of the Secretary established a Small Business Taskforce to drive the development of a new NSW Small Business Strategy. The taskforce consulted small businesses and peak bodies on key challenges and opportunities through a 'Have your say' survey and stakeholder forums. The strategy will set out the key actions that the NSW Government will take to support small businesses in NSW over the next four years.

People and Culture

Shaping world-class recruitment



People and Culture has placed significant focus on addressing recruitment needs across DCS this year. Our team has processed more than 150,000 recruitment applications (an increase of 20% from the previous financial year) and recruited 7141 roles. We have reduced the time to hire by 30% (from 59 to 41.5 days) and improved overall candidate satisfaction scores. Regarding the time from interview to notification of outcome, satisfaction improved to 70% (up from 63% in 2020-21) and satisfaction that assessments were relevant to the role was 76% (up from 71% in 2020-21). The average time to onboard a new staff member has decreased from two weeks to three days.

Other highlights and achievements

Culture of wellbeing, inclusion and care



DCS is committed to a cluster-wide culture that embeds inclusion in its DNA. We are building a culture of belonging that is led and backed by our employees. Central to this has been the launch of the Care and Belonging Strategy 2022-2025 which shares the department's commitment to inclusion, respect, care and belonging for our 12,000 plus people and more than 8 million customers. The strategy is underpinned by our values of service, trust, integrity and accountability and focuses on 6 key areas:

- attract, develop and retain great people
- improve the wellbeing of our people
- support our people to be their best for our 8 million+ customers
- grow inclusive leadership
- engage, listen and co-design with our people and customers
- grow and maintain strategic partnerships.

The Care and Belonging Strategy is a multi-faceted, cluster-wide approach to diversity and inclusion and builds on work already undertaken by embedding key initiatives. These include:

- delivery of the Premier's Priority 14
- disability Inclusion Action Plan
- uplift of Employee Resource Group activity
- the Aboriginal Employment Strategy (in partnership with the Aboriginal Outcomes Unit)
- the development and continuation of Inclusion Month.

DCS is also focused on a culture of care, and this is prioritised through our People and Culture Greenhouse project to strengthen our health, safety and wellbeing. This year, People and Culture created the online Wellbeing Hub to provide information and resources for staff to support self-care.

People and Culture supports our people to feel enthusiastic and connected to our purpose, organisation and customers with a strong mental health and wellbeing focus to create a mentally healthy workplace. DCS has continued to support and develop our mental health first aid officers with more than 65 volunteer staff members now qualified to support our people at workplaces across the state.

We have also developed the MySafety tool to 'put safety first'. This is a centralised online hazard, near miss and incident reporting tool, and it has been integrated into our local SAP environment to make it clearer, easier and quicker to report physical and psychological incidents, hazards and near misses.

We completed the DCS Respectful Workplace Behaviour policy and developed guides on bullying, harassment and discrimination. These best practice guides will further support our existing policies, such as the Positive Productive Workplace and the Code of Ethics and Conduct and provide the framework to ensure all staff are treated fairly and inclusively, that differences are acknowledged and valued, and communication is open and courteous.

Integrated leadership expectations and development framework



We remain committed to growing and developing our people, with a key focus in 2021-22 on leadership capability uplift programs which saw a 60% increase in leadership initiatives in DCS over the past 12 months and will continue our work on Collective Leadership Capabilities into the year ahead. We also delivered more than 57,000 individual learning programs through our online learning platforms, with over 2000 of our staff also utilising our Learning Experience Platform.

People and Culture has also laid the foundation for further success in the year ahead, with the activation of a Digital Talent Squad to focus on the attraction and retention of staff, in particular staff in digital roles, across the department.

Regionalisation Strategy



As part of our commitment to the NSW Government's Regional Workforce Principles, we have developed a Regionalisation Strategy. The strategy aims to support our regional employees by improving our employee experience and access to DCS careers for people based in the regions; better utilising our regional workplaces and government assets through hybrid ways of working and smarter technology; and strengthening whole of government partnerships and the communities we serve. Significant progress has been made in delivering the strategy, including ensuring regional recruitment aligns with our Healthy Hybrid Habits flexible work practices, and regionalising 60 clerk grade 11/12 roles to support our regionally based teams.

Other highlights and achievements

Property Services Commissioner

The Office of the Property Services Commissioner was created in 2021 to lead transformation of the property services industry. The Commissioner is tasked with driving reform to support consumers and streamline services delivered by DCS to consumers, agents and other property service professionals.

The foundation of the Property Services Commissioner's focus and strategy was that industry, government and the consumers of NSW should work together to create a property services sector that is empowered, accountable and trusted.

The first step in delivering on this vision was to engage with leading property industry associations, consumer advocates, professional educators and trainers, government regulators and property technology enterprises in extensive consultation to determine strengths, challenges and barriers to collaboration.

The need for sector-wide leadership championing high performance and great consumer experiences was identified early. Such leadership should in turn boost accountability, drive up minimum standards and increase trust in property services in NSW.

The approach of the Office of the Property Services Commissioner is to address emerging risks of consumer harm and market failure, while promoting confidence and economic certainty for industry and consumers.



- Drive industry stakeholder engagement with a focus on collaboration and visibility between government and industry.
- Develop a strong professional standards scheme focused on consumer protection and high performance goals.
- Develop a single view of the industry including transformation and consumer initiatives.
- Drive strata industry engagement and improved education.

- Strengthen consumer complaints systems.
- Build a strong industry culture with high performance standards and outcomes.
- Drive a data-led approach to reporting, regulation and enforcement.
- Drive enhanced building and maintenance standards across strata schemes and rental properties.

- Drive conversation and collaboration on high volume, high profile issues.
- Drive transparency between government and the industry through strong communication, content and reporting.
- Streamline complaints and regulatory processes and improve the user experience by leveraging digital tools and platforms.
- Enhance the quality of consumer education resources.

Other highlights and achievements

Key highlights for 2021-22 include:

Listening Tour

The aim of the Listening Tour, which took place during April and May 2022, was to engage with frontline industry practitioners and other stakeholders across the real estate, strata, residential development and training sectors.

The then Minister for Fair Trading headlined the Listening Tour alongside the Property Services Commissioner in five locations – Chatswood, Penrith, Menai, Tweed Heads and Dubbo.

Strategic Overview and Work Plan

The Office of the Property Services Commissioner developed and released a Strategic Overview and Work Plan, after lengthy consultation with industry leaders, practitioners, regulators and consumer groups across the state. The strategy highlights risk and challenges across the industry and also captures the desire for collaboration with government and transformational change. Five key focusses were identified:

- transformation and future-proofing of the strata sector
- driving great consumer outcomes through stakeholder engagement and collaboration
- regulatory reform through building connected and synergised government service delivery, while implementing an Educate, Communicate, Enforce approach to compliance
- empowering high professional standards through fit for purpose education, training and licensing
- engaging with emerging digital and industry transformation to champion great consumer experiences and protection.

Engaging with key stakeholders and industry experts

The Office of the Property Services Commissioner met regularly with key stakeholders and industry experts throughout 2021-22. This included representatives from strata management, real estate, property development, insurers, owners and tenants, banking and finance, legal and conveyancing, education and industry training, sustainability, and building and facilities management.

Regular stakeholder meetings were valuable in creating a strategic lens and defining objectives for short- and long-term goals, ushering in a new era of collaboration between industry, government and consumers of property services.

Other highlights and achievements

Revenue NSW

Revenue collection

This is Revenue NSW's biggest revenue collection year ever, with more than \$39 billion in revenue collected.

Revenue NSW balances the need to responsibly collect revenue with support for the community's needs and especially people experiencing hardship. Our flexible approach has been particularly important during the response to the impacts of COVID-19.

Revenue collection improvement

As part of ensuring equitable and fair revenue collection, Revenue NSW has seen a focus on ensuring those responsible for duties and taxes pay their share. The following highlights some of the work undertaken in the past year:

- Mineral Royalties collection strengthened through enhanced systems and processes
- Foreign Owner Surcharge extended compliance program estimated to deliver an additional \$194 million over four years.

The Assured Revenue program will deliver further improvements in customer experience, with seamless integration with Service NSW for taxes and fines, making it easier for our customers to comply with their obligations, with a potential impact of over \$400 million over the next three years.

Helping people with their first home

Revenue NSW is helping people buy or build their first home with the First Home Buyer Assistance scheme, Home Owner Grant, and the Home Builder Grant which support people when they buy or build their first new home. In 2021-22, the number of people accessing and value of the programs was:

- over 34,000 transfer duty concessions with a value of over \$540 million
- more than 5300 first home owner grants paid with a value of over \$52 million
- 9681 home builder grants paid with a value of over \$208 million.

Electric vehicles

The NSW Government is making electric vehicles (EV) more affordable for the people of NSW by reducing the upfront cost for the first 25,000 eligible EVs sold. This incentive will make purchasing an EV more affordable for motorists.

Revenue NSW processed more than 2800 rebates with a value of almost \$8.5 million for the new full battery electric vehicles and hydrogen fuel cell electric vehicles. Revenue NSW also processed more than 3700 stamp duty refunds for new EVs purchased with a value of over \$8 million.

The state central fine, fee and debt service provider



Revenue NSW partners with over 240 public authorities and issuing agencies across both state and local government to collect their fines, fees, and other statutory charges.

Fairer fines administration

Developed in collaboration with other government agencies, fairer fines administration incorporates engagement and education strategies, with the application of behavioural insights to reach targeted fines customers. The activities include:

- educating young people about fines when they get their learner licence with Service NSW
- cross-agency data matching to identify young customers for write off or other agreed action
- establishing Community Action Plans for four communities to reduce the impact of fines debt
- introduce shared accountability for community owned fines data in order to take action
- approving write off programs for customers who have demonstrated good behaviour
- amending Work and Development Orders (WDO) guidelines to provide examples of how cultural activities fit within existing WDO activities
- identifying and implementing diversion programs to help vulnerable people avoid fines.

Other highlights and achievements

Compassionate approach to people experiencing hardship



Embracing Service NSW as the front-door for customers, Revenue NSW is now making it even easier for customers to access services, comply with their obligations and receive their entitlements. Any customers experiencing short-term financial hardship are continuing to receive empathetic and responsive service delivery with access to greater flexibility of payment options, including a variety of COVID-19 stimulus measures and new administered grants.

Revenue NSW collaborates with government, non-government organisations and communities to support vulnerable customers experiencing financial hardship and to break the cycle of disadvantage. Over 25,000 Work and Development Orders (WDO) were approved in 2021-22 with the individuals undertaking unpaid work, courses, counselling or other eligible treatment options to resolve their fines debt.

The *State Revenue and Fines Legislation Amendment (Miscellaneous) Act 2022* received assent on 19 May 2022. The amendment has removed the threat that a customer could be committed to custody for not resolving their fines, which will help to build trust within the community. The amendment will also allow social workers to become approved WDO sponsors. Currently every person on a WDO must be supported and supervised by an 'approved person'. An approved person is defined as either an approved organisation, or where the WDO involves medical or mental health treatment, a health practitioner. This amendment is significant as mental health treatment is often provided by social workers, but as social workers are not 'health practitioners', they weren't previously able to be WDO sponsors.

Revenue NSW is expanding our First Nations outreach team from two officers to 12. This will continue to build trust and awareness in Aboriginal communities, improve cultural understanding and make it easier to deal with Revenue NSW.

We launched a Community Action Plan tool to help communities develop targeted strategies to reduce fines debt and prevent fines. This has been supported by Community Data Dashboards on the Revenue NSW website. The dashboards foster increased transparency and community accountability in communities with high fine numbers and high fines debt. This public facing data on the revenue.nsw.gov.au can be accessed by communities to inform the development of their Community Action Plan.

Breaking the cycle of disadvantage

Key targeted hardship initiatives continue to support the NSW Government's priority of breaking the cycle of disadvantage. Revenue NSW uses co-designed solutions that apply human-centred design and behavioural insight techniques, which aim to change behaviour and avoid fines debt in these targeted communities. Initiatives include self-service support tools easily accessible to all. The key impacts of the initiatives are to:

- produce tailored age and culturally appropriate communications to youth and regional or remote customers to encourage earlier engagement
- reduce the impact of fines debt and ensure that vulnerable youth and Aboriginal and Torres Strait Islander people are not unfairly impacted by the fines system
- explore more opportunities to resolve debts through mutual recognition and the standardisation of existing financial hardship customer assessments already used in community legal centres across NSW
- deliver a culturally appropriate service for fines customers who have voluntarily identified as Aboriginal or Torres Strait Islander. This service delivered by our First Nations Support Officers assisted over 2500 customers in 2021-22.

Assured Revenue



Revenue NSW's Assured Revenue project is delivering transformational improvements in customer experience with seamless integration with Service NSW for all taxes and fines. This has enabled a significant customer impact by making it easier for customers to comply with their obligations.

Working with Service NSW as part of a whole of government identity solution will simplify and streamline customer experience and customer relationship management across agencies.

The Assured Revenue project continues Revenue NSW's shift into cloud infrastructure for our digital platforms. A significant shift has also been made towards a microservice delivery model which is enabling greater flexibility, reducing complexity and dependencies between different products.

Other highlights and achievements

Improvements in the duties space focusing on a ‘tell us once’ approach is providing a more guided and streamlined customer experience. This is significantly reducing the amount of time for a customer to complete applications. The improved experience means customers are ‘getting it right the first time’, reducing their time and effort, and the workload for our teams, while at the same time improving compliance and revenue collection.

Digital Twin of organisation and NextGen automation



Revenue NSW designed and implemented a Product Knowledge Warehouse which helps us to manage and run change cycles through the business. The Product Knowledge Warehouse is essential to managing the complexity of processes in Revenue NSW. The cornerstone of the Product Knowledge Warehouse was a new metamodel around process design. This digitally models products, processes and services, enabling a far greater understanding of the current state and impact of proposed changes.

The Product Knowledge Warehouse design has focused on understanding and improving customer experience while ensuring there is strong process governance. Customer journey modelling is mapping customer expectations and experiences to operational processes in order to continuously improve customer experience.

To date we have documented and analysed over 90% of core business processes across all major product lines and over 31,000 hours have been saved by utilising process documents across the organisation.

The next step is building on the successful process mining pilot to drive continuous process improvement in critical areas.

Service NSW

In 2021-22, Service NSW led three significant Greenhouse projects as part of the *DCS Connect Strategy 2020-23*.

Further information on Service NSW’s achievements can be found in the 2021-22 Service NSW Annual Report.

Customer Care – Supporting the response to natural disasters



Following the catastrophic storms and floods of February 2022, Service NSW teams worked with affected residents to deliver tailored services based on individual needs. They helped customers apply for available grants and relief payments, fee exemptions, and new identification and licences.

Northern Rivers flood

90,000+
calls received

12,000
applications for
rental support

1.2 million
webpage visits

20,000
applications for
Back Home Grant

12,000
registrations for
loot assistance

20,000
applications for
small and medium
business grants

Other highlights and achievements

Customer Engagement Integration Program



The Customer Engagement Integration (CEI) Program will expand the Service NSW one stop shop and deliver rationalised telephony systems across DCS. It will move users onto a common cloud platform and deliver best in class capability to customer facing teams.

A further series of efficiencies from the 2020-21 migration of services included the migration of Business Connect into Service NSW for Business and the migration of Long Service Corporation customer facing teams into Service NSW Service Delivery.

The program is currently developing a new knowledge management system and workforce management capability which will be used across DCS. CEI has also delivered a new cluster-wide Experience Management system, further strengthening the cluster's ability to deliver truly customer-centric services, and is piloting a new translation service in partnership with Multicultural NSW.

MyServiceNSW Account



259 million+

customer interactions in Service NSW Service Centres, contact centres and website

97%

customer satisfaction score

139%

increase on the previous year

1.7 million

new MyServiceNSW accounts

87.4%

transactions available digitally

5.9 million

customer accounts had been 'Identity-proofed' to level 2

Helping the people of NSW find savings

Service NSW provides a Savings Finder program that brings together more than 70 NSW Government funded rebates and savings into one location, including Active Kids and Creative Kids Vouchers, Toll Relief and the Regional Seniors Travel Card. Customers can navigate the rebates and savings relevant to them, via the Savings Finder tool on the Service NSW website or over the phone with a Savings Specialist.

This year more than 500,000 customers accessed the Savings Finder tool and over 24,000 customers met with a Savings Specialist. The average customer saved approximately \$707 by using these services.

Digital licences

NSW Digital Driver Licence

Customers continue to adopt the NSW Digital Driver Licence, with over 4.1 million drivers in NSW now holding a digital licence. As at 23 June 2022, 71% of drivers had downloaded their digital licence. Customer satisfaction has consistently tracked at over 92% for this service.

NSW Digital Photo Card

Following on from the popularity of the NSW Digital Driver Licence, Service NSW successfully trialled a digital version of the NSW Photo Card in 2021. The card can be used to prove a person's age, identity and address, through the Service NSW app.

NSW Digital Photo Cards update in real time and are protected by the security within the Service NSW app and the smartphone. As at 23 June 2022, more than 50,000 customers had downloaded their Digital Photo Card. Customer satisfaction has consistently tracked at over 95%.

Other highlights and achievements

State Insurance Regulatory Authority

Further information on the achievements of the State Insurance Regulatory Authority (SIRA) can be found in the 2021-22 SIRA Annual Report.

Towards value-based healthcare



SIRA has a vision that 'the workers compensation and compulsory third party (CTP) schemes assist injured persons in their recovery through value-based healthcare'. Value-based healthcare is focused on achieving measurable improvements in an injured person's health outcomes.

In August 2021, SIRA published the Value-based Healthcare Outcomes Framework. The framework provides a series of metrics for monitoring and reporting healthcare outcomes and costs in the schemes. It enables SIRA to measure the value of healthcare – through the health and quality of life outcomes that are achieved – and report comparatively on insurer performance.

In December 2021, SIRA published an implementation plan to drive better health outcomes and value-based care for injured people in the NSW workers compensation and CTP schemes. The plan acts on the findings of the SIRA Healthcare Review, conducted in 2020-21, which aimed to ensure that injured people have access to the right healthcare, at the right time, for optimal recovery and return to work. This implementation plan introduces 21 initiatives that SIRA will undertake to drive improvements using value-based care.

Cheaper Green Slips

In 2021-22, SIRA decided to claw back almost \$91 million in insurer profits from CTP insurers and redistribute the insurer profits among motorists through a 35% reduction in a levy that forms part of the cost of a Green Slip, saving motorists an average of \$19 when they take out a policy. This was the first time SIRA activated the mechanism to recover excess insurer profits following the NSW Government's 2017 CTP reforms, which introduced regulatory powers for SIRA to control the level of insurer profits under the transitional excess profits and losses mechanism.

Improving return to work performance

SIRA is driving improved return to work outcomes for people injured at work and on the roads. Staying at or returning to work after an accident is essential to injured people's health and quality of life. It also helps keep premiums affordable and ensures the long-term financial stability of the schemes and reduces employment barriers for anyone with an injury or disability. Measuring a person's return to work journey following an injury was made easier after the launch of the Recovery Through Work Measurement Framework. The framework aims to simplify the complicated process of measuring recovery by also setting outcome-based metrics.

In December 2021, SIRA committed to a Return to Work Action Plan to address poor return to work performance in the NSW workers compensation scheme. Return to work rates – a key performance measure for the scheme – have continued to decline since 2015. One of the actions of the plan included the introduction of the 'Standard of Practice Return to work – early intervention'. Working in consultation with insurers, SIRA created the standard to help facilitate early recovery and improved return to work outcomes for people in NSW who are injured at work.

Mental Health Recovery and Support Action Plan

In November 2021, SIRA published the Mental Health Recovery and Support Action Plan as a further step toward an integrated, long-term approach to enabling better mental health outcomes for people in NSW. Evidence shows that people who make psychological injury claims take longer to return to work, have slower recovery journeys, report poorer claims experiences, and have more costly claims than those for physical injury. The plan is based on research SIRA commissioned from Monash University to combine existing mental health strategies and research, with in-depth stakeholder interviews and surveys.

Other highlights and achievements

Increased transparency and accountability

In 2021-22, SIRA committed to publishing more information about insurers, employers, healthcare providers, and other regulated entities operating within the schemes, with an aim to advance accountability and transparency. Under a new Regulatory Publishing Policy, SIRA aims to expand the impact of its powers and, over time, to deter sub-standard performance, increase compliance, and as a result, drive improved outcomes for customers.

Motor Accidents and Workers Compensation Legislation

The *Motor Accidents and Workers Compensation Legislation Amendment Act 2021* received assent on 16 June 2022. The Act made changes to injured people's entitlements and the regulation of the schemes. Volunteers and children of people killed in workplace accidents will benefit from the changes to the workers compensation legislation, as will people claiming in the motor accidents scheme. Further changes provide additional powers to SIRA to regulate health service providers in the workers compensation and CTP schemes. Under these powers, SIRA can take action against providers who repeatedly engage in practices that adversely impact outcomes for injured people.

Other highlights and achievements

Financial highlights

DCS aims to deliver excellence in customer service, digital leadership and innovation in government services, and safe and secure markets for the people and businesses of NSW.

Net result

DCS's net surplus for 2021-22 was \$208.9 million compared to a budgeted net surplus of \$131.2 million. The favourable variance of \$78 million is predominantly due to DCS's total expenses being \$1.712 billion lower than budgeted, while DCS's total revenues (excluding Other Gains/Losses) were lower than budgeted by \$1.746 billion. Therefore, the surplus this year is arising from other gains/losses which were \$111.9 million favourable to budget.

Expenditure

As a service provider, most of DCS's expenditure budget relates to grant programs and labour costs.

Expenditure for the year was lower than budgeted¹, primarily due to a favourable variance to budget in grants and subsidies (\$1.61 billion) due to administered expenses being excluded in accordance with accounting standard AASB1050. The majority of DCS's grant expenses are excluded and disclosed in Note 3 of the Financial Statements.

The budget included \$1.61 billion of additional grant expenses for grants administered by other government agencies. These amounts are excluded from DCS Actuals and treated as a 'transfer payment' as outlined in Note 3 of the Financial Statements. This treatment is consistent with prior years.

During the year there was an increase in work performed in relation to computer costs (cloud implementation). These incurred costs could not be capitalised resulting in an increase in expenses. From the beginning of the current financial year further costs were incurred due to the initial outlay of maintenance of information technology which was previously outsourced and is now managed by DCS for other NSW government agencies.

As a result of delays in filling in vacancies throughout the year, the Employee Related expenses were favourable to budget by \$192.1 million. Depreciation and amortisation charged in the year was also favourable to budget by \$32.4 million arising from lower capital expenditure than budgeted across software and plant and equipment.

Revenue

Revenue for the year was lower than budgeted¹, primarily due to:

- \$1.77 billion reduction in Appropriations Revenue due to administered revenues being excluded in accordance with AASB1050 – the majority of DCS's grant revenue is excluded and associated appropriation funding is disclosed in Note 3 of the Financial Statements
- \$29.9 million of unbudgeted proceeds transferred to Crown resulting from the State Fleet wind down and from sale of Loose Fill Asbestos assets
- \$39 million due to higher building licensing fees
- grants and other contributions are \$46.6 million favourable to budget, however, broadly in line with latest approved budget due to budget variations mainly related to Digital Restart funding for Cyber Security and e.Regulation
- \$37 million unfavourable Acceptance by Crown of employee benefits due to Treasury's actuarial assessment of the Crown long service leave balances - the movement is a result of increases in the Commonwealth bond rate during the year.

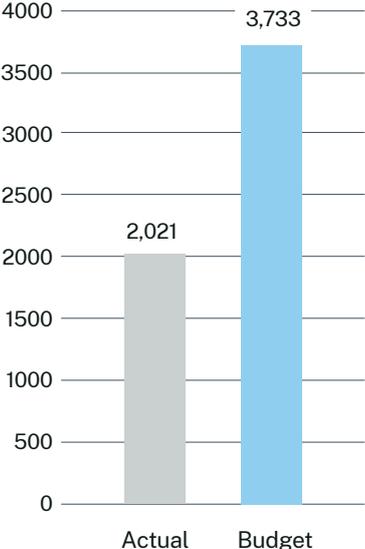
Other gains and losses were \$111.9 million favourable to budget primarily due to the following:

- \$101.4 million gain arising from the derecognition of right of use assets and lease liabilities with Property NSW
- \$2.8 million gain arising from the derecognition of right of use assets and lease liabilities arising from DCS as a lessor
- \$3.2 million impairment loss on the right-of-use assets relating to a lower revaluation on DCS's leasing properties
- \$22 million reversal of impairment of an intangible asset due to complexities in delivering an Enterprise Resource Planning project
- offset by \$7.5 million loss arising from TCorp investment funds.

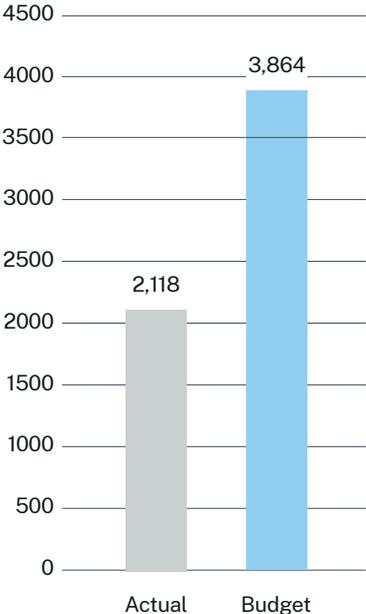
¹ Budgeted amounts reflect the first published budget.

Other highlights and achievements

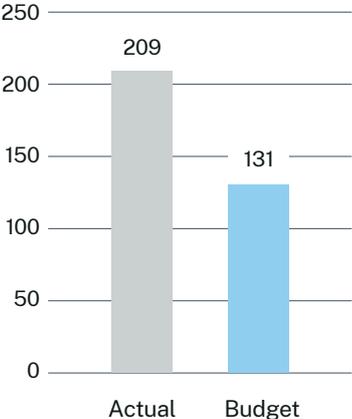
Total expenses



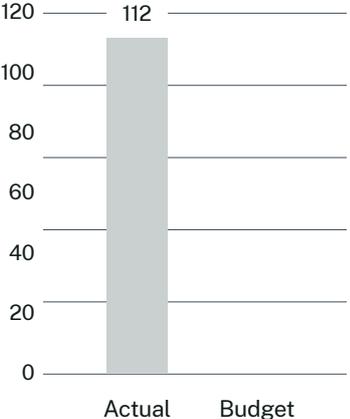
Total revenue



Net result

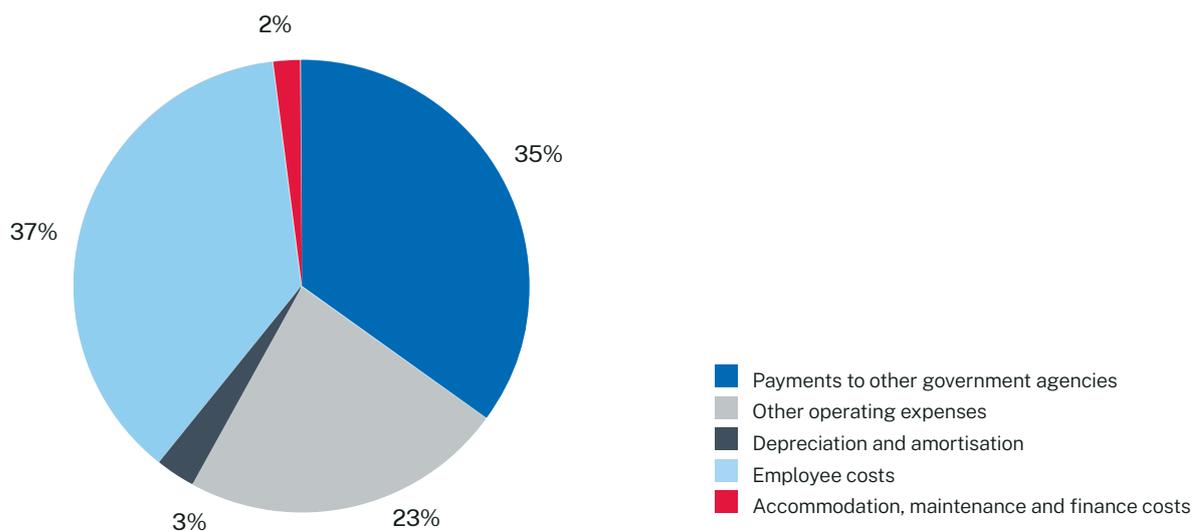


Total other gains/ (losses)

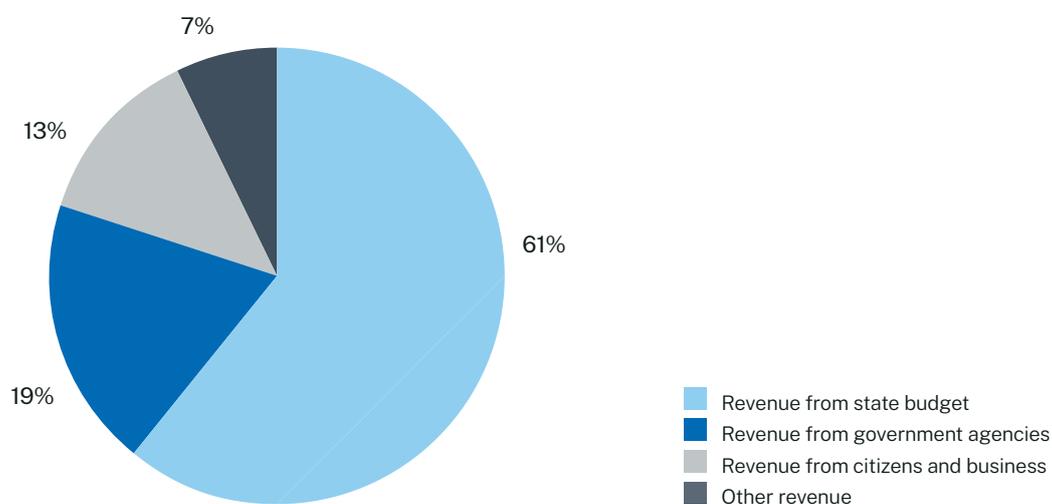


Other highlights and achievements

DCS expense by major categories

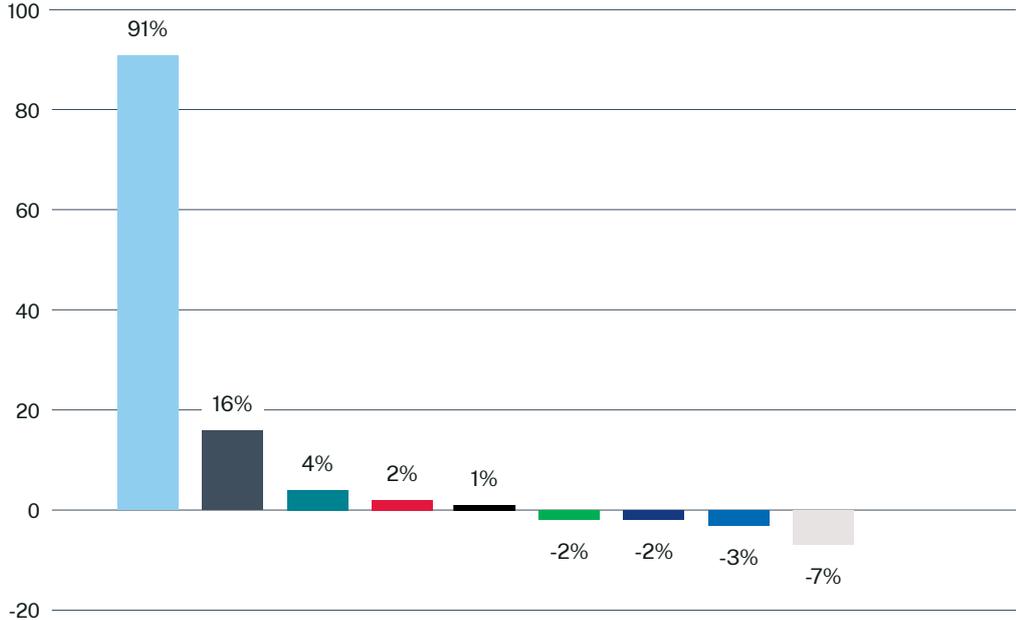


DCS revenue by major categories



Other highlights and achievements

DCS other gains and losses by major categories



- Derecognition of right-of-use assets and lease liabilities with Property NSW
- Impairment loss-intangibles
- Impairment losses on sale of goods and services
- Derecognition of right-of-use assets and lease liabilities as a lessor
- Gain/(loss) on disposal of property, plant and equipment and intangibles (other than StateFleet Motor Vehicles)
- Impairment losses on retained taxes, fees, fines and other
- Written down value of assets disposed/written off
- Impairment loss-right-of-use-assets
- Net gain/(loss) from TCorp Funds measured at fair value through profit or loss

5. Corporate performance



Strategic planning and performance framework

DCS's strategic planning and performance framework aligns with the NSW Government's strategic priorities and is supported by various corporate, internal planning and reporting mechanisms.

These include:

- *DCS Connect Strategy 2020-23*
- divisional and business unit delivery plans
- strategic corporate functional plans to manage corporate service delivery
- individual performance and development plans.

DCS monitored and reported performance through the following mechanisms:

- regular external reporting to NSW government agencies and the public on governance, financial services and project delivery
- operational and strategic reporting to the Department's Executive
- reporting to specific internal governance bodies, including the Audit and Risk Committee and the Management Assurance Committee
- monitoring of Senior Executives' performance agreements
- individual performance and goals and achievement via the myCareer and myPerformance platforms.

DCS has procedures in place to monitor the outcomes of internal and external performance reviews, audits, reports and inquiries. These include monitoring and reporting on:

- internal and external audit recommendations, including Audit Office Management Letter recommendations and performance audits
- other recommendations made to the Department from external bodies, including the Independent Commission Against Corruption, the NSW Ombudsman, the Coroner, annual evaluation schedule and reviews by external consultants.

Performance review

DCS State Outcome Indicators

The Customer Service cluster is responsible for nine Outcome Indicators (refer table below), which track the progress being made towards each State Outcome.

Outcome Indicator	Narrative	Measure	Prior Year	Actual 2021-22	Target
Digital leadership and innovation in government services					
Digital government readiness	The measure reflects progress in end-to-end digital activities spanning strategy, planning, funding, design, delivery and sustainability. ICT is inherently an enabler of many customer facing services and therefore this metric broadly supports DCS's State Outcomes of digital leadership and innovation in government services, and excellence in customer service.	Digital government readiness indicator	9.8 /10 #1 ranked State or Territory	10 /10 #1 ranked State or Territory	≥ previous year's result, and NSW is the number one ranked jurisdiction for digital readiness
Public safety coverage and operations of the CCEP	The Public Safety Network is providing a critical communications network across the state for emergency services.	Public safety coverage and operations of the CCEP (Critical Communications Enhancement Program): operational, population and geographic	Operational: 99.95%	Operational: 99.97%	Operational: 99.95% by 2023
			Population: 94.0%	Population: 99.96% (met target 12 months ahead of schedule)	Population: 98% by 2023
			Geographic: 41.0%	Geographic: 44.5%	Geographic: 52% by 2023
Excellence in Customer Service					
Customer satisfaction with services across government	Tracking customer satisfaction with government services provides insights that help the government understand where it needs to improve customer service.	NSW Consumer Satisfaction Score	Data for 2020-21 was not available until early 2022 pending the finalisation of the revised Customer Satisfaction Measurement Tool	Individuals: 75% ¹ Businesses: 72% ¹	Individuals: 80% by 2025 Businesses: 80% by 2025
Increase the number of government services where customers only have to 'Tell government once'	This outcome indicator is a Premier's Priority. Customer satisfaction and trust in government is increased when unnecessary time and effort is avoided.	The number of government services where customers only have to 'Tell government once'	43	60 (met target 12 months ahead of schedule)	70 by December 2023

Corporate performance

Excellence in Customer Service (cont)					
Outcome Indicator	Narrative	Measure	Prior Year	Actual 2021-22	Target
Percentage of transactions available digitally through Service NSW ²	This indicator measures the percentage of Service NSW services available via digital channels. It recognises that convenience and accessibility of services are key drivers underpinning customer satisfaction with government services and aligns to the NSW Government's commitment to digital service delivery.	Percentage of transactions available digitally through Service NSW	79.3%	87.4% (met target 12 months ahead of schedule)	>87% by June 2023
Number of visits to rural and remote communities by mobile service centres	This indicator measures the number of visits to rural and remote communities by mobile service centres, which offer similar services to Service NSW physical sites and allow communities to access a range of government support services and initiatives.	Number of visits to rural and remote communities by mobile service centres	8 rural and remote visits from 89 mobile service centre visits	37 rural and remote visits from 147 mobile service centre visits	36 rural and remote visits from 166 mobile service centre visits by June 2023
Fair, secure and efficient markets					
Compliance rate of selected regulatory activities	This indicator measures the proportion of selected regulated entities found compliant with the laws and regulations which govern their operations.	Compliance rate of selected regulatory activities	95%	96%	>92% by June 2023
Reduced rate of work-related traumatic injury fatalities (worker fatalities per 100,000 employees)	This indicator highlights how effective regulatory and legislative efforts are in reducing workplace fatalities caused by traumatic injuries. It measures the fatality rate per 100,000 employed persons caused by traumatic injuries (fatalities sustained in the course of a work activity and as a result of some else's work activity, i.e. bystander fatality).	Fatality rate per 100,000 employed persons – Traumatic worker fatalities	1.35	1.34 ³	1.34 by December 2022
Affordability of the Compulsory Third Party (CTP) Insurance Scheme (Motor Vehicles)	Measures average CTP premiums as a percentage of the average NSW weekly wage.	Compulsory Third Party Insurance	23.7%	23%	Maintain or improve CTP affordability, as a percentage of the average NSW weekly wage

1 This metric has been revised to reflect whole of government customer satisfaction through the customer and now business lenses. The metric draws upon a newly developed Customer Experience Survey (CXS) launched in December 2021 that replaced the Customer Satisfaction Measurement Survey that was administered from 2015-20. Reporting against this metric is contingent upon Expenditure Review Committee approval anticipated in October 2022.

2 The Expenditure Review Committee endorsed the expansion of this metric in December 2021 to include non-roads and maritime transactions completed via the DRIVES and Service NSW systems.

3 Data relates to December 2021. 2022 data will be available in 2023.

6. DCS-related entities' annual reports



DCS-related entities' annual reports

Office of the Registrar General

The Office of the Registrar General is the regulator of the NSW land titling system. This includes overseeing:

- NSW Land Registry Services (NSW LRS), which operates NSW land titles registry under a concession with the NSW Government
- Electronic Lodgment Network Operators in NSW, who maintain national digital platforms for lodging land title dealings, such as transfer and mortgages. All mainstream land title dealings must be lodged electronically in NSW.

The Office of the Registrar General also advises government on relevant land title legislation, regulation and policy, is an independent arbitrator of disputed title boundaries, and administers the Torrens Assurance Fund – a statutory compensation scheme designed to compensate people who, through no fault of their own, suffer loss or damage as a result of the operation of the *Real Property Act 1900*.

Boundary determinations and survey audits

Our cadastral integrity surveyors investigated, determined and resolved boundary disputes between landowners on behalf of the Registrar General in accordance with Part 14A of the *Real Property Act 1900*. In 2021-22, 20 boundary determinations were lodged with the Registrar General (14 in Sydney metropolitan area and 6 in regional NSW).

We continued to conduct survey audits to ensure surveyors complied with relevant legislative instruments when submitting plans to NSW LRS for examination, registration and creation of new titles to land. The survey audits aim to improve the quality and consistency of deposited plans lodged for registration.

In 2021-22, the Office of the Registrar General conducted 136 audits across NSW, 106 of which were in the Sydney metropolitan area and 30 in regional NSW. All audits performed by the Office of the Registrar General are on plans registered with NSW LRS.

We also carried out 2 examination surveys in 2021-22 to resolve anomalies in the cadastre and conducted 3 administrative reviews under section 121 of the *Real Property Act 1900*.

Legislative reform projects

100% eConveyancing reform

The *Real Property (Certificates of Title) Amendment Act 2021* received assent on 24 May 2021, which enabled the NSW Government to implement the final changes needed to achieve a fully digital land titling system. A critical part of reaching 100% eConveyancing was removing the paper process, in particular the paper certificates of title. The Registrar General declared that from 11 October 2021, certificates of title were abolished and will no longer be issued. A major benefit of the reform is that stakeholders will no longer need to support dual electronic and paper conveyancing practices, bringing greater efficiencies. The Torrens Land Register continues to be the reliable, secure, source of truth for all land title records in NSW.

Community Land Development Act 2021

The *Community Land Development Act 2021* (Development Act) and the *Community Land Management Act 2021* commenced on 1 December 2021. The Acts repealed and replaced earlier community schemes legislation to align with the major reforms that were incorporated into the strata schemes laws in 2015. The Development Act modernises procedures and allows greater flexibility to deal with association property and updates the staged development process.

Statutory review of strata laws

In November 2021, the NSW Government tabled a report setting out findings of the Statutory Review of the *Strata Schemes Development Act 2015* and the *Strata Schemes Management Act 2015*. That report followed an extensive review and consultation conducted by the Office of the Registrar General, along with Office of the Secretary. The report found that the policy objectives of the Acts remain valid but made 139 recommendations for improvement to the strata framework. During 2022, the Office of the Registrar General has been working with Office of the Secretary to develop legislation to implement the recommendations, which are expected to be delivered in two phases.

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COVID-19 emergency provisions

In response to the evolving needs of the community during the COVID-19 pandemic, the Office of the Registrar General extended amendments to the Conveyancing Rules to temporarily allow paper land dealings, plans and instruments to be signed electronically. These changes allow witnessing obligations to be satisfied electronically using an audio-visual link under Part 2B of the *Electronic Transactions Act 2000*. The changes are intended to apply until replaced by permanent electronic execution provisions, which will be developed in consultation with industry.

Powers of Attorney

The Office of the Registrar General continues to work with relevant state, territory and Federal government agencies to review ways to strengthen protections for vulnerable people against misuse of enduring powers of attorney. Most recently, this has involved participating in a cross-jurisdictional working group to develop alternative models for a potential national register of enduring financial instruments, and to identify options for law reform to support a nationally consistent approach to enduring powers of attorney. This review arises from the *National Plan to Respond to the Abuse of Older Australians (Elder Abuse) 2019-2023* and considers improved outcomes for attorneys and the third parties with whom they interact.

Transitioning from paper to digital survey plans

The Office of the Registrar General, together with Spatial Services, are working with NSW LRS to transition from paper to digital survey plans. The first component, an online plan creation to registration process, is progressively being implemented by NSW LRS through the replacement of the legacy ePlan lodgment portal with NSW LRS Connect.

Other highlights for 2021-22 include:

- document requisitions dropped below 2% following implementation of new online form generation tools
- 346 plans with mathematical errors corrected prior to registration by using the priority capture-on-demand service provided by Spatial Services, avoiding costly plan amendments
- over 2150 Deposited Plans lodged during the year comprehensively reviewed by NSW LRS.

Updating the eConveyancing regulatory framework

In 2021-22, the NSW Registrar General continued to progress a competitive market structure for eConveyancing. This work involves developing the technical and regulatory framework for interoperability between Electronic Lodgment Network Operators (ELNOs). The interoperability reform is being led by the Australian Registrars National Electronic Conveyancing Council (ARNECC) and is supported by the Australian Competition and Consumer Commission (ACCC).

In June 2022, the Electronic Conveyancing National Law was amended to require interoperability between ELNOs, as well as giving registrars greater powers to determine operating requirements in relation to interoperability. This first phase of amendment provides the framework for interoperability. ARNECC is developing a further set of amendments to the Electronic Conveyancing National Law which will address stakeholder feedback on the first phase of legislative change, as well as introducing stronger enforcement powers for registrars to enforce compliance with legislative and regulatory obligations.

The technical solution for interoperability is being developed by ARNECC, through a working group comprising government and industry experts. The focus of the technical work will achieve an initial interoperable transaction in Queensland by March 2023, before broader roll out of interoperability in NSW and Queensland and then other states and territories.

Following recommendation from a working group comprising Reserve Bank of Australia, Australian Securities and Investments Commission, ACCC, the Commonwealth Treasury and state registrars, the Council of Financial Regulators and the ACCC supported addressing financial regulation in eConveyancing through a self-regulatory regime. An industry code will be jointly developed by the e-conveyancing platform providers and financial institutions under the governance of an industry steering committee facilitated by AusPayNet. Work on the industry code commenced in June 2022 and is expected to be completed within 12 months.

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Strategic scanning project

In 2021-22, the Office of the Registrar General, Spatial Services and NSW LRS commenced conservation work on damaged important land titling records reaching back to the first land grants in NSW (and Australia) in the late 1780s. These records require expert preservation to restore them to a state where they can be digitised and transferred to State Archives and Records Authority for safeguarding. Customers can access the 3 million images that have already been digitised as part of the project, without the need to visit NSW LRS offices in Sydney CBD to get a copy. The free records can be viewed and downloaded from the NSW LRS Historical Land Records Viewer on the hlrv.nswlrs.com.au website.

Titling and Registry Services business during 2021-22

The property market in NSW continued to experience high levels of activity in 2021-22. A total of 1,064,983 dealings were lodged for registration which was a 9.23% increase from the previous year. Discharges of Mortgage continued to dominate with 345,754 lodged in 2021-22.

Deposited plan lodgments increased by 5.89% to 10,771 and strata plan lodgments fell 4.62% to 1591. There were 50,153 new lots created, 32,828 from deposited plans and 17,325 from strata plans. Strata plans represented 12.9% of all plans lodged and 34.5% of all lots.

Torrens Assurance Fund claims

The Torrens Assurance Fund is a statutory compensation scheme designed to compensate people who, through no fault of their own, suffer loss or damage as a result of the operation of the *Real Property Act 1900*.

During 2021-22, 13 compensation claims were submitted to the Registrar General. As at 30 June 2022, there were 17 current claims against the Torrens Assurance Fund, totalling approximately \$17 million. This estimate of liability is based on the scenario of all fraud and error claims being paid. Actual payments are generally much lower. The Torrens Assurance Fund has paid out a total of \$93,032.21 in compensation for the financial year 2021-22.

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Office of the Surveyor General

The Office of the Surveyor General is part of Spatial Services and operates in accordance with the *Surveying and Spatial Information Act 2002* (S&SI Act) and its regulation, *Surveying and Spatial Information Regulation 2017* (S&SI Regulation).

The S&SI Act provides for the:

- coordination, evaluation, and maintenance of certain state cadastral information
- qualification, registration, regulation and integrity of land and mining surveyors
- co-ordination of surveys carried out by public authorities
- establishment of a state control survey and advice to the government relating to the collection, collation and dissemination of spatial information other than surveys.

The Surveyor General of NSW is the Government's principal advisor on surveying and spatial information. The statutory functions cover surveying and positioning infrastructure, geographical naming, electoral boundaries and maintaining the integrity of the state's cadastre and state control survey.

In 2021-22 staff within the Office of the Surveyor General:

- revised and published the following Surveyor General's Directions to ensure consistency and quality of practice across the surveying industry:
 - Surveyor General's Direction (SGD) 13 – Aquaculture Lease Surveys
 - Preservation of Survey infrastructure (POSI) Resource Pack – templates and technical documents supporting SGD11 – Preservation of Survey Infrastructure
 - SGD12 Resource Pack – templates and technical documents supporting SGD12 – Control Surveys and SCIMS

- reviewed the following Surveyor General's Directions to ensure that the content and procedures are up-to-date and best practice:
 - SGD6 – Water as a boundary
 - SGD8 – Mining Tenure Surveys
 - SGD11 – Preservation of Survey Infrastructure
- maintained 12 regional Electronic Distance Measuring baselines to enable surveyors to calibrate their surveying instruments and ensure compliance with legislation
- maintained National Association of Testing Authorities accreditation and National Measurement Institute appointment as a verifying authority under the provisions of the *National Measurement Act 1960 (Cth)*
- provided enhancements to the online workflow between the Office of the Surveyor General and industry, allowing for digital submission and real-time tracking of submissions for Surveyor General Approvals such as exemptions, POSI submissions, Trig approval submissions and more
- evaluated applications for survey mark removal under clause 90 of the S&SI Regulation (section 24 S&SI Act)
- evaluated applications for exemption from the provisions of the S&SI Regulation
- evaluated applications for proposed development at Trigonometrical Station sites
- chaired the Preservation of Survey Infrastructure Collaborative Working Group with Transport for NSW to maintain the integrity of the state control survey and the state cadastre
- ensured the state's control survey is authoritative, accurate, current and complete
- supported the propagation, sourcing and improvement of the state control survey
- provided survey control for government aerial imagery and LiDAR capture programs
- provided survey control for the upgrade and update of the Digital Cadastral Database
- presented at over 25 industry events on a wide range of topics to contribute to the ongoing development of skills and knowledge of surveyors and the community.

DCS-related entities' annual reports

NSW Statewide Gravity Model Project

As part of the Live NSW project, Spatial Services (through the Office of the Surveyor General) will capture and deliver a statewide Gravity Model which will cover the entirety of NSW and provide a new level of gravity measurement coverage and accuracy.

The NSW Gravity Model will provide consistent high quality, high density (2+ kilometre spacing) gravity data across the entire state. This will deliver critical geoscience information to improve outcomes for state infrastructure projects and the management of natural hazards and resources, including:

- exploration and management of groundwater stores
- land use decision-making
- bushfire and natural disaster recovery efforts
- large infrastructure projects
- property, construction, agriculture, mining and surveying
- flood mapping
- future resource investment opportunities
- reduced levels of survey expenditure across all three tiers of government.

Procurement for the NSW Gravity Model Project has been completed and airborne capture of the raw gravity has begun, with 5% now complete. Completion of the project, including capture and delivery via NSW Government online portals is due to be delivered in December 2023.

CORSnet-NSW

CORSnet-NSW is a network of Global Navigation Satellite System tracking stations.

Our achievements this year included:

- transferred CORSnet-NSW's network control software to an Amazon Web Service cloud environment, which involved a complete rebuild of all software systems for CORSnet-NSW, including:
 - replacement of all data paths into CORSnet-NSW (internal routing and both Telstra and Optus)
 - new VPN (virtual private network) and VPC (virtual private cloud) connection paths to all data resellers
- two new CORS builds at Mullumbimby and Taree South
- system availability above 99.99%.

Ongoing maintenance and upgrades were severely impacted by COVID-19 restrictions. Up until January 2022, the CORS team had only been traveling for critical tasks. Since January 2022, the CORS team has restarted the preventative maintenance plan, rolling out or reinvigorating the following projects:

Receiver upgrade program (to comply with Service Level Agreements for equipment currency). Nine receivers were upgraded, bringing the total to 170 receivers since the beginning of the replacement and modernisation project in 2017. Only three receivers in the network are older than seven years.

Battery refresh and lithium upgrades (for safety and performance). Twenty-eight CORS have had lead acid batteries refreshed, and a further 6 mains sites and 2 solar sites were upgraded to lithium.

Modem upgrade in preparation for the decommissioning of 3G. Thirty-six new high performance industrial cellular modems were installed bringing the total to 260 installed at 172 sites since the project began. Only two legacy modems remain in the system.

Leadership and strategic direction

The Surveyor General provided leadership and strategic direction for the surveying and spatial information sector by:

- presiding over the Board of Surveying and Spatial Information
- representing NSW on the Intergovernmental Committee on Surveying and Mapping
- chairing the Surveying and Mapping Industry Council of NSW
- representing surveying on the University of Newcastle Surveying Liaison and Program Advisory Committee
- chairing the Geographical Names Board
- focusing on increasing the diversity and inclusivity of the surveying profession.

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Survey Control Information Management System (SCIMS)

In 2021-22, SCIMS achievements included:

- adding 2315 new survey marks to SCIMS
- updating coordinates for a further 1255 marks in SCIMS
- receiving and processing more than 2488 locality sketch plans.

Number and type of Survey Marks issued during 2021-22

State Survey Mark	State Survey Mark	State Survey Mark	State Survey Mark	Permanent Mark	Permanent Mark			State Survey Mark
Type 1	Type 2	Type 15	Type 16	Cover Box	Stainless Steel Pin	Brass Screws	Brass Number Plate	Type 15 Pin Only
71	195	11,660	269	723	122	1302	653	101

Digital Survey Plans

Following extensive stakeholder engagement and consideration of 50 discussion paper responses, the first of three components for transitioning from paper to digital survey plans has been supported by industry. The discussion paper is available on the website of the Office of the Registrar General.

The first component, moving to an online plan creation to registration process, is progressively being implemented by NSW LRS through the replacement of the legacy ePlan lodgment portal with NSW LRS Connect.

The migration of plan lodgment to NSW LRS Connect is planned for late 2022, with several procedural mandates, such as 100% online lodgment of plans, to take effect 12 months later.

The second and third components, requiring digital data to be lodged with plans and digital data being considered the legal point of truth, remain subject to further industry consultation.

Other digital survey plans initiatives continue to realise benefits for industry, government and the community. This includes new online form generation tools and a priority capture-on-demand service provided by Spatial Services to enable NSW LRS to undertake comprehensive plan examinations.

Promotion of surveying and spatial industry

The Surveyor General continued to support the promotion, education and skills of the surveying and spatial information industry and the preservation of surveying history by:

- offering the Surveyor General's Undergraduate Scholarship in Surveying at the University of Newcastle and the University of NSW, which supports students entering their final year of the surveying degree program
- chairing the NSW Surveying Taskforce, which promotes the surveying and spatial information profession to future generations of professionals. The taskforce has seen a significant number of students commencing university surveying degree programs and an increase in the number of candidate surveyors enrolled for registration
- promoting surveying as a profession through the provision of resources to NSW Surveying Taskforce initiatives including careers expos, in school presentations, 'Diversity in Surveying' event as well as hosting both school and university students to complete their industry-based work experience.

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Geographical Names Board

The Geographical Names Board (GNB) is the authority for place naming in NSW. It operates under the *Geographical Names Act 1966* and manages policy documents on addressing and geographical naming in NSW. GNB responsibilities include:

- assigning and determining place names, and maintaining the state gazetteer of place names
- approving that a recorded name of a place shall be its geographical name
- determining address locality (suburb) boundaries
- investigating and determining the form, spelling, pronunciation, origin and history of place names
- evaluating road name proposals and maintaining a list of road names for the state
- supporting the production, aggregation, publication, and usage of standardised address data across NSW.

GNB's role

Place names connect people to a place and play a vital role in our social and cultural environment. GNB's role is to ensure that place names are reflective of community sentiment and represent the rich and diverse culture of NSW.

Clear, unambiguous, and authoritative place names are essential for emergency services, postal and service delivery as well as professional and personal navigation. GNB is committed to open and transparent practices and procedures in the selection of place names in NSW. GNB makes clear and consistent decisions using the guidelines and principles outlined in the NSW Place Naming Policy.

Key achievements

GNB's focus this year has been on Aboriginal place naming, stakeholder engagement, policy and process improvement, and the ongoing management of place name applications.

Specifically, this financial year GNB has:

- evaluated 1808 public, private and pre-approved road names through its online road naming system and gazetted 466 dedicated road names
- advertised 67 place names and address locality boundaries

- assigned 10 recorded names and concurred with 16 school and national park reserve names
- assigned 59 place names including:
 - 6 dual names
 - 5 names using Aboriginal language
 - 7 names that commemorated women
 - 2 offensive names discontinued, and new names assigned
 - 3 names with a multicultural dimension
- commenced review of the NSW Place Name Policy
- employed an ongoing Senior Project Officer to support Aboriginal Place Naming
- engaged with local government to resolve issues arising from duplicated address locality names in NSW.

GNB strategic intent

A GNB strategic road map for 2018-21+ defines GNB's strategic purpose as delivering and enabling fit-for-purpose place naming for the people of NSW. It identifies the following 4 high level strategic challenges:

- providing an authoritative custodian for place naming in NSW
- building stronger relationships with stakeholders and the public
- cultural alignment – respecting Aboriginal, historical and multicultural dimensions to naming
- digital transformation – ensuring a responsive, agile, and digitally proficient organisation.

Report on operations

Consultation

Consultation with stakeholders is central to the creation of appropriate and consistent place names in NSW. As part of GNB's stakeholder management program, we actively participated in a wide variety of forums. These included:

- the Australian New Zealand Working Group on Place Names through attendance at several online forums
- ongoing engagement with Transport for NSW, NSW National Parks and Wildlife Service, Department of Education, Western Parkland City Authority, Aboriginal Languages Trust and NSW Telco Authority as well as other government agencies and local councils

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- presentation on place naming in NSW at a national surveying and spatial information conference, Locate 2022
- media relations, including proactive media releases for all new naming proposals and interviews ranging from general interest stories on radio to print coverage in a variety of publications.

Aboriginal place naming

GNB continues to encourage and support Aboriginal place naming in NSW. Through place naming, GNB aims to reawaken, promote and grow Aboriginal Languages in NSW.

Representatives from the GNB Secretariat are members of the Aboriginal Place Name Partnership. The partnership includes representatives from the Aboriginal Languages Trust, Aboriginal Strategy and Outcomes from the Department of Planning and Environment, the Aboriginal Outcomes Unit from DCS and the NSW Aboriginal Land Council. The partnership aims to support collaboration and find joint solutions to common challenges or opportunities related to Aboriginal place naming in NSW.

GNB is committed to engaging with community and a wide range of stakeholders to promote and support the use of traditional Aboriginal language in place names in NSW. As a result of this work, GNB has seen an increase in traditional Aboriginal place name applications and new place and road names using Aboriginal language.

Offensive names

The NSW Geographical Names Register contains place names that may be considered offensive for a multitude of reasons, including the use of derogatory terms, the meaning of the word or the origin of the name. The perception of offensive names may vary through time and from place to place.

In 2022, two offensive place names were removed and new place names were assigned, in consultation with the local community.

Policy and process development

GNB has commenced a review of the NSW Place Name Policy. Preliminary feedback from stakeholders has highlighted the need to rewrite the policy, to make it clearer to read, interpret and engage with. A policy review timeline has been endorsed by the GNB, with a final publication date for the new policy in June 2023.

GNB's role supporting NSW development

GNB plays a vital role in supporting development in NSW through providing a reliable, authoritative, source of truth for place naming. GNB encourages establishment of an official name early in the process.

Place naming work undertaken this year resulting from major developments in NSW included:

- continued working with Western Parkland City Authority to provide guidance on the naming of a new suburb, reserves and other features within the Western Sydney Aerotropolis area, with a focus on Aboriginal place naming
- continued working with NSW National Parks and Wildlife Services and local government to assign new address localities in Blue Mountains National Park and Royal National Park.

Production figures

The following table gives a breakdown of the placenames that were formalised in the reporting year in comparison to previous years.

Designation	2014-15	2015-16	2016-17	2017-18	2018-19	2019-20	2020-21	2021-22
Address locality (suburb) names and boundaries	11	92	64	36	32	10	16	22
Road names (evaluated)	792	2547	1563	1762	1634	1135	643	1808
Dual names	2	8	0	0	0	1	0	6
Place names	202	55	75	110	84	92	46	59

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Governance

Board members, meetings, and attendance

Members are appointed to the Board in accordance with section 3 of the *Geographical Names Act 1966*. The Board met formally on five occasions during the year. The Board also convened on four additional occasions to deal with matters out of session.

The table below shows the 2021-22 Board members and the number of meetings attended by each member:

Members of the Board	Board meetings
Narelle Underwood Surveyor General of NSW. Ex-officio position. Chair of the Board (until November 2021)	2
Thomas Grinter A/Surveyor General of NSW. Ex-officio position. A/Chair of the Board (December 2021 to date)	3
Dawn Routledge Representing Department of Customer Service. Ex-officio position (until July 2021)	0
Lauryn Bae Brokate Representing Department of Customer Service. Ex-officio position (August 2021 to date)	4
Richard Neville Representing State Library. Ex-officio position	5
Monica Gibson Representing Department of Planning and Environment. Ex-officio position	5
Terry Kass Representing Royal Australian Historical Society. Term expired May 2022	5
Cr Lesley Furneaux-Cook Representing Local Government and Shires Association of NSW. Term expired May 2022	5
Dr Alanna Kamp Representing Geographical Society of NSW. Term expires September 2022	3

Members of the Board	Board meetings
Cr Dallas Donnolly Representing NSW Aboriginal Land Council. Term expires 31 August 2026	5
Simon Chan Representing Multicultural NSW. Term expires March 2026	5

Counsellors and attendance

Section 6 of the *Geographical Names Act 1966* provides the Board with authority to appoint counsellors to advise on matters within its powers and functions. The table below provides details on these counsellors:

Counsellors	Board meetings
Dr Peter Orlovich, advising on historical issues	4
Dr Jakelin Troy, advising on language issues	4
Julie Christie, Australia Post, advising on addressing issues	1
Marina DeGabriele, NSW Fire and Rescue, advising on emergency services	4
Angus Man, Urban Development Institute of Australia, advising on development issues	2

Administration

Spatial Services employs six staff under section 4 of the *Geographical Names Act 1966* to enable the Board to exercise its functions.

7. Appendices



Accessing DCS information

Government Information (Public Access) Act 2009 (GIPA Act)

The GIPA Act requires NSW Government agencies to make mandatory disclosures of information, encourages proactive release of information and provides mechanisms for individuals to apply to access government information. More information on how to access departmental information is available at www.nsw.gov.au/customer-service/who-we-are/access-to-information

Review of proactive release program

The GIPA Act authorises agencies to release information through proactive release programs to promote open government, which must be reviewed each year.

DCS's program for the proactive release of information involves analysing data collected on requests for information under the GIPA Act over the financial year, considering the kinds of government information held by the department that may be suitable for proactive release and asking our divisions and branches to consider information relevant to the agency that we want the public to know about. As part of this review, the GIPA Unit considers whether there are any public interest considerations against disclosure of the information, whether consultation is required and whether this would impose unreasonable additional costs to the department.

During the reporting period, the department proactively released a wide range of information free of charge via the websites of its various agencies and functions and through traditional information channels. This included guidance material, webpages for nsw.gov.au, data and statistics and other collateral material.

Examples of information and tools proactively released during the year include:

- worked with various NSW Government agencies including Service NSW to continually update nsw.gov.au and social channels with the latest information on testing clinics, travel restrictions, COVID-19 safety and rules, and support for citizens and businesses during COVID-19
- released new and updated data and statistics for various taxes, duties, benefits, and penalty notices via the Revenue NSW website, allowing users to select specific pieces of data (a year, postcode, month etc) and customise the report to meet their needs

- updated our policy document register available on nsw.gov.au with additional policies, procedures and guidance material relating to our functions, to help members of the public understand their rights, obligations, and privileges or other benefits
- delivered the My Budget 2022-23 visual map, available to view on the Data.NSW portal, an interactive interface that allows customers to better understand allocated government investments across the state and remove the need to read the details of the Budget Paper
- launched the grants and funding portal on nsw.gov.au, making it easier for customers to search and discover NSW Government grants and initiatives in one location.

Government Information (Public Access) statistics

During 2021-22, DCS received 1409 access applications, including withdrawn applications, but not including invalid applications. There were 22 access applications refused, either wholly or in part, because the application was for disclosure of information for which there is conclusive presumption of overriding public interest against disclosure.

These figures are from the following DCS divisions:

- Office of the Secretary
- Corporate Services
- Digital.NSW
- Customer, Delivery and Transformation (including NSW Registry of Births Deaths and Marriages and the NSW Data Analytics Centre)
- Revenue NSW
- Better Regulation Division (including Fair Trading, SafeWork, Liquor and Gaming NSW*, the Office of the Registrar General, Subsidence Advisory NSW, Professional Standards Authority and Office of the Building Commissioner)
- Personal Injury Commission.

Please note the aggregated figures in the following tables also include statistical information for public sector entities that are declared as part of DCS for the purposes of the GIPA Act.

Some entities within DCS publish their own annual reports. Further information about how those divisions of DCS handle access applications, as well as statistical information about matters under the GIPA Act, can be found in their annual reports.

*Note: Liquor and Gaming NSW (including the Greyhound Welfare and Integrity Commission and the Independent Liquor and Gaming Authority) transferred to the Department of Enterprise, Investment and Trade on 1 April 2022. However, DCS continued to process GIPA applications for these business areas until 31 July 2022.

Table A: Number of applications by type of applicant and outcome¹

Applicant type	Access granted in full	Access granted in part	Access refused in full	Information not held	Information already available	Refuse to deal with application	Refuse to confirm / deny whether information is held	Application withdrawn
Media	23	8	0	2	6	2	0	3
Members of Parliament	7	11	0	3	3	1	0	1
Private sector business	16	166	42	24	1	0	0	13
Not-for-profit organisations or community groups	8	24	2	3	3	0	0	5
Members of the public (application by legal representative)	29	370	12	106	3	8	0	21
Members of the public (other)	24	264	13	28	15	2	0	55

1. More than one decision can be made in respect of a particular access application. If so, a recording must be made in relation to each such decision. This also applies to Table B.

Table B: Number of applications by type of application and outcome

Applicant type	Access granted in full	Access granted in part	Access refused in full	Information not held	Information already available	Refuse to deal with application	Refuse to confirm / deny whether information is held	Application withdrawn
Personal information applications ²	9	20	1	5	8	0	0	24
Access applications (other than personal information applications)	43	207	9	18	11	4	0	28
Access applications that are partly personal information applications and partly other	55	616	59	143	12	9	0	46

2. A *personal information application* is an access application for personal information (as defined in clause 4 of Schedule 4 to the GIPA Act) about the applicant (the applicant being an individual).

Table C: Invalid applications

Reason for invalidity	Number of applications
Application does not comply with formal requirements (section 41 of the GIPA Act)	56
Application is for excluded information of the agency (section 43 of the GIPA Act)	0
Application contravenes restraint order (section 110 of the GIPA Act)	0
Total number of invalid applications received	56
Invalid applications that subsequently became valid applications	40

Table D: Conclusive presumption of overriding public interest against disclosure: matters listed in Schedule 1 to the GIPA Act

Reason	Number of times consideration used ³
Overriding secrecy laws	6
Cabinet information	2
Executive Council information	0
Contempt	0
Legal professional privilege	18
Excluded information	5
Documents affecting law enforcement and public safety	0
Transport safety	0
Adoption	0
Care and protection of children	0
Ministerial code of conduct	0
Aboriginal and environmental heritage	0
Information about complaints to Judicial Commission	0
Information about authorised transactions under <i>Electricity Network Assets (Authorised Transactions) Act 2015</i>	0
Information about authorised transactions under <i>Land and Property Information NSW (Authorised Transactions) Act 2016</i>	0

3. More than one public interest consideration may apply in relation to a particular access application and, if so, each such consideration is to be recorded (but only once per application). This also applies in relation to Table E.

Table E: Other public interest considerations against disclosure: matters listed in table to section 14 of GIPA Act

Reason	Number of occasions when application not successful
Responsible and effective government	292
Law enforcement and security	91
Individual rights, judicial processes and natural justice	842
Business interests of agencies and other persons	331
Environment, culture, economy and general matters	0
Secrecy provisions	119
Exempt documents under interstate Freedom of Information legislation	0

Table F: Timeliness

Timeframe	Number of applications
Decided within the statutory timeframe (20 days plus any extensions)	1191
Decided after 35 days (by agreement with applicant)	128
Not decided within time (deemed refusal)	0
Total	1319

Table G: Number of applications reviewed under Part 5 of the GIPA Act (by type of review and outcome)

Review type	Decision varied	Decision upheld	Total
Internal review	5	15	20
Review by Information Commissioner ⁴	6	2	8
Internal review following recommendation under section 93 of the GIPA Act	3	1	4
Review by NCAT (NSW Civil and Administrative Tribunal)	0	2	2
Total	14	20	34

4. The Information Commissioner does not have the authority to vary decisions but can make recommendations to the original decision-maker. The data in this case indicates that a recommendation to vary or uphold the original decision has been made by the Information Commissioner.

Table H: Applications for review under Part 5 of the GIPA Act (by type of applicant)

Applicant	Number of applications for review
Applications by access applicants	28
Applications by persons to whom information the subject of access applications relates (see section 54 of the GIPA Act)	3

Table I: Applications transferred to other agencies under Division 2 of Part 4 of the GIPA Act (by type of transfer)

Type of transfer	Number of applications transferred
Agency-initiated transfers	49
Applicant-initiated transfers	0

Privacy and Personal Information Protection Act 1998 (PIIP Act) and the Health Records and Information Privacy Act 2002 (HRIP Act)

The PIIP Act contains 12 information protection principles regulating the collection, use and disclosure of personal information by NSW public sector agencies, and the HRIP Act contains 15 health privacy principles. These principles ensure that agencies collect personal or health information for lawful purposes and that such information is protected from misuse and unauthorised release.

DCS has established mechanisms to enable employees to understand their privacy obligations. DCS has a Privacy Management Plan (the Plan) that outlines how it complies with the provisions of the PIIP Act and the HRIP Act.

The Plan is supported by the DCS Privacy Management Framework and three other aligned corporate governance policies:

- Risk Management Framework
- Information Security Policy
- Records Management Policy.

The DCS Code of Conduct requires staff to uphold the law, including obligations to protect the privacy of personal and health information under the PIIP Act and the HRIP Act.

DCS also informs and educates its employees to understand their privacy obligations through online training modules and making information about privacy obligations readily available via internal communications and formal and informal education channels.

Access request applications under section 14 of the PIIP Act

Led by nominated Privacy Officers embedded within DCS business units (with support and guidance from the central Governance, Risk and Performance team), DCS responded to informal requests by individuals requesting their personal information throughout 2021-22. The DCS principal department did not receive any formal access applications by individuals requesting their personal information under the PIIP Act during 2021-22.

Applications for internal review of the conduct of DCS under section 53(1) of the PIIP Act

In 2021-22, DCS received 5 valid applications for internal reviews under the PIIP Act.

Information in other annual reports

Some entities within DCS publish their own annual reports. Further information about how those divisions of DCS handle privacy, as well as statistical information about matters under the PIIP Act and HRIP Act, can be found in their annual reports.

Accounts payable performance

DCS continues to evaluate and where appropriate implement initiatives to improve its accounts payable performance. Such initiatives include a continued focus on the transfer of suitable payments to purchase cards for low-value purchases, increasing automation to further reduce the volume of manual processes, and broad implementation of the NSW Government's Faster Payment Terms (FPT) policy.

Under the FPT policy, DCS aims to pay all registered small businesses (100%) within 5 business days of a correctly rendered invoice. During COVID-19, DCS has further extended its implementation of this policy, aiming to pay all invoices (100%) within 5 days of receiving a correctly rendered invoice. DCS has also increasingly adopted the use of purchase cards for the payment of low dollar-value transactions in several expense categories, where the transaction was \$10,000 or less in value, and not subject to a contractual requirement for a Purchase Order.

During 2021-22, there were no instances where penalty interest was paid for the late payment of invoices, although not all payments were made on time.

Factors affecting the timing of payments are largely due to manual error or process missteps and include errors in tax invoice information, and part delivery of goods and services where it is necessary to wait for full delivery before payment can be made.

DCS continues to evaluate, and where appropriate implement initiatives to improve payment performance. Such initiatives include a continued focus on the transfer of suitable payments to purchase cards for low-value purchases; increasing automation to further reduce the volume of manual processes; reducing outstanding workflows; and continued implementation of the FPT policy.

For the principal Department of Customer Service:

Aged analysis at the end of each quarter:

Quarter	Current \$'000	Less than 30 days overdue \$'000	Between 30 and 60 days overdue \$'000	Between 61 and 90 days overdue \$'000	More than 90 days overdue \$'000	Total \$'000
All suppliers						
Sep-21	1,883	214	73	311	(58)	2,423
Dec-21	9,012	495	89	39	1,206	10,841
Mar-22	2,655	6,695	240	45	(214)	9,421
Jun-22	31,456	1,484	480	207	106	33,733
Small business suppliers						
Sep-21	71	48	-	-	-	119
Dec-21	-	135	-	-	4	139
Mar-22	81	96	4	5	-	186
Jun-22	426	628	27	-	7	1,088

Note: Small business registration with the department began in January 2012. A small business is defined as a NSW business with less than 20 employees that supply to participating NSW Government agencies. (www.smallbusiness.nsw.gov.au/what-we-do/our-work/faster-payment-terms)

Accounts due or paid within each quarter:

Measure	Sep-21	Dec-21	Mar-22	Jun-22
All suppliers				
Invoices due for payment (#)	5458	4918	4136	6166
Invoices paid on time (#)	4327	4039	3388	4736
Actual percentage of invoices paid on time (based on number of invoices)	79.3%	82.1%	81.9%	76.8%
Amount due for payment (\$'000)	\$181,657	\$157,329	\$172,186	\$256,150
Amount paid on time (\$'000)	\$160,406	\$129,335	\$142,500	\$212,643
Actual percentage of accounts paid on time (based on \$)	88.3%	82.2%	82.8%	83.0%
Number of payments for interest on overdue accounts (#)	-	-	-	-
Interest paid on late accounts (\$)	-	-	-	-

Note: The report does not include payments made to employees, payments related to payroll and superannuation. All numbers are reported from 30 days from receipt of a correctly rendered invoice.

Measure	Sep-21	Dec-21	Mar-22	Jun-22
Small business suppliers				
Invoices due for payment received from small businesses (#)	238	271	211	608
Invoices from small businesses paid on time (#)	113	147	137	361
Actual percentage of small business invoices paid on time (based on number of invoices)	47.5%	54.2%	64.9%	59.4%
Amount due for payment to small businesses (\$'000)	\$4,397	\$3,946	\$5,679	\$20,272
Amount due to small businesses paid on time (\$'000)	\$1,733	\$1,658	\$2,390	\$11,890
Actual percentage of small business accounts paid on time (based on \$)	39.4%	42.0%	42.1%	58.7%
Number of payments to small business for interest on overdue accounts (#)	-	-	-	-
Interest paid to small businesses on late accounts (\$)	-	-	-	-

Note: Small business registration began in January 2012 and only includes registered businesses with the Small Business Commission. All numbers are reported from 7 days from receipt of a correctly rendered invoice.

Consultants

Consultant	Nature of Consultancy	Division	Purpose	Amount (\$)
KPMG	Government & Business Strategy – Strategy Development & Planning	Better Regulation	Development of a customer experience road map and implementation plan for Better Regulation Division.	\$249,020
Strategic Project Partners	Government & Business Strategy – Strategic Business Case	Digital.NSW	e.Regulation Business Case Development.	\$225,012
Switch Consulting Pty Ltd	Government & Business Strategy – Strategy Development & Planning	Customer, Delivery & Transformation	Development of a change management blueprint and plan and implementation pilot for the onboarding and consolidation of multiple NSW Government agency websites on-to a single website improving the customer experience for NSW Government online.	\$220,000
PwC	Government & Business Strategy – Strategy Development & Planning	Revenue NSW	Conduct customer research and provide recommendations to increase stakeholder awareness of legislative obligations and practical consideration working with Revenue NSW.	\$149,550
Infosys Portland	Government & Business Strategy -Organisational Design/Transformation	Corporate Services	Strategic review of DCS procurement policies and processes improvement recommendations to aide customer understanding and compliance with NSW Procurement Policy.	\$132,000
International Economics Trust	Financial Services – Financial/Economic Advisory Services	Corporate Services	Cost Benefit Analysis of options to transition from a paper based survey plans system to a fully digital model.	\$83,000
3 Points Digital	Government & Business Strategy -Organisational Design/Transformation	Corporate Services	Strategic review of DCS ICT portfolio delivery capability and recommend opportunities to increase the ability to deliver to an increased velocity.	\$69,746
Subtotal Engagements Costing \$50,000 and above				\$1,128,328
Other External Consultancies Engagements less than \$50 000 (22 engagements)				\$489,455
Key Consultancy engagements FY21-22 for the Principal Department				\$1,617,783

Consumer response

Better Regulation Division

A key focus for BRD is understanding customer experiences to deliver services that better meet their needs. As well as customer insights, BRD uses evidence such as data, research and evaluation to better understand our customers and inform improvements to services.

Community and customer engagements

During 2021-22, across BRD, there were approximately 16.8 million contacts with the NSW community including face-to-face, online and telephone engagement including:

- over 119,000 enquiries and complaints
- over 16.7 million unique webpage views across all the BRD agency related websites.

Enquiries and complaints

Fair Trading

NSW Fair Trading provides consumers and traders information about their rights and responsibilities and helps resolve consumer complaints and disputes. In 2021-22, Fair Trading received 50,695 enquiries and 30,248 complaints.

Fair Trading uses a triage model to identify an appropriate level of response to different types of complaints. This model applies a tier rating of 1–5 for complaints based on the level of harm to the consumer. Harms are rated based on the financial or safety impact to consumers, their vulnerability as well as the trader conduct and history.

The Triage Model tells us that almost 70% of our complaints involve a significant to serious risk to consumers.

SafeWork

SafeWork NSW provides advice to workers, workplaces and the general community about work health and safety. In 2021-22, SafeWork received 25,951 enquiries and 12,593 complaints.

To support workers and improve reporting mechanisms, SafeWork developed the Speak Up Save Lives app, a digital progressive, web-based and mobile app that allows individuals to take photographs of unsafe situations and report them directly to the regulator. In 2021-22, more than 4000 submissions were sent to SafeWork via the Speak Up Save Lives app. Since the launch of the app in October 2019, there have been over 10,500 submissions, resulting in over 3100 improvement notices, 728 prohibitions and 170 penalty notices being issued.

Community engagements - stakeholder engagement activities

In 2021-22, 843 community engagement events were held by BRD, including webinars, workshops and information sessions.

Engagements by agency

NSW Fair Trading	280
SafeWork NSW	368
Subsidence Advisory NSW	31
Executive or Ministerial	14
Other*	133
Cross regulator teams	17

* Includes where the agency wasn't identified at the time of recording and some BRD agencies with very low numbers of engagements, e.g. Long Service Corporation, Professional Standards Authority, Office of the Registrar General.

Note: The number of face-to-face events held was severely impacted by COVID-19.

Fair Trading, on behalf of the Rental Bond Board, undertook the following customer interactions:

- 328,287 rental bonds lodged and receipted, 83% of which were lodged fully online using the Rental Bonds Online portal
- 289,736 rental bond refunds processed, 91% of these fully online.

Better Regulation Division rebate programs

In 2021-22, SafeWork supported small businesses and farmers through the Small Business Rebate Program and the Quad Bike Rebate Program.

Small Business Rebate Program

In 2021-22, 1775 small businesses in NSW were supported with safety rebates valued at over \$1,128,000. The rebate value was previously \$500 and increased to \$1000.

The Small Business Rebate Program continued to support initiatives in response to the COVID-19 pandemic including 190 rebates paid specifically for COVID-19 safety solutions.

NSW Quad Bike Safety Improvement Program

In 2021-22, the NSW Quad Bike Safety Improvement Program continued to engage with the farming community to improve safety and reduce fatalities and serious injuries associated with quad bikes and side-by-side vehicles. The program's rebate, training, communication and engagement initiatives were well received by the farming community and key stakeholders.

There has been a 42% increase in the uptake of the rebate program from 2020-21, with 1963 applications approved and over \$2.9 million in safety rebates paid to farmers. In return, farmers in NSW invested over \$29 million in quad bike safety solutions in 2021-22.

A major regional campaign raising awareness of the risk of quad bike roll over and urging farmers to install a roll bar to their quad bike was launched, along with 13 social media campaigns promoting quad bike safety, rebates, child safety, helmet use and seatbelts in side-by-side vehicles.

Stage two of the national Quad Bike Safety Standard was introduced in October 2021, further improving quad bike safety with better information for consumers and stronger design requirements. Awareness raising communications were shared with farmers and small businesses, followed by Fair Trading retail surveillance activities.

The Farm Safety Advisory Program was redesigned in 2021-22, to increase its reach and impact in the farming community over a four-year period. Year one engagement targets were exceeded, with 272 farming businesses directly supported by advisory services and a broader farming community reach of 2374.

Website engagement

In 2021-22, there were over 16.7 million unique webpage views across all the BRD agency related websites.

Webpage	Number of views
fairtrading.nsw.gov.au	11,277,988
safework.nsw.gov.au	4,754,242
fairtrading.nsw.gov.au/housing-and-property/renting/rental-bonds-online	293,747
subsidenceadvisory.nsw.gov.au	22,381
registrargeneral.nsw.gov.au	402,224
Total	16,750,582

Licensing

The licensing regimes administered by BRD aim to provide protection for consumers, workers and the NSW community and ensure unqualified or inappropriate individuals do not operate in NSW. So that the NSW community is safe, secure and productive, the issuing and assessment of authorisations confirm that people and organisations who undertake certain types of work are fit and proper to undertake that role and have the appropriate qualifications and experience.

Fair Trading administers the licensing of operators and registration of operators and organisations across a range of residential and commercial activities and industries, including home building, motor, real estate, retirement villages and residential parkland lease communities.

SafeWork licenses for high-risk work activities, ensuring that those carrying out the activities are fully qualified and capable. Items of plant such as cranes, delivery booms, boilers and escalators, and amusement rides that have a higher level of risk associated with operating them and their use and maintenance, also must be registered with SafeWork.

	Fair Trading	SafeWork
Total licences / authorisations (all current) [^]	929,940	2,199,056
Finalised new licences / authorisations (2021-22) [*]	57,317	113,580
Finalised renewed licences (2021-22) [*]	100,645	115,683
Total refused licences (2021-22)	2907	75

[^]Includes licences, certificates, registrations, permits, notifications

^{*}Includes approved, refused, withdrawn and variations of licences

Registry and accreditation

Fair Trading registers and accredits a range of organisations and not for profit activities to assure the NSW community that the requirements of the law are being met. These include cooperatives, incorporated associations, incorporated limited partnerships, limited partnerships, charitable fundraising authority holders, building certifiers, as well as registered training organisations (RTOs), approved third party providers (ATPs) and assessors under legislation administered by Fair Trading and SafeWork.

Registry and accreditation data	2021-22
Total entities registered ¹	42,577
Total RTOs / ATPs / Assessors	689
Total number of registered certifiers	2022
Total charitable fundraising authorities ²	5312
New registrations – building certifiers	407
New registrations – entities / organisations	1583
New authorities – charitable fundraising ³	432
New accreditations – RTOs / ATPs / Assessors	147
Applications / documents processed – entities / organisations ⁴	33,388
Applications processed – building certifiers	1870
Applications processed – RTOs/ATPs/Assessors	297
Applications processed – charitable fundraising ⁵	4719

¹Includes co-operatives, incorporated associations, funeral funds, Star-Bowkett societies, co-operative housing societies, limited partnerships, incorporated limited partnerships, solicitor corporations, boarding houses, residential communities and retirement villages

²Not previously reported

³Includes both manually processed and online processing

⁴Includes the following Incorporated Association documents A1, A2, A6, A8, A9, A10, A12-T1, A122-T2, Co-operative documents C12, C13, All Incorporated Limited Partnership and Limited Partnership documents, Australian Charities and Not for Profit Commission (ACNC) Lodgements, Involuntary Cancellation, Co-op Deregistration, Reinstatement and all Searches

⁵Includes manual and online Charitable Fundraising Authority (CFA) renewals, CFA applications, CFA periodic returns and ACNC lodgement of periodic returns. Due to regulatory changes periodic and ACNC periodic returns were not previously reported on and online processing only became available in the last 2 quarters of this reporting period.

Enforcement of regulatory obligations

BRD's compliance activities include both proactive and responsive activities such as providing advice, information and education on how to comply, and issuing warnings and notices based on the seriousness of the risk and/or offence and the potential for harm to workers, consumers and the wider community.

Compliance decisions are based on evidence and continually build insight to help BRD work smarter and deliver the best possible outcomes. BRD uses data and business intelligence for targeted prevention and intervention and regularly evaluates performance. This also avoids adding unnecessary burden to businesses and focuses our actions on reducing the greatest harms.

As at June 2022, there were 565 inspectors and investigator roles within BRD:

- 370 SafeWork inspectors
- 195 Fair Trading inspector and investigator roles.

Driving an evidence-based approach to regulatory compliance

Data, intelligence and analytics are used to provide innovative and tailored information, data and intelligence products to inform best practice policy and program development and regulatory decision-making. This has substantially increased BRD's ability to assess risk, and helps licensing assessors, investigators and executive-level decision-makers.

In 2021-22, there were:

- 542 intelligence products provided
- 22,837 entity information requests processed
- 1125 data requests processed.

Appendices

Compliance activities

In 2021-22, BRD inspectors and investigators undertook more than 170,000 compliance related activities, including COVID-19 related inspections to ensure compliance with Public Health Orders.

Fair Trading

In 2021-22, over 88,000 Fair Trading inspector compliance related activities were undertaken, including onsite inspections and desktop audits.

Fair Trading inspector activities	Total
Electrical and gas inspections	892
Building inspections	268
Plumbing inspections	69,770
Audits of Occupational Certificates	81
Anytime/Anywhere audits	62
Design and Building Practitioner audits	25
Certifiers audits	116
Property inspections – onsite and desktop	1132
Automotive (enquiries, complaints, investigations and inspections)	16,195
Total	88,541

Fair Trading non-compliance actions	Total
Penalty Infringement Notices issued	3
Non compliances issued	707
Plumbing notices issued	3232
Total written directions	240
Plumbing cautions issued	428
Rectification orders	342
Occupation Certificate orders	31
Design and Building Practitioner orders	1
Value of Penalty Infringement Notices issued	\$703,350

SafeWork NSW inspector interactions

In 2021-22, SafeWork NSW delivered over 57,000 inspector interactions including education (proactive) activity and inspections.

WHS compliance action	Number
Proactive workplace visits	36,309
Workshops, presentations, seminars and forums	813
Reactive workplace visits	9420
Other reactive interventions	11,378
Total interactions	57,920
Notices issued	Number
Improvement	8116
Prohibition	2220
Penalty	541
Other SafeWork NSW issued notices	2929
Total notices	13,806

Data disclaimer - The NSW Government is committed to producing data that is accurate, complete and useful. Notwithstanding its commitment to data quality, NSW Government gives no warranty as to the fitness of this data for a particular purpose. While every effort is made to ensure data quality, the data is provided "as is". The burden for fitness of the data relies completely with the user. The NSW Government shall not be held liable for improper or incorrect use of the data.

Note - This data was correct at the time in which it was extracted, however may change due to the progression of data and the application of regular data quality reviews. It should not be used for any other purpose or forwarded to any other parties without the prior written consent of SafeWork NSW.

Investigation activities

BRD investigates alleged breaches of legislation that are administered by Fair Trading and SafeWork.

Appendices

Enforcement actions

A variety of compliance and enforcement outcomes and actions are available to BRD. There are a range of administrative, civil, disciplinary and criminal actions available in conjunction with other measures to address non-compliant behaviour.

The diagram below shows the pyramid of enforcement measures available. In 2021-22, in addition to the SafeWork data reported above, Fair Trading investigators and inspectors opened over 5000 investigations and completed over 5200 enforcement actions. A further 179 disciplinary actions were undertaken.

Fair Trading enforcement actions by Investigation and Assessment teams	
Penalty Infringement Notices issued	2454
Penalty Infringement Notices value	\$2,987,590
Verbal education and verbal warnings	575
Education letters	1484
Warning letters	1155
Public warnings	3
Undertakings	5
Surrendered licence	1
Administrative actions: Licence cancellations	59
Total	5736

Disciplinary Action Unit actions under all Fair Trading legislation

Disqualifications permanent	8
Disqualifications temporary	29
Suspensions	2
Cancellations	29
Reprimand	55
Direct action	1
Licence condition	0
Monetary penalty	55
Total	179

In 2021-22, as an alternative to prosecution, there were seven enforceable undertakings accepted under the *Work Health and Safety Act 2011*. This resulted in a total \$2.3 million commitment to work health and safety improvements in workplaces, industry and the community by the organisations implementing the enforceable undertakings.



Appendices

Proactive regulatory engagement

BRD investigations and enforcement officers carry out investigative and punitive functions and deliver broad campaigns to encourage proactive regulatory engagement. The aim of proactive engagement is to provide early intervention and support to individuals and businesses that are subject to the legislation BRD administers. The regulatory benefit of this type of engagement is two-fold: education and early adherence to our regulatory functions, while connecting with those BRD regulates to promote a true collaborative approach to future compliance.

In addition to the SafeWork proactive compliance actions reported above, Fair Trading investigation teams undertook over 12,800 proactive regulatory engagements.

Fair Trading proactive regulatory engagements	
Building 'Check a Licence' letters	5257
Consumer Protection Investigation Unit - trader inspection	5433
Consumer Protection Investigation Unit - trader re-inspection	273
Consumer Protection Investigation Unit - education visits	1587
Real estate and property programs - inspections	329
Total	12,879

Office of the Registrar General

During 2021-22, the Office of the Registrar General:

- reviewed 13 compensation claims submitted against the Torrens Assurance Fund and paid out a total of \$93,032,21 in compensation for the financial year 2021-22
- reviewed 20 boundary disputes between adjoining property owners and carried out 136 audits across NSW, 106 of which were in the Sydney metropolitan area and 30 in regional NSW.

Subsidence Advisory NSW activity

During 2021-22, Subsidence Advisory NSW:

- approved development with an estimated total cost of over \$3 billion in Mine Subsidence Districts, assessing 4649 individual development applications
- responded to 206 emergency mine subsidence reports, including sinkholes, through its 24-hour response service

- received 252 claims and paid \$6.9 million in compensation for residential, commercial and infrastructure claims for damage caused by mine subsidence.

Prosecutions and other actions undertaken in 2021-22

SafeWork NSW

- 80 legal proceedings resulting in a conviction, order or agreement in 2021-22
- 125 legal proceedings commenced in 2021-22 (proceedings commenced may not conclude until subsequent years)
- approximately \$7.7 million in fines ordered by the courts.

Note: the above figures include all prosecutions under the *Work Health and Safety Act 2011*, the *Explosives Act 2003* and the regulations under those Acts. It excludes offences under the *Public Health Act 2010*.

NSW Fair Trading

- 470 Court Attendance Notices
- 1617 Penalty Infringement Notices issued, with fines totalling \$2,016,400
- 294 prosecutions against 76 defendants with fines and penalties totalling \$729,962.15.

BRD customer feedback

As at end March 2022, the BRD customer satisfaction rate was 76.5% (customer experience dealing with either Fair Trading or SafeWork). Fair Trading had a satisfaction rate of 69% and SafeWork 84%.

In 2021-22, there were 2139 compliments, complaints and enquiries received about the services provided by BRD.

BRD has policies and processes about how feedback and complaints are to be handled to ensure that feedback is dealt with fairly, efficiently and effectively. Information about these policies is available on individual regulator websites.

Type	Fair Trading	SafeWork
Complaint	324	166
Compliment	145	109
Enquiry	1132	35
Suggestion	165	63
Total	1766	373

Liquor and Gaming NSW*

Community engagement

During 2021-22, across Liquor and Gaming NSW there were over 2.1 million contacts with the NSW community including face to face, online and telephone engagement including:

- over 2 million unique webpage views at <https://www.liquorandgaming.nsw.gov.au>
- over 11,000 enquiries
- 168 community engagement events, including 16 community events undertaken by the Office of Responsible Gambling.

In 2021-22, the Office of Responsible Gambling had the following customer interactions:

- GambleAware NSW services saw 4736 clients over 16,728 sessions, with 16% delivered face to face, 40% online and 44% by telephone
- the Gambling Help NSW helpline provided 7634 NSW residents with telephone crisis support and the national Gambling Help Online service delivered 2069 online counselling sessions to NSW residents
- the GambleAware website had over 108,580 unique users and 251,371 page views.

Liquor and Gaming NSW Licensing

The Independent Liquor and Gaming Authority issues licences to venues that offer liquor and gaming to the public, businesses operating licensed venues (such as hotels, registered clubs, bottle shops and casinos), as well as individuals that work for these businesses. Licences are also required for businesses that are responsible for testing, selling, dealing and fixing gaming machines. In addition, the Independent Liquor and Gaming Authority approves new gaming products to enter the NSW market and is also involved in the regulation of music festivals.

Liquor and Gaming NSW

Total licences / authorisations (as at 30 June 2022)	48,830
Finalised new licences / authorisations (2021-22) ¹	6479
Finalised renewed licences (2021-22) ²	7922
Total refused licences (2021-22) ³	20

¹Total number of new licence applications, all amendments to licences, all authorisations, change of boundaries, change of conditions and hours, change business type, transfers of licence, exemptions

²Total number of renewals includes casino special employee and annual liquor/gaming annual licence fee

³The number of refused licences is also included in finalised new and renewed licence data.

*Liquor and Gaming NSW, Office of Responsible Gambling, Office of Racing (and related entities including the Independent Liquor and Gaming Authority and Greyhound Welfare and Integrity Commission) transferred to the newly formed Department of Enterprise, Investment and Trade (DEIT) on 1 April 2022. Reporting for the period 1 April 2022 to 30 June 2022 can be found in the DEIT annual report 2021-22.

Liquor and Gaming NSW inspection, investigation and enforcement actions

Complaints, enquiries and applications	
Regulatory complaints received and addressed	3030
Compliance-related enquiries	2142
Customer notifications (including functions and liquor licence exemptions)	2459
Regulatory applications, reviews, approvals	943
Subtotal	8574
Compliance and assurance activities*	
Desk audits	1389
Engagements (excluding on-site inspections)	674
Inspections (on-site)	741
Probity investigations	52
Gaming machine tax-related reviews and approvals	10,285
Subtotal	13,141
Enforcement action taken [^]	
Breaches	519
Warning Notices	399
Penalty Notices	27
Prosecutions commenced	20
Disciplinary Complaints	15
Other key data for 2021-22	
Government revenue overseen as part of Liquor and Gaming NSW's Assurance Program (approximate)	\$2.7b
Industry compliance rates relating to Liquor and Gaming NSW inspections undertaken	95%

* This compliance activity excludes Liquor and Gaming NSW's activities undertaken as part of the NSW Crime Commission's inquiry into potential money laundering activities in hotels and registered clubs and those undertaken as part of the COVID-19 compliance program

[^] This data does not include the COVID-19 compliance program.

Customer, Delivery and Transformation

NSW Registry of Births Deaths and Marriages

The Registry participated in 38 community events during the 2021-22 financial year across NSW. Most of the events took place face-to-face in regional locations and some were held online with community workers and government agencies due to COVID-19 restrictions and distance. Our focus has been on assisting vulnerable citizens who were at risk of becoming homeless, fleeing domestic violence, and Aboriginal and Torres Strait Islander communities.

More than one-third of events were coordinated by the Registry under the 'Our Kids Count program', which provides one-on-one assistance to parents of Aboriginal and Torres Strait Islander children. Many disadvantaged families face a range of challenges every day, but we are addressing the issue of under registration of Aboriginal and Torres Strait Islander children in NSW, which will alleviate the stress for parents who have unregistered children before it becomes a major issue for them later in life.

One of the Registry's main partners since 2020 has been a not-for-profit organisation, Pathfinders Ltd. We have been privileged to support the Pathfinders National Aboriginal Birth Certificate (NABC) Program with more than 1200 free birth certificates going to vulnerable Aboriginal and Torres Strait Islander families who attended the Pathfinders NABC Program's community days throughout the financial year.

The Registry has also played a key role in an Identity Enhancement project with Corrective Services NSW since March 2020. The project was introduced to address the Premier's Priority of reducing recidivism in the prison population by 5% by 2023. The focus of the Identity Enhancement project is to improve release planning for inmates leaving custody by providing ID documents to vulnerable inmates. The project was implemented to help identify barriers and policy issues for vulnerable inmates in custody. The Registry committed to providing a further 1500 free birth certificates for the Identity Enhancements project in August 2021, and we will continue working with Corrective Services NSW to achieve outcomes for eligible inmates.

In addition, three hundred free birth certificates have been made available for youth on release from Youth Justice Centres throughout NSW.

Revenue NSW

Customer experience surveys

Revenue NSW's quarterly Customer Satisfaction and Effort Survey seeks to understand the experiences of our customers and to identify their pain points and greater opportunities for improvement. The survey results for April 2022 show an overall customer satisfaction of 68.8%, up by 1.5% from April 2021. Customers provided a rating of 3.8 out of 5 on the customer effort score, an improvement of 0.1 from April 2021.

Improved customer experience

In 2021-22, achievements included:

- improvements to Revenue NSW's website information architecture, focusing on ensuring key pages are easier for customers to navigate
- leading the Customer Channel Transformation to deliver:
 - Revenue NSW Design Principles that enable a seamless channel experience for our customers
 - a Live Chat pilot on the Revenue NSW website
- managing Revenue NSW's MyCustomer database to capture and manage complaints, compliments, and ideas from customers and staff
- hosting ideation sessions and workshops on improving the culture for part-time employees
- developing customer journeys and personas to understand customer pain points, and conducting customer research interviews for new Payroll Tax customers
- introducing and designing an annual State Debt Business Partner Survey, in addition to conducting the annual Fines Debt Business Partner Survey
- supporting actions based on the People Matter Employee Survey feedback, specifically targeting 'Change and Communication', 'Feedback and Performance', and 'Diversity and Inclusion'
- expanding Revenue NSW's Behavioural Insights Champions Network to 140 members (up from 53 in the previous financial year) across all areas of the business, to improve capability with behavioural insights tools and techniques
- contributing to DCS-wide working groups, including:
 - Complaint Handling Insights and Capability – policy, training, complaints management
 - Experience Management Centre of Excellence – Qualtrics Platform rollout across DCS, knowledge sharing
- contributing to NSW Government-wide working groups and initiatives, including:
 - NSW Government CX Community of Practice program – hosted a Customer Journey Mapping virtual event to improve capability and networking across the public sector, with over 200 participants
 - ongoing contributor to the NSW Government Digital Service Toolkit, including ready-to-use activities and templates for customer experience research and design.

Disclosure of controlled entities and subsidiaries

For the purposes of financial reporting, DCS had no controlled entities or subsidiaries for the 2021-22 financial year.

Diversity and inclusion policies and services

Diversity and inclusion at DCS

DCS supports its teams and individual staff with a multi-faceted, cluster-wide approach to diversity and inclusion focused on three key areas in 2021-22:

- delivery of NSW Premier's Priority 14
- uplift Employee Resource Group (ERG) activity
- embedding key inclusion initiatives, namely the Care and Belonging Strategy, the Aboriginal Employment Strategy (AES) and the Disability Inclusion Action Plan (DIAP).

Delivery of Premier's Priority 14

DCS has implemented initiatives to support the Premier's Priority 14 of:

- increasing the proportion of women in senior leadership roles to 50% by 2025
- increasing the number of Aboriginal people in senior leadership roles
- increasing representation of people with disability to 5.6% by 2025.

Increasing women in senior leadership

DCS has exceeded the Premier's Priority 14 target, with a 17.8% growth in the number of women in senior leadership roles over the past year. Women held 50.4% of senior leadership roles in DCS as of 23 June 2022. This is the result of the following key activities:

- piloting a career program which provides coaching, mentoring and development to progress women into higher-level leadership roles
- embedding inclusive recruitment practices to maintain a minimum of one woman on every short list at Senior Executive levels
- using a gender decoder tool to balance the language of advertisements into strongly female or gender-neutral languages to make our roles more appealing to women
- launching a Digital Academy pilot to grow leadership capability and provide career development opportunities
- achieving 56% representation by women amongst the current DCS participants on the 2022 Public Service Commission's Leadership Academy Program
- engaging women in regional NSW by deepening talent pipelines and raising awareness through targeted networking events.

Appendices

Through continuing these key actions, we are focused on ensuring continued equality for women employees while furthering the advancement and representation of women across role type, pay class and regional divides.

Increasing Aboriginal people in senior leadership

In 2021-22, DCS increased the number of Aboriginal staff to 142 employees, up an additional 29 on the previous year. Aboriginal staff now make up 2.8% of the DCS workforce with 3 DCS senior leaders identifying as Aboriginal. Please note these figures exclude Service NSW and IPART.

To increase the number of Aboriginal people in senior leadership roles, we've co-designed several initiatives to improve recruitment and retention, ensure advancement and representation across the cluster and promote equity across pay structures. These included:

- creation of an identified Director role for the Aboriginal Outcomes Unit
- conducted discovery workshops across DCS and established an Aboriginal Outcomes Reference Committee
- the launch of the Aboriginal Customer Engagement Strategy 2021-2025.

Increasing representation of people with disability

Currently, 4.9% of DCS staff identify as having disability. To increase this number, as well as the distribution across grade levels and the experience of candidates and employees with disability, DCS continues to implement the actions of the DIAP, governed by the Disability Inclusion Steering Committee with representatives from across the cluster, and supported by AbilityDCS – the ERG for people with disability.

DCS is focused on building inclusive recruitment practices to enable people with disability to apply in a barrier-free way for DCS roles. The year has seen a significant increase in the engagement of employees with disability, as reported by the People Matter Employee Survey, as well as increased numbers of employees with disability.

Diversity Inclusion Advisory Council

The Diversity Inclusion Advisory Council provides advice and support to the DCS Executive to develop and oversee the activity around Diversity and Inclusion at DCS. The Council also proactively demonstrates visible and active leadership of Diversity and Inclusion across the cluster. The Council is chaired by the Secretary, with membership including 11 ERG chairs and the respective executive sponsors. Council meetings were held every 12 weeks in 2021-22.

Employee Resource Groups

In conjunction with the Diversity Inclusion Advisory Council, 11 ERGs continue to increase awareness and make a positive contribution to the culture at DCS. The 11 ERGs are:

- Ability DCS (people with disability)
- Aboriginal
- Culturally and Linguistically Diverse (CALD)
- Carers
- Generations (for people aged 45+)
- Pride DCS (lesbian, gay, bisexual, transgender, intersex, queer, asexual and aromantic)
- Leading Women
- Young Professionals Network (YPN)
- MENergy
- Regional
- Parents ERG, newly launched in May 2022 during Inclusion Month.

Members of Ability DCS and the Diversity and Inclusion team are also active members of the NSW Public Service Commission's sector-wide DENConnect, which links members of disability employee networks to share resources, experiences and innovations.

Members of Pride DCS are also active members of the NSW Government's whole-of-sector 'PRIDE in NSW' network, an initiative to connect public servants in NSW who have an interest in the LGBTQIA+ community.

The work of DCS's ERGs range from employee support to strategic advising. The ERGs host inclusive events each year to celebrate their respective diversity characteristics within DCS and the wider, external community. The ERGs represent the people of DCS and help embed and develop a strong culture of inclusion.

Inclusion Month

Inclusion Month 2022 was held in May and comprised key events centred around the release of the Care and Belonging Strategy. The theme was 8 million+ reasons to care, and activities throughout the month emphasised DCS's ongoing commitment to building an inclusive and respectful workplace that puts the 8 million+ customers of NSW at the centre of DCS's culture. The events included:

- an increased live audience engagement from DCS staff on its kick-off event up 123% compared to Inclusion Month 2021's highest attended live event
- panel discussions hosted on Microsoft Teams between ERG Chairs and executive leaders surrounding care, belonging, inclusion and wellbeing

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- the initiation of Our People, Our Stories, an online social series which shares the stories of DCS employees
- the launch of our eleventh ERG, the Parents ERG.

DCS piloted five 'From Another Perspective' leadership masterclasses during Inclusion Month to improve the knowledge and understanding of People Leaders in applying an intersectional lens to equity and diversity work, to help DCS create a truly inclusive workplace for our employees, stakeholders and customers.

Care and Belonging Strategy 2022-2025

Launched during Inclusion Month, the DCS *Care and Belonging Strategy 2022-2025* is our commitment to ensuring the culture of DCS is one in which our 12,000+ employees feel included, respected and uplifted to deliver their best work. The Strategy celebrates the diversity and inclusion achievements of DCS to date and enshrines a commitment to building a culture of care and wellbeing in which diversity of experience, skillset, background and perspective is sought out, not only to reflect, but to meet the needs of our more than 8 million customers.

The strategy's six focus areas emphasise the following goals as critical cultural pillars through which to build a culture of care and belonging at DCS:

- attract, develop and retain great people
- improve the wellbeing of DCS's people
- support DCS's people to be their best for the more than 8 million customers of NSW
- grow inclusive leadership
- engage, listen and co-design with DCS's people and customers
- grow and maintain strategic partnerships.

These focus areas build upon the success and ongoing development of DCS strategies, programs and certifications.

Disability Inclusion Action Plan

The *Disability Inclusion Action Plan 2020-25* (DIAP) is mapped to the state's Disability Inclusion Plan. Our DIAP uses ten key areas of access and inclusion to ensure that DCS considers and includes all our customers, people and suppliers with disability. As well as publishing the DIAP, we have provided public summaries in Auslan and Easy English. Progress reports are compiled at 6 monthly intervals and the results are presented to the DCS Diversity and Inclusion Advisory Council and Ability DCS ERG.

Key achievements in 2021-22 include:

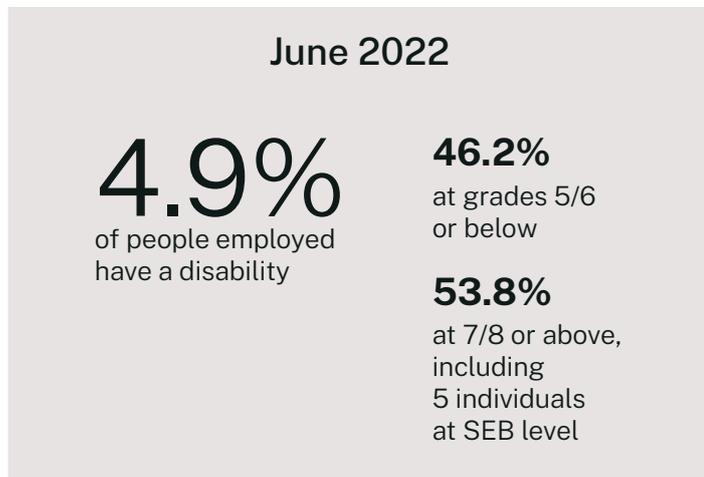
- an increased take-up in disability confident manager and disability confident workforce training, with disability confident recruiter training now being a mandatory requirement for all recruitment team members
- a 'Quiet Hour' pilot at six Service NSW centres, providing a lower-sensory experience for customers and staff
- in partnership with the Australian Network on Disability (AND), hosted 18 interns with disability, with a total of 34 interns at DCS since commencing the program
- in partnership with AND, through the Positive Action towards Career Engagement Program, hosted 10 mentees in 2021 and 7 to date in 2022
- updated our internal mentoring program to allow prospective mentors to specify that they wish to mentor a person with disability, and promoting this to our people with disability and across other ERGs
- an increase in targeted recruitment activities across a number of our divisions and agencies
- commenced a partnership with Toozly, a dedicated online jobs board platform specifically designed for job seekers with disability, with all roles advertised in accessible formats
- inclusion of hearing loops in DCS meeting rooms as standard, and all meeting rooms updated to provide automated captioning features
- achieved Bronze level for all currently leased office premises, under the NSW Government Accessible Office Design Standards
- promoted NSW guidelines of accessible content (NSW Design Standard) and digital accessibility training as part of our annual Global Accessibility Awareness Day activities.

The key DIAP strategic goals and actions align to and actively support our aim of a 0.5% annual increase in successful employment outcomes for people with disability at all levels of seniority. This includes those who have moved into management, senior leadership and other roles internally within the DCS cluster, through promotion or redeployment. Benefits seen so far include:

- as at 24 June 2021, DCS employment of people with disability was 5.0%, with 45.9% of these people at grades 5/6 or below and 54.1% at 7/8 or above, including 4 individuals at Senior Executive Band (SEB) level
- as at 23 June 2022, employment of people with disability is 4.9%, with 46.2% of these people at grades 5/6 or below and 53.8% at 7/8 or above, including 5 individuals at SEB level

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- this represents a decrease of 0.1% in percentage of overall workforce, with one additional employee at senior executive level.



DCS recognises the importance of intersectionality and both our DIAP and AES have actions for Aboriginal people with disability. The DIAP has actions for people with disability of CALD and other diversity backgrounds.

Aboriginal Employment Strategy

DCS developed and launched its *Aboriginal Employment Strategy (AES) 2020-2025* which was designed to move Aboriginal employment forward in a meaningful and holistic way, growing and developing career paths for Aboriginal employees. The strategy is committed to the following programs of work to increase Aboriginal Employment over five years:

- achieve a minimum target of 10 Aboriginal people in senior leadership roles
- achieve a minimum target of 4% of all Aboriginal staff in non-executive salary classes
- recruit Aboriginal people to all agencies within the DCS cluster and under all available programs including:
 - school-based traineeships
 - graduate and entry level programs
 - Elsa Dixon Aboriginal Employment Program
 - Aboriginal Development Training and Leadership Program
 - secondments
 - role swapping with NGOs
 - utilising talent/recruitment pools.

Building a culture of awareness and understanding has been the first step towards deepening Aboriginal employment outcomes. The AES will support and nurture our Aboriginal staff and provide a sense of belonging to Aboriginal employees. The strategy will achieve this by:

- providing career paths and promotion opportunities
- establishing robust support mechanisms including:
 - mentoring and shadowing
 - buddy systems
 - Aboriginal Employee Assistance Program
- strengthening our induction process so that new staff are aware of our support services and can connect with other Aboriginal staff, including the Aboriginal ERG
- developing an exit interview process to gain honest and open data so that DCS can continually improve its retention and staff satisfaction rates
- encouraging participation in community development programs such as Jawun and explore options for DCS to develop similar programs.

Achievements to date under the strategy include:

- increasing the number of Aboriginal staff to 142, up an additional 29 on the previous year
- created the first identified Aboriginal Outcomes Unit Director role
- Mirri Mirri Cultural Capability training rolled out to select DCS units
- creation of Aboriginal Talent Pools for grades 3/4, 5/6, 7/8 and 9/10
- re-instatement of the DCS Aboriginal Newsletter – Miindala
- re-instatement of the Aboriginal Staff Network and the annual Aboriginal Staff Conference
- a Town Hall event for all DCS staff to showcase the work of the NSW Telco Authority and the Geographical Names Board on the Aboriginal Place Names Program.

Multicultural Policies and Services

DCS has implemented several initiatives as part of its commitment to multiculturalism and the support we give to our customers and communities.

In 2022-23, DCS will finalise and implement a cluster wide Multicultural Plan.

Culturally and Linguistically Diverse Communities

Initiatives by NSW Fair Trading to support Culturally and Linguistically Diverse (CALD) communities include:

- published COVID-19 Tenancy Support Package resources in Arabic, Assyrian, Simplified Chinese, Korean and Vietnamese on the Fair Trading website
- launched a digital advertising campaign for CALD communities renting in NSW, sharing information about the 2020 tenancy law changes and translated into the top three languages spoken in NSW
- provided a range of translated resources that can be shared with CALD audiences, especially those with little or no access to the internet, including 17 language factsheets and online translated resources.

Translated information on the SafeWork website includes:

- a dedicated section with translated information in 17 languages
- silica dust safety videos published to the SafeWork NSW YouTube channel and website in Chinese and Arabic
- safety posters and flyers on high-pressure water cleaning on asbestos roofs developed for use by local government in Arabic, Mandarin, Cantonese, Vietnamese, Assyrian, Korean, Dari, Punjabi and Khmer
- toolbox talk about using scaffolds and temporary edge protection in Vietnamese and Chinese
- a 'Food delivery rider safety' factsheet and 'Risks on the delivery road' factsheet developed in English, Arabic, Punjabi and Spanish
- general factsheets on hazardous chemicals, crystalline silica and formaldehyde developed in Hindi, Arabic, Simplified Chinese, Traditional Chinese, Vietnamese
- 'A guide for labour hire workers, apprentices and trainees' resource for labour hire companies created in Arabic, Simplified Chinese, Traditional Chinese and Vietnamese.

In addition, the success of the Service NSW Refugee Internship Employment Program continues to grow. In 2022 Service NSW engaged 15 refugees with a focus on the Afghanistan community, this brings our current total to 87 total refugee interns recruited, while 85% remain in temporary and ongoing roles across Service NSW and DCS. Future intakes are planned with a focus on Afghanistan and Ukraine refugees.

Through its campaign teams, DCS has also:

- partnered closely with NSW Health, Multicultural NSW, and other government and non-government organisations throughout all COVID-19 campaigns to ensure critical messages were effectively delivered via trusted and diverse CALD community voices
- promoted the COVID-19 safety and vaccination campaigns to CALD businesses and consumers, with a CALD media spend of 15% of the total campaign spend
- established a new production process which delivers emails translated into multiple languages, including the NSW Government consumer eNewsletter (sent to 5 million citizens) and the NSW Government business eNewsletter (sent to 1.2 million NSW businesses)
- promoted the Dine & Discover NSW campaign to CALD businesses and consumers, with a media spend of 14% of total campaign spend, in languages including Simplified Chinese, Traditional Chinese, Vietnamese, Korean, Thai and Arabic
- ensured social media paid activity provides CALD translated advertisements when targeting language diverse audiences, implemented in several instances for advertising supporting Fair Trading, SafeWork and Service NSW campaigns
- used external interpreting and translation services, including the Service NSW online Auslan-English interpreting service, to provide access to services, programs and opportunities across the state, working with the Diversity and Inclusion team to enhance awareness and use of these services across the cluster.

In addition, in 2021-22 DCS:

- celebrated Harmony Week and Inclusion Month with several internal online events for staff including conversations with Rosemary Kariuki on the importance of connecting with community, and Mariam Veiszadeh on the importance of embedding inclusion properly in workplaces
- published resources for staff on practical ways to be anti-racist and support CALD colleagues
- worked with the CALD community and multicultural staff to develop the first DCS Multicultural Plan, due to be launched in September 2022
- used the CALD calendar to build awareness across DCS of different cultural events that occur in the year where we can focus on cultural highlights and the stories from our team members to help connect our people with other cultures.

Engagement with our Aboriginal customers

DCS launched the *Aboriginal Customer Engagement Strategy 2021-2025* in August 2021, which has:

- created more inclusive and welcoming sites across the cluster, starting with Acknowledgement of Country plaques across all Service NSW centres and a small pilot of locally commissioned Aboriginal artwork at the Moree and Kempsey sites
- developed DCS Aboriginal communication branding guidelines
- launched the DCS Consultation and Protocols Guide
- supported Closing the Gap priority work which included preparatory work towards a successful funding bid of \$6.1 million for digital inclusion projects.

DCS also has an Aboriginal Procurement policy which supports Aboriginal owned businesses. Agencies may negotiate directly with an Aboriginal business for all procurements up to \$250,000, even if there is a mandated prequalification scheme or panel in place.

DCS uses Orana as our commercial supplier for all our office and staff relocations including equipment, transport and storage. Orana is the first national Indigenous commercial relocation company in Australia, and acknowledges Traditional Owners, their heritage, customs, culture and connection to the land. 'Orana' means 'welcome' in the Wiradjuri language. Orana uses an Indigenous agency for additional workers when required, 'closing the gap' between Indigenous and non-Indigenous communities and helping break the cycle of unemployment for Aboriginal and Torres Strait Islander people in the communities in which we operate.

DCS spend with Aboriginal suppliers (2021-22)

The total DCS spend with Aboriginal suppliers across DCS for 2021-22 was \$22.39m. This expenditure includes a variety of goods and services including contingent labour hire, office supplies, locksmith services, cultural training and digital services.

Agreements with Multicultural NSW

In 2021-22, DCS did not enter into an agreement with Multicultural NSW under the *Multicultural NSW Act 2000*.

Diversity and inclusion statistics

The Diversity and Inclusion Premier's Priority statistics for DCS, including Service NSW, for 2021-22 are outlined below. It should be noted that completion of Equal Employment Opportunity (EEO) employee data is voluntary and as such under-reporting is likely. 81% of staff chose to respond to diversity data in 2021-22, an increase from 78% in the previous year.

Women in Leadership

Women in Leadership currently stands at 50%.

Female executive appointments

2021-22	Total
Number of appointments (ongoing)	59
Number of women (ongoing)	26
Ratio of women (ongoing)	44%

- as at 23 June 2022 (PSC census date), there were 236 substantive senior executive leaders in the cluster, of which 119 (50%) were female
- the ratio of women in leadership remained steady from the previous year
- the cluster has met the Premier's Priority of 50% women in leadership roles by 2025
- of the 119 female senior executive leaders, 1% identified as Aboriginal, 3% identified as having disability, and 13% identified as belonging to a racial, ethnic or ethno-religious minority group.

Aboriginal staff

As at 23 June 2022:

- 2.8% of DCS employees identified as Aboriginal
- the employment rate for Aboriginal new starters was 15.5 percentage points higher than those exiting the organisation
- 32% of Aboriginal new starters were Clerk Grade 3/4 equivalent
- 70% of Aboriginal new starters were placed in ongoing roles
- the separation rate for Aboriginal staff was 10.6% compared to 14.5% for all employees
- the commencement rate for Aboriginal staff sat at 26.1% compared to 25.2% for all employees
- 3 senior executive staff members identified as Aboriginal.

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People with disability

As with other EEO data, the identification of staff with a disability remains a challenge. The below data reflects the demographic information voluntarily provided by individuals. However, the number of employees with a disability is likely to be higher than that reported.

- 2 employees who identified as having a disability were appointed to a Senior Executive role in DCS in 2021-22
- 55 people with a disability commenced in 2021-22, with 52 staff with a disability exiting the department
- the separation rate for people with disabilities was 20.7%, which was higher than the rate for all employees of 14.5%
- the ratio of cluster commencements for people with disabilities was 3.4%
- 25% of people with a disability who voluntarily left the department, left within the first 12 months
- of new starters who identified as having a disability:
 - 2% were at senior executive banding
 - 9% were at grade 11/12 or equivalent
 - 24% were at grade 9/10 or equivalent
 - 16% were at grade 7/8 or equivalent
 - 20% were at grade 5/6 or equivalent
 - 29% were at grade 3/4 or equivalent.

Workforce diversity statistics^{1,6}

Workforce Diversity Group	Benchmark	2020	2021	2022
Women ²	50%	60.3%	58.2%	59.5%
Aboriginal people and/or Torres Strait Islander people ³	3.3%	2.9%	2.6%	2.8%
People whose first language spoken as a child was not English ⁴	23.2%	23.4%	25.7%	27.9%
People with disability ⁵	5.6%	5.3%	5.0%	4.9%
People with disability requiring work-related adjustment	N/A	1.6%	1.7%	1.5%

Notes:

1. Statistics are based on Workforce Profile census data as at 27 June 2019, 25 June 2020, 24 June 2021 and 23 June 2022.
2. The benchmark of 50% for representation of women across the sector is intended to reflect the gender composition of the NSW community.
3. The NSW Public Sector Aboriginal Employment Strategy 2014 – 17 introduced an aspirational target of 1.8% by 2021 for each of the sector's salary bands. If the aspirational target of 1.8% is achieved in salary bands not currently at or above 1.8%, the cumulative representation of Aboriginal employees in the sector is expected to reach 3.3%.
4. A benchmark from the Australian Bureau of Statistics (ABS) Census of Population and Housing has been included for People whose First Language Spoken as a Child was not English. The ABS Census does not provide information about first language, but does provide information about country of birth. The benchmark of 23.2% is the percentage of the NSW general population born in a country where English is not the predominant language.
5. In December 2017 the NSW Government announced the target of doubling the representation of people with disability in the NSW public sector from an estimated 2.7% to 5.6% by 2027. More information can be found at: *Jobs for People with Disability: A plan for the NSW public sector*. The benchmark for 'People with Disability Requiring Work-Related Adjustment' was not updated.
6. The workforce diversity statistics reflect changes that took place in the 2021-22 financial year and therefore the 2020 and 2021 figures vary from those published in the 2020-21 DCS Annual Report. The figures presented here now exclude figures from the Greyhound Welfare and Integrity Commission and Liquor, Gaming and Racing, who transferred to the Department of Enterprise, Investment and Trade on 1 April 2022. The figures also now include the Small Business Commission, which transferred to DCS on 1 April 2022.

Employment and senior executive statistics

There have been no exceptional movements in wages, salaries, or allowances for DCS during 2021-22.

Employment statistics

Division	Full Time Equivalent (FTE) over time ¹³			
	2019 ¹	2020 ¹	2021 ¹	2022 ¹
Better Regulation Division ¹²	1578.3	1725.2	1781.2	1676.7
Customer, Delivery and Transformation ⁴		411.1	436.3	523.6
Digital NSW ²	472.9	551.7	701.4	878.9
Corporate Services ³	721.6	603.1	663.4	809.7
Greyhound Welfare and Integrity Commission ⁵		58.6	66.9	
Information and Privacy Commission NSW ⁶		26.3	27.2	32.2
Office of the Secretary ³	50.0	40.5	61.2	58.4
Independent Review Office ⁹			56.4	56.8
Personal Injury Commission ^{8,10}			154.2	153.2
Property and Advisory Group ⁷	728.6			
Revenue NSW	1317.6	1214.2	1218.0	1441.9
Small Business Commission ¹¹				53.3
State Insurance Regulatory Authority ¹⁰	313.3	360.6	283.3	302.1
Workers Compensation Independent Review Office ⁹	37.4	49.5		
Workers' Compensation Commission ⁸	68.7	67.1		
Total	5288.4	5107.9	5449.5	5986.8¹⁴

Notes:

1. Full time equivalent staff (excludes chairpersons, casuals, contractor/ agency staff, statutory appointments, trustees, council committee members, staff on secondment to other agencies and staff on long term leave without pay). Statistics are based on Workforce Profile census data as at 27 June 2019, 25 June 2020, 24 June 2021 and 23 June 2022.
2. Digital NSW was renamed from ICT and Digital Government in 2020.
3. Government and Corporate Services was renamed Corporate Services in July 2019. Ministerial Services staff transferred from Government and Corporate Services to the Office of the Secretary in March 2017.
4. Customer, Delivery and Transformation (CDT) was created in July 2019, which included the transfer of NSW Births Deaths and Marriages, the Customer Service Commission, the Data Analytics Centre, and the Behavioural Insights Unit into the cluster. CDT Strategy, CDT Delivery Unit, and Brand Digital and Communications were newly formed in July 2019 when the division was created.
5. Greyhound Welfare and Integrity Commission transferred to the Department of Customer Service (DCS) in July 2019, and was transferred out of DCS on 1 April 2022.
6. Information and Privacy Commission NSW transferred to DCS in July 2019.
7. Property and Advisory Group transferred out of DCS in June 2019.
8. Workers Compensation Commission was abolished February 2021 and transferred to Personal Injury Commission which was established on 1 March 2021.
9. Workers Compensation Independent Review Office was abolished February 2021 and transferred to the Independent Review Office which was established on 1 March 2021.
10. Dispute Resolution Services division of the State Insurance Regulatory Authority transferred to the Personal Injury Commission on 1 March 2021.
11. Small Business Commission transferred to DCS on 1 April 2022.
12. Liquor, Gaming and Racing transferred out of DCS on 1 April 2022. These staff are not included in the figures.
13. The FTE equivalent headcount is the total employee headcount based on the number of hours a person works where a full-time employee is equal to 1 FTE.
14. The increase in FTE is largely attributable to a significant increase in the growth, scale and complexity of programs DCS is required to deliver. DCS's remit significantly expanded in response to COVID-19 in 2020-21, and further in 2021-22. DCS has taken on additional accountabilities to deliver on a number of whole of government initiatives, particularly in the Service Delivery, Disaster Response, Digital and Transformation space.

Senior executive statistics

In 2021-22, 8.4% of DCS employee-related expenditure was for senior executives compared to 8.09% in 2020-21⁶.

Senior Executive Band	2021 ^{1,2,3}				2022 ^{1,2,3}			
	Female	Male	Total	% Representation by women	Female	Male	Total	% Representation by women
Band 4 (Secretary)	1	-	1	100%	1	-	1	100%
Band 3 (Deputy Secretary)	2	5	7	28.6%	2	7	9 ⁵	22.2%
Band 2 (Executive Director)	15	21	36	41.7%	21	16	37	56.8%
Band 1 (Director)	83	79	162	51.2%	95	94	189	50.3%
Total	101	105	206	49.0%	119	117	236	50.4%

Senior Executive Band	2020-21 ⁴		2021-22 ⁴	
	Salary range (\$)	Average remuneration	Salary range (\$)	Average remuneration
Band 4 (Secretary)	\$487,562 - \$562,650	\$599,000	\$499,251 - \$576,700	\$614,000
Band 3 (Deputy Secretary)	\$345,551 - \$487,050	\$426,562	\$354,201 - \$499,250	\$423,733
Band 2 (Executive Director)	\$274,701 - \$345,550	\$314,656	\$281,551 - \$354,200	\$326,088
Band 1 (Director)	\$192,600 - \$274,700	\$234,056	\$197,400 - \$281,550	\$238,310

Notes:

1. Senior executive statistics exclude casuals, contractor/agency staff, statutory appointments, staff on secondment to other agencies and staff on long term leave without pay.
2. Statistics are based on Workforce Profile census data as at 24 June 2021 and 23 June 2022.
3. All employees reported in 2021 and 2022 are appointed under the *Government Sector Employment Act 2013*. Salary band based on current assignment including those on a temporary above level assignment for more than two months.
4. Salary ranges effective at the Workforce Profile census dates of 24 June 2021 and 23 June 2022.
5. One Band 3 included in 2022 headcount was a secondment to another NSW Government agency and not a Band 3 role in DCS.
6. Percentage of senior executive employee-related expenditure for the 2021-22 DCS Annual Report is calculated at a Cluster view.

Employee relations policies and practices

Positive and Productive Workplace Policy

DCS has a Positive and Productive Workplace policy to assist employees in managing conflicts and grievances in the workplace. The policy focuses on maintaining a harmonious workplace by addressing conflicts as quickly and as close to the source as possible. This is done by utilising three separate pathways (Pathway 1 – Direct Resolution at a local level, Pathway 2 – Facilitated resolution, Pathway 3 – External Resolution) from informal through to formal processes.

Employee Recognition – the DCS Secretary’s Awards

The annual Secretary’s Awards provide an opportunity to recognise excellence in outcome, approach or behaviour by employees across the department. They align with DCS’s key objectives and Customer Commitments and highlight the public sector values of integrity, trust, service and accountability.

The 2021 Secretary’s Awards highlighted employee achievements in categories such as demonstrating public sector values, outstanding customer service, excellence in collaboration and/or innovation and making a contribution to the cluster. Some agencies within DCS also hold their own awards programs, which may feed into the DCS Secretary’s Awards.

We also participate in the NSW Premier’s Awards, which celebrate excellence in the delivery of public services to the NSW community.

Managing for Improvement Framework

DCS aims to ensure that all managers and employees are equipped with the appropriate support and resources to enable them to work together and improve issues of performance. The Managing for Improvement framework provides managers and employees with resources and is a two-step process (Step 1 – Informal work plan, Step 2 – Formal Performance Improvement Plan) that improves issues of unsatisfactory performance.

COVID-19 related policy

After significant consultation, multiple risk assessments and in line with NSW Health advice, DCS implemented a mandatory vaccination policy in November 2021 in order to protect the safety and wellbeing of our staff, other workers and customers who interact with our employees. People and Culture provided support with individual case management throughout this process with a dedicated Hypercare team. In June 2022, a review of the risk assessment framework, further consultation, revised health advice and a focus on our Illness Prevention Strategy allows the policy to be lifted from 1 July 2022.

DCS has adopted the Public Sector Policy and Principles to apply Pandemic Special Leave during the COVID-19 response.

The DCS Flexible Working Hours Agreement was varied in March 2020 to provide for extended band width and suspension of core working hours. This change has continued through the 2021-22 financial year and allows for staff to work their hours in a more flexible pattern over a longer band of time, to help balance organisational needs with career and other responsibilities.

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Employee relations investigation matters

A total of 134 (77 of which were still open on 1 July 2022) employee relations matters were actioned in the 2021-22 financial year, encompassing conduct, performance, probationary performance, bullying, harassment, discrimination, abandonment of employment and medical retirements.

Industrial relations matters

The following types of matters were dealt with at the NSW Industrial Relations Commission:

Type of matter	Quantity
Award matters	7
Unfair dismissal	3
General dispute	2
Government sector disciplinary appeal	3
Relief from victimisation	2

The following matters were dealt with at the Fair Work Commission:

Type of matter	Quantity
General protections	1

The following types of matters were dealt with at the Australian Human Rights Commission:

Type of matter	Quantity
Discrimination	2

Funds granted to non-government organisations

NSW Fair Trading

During the 2021-22 financial year, Fair Trading administered grants to:

Aged Care Supported Accommodation Service	Tenants' Advice and Advocacy Program
Home Building Advocacy Service	Financial Counselling Services Program
Strata (Collective Sales) Advocacy Service	No Interest Loans Scheme

The Aged Care Supported Accommodation Service

The Seniors Rights Service, funded under the Aged Care Supported Accommodation Program, provides advocacy, information and education services for older residents in supported accommodation such as retirement villages, nursing homes, hostels and boarding houses.

Funding for 2021-22 was \$1,109,522.95 (plus GST). Funding is 100% sourced from the Rental Bond Board Interest Account.

Home Building Advice and Advocacy Service

NSW Fair Trading funds Western Sydney Legal Centre to provide advice and assistance to NSW residential home building consumers on their rights and responsibilities. These include advocacy services; negotiation of disputes between consumers and builders; assistance with preparation of cases for NSW Civil and Administrative Tribunal hearings; and provision of representation when appropriate.

Funding for 2021-22 was \$317,495.40 (plus GST). Funding is 100% sourced from Fair Trading revenue.

Strata (Collective Sales) Advocacy Service

The Strata (Collective Sales) Advocacy Service is funded to provide legal advice and advocacy services. It also assists or represents targeted NSW strata residential consumers before the NSW Civil and Administrative Tribunal and the NSW Land and Environment Court regarding the strata schemes collective sales and renewals scheme in the Strata Schemes Development Act 2015.

Funding for 2021-22 was \$493,878.30 (plus GST). Funding is 100% sourced from Fair Trading revenue.

Auspice/ funded organisation	Purpose/ service	Annual funding	LGA/ region
Seniors Rights Service Inc	Seniors Rights Service	\$346,225.60	Statewide
Marrickville Legal Centre	Marrickville Legal Centre	\$147,652.70	Statewide
Total		\$493,878.30	

Tenants Advice and Advocacy Program

This program is fully funded by NSW Fair Trading. The program delivers advocacy, information and education services for tenants. A one-off funding increase of \$2.9 million (plus GST) was provided for the program to assist tenants affected by the COVID-19 pandemic.

Funding for 2021-22 was \$16,796,445.20 (plus GST).

Funding is 100% sourced from the Rental Bond Board Interest Account. See the 2021-22 Rental Bond Board Annual Report for a list of service payments.

Tenants Advice and Advocacy Program – Special Purpose Fund

The Special Purpose Fund provides funding for ad hoc projects, which help services to meet the aims and objectives of the service funded under the program. Funding for 2021-22 was \$24,690.45 (plus GST). Funding is 100% sourced from Fair Trading revenue.

Auspice/funded organisation	Purpose/service	Annual funding	LGA/region
Community Data Solutions	Community Data Solutions	\$2000.00	
New England and Western Tenants Advice and Advocacy Service (NEWTAAS)	New England and Western Tenants Advice and Advocacy Service	\$90.80	North Western Sydney
Inner Sydney Tenants Advice & Advocacy	Redfern Legal Centre Ltd	\$975.00	Inner Sydney
Western & North Western Tenants Service	Western Sydney Community Legal Centre	\$39.27	Western & North Western Sydney
New England and Western Tenants Advice and Advocacy Service (NEWTAAS)	New England and Western Tenants Advice and Advocacy Service	\$226.80	North Western Sydney
Illawarra Tenants Service	Illawarra Legal Centre Inc.	\$3150.00	Illawarra/South Coast
Western & North Western Tenants Service	Western Sydney Community Legal Centre	\$255.26	Western & North Western Sydney
Western & North Western Tenants Service	Western Sydney Community Legal Centre	\$49.09	Western & North Western Sydney
Blue Mountains Tenants Service	Central Tablelands and Blue Mountains Community Legal Centre	\$217.00	Blue Mountains
Western & North Western Tenants Service	Western Sydney Community Legal Centre	\$58.90	Western & North Western Sydney
Marrickville Legal Centre	Inner West Tenants Advice and Advocacy Service	\$712.40	Inner Western Sydney
Marrickville Legal Centre	Northern Sydney Area Tenants Service	\$604.80	Northern Sydney
Western & North Western Tenants Service	Western Sydney Community Legal Centre	\$147.27	Western & North Western Sydney
Community Data Solutions	Community Data Solutions	\$2000.00	
Western & North Western Tenants Service	Western Sydney Community Legal Centre	\$49.09	Western & North Western Sydney
Blue Mountains Tenants Service	Central Tablelands and Blue Mountains Community Legal Centre	\$477.00	Blue Mountains
Marrickville Legal Centre	Inner West Tenants Advice and Advocacy Service	\$551.20	Inner Western Sydney
Marrickville Legal Centre	Northern Sydney Area Tenants Service	\$475.40	Northern Sydney
Inner Sydney Tenants Advice & Advocacy	Redfern Legal Centre Ltd	\$870.50	Inner Sydney
Western & North Western Tenants Service	Western Sydney Community Legal Centre	\$9.82	Western & North Western Sydney

Appendices

Auspice/funded organisation	Purpose/service	Annual funding	LGA/region
New England and Western Tenants Advice and Advocacy Service (NEWTAAS)	New England and Western Tenants Advice and Advocacy Service	\$100.80	North Western Sydney
Western & North Western Tenants Service	Western Sydney Community Legal Centre	\$166.91	Western & North Western Sydney
Community Data Solutions	Community Data Solutions	\$2000.00	
Western & North Western Tenants Service	Western Sydney Community Legal Centre	\$284.73	Western & North Western Sydney
Community Data Solutions	Community Data Solutions	\$2000.00	
Western & North Western Tenants Service	Western Sydney Community Legal Centre	\$49.09	Western & North Western Sydney
Blue Mountains Tenants Service	Central Tablelands and Blue Mountains Community Legal Centre	\$472.00	Blue Mountains
Central Coast Tenants Advice	Central Coast Tenants Advice	\$1608.00	Central Coast
New England and Western Tenants Advice and Advocacy Service (NEWTAAS)	New England and Western Tenants Advice and Advocacy Service	\$3747.45	North Western Sydney
Western & North Western Tenants Service	Western Sydney Community Legal Centre	\$49.09	Western & North Western Sydney
Marrickville Legal Centre	Inner West Tenants Advice and Advocacy Service	\$549.80	Inner Western Sydney
Marrickville Legal Centre	Northern Sydney Area Tenants Service	\$604.80	Northern Sydney
Western & North Western Tenants Service	Western Sydney Community Legal Centre	\$98.18	Western & North Western Sydney
Total		\$24,690.45	

Appendices

Financial Counselling Services Program

The Financial Counselling Services Program provides free-of-charge financial counselling by accredited counsellors. Funding for 2021-22 was \$9,470,354.75 (plus GST). Fair Trading funded \$2,178,181.60, which represents 23% of the total funding.

Funding is also sourced from the Rental Bond Board Interest (77%). Funding details about Rental Bond Board expenditure can be found in the Rental Bond Board Annual Report.

Auspice/funded organisation	Purpose/service	Annual funding	LGA/region
The Salvation Army (NSW) Property Trust	The Salvation Army Moneycare South Western Sydney Financial Counselling Service	\$280,576.79	South Western Sydney
The Salvation Army (NSW) Property Trust	The Salvation Army Moneycare Southern Sydney Financial Counselling Service	\$150,270.23	Southern Sydney
The Salvation Army (NSW) Property Trust	The Salvation Army Moneycare Western Sydney Financial Counselling Service	\$298,856.56	Western Sydney
Wesley Mission – Wesley Community Services Limited	Wesley Mission – North Western Sydney	\$120,976.21	North Western Sydney
The Trustees of the Roman Catholic Church for the Diocese of Broken Bay	CatholicCare Diocese of Broken Bay Northern Sydney Financial Counselling Service	\$87,248.06	Northern Sydney
Metro Assist Limited	Inner Western Sydney Financial Counselling Service	\$98,184.24	Inner Western Sydney
Wesley Mission – Wesley Community Services Limited	Wesley Mission – Inner Sydney	\$92,603.04	Inner Sydney
Lismore & District Financial Counselling Services Inc	Far North Coast Region Financial Counselling Network	\$85,373.23	Far North Coast
Kempsey Neighbourhood Centre Inc.	Mid North Coast Region Financial Counselling Service	\$124,142.67	Mid North Coast
Financial Counselling Hunter Valley Project Inc	Lower Hunter Region Financial Counselling Service	\$69,534.14	Newcastle/ Lower Hunter
Financial Counselling Hunter Valley Project Inc	Upper Hunter Region Financial Counselling Service	\$14,528.36	Upper Hunter
Gosford City Community & Information Service Ltd	Central Coast Region Financial Counselling Service	\$34,508.34	Central Coast
Illawarra Legal Centre Inc	Illawarra Region Financial Counselling Service	\$41,404.00	Illawarra
The Family Place Inc	Far South Coast Region Financial Counselling Service	\$9424.51	Far South Coast
Anglicare NSW South, NSW West & ACT Anglicare NSW South, NSW West & ACT	Anglicare Riverina Lower South Western Regional Financial Counselling Service	\$50,071.49	Lower South Western
The Salvation Army (NSW) Property Trust	The Salvation Army Moneycare Goulburn Region Financial Counselling Service	\$49,023.27	Goulburn
The Salvation Army (NSW) Property Trust	The Salvation Army Moneycare Murray Region Financial Counselling Service	\$30,512.02	Murray
Lifeline Central West Inc	Lifeline Dubbo / Mid West Region Financial Counselling Service	\$11,512.74	Dubbo/Mid West

Appendices

Auspice/funded organisation	Purpose/service	Annual funding	LGA/region
Lifeline Central West Inc	Lifeline Central West Region Financial Counselling Service	\$15,465.23	Central West
CatholicCare Wilcannia-Forbes Limited	CatholicCare Wilcannia-Forbes Limited Trading as CatholicCare Wilcannia-Forbes	\$12,676.59	Parkes/Forbes
Lifeline Broken Hill Inc	Lifeline Broken Hill Region Financial Counselling Service	\$10,962.41	Broken Hill
CatholicCare Wilcannia-Forbes Limited Trading as CatholicCare Wilcannia-Forbes	CatholicCare Far West Region Financial Counselling Service	\$10,972.65	Far West
The Salvation Army (NSW) Property Trust	The Salvation Army Moneycare Tamworth / Northern Plains Region Financial Counselling Service	\$46,212.71	Tamworth/ Northern Plains
The Salvation Army (NSW) Property Trust	The Salvation Army Moneycare Armidale Region Financial Counselling Service	\$23,463.37	Armidale
Muru Mittigar Ltd	Muru Mittigar Community Finance Hub Penrith Aboriginal and Torres Strait Islander Financial Counselling Service	\$31,818.94	Penrith
Financial Counselling Hunter Valley Project Inc	Newcastle Aboriginal and Torres Strait Islander Financial Counselling Service	\$6078.59	Newcastle
Illawarra Legal Centre Inc	Illawarra Aboriginal and Torres Strait Islander Financial Counselling Service	\$3061.86	Illawarra
Lifeline Central West Inc	Lifeline Dubbo Aboriginal and Torres Strait Islander Financial Counselling Service	\$9117.89	Dubbo
Lifeline Broken Hill Inc	Lifeline Broken Hill Aboriginal and Torres Strait Islander Financial Counselling Service	\$3039.30	Broken Hill
The Salvation Army (NSW) Property Trust	The Salvation Army Moneycare Moree Aboriginal and Torres Strait Islander Financial Counselling Service	\$9725.20	Moree
The Salvation Army (NSW) Property Trust	The Salvation Army Moneycare Tamworth Aboriginal and Torres Strait Islander Financial Counselling Service	\$9725.20	Tamworth
Financial Rights Legal Centre Inc	Financial Rights Legal Centre – Legal Service	\$232,405.25	All NSW
Financial Counsellors Association of NSW Inc. (FCAN)	Financial Counsellors' Association of NSW	\$104,706.52	All NSW
Total		\$2,178,181.60	

No Interest Loan Scheme (NILS)

The NILS is a nationally operated, community-based program to help low-income earners buy essential household items and services, such as washing machines, refrigerators or dental services.

Good Shepherd Microfinance Victoria operates the scheme, with capital provided by the National Australia Bank. Fair Trading provides funding toward salaries and salary-related on-costs associated with the operation of NILS in NSW.

NSW Fair Trading also funds the salary and operational costs of a 1800 phone number and a NSW Coordinator to assist in the setup, support and expansion of new and existing NILS services.

Funding for 2021-22 was \$3,582,382.85 (plus GST). Fair Trading funded \$358,238.28, which represents 10% of the total funding.

Funding is sourced from the Rental Bond Board Interest Account (90%). Funding details about Rental Bond Board expenditure can be found in the Rental Bond Board Annual Report.

Auspice/funded organisation	Purpose/service	Annual funding	LGA/region
Anglicare Western Sydney NILS	Anglican Community Services (t/as Anglicare)	\$3606.48	Blacktown, Penrith & Hawkesbury
Muru Mittigar NILS Loans Scheme	Muru Mittigar Ltd	\$9917.83	Penrith
Bridging the Gap Sydney West Inc NILS Loans Scheme	Bridging the Gap Sydney West Inc	\$1803.24	St Marys
St Vincent De Paul Society	St Vincent De Paul Society NSW	\$25,987.16	Campbelltown, Camden & Wollondilly
North West NILS	The Hills Community Aid and Information Service Inc	\$12,214.59	Hornsby, Parramatta Blacktown, Baulkham Hills, Hawkesbury
Fairfield NILS	The Parks Community Network Inc.	\$11,311.35	Fairfield, Holroyd, Bankstown
Hope Connect NILS	Hope Connect Incorporated	\$2704.86	Parramatta LGA & part Holroyd (East Merrylands & East Guildford)
Break the Cycle NILS	Break the Cycle No Interest Loans Scheme Inc.	\$3606.48	Glenfield, Macquarie Fields
C3CS Ltd	C 3 Community Services Ltd - C3CS NILS	\$10,889.78	Campbelltown, Camden & Wollondilly
Macarthur Diversity Services NILS	Macarthur Diversity Services Initiative Ltd	\$5409.73	Campbelltown, Camden & Wollondilly
Metro Assist NILS	Metro Assist Limited	\$7212.97	Canterbury, Strathfield, Burwood
Marrickville NILS	MTC Australia Limited	\$4848.84	Marrickville (South & North), Dulwich Hill, Lewisham, Petersham, St Peters, Stanmore, Sydenham, Tempe, Enmore, Rockdale, parts of Newtown and Camperdown
The Kogarah Storehouse	The Uniting Church in Australia - The Kogarah Storehouse	\$3606.48	Georges River
Interreach Limited	Interreach Limited	\$2704.86	
Hunter Region NILS	Hunter Region No Interest Loans Scheme Inc.	\$18,524.32	Newcastle, Lake Macquarie, Maitland, Cessnock, Singleton, Muswellbrook, Gloucester, Upper Hunter, Port Stephens, Greater Taree, Great Lakes, Dungog

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Auspice/funded organisation	Purpose/service	Annual funding	LGA/region
Manning NILS (Taree and Gloucester) & Hastings NILS	Manning Support Services Inc.	\$16,022.70	Greater Taree, Great Lakes, Gloucester
Great Lakes NILS	Forster Neighbourhood Centre Inc.	\$9909.73	Great Lakes
Bellingen Shire No Interest Loans Scheme	Neighbourhood Centres of Bellingen Shire Inc.	\$3606.48	Bellingen
Macleay Valley NILS	Kempsey Neighbourhood Centre Inc.	\$10,409.73	Kempsey
Nambucca Valley NILS	Lifetime Connect Limited	\$7212.97	Nambucca Shire & Coffs Harbour
Anglicare Shoalhaven NILS	Anglican Community Services (t/as Anglicare)	\$3606.48	Shoalhaven
BaptistCare NILS	BaptistCare NSW & ACT	\$30,245.40	Newcastle, Lake Macquarie, Port Stephens and Maitland, Warilla, Broken Hill, Wilcannia & Sutherland
Community Loan Scheme – Southern NILS Program	Our Community Project Inc. (Previously Port Kembla Community Project Inc.)	\$13,016.21	Wollongong
NICCI NILS	Northern Illawarra Community Connection Inc	\$7212.97	Wollongong and Sutherland
Highlands Community Centre NILS	Highlands Community Centres Inc.	\$4508.11	Wingecarribee, Mulwaree

Appendices

Auspice/funded organisation	Purpose/service	Annual funding	LGA/region
Northern Rivers NILS	Northern Rivers Community Gateway Incorporated	\$9016.21	Richmond Valley, Lismore, Kyogle, Tweed, Ballina
Wyong Shire NILS	Toukley Neighbourhood Centre Inc.	\$10,811.35	Wyong
Winmalee Neighbourhood Centre NILS	Winmalee Neighbourhood Centre Inc	\$2704.86	Blue Mountains City (2776 & 2777)
Belong Blue Mountains Community & Neighbourhood NILS	Katoomba Neighbourhood Centre Inc.	\$1522.28	Blue Mountains
Blackheath Area Neighbourhood Centre NILS	Blackheath Area Neighbourhood Centre Inc.	\$3044.56	Blue Mountains & Greater Lithgow
Gosford City NILS	Gosford City Community Information Service Ltd	\$10,909.73	Outer Gosford & Surrounds
Coast Shelter NILS	Central Coast Emergency Accommodation Services Ltd (Coast Shelter)	\$2537.13	Gosford City
Armidale Neighbourhood Centre NILS	Armidale Neighbourhood Centre Inc	\$3606.48	Armidale, Dumaresq, Uralla, Guyra, Walcha
Anglicare NILS	Anglicare NSW South, NSW West & ACT	\$11,721.07	Goulburn, Eurobodalla, Bega Valley & Orange
The Mary Mackillop Foundation Limited	The Mary Mackillop Foundation Limited	\$26,540.52	Lithgow, Bathurst, Cowra & Young
Global Care NILS – Dubbo	Local Global Care – Dubbo	\$9016.21	Dubbo, Walgett, Lightning Ridge, Bourke, Brewarrina, Collarenebri
Salvos NILS	The Salvation Army (NSW) Property Trust	\$10,819.45	Inverell, Tamworth & Gunnedah, Moree
NILS NSW Financial Inclusion Coordinator	Northern Rivers Community Gateway	\$14,382.06	Statewide
NSW NILS 1800 Freecall Service – 1800 50 9994	Winmalee Neighbourhood Centre Inc. (1800 Freecall Service)	\$11,506.63	Statewide
Total		\$358,238.28	

Appendices

Office of Responsible Gambling*

During 2021-22, the Office of Responsible Gambling administered the following grant programs:

- Clubgrants Category 3 Fund
- Responsible Gambling Fund
- GambleAware Providers
- Community Benefit Payment Scheme.

There were also payments from the Community Development Fund for grant programs administered in previous years.

Infrastructure Grants, Clubgrants Category 3 Fund

The Clubgrants Category 3 Fund is established under the *Gaming Machine Tax Act 2001*, and supports infrastructure projects for sport and recreation, arts and culture, and emergency preparedness.

The Office of Responsible Gambling manages the Fund. More information is available from the Office of Responsible Gambling website.

Funds granted for Infrastructure Grants from Clubgrants Category 3 (note this is not the full grant amount, only the amount paid out in 2021-22).

Auspice/funded organisation	Purpose/service	2021-22 funding	LGA/region
Addison Road Community Organisation	Disaster Readiness	\$151,859	Inner West
Albatross Australian Football Club	Sport and Recreation	\$230,285	Shoalhaven City
Alstonville Tennis Club	Sport and Recreation	\$61,470	Ballina Shire
Amaranth Foundation	Community Infrastructure	\$180,000	Federation
Araluen Progress Association	Community Infrastructure	\$109,454	Queanbeyan-Palerang Regional
Armidale District Baptist Church	Arts and Culture	\$5302	Armidale Regional
Ashford Local Aboriginal Land Council	Community Infrastructure	\$45,793	Inverell Shire
Ashford and District Tennis Club	Sport and Recreation	\$123,261	Inverell Shire
Avoca Beach Rugby Club	Sport and Recreation	\$64,800	Central Coast
Ballina Men's Shed	Arts and Culture	\$20,000	Ballina Shire
Bathurst Golf Club	Sport and Recreation	\$168,084	Bathurst Regional
Bermagui Country Club	Sport and Recreation	\$122,498	Bega Valley
Bingara Sporting Club	Sport and Recreation	\$22,358	Gwydir Shire
Blackhead Tennis Club	Sport and Recreation	\$54,000	Mid-Coast
Blackheath Golf and Community Club	Sport and Recreation	\$165,250	Blue Mountains
Bobby Goldsmith Foundation	Community Infrastructure	\$34,200	Lismore City
Bonny Hills Tennis Club	Sport and Recreation	\$63,512	Port Macquarie-Hastings
Boolaroo Bowling & Recreation	Sport and Recreation	\$10,520	Lake Macquarie City
Bowral Cricket Club Incorporated	Sport and Recreation	\$54,000	Wingecarribee Shire
Branxton District Netball Club	Sport and Recreation	\$64,375	Cessnock City
Broken Hill Harness Racing	Sport and Recreation	\$54,797	Broken Hill
Bundanoon Club	Community Infrastructure	\$67,500	Blayney Shire
Bungendore Park Tennis Club	Sport and Recreation	\$24,623	Queanbeyan-Palerang Regional
Byron Bay Community Association	Arts and Culture	\$148,015	Byron Bay

*Liquor and Gaming NSW, Office of Responsible Gambling, Office of Racing (and related entities including the Independent Liquor and Gaming Authority and Greyhound Welfare and Integrity Commission) transferred to the newly formed Department of Enterprise, Investment and Trade (DEIT) on 1 April 2022. Reporting for the period 1 April 2022 to 30 June 2022 can be found in the DEIT annual report 2021-22.

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Auspice/funded organisation	Purpose/service	2021-22 funding	LGA/region
Byron Bay FC	Sport and Recreation	\$22,000	Byron Bay
Byron Youth Service	Community Infrastructure	\$1123	Byron Bay
The Canowindra Community and Bowling Club	Sport and Recreation	\$53,100	Cabonne Shire
Campsie South Bowling	Sport and Recreation	\$47,700	Canterbury Bankstown
Centre for Contemporary Asian Art	Arts and Culture	\$180,000	City of Sydney
Cessnock Tennis Club	Sport and Recreation	\$13,977	Cessnock City
Coleambally Football	Sport and Recreation	\$62,748	Murrumbidgee
Coolamon Sport and Recreation Club	Sport and Recreation	\$67,230	Coolamon Shire
Copacabana Community Men's Shed	Community Infrastructure	\$114,750	Central Coast
Copacabana Rural Fire Brigade	Disaster Readiness	\$117,647	Central Coast
The Country Club St Georges Basin	Sport and Recreation	\$180,000	Shoalhaven City
Cowra Show Society	Community Infrastructure	\$34,310	Cowra Shire
Cricket Albury Wodonga	Sport and Recreation	\$76,437	Albury City
Crookwell Amateur Dramatic Arts	Arts and Culture	\$5000	Upper Lachlan Shire
Deniliquin Bowling Club	Sport and Recreation	\$13,494	Edward River
Diggers Cricket Club	Sport and Recreation	\$54,000	Coffs Harbour City
Dungog and District Netball	Sport and Recreation	\$57,330	Dungog
Dunghutti Elders Council	Arts and Culture	\$130,602	Kempsey Shire
Edward River Arts	Arts and Culture	\$5502	Edward River
Emu Plains Sports Club	Sport and Recreation	\$72,000	Penrith
Fairfield Phoenix Baseball Club	Sport and Recreation	\$45,000	Fairfield City
Family Planning NSW	Community Infrastructure	\$180,000	Cumberland
Forster Arts & Craft Inc	Arts and Culture	\$49,500	Mid-Coast
Garden Village Port Macquarie	Sport and Recreation	\$127,444	Port Macquarie-Hastings
Gasworks Motorsport	Sport and Recreation	\$112,500	Junee Shire
George Cross Falcons Community	Community Infrastructure	\$15,000	Wollongong City
Gloucester Soccer Club	Sport and Recreation	\$16,053	Mid-Coast
Gloucester District Tennis Association	Sport and Recreation	\$225,174	Mid-Coast
Great Lakes Cricket Club	Sport and Recreation	\$49,821	Mid-Coast
Gulgong RSL	Disaster Readiness	\$18,731	Mid-Western Regional
Gundagai Swimming Club	Sport and Recreation	\$153,000	Cootamundra-Gundagai Regional
Homes North Community Housing	Community Infrastructure	\$180,000	Armidale Regional
Hope and Wish Foundation	Community Infrastructure	\$40,599	Central Coast
Hornsby Ku-ring-gai Women's Shelter	Community Infrastructure	\$17,402	Hornsby
Hunter Valley Scots Club	Community Infrastructure	\$56,000	Lake Macquarie City
Jerilderie Sports Club	Sport and Recreation	\$121,041	Federation

Appendices

Auspice/funded organisation	Purpose/service	2021-22 funding	LGA/region
Jerrabomberra Tennis Club Inc	Sport and Recreation	\$2500	Queanbeyan-Palerang Regional
Jindera Pioneer Museum	Arts and Culture	\$72,000	Albury City
Bolton Point Tennis Club	Sport and Recreation	\$52,173	Lake Macquarie City
Keeping Our Freedom Youth Indigenous Corporation	Arts and Culture	\$5800	Richmond Valley
Killarney Vale AFC Inc	Sport and Recreation	\$25,000	Central Coast
Kings Park Equestrian Club	Sport and Recreation	\$108,000	Blacktown City
Lady Denman Heritage Complex Huskisson (Jervis Bay Museum)	Arts and Culture	\$13,530	Shoalhaven City
Lake Macquarie Football Club	Sport and Recreation	\$299,200	Lake Macquarie City
Lifebridge Australia	Community Infrastructure	\$49,950	Tweed Shire
Lifeline Macarthur and Western Sydney	Community Infrastructure	\$64,080	Camden
Lions Club of Shoalhaven Heads	Community Infrastructure	\$123,300	Shoalhaven City
Lower Lachlan Community	Community Infrastructure	\$45,081	Lachlan Shire
Manning River Aero Club	Disaster Readiness	\$36,990	Mid-Coast
Manning River Rowing Club	Sport and Recreation	\$133,038	Mid-Coast
Marine Rescue NSW	Disaster Readiness	\$365,701	Multiple locations
Matcham Valley Pony Club	Sport and Recreation	\$3267	Central Coast
Melrose Football Club	Sport and Recreation	\$11,592	Albury City
Merewether Rugby Union Club	Sport and Recreation	\$90,000	Newcastle
Mets Baseball Club	Sport and Recreation	\$45,855	Camden
Mission Australia	Community Infrastructure	\$146,385	Coffs Harbour City
Mollymook Beach Bowling and Recreation Club	Sport and Recreation	\$172,800	Shoalhaven City
Monaro Early Intervention Service Inc	Community Infrastructure	\$40,095	Snowy Monaro Regional
Mudgee District Tennis Club	Sport and Recreation	\$15,160	Mid-Western Regional
Nambucca Valley Youth Service Centre	Community Infrastructure	\$2000	Nambucca Valley
North Arm Cove Community Centre	Community Infrastructure	\$4447	Tweed Shire
Nungera Co-Operative Society Ltd	Community Infrastructure	\$120,682	Clarence Valley
Orange & District Football Association Soccer Inc	Sport and Recreation	\$97,585	Orange City
Pallamallawa Recreation Reserve	Sport and Recreation	\$13,400	Gwydir Shire
Police Citizens Youth Club NSW Ltd (Moree)	Community Infrastructure	\$180,000	Gwydir Shire
Revesby Workers Club	Sport and Recreation	\$108,000	Canterbury Bankstown
Rotary Club of Junee	Community Infrastructure	\$180,000	Junee Shire
Samaritans Foundation	Community Infrastructure	\$56,250	Newcastle
Scone Race Club	Sport and Recreation	\$15,000	Upper Hunter Shire
Soldiers Point Tennis Club	Sport and Recreation	\$50,940	Port Stephens

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Auspice/funded organisation	Purpose/service	2021-22 funding	LGA/region
South Dubbo Cricket Club	Sport and Recreation	\$59,594	Dubbo Regional
Southcoast Health and Sustainability Alliance	Community Infrastructure	\$119,219	Eurobadalla Shire
Southern Highlands Botanic Gardens	Community Infrastructure	\$111,343	Wingecarribee Shire
Southern Youth Services	Community Infrastructure	\$27,509	Shellharbour City
St George Randwick Hockey Club	Sport and Recreation	\$30,000	Shoalhaven City
The Country Club St Georges Basin	Community Infrastructure	\$20,000	Shoalhaven City
Tamworth Golf Club	Sport and Recreation	\$212,452	Tamworth Regional
Tamworth Services Club	Sport and Recreation	\$90,000	Tamworth Regional
Tarcutta Progress Association	Sport and Recreation	\$78,768	Wagga Wagga City
Tathra Surf Life Saving	Disaster Readiness	\$14,464	Bega Valley Shire
Terrigal Rugby Club	Sport and Recreation	\$175,621	Central Coast
Tharawal Local Aboriginal Land Council	Arts and Culture	\$59,122	Wollondilly Shire
Think & DO Tank Foundation Limited	Arts and Culture	\$81,140	Fairfield City
Tullamore Bowling & Citizens Club	Sport and Recreation	\$130,500	Lachlan Shire
Tweed Heads Seagulls Rugby League Football Club	Sport and Recreation	\$30,000	Tweed Shire
Twyford Hall Inc	Arts and Culture	\$64,800	Bega Valley Shire
Ulladulla Mens Shed	Community Infrastructure	\$22,279	Shoalhaven City
Ungarie Football & Netball Club	Sport and Recreation	\$2193	Bland Shire
Wangi District Workers Club	Community Infrastructure	\$107,100	Lake Macquarie City
Warren Youth Foundation	Community Infrastructure	\$51,497	Warren Shire
Wattle Flat Heritage Lands Manager	Community Infrastructure	\$32,756	Bathurst Regional
Westside Tennis Club	Sport and Recreation	\$90,000	Coffs Harbour City
Winanga-Li Aboriginal Child and Family Centre Incorporated	Community Infrastructure	\$43,758	Liverpool Plains Shire
Woodstock District Progress Association	Community Infrastructure	\$32,747	Cowra Shire
Woolgoolga Lake Working Group	Community Infrastructure	\$98,010	Coffs Harbour
Wyong Rugby League	Sport and Recreation	\$74,416	Central Coast
Yarrowitch Public Hall & Recreation Reserve	Disaster Readiness	\$30,821	Walcha
Total		\$9,402,082	

Community Development Fund

The Community Development Fund is established under section 204A of the *Gaming Machines Act 2001* and is funded from unclaimed jackpot prizes, gaming machine tickets and income from the transfer of poker machine entitlements and permits.

The Office of Responsible Gambling manages the Fund with a range of open grant rounds offered. There were no grant rounds offered in 2021-22, however there were amounts paid for projects continuing from previous grant rounds. More information is available from the Office of Responsible Gambling website.

Funds granted under the Community Development Fund (note this is not the full grant amount, only the amount paid out in 2021-22).

Auspice/funded organisation	Purpose/service	2021-22 funding	LGA/region
Broken Hill Harness Racing	Back to the Track Grant	\$2000	Broken Hill City
Council of Social Service of NSW	Community Development Fund Grant	\$7000	City of Sydney
Music Viva	Activate Sydney @ Night	\$7500	City of Sydney
Total		\$16,500	

Responsible Gambling Fund open grants programs

The Responsible Gambling Fund, established under the *Casino Control Act 1992*, funds initiatives and programs that support responsible gambling and help reduce gambling-related harm. The Office of Responsible Gambling manages programs that are supported by the Fund. More information is available from the GambleAware website.

Funds granted under the Responsible Gambling Fund open grants programs are set out below.

Auspice/funded organisation	Purpose/service	2021-22 funding	LGA/region
Central Queensland University	2019 Responsible Gambling Grants-Research	\$57,319	N/A
Central Queensland University	2021 Responsible Gambling Grants-Research	\$15,925	N/A
Central Queensland University	2019 Responsible Gambling Grants-Research	\$55,778	N/A
Deakin University	2019 Responsible Gambling Grants-Prevention, Innovation & Technology	\$150,000	N/A
Deakin University	2019 Responsible Gambling Grants-Prevention, Innovation & Technology	\$11,000	N/A
Lifeline Broken Hill Inc	Local Prevention Grants	\$19,400	N/A
Schizophrenia Fellowship of NSW	Odds on Youth	\$12,000	N/A
University of Technology Sydney	Local Prevention Grants	\$11,780	N/A
Woodville Alliance Limited	Odds on Youth	\$16,800	N/A
Total		\$350,002	

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Gambling Research Capacity Grants

In 2021-22, the Responsible Gambling Fund provided funding for PhD scholarships, post-doctoral fellowships and study grants to build capability and capacity for gambling research.

Funds granted under the Gambling Research Capacity Grants program are set out below.

Auspice/funded organisation	Purpose/service	2021-22 funding	LGA/region
Dr Rachel Cole	Gambling Research Study Grant	\$4598	N/A
Central Queensland University	Gambling Research Capacity Grant (PHD/Fellowship)	\$26,202	N/A
Deakin University	Gambling Research Capacity Grant (PHD/Fellowship)	\$74,957	N/A
Monash University	Gambling Research Capacity Grant (PHD/Fellowship)	\$11,000	N/A
Queensland University of Technology	Gambling Research Capacity Grant (PHD/Fellowship)	\$19,800	N/A
University of Adelaide	Gambling Research Capacity Grant (PHD/Fellowship)	\$27,500	N/A
University of Sydney	Gambling Research Capacity Grant (PHD/Fellowship)	\$53,000	N/A
Total		\$217,057	

Funding to GambleAware providers

The Responsible Gambling Fund, established under the *Casino Control Act 1992*, funds specialist gambling education, support and treatment services across NSW. GambleAware providers across NSW, as our key partners, are commissioned to deliver community education and outreach and a broad range of support and treatment services tailored to their local communities. In 2021-22, GambleAware replaced Gambling Help.

Auspice/funded organisation	Purpose/service	Funding	Region
Centacare New England North West	Community engagement, support and counselling services	\$1,400,000	Hunter New England
Regional Community Care Limited	Community engagement, support and counselling services	\$735,108	Far & Western NSW
Lifeline North Coast	Community engagement, support and counselling services	\$945,000	Mid & Northern NSW
Mission Australia	Community engagement, support and counselling services	\$1,193,156	Illawarra & Southern NSW
St. Vincent's Hospital Sydney Limited	Community engagement, support and counselling services	\$1,386,414	South Eastern Sydney
Eastern Health / Turning Point	GambleAware Telephone Service	\$817,252	Statewide
Uniting (Victoria and Tasmania) Limited	Community engagement, support and counselling services	\$620,000	Murrumbidgee
University of Sydney	Community engagement, support and counselling services	\$5,240,584	South Western Sydney, Central Sydney, Blue Mountains & Western Sydney, Northern Sydney & Central Coast
Wesley Community Services Limited	Community engagement, support and counselling services	\$1,698,994	Northern Sydney & Central Coast
Western Sydney Local Health District	Statewide multicultural service	\$670,129	Statewide
NSW Aboriginal Safe Gambling Service	Counselling and Support – Aboriginal Statewide service	\$135,000	Statewide
Total		\$14,841,637	

Funding to legacy Gambling Help services

In 2021-22, Gambling Help services were replaced by GambleAware, with some specialist Gambling Help services continuing until December 2021.

Auspice/funded organisation	Purpose/service	2021-22 funding	Region
Arab Council Australia Inc	Gambling Help Counselling and Support Services – Culturally and Linguistically Diverse (CALD)	\$202,814	Sydney, Western Sydney, South Western Sydney
Co-As-It Italian Association of Assistance	Counselling and Support Services – CALD	\$54,997	Central Sydney
Northern Rivers Community Gateway	Counselling and Support – Warruwi Gambling Help services	\$88,476	Northern Rivers
Northern Sydney Local Health	Counselling and Support Services – CALD	\$45,869	Northern Sydney
NSW Aboriginal Safe Gambling	Counselling and Support – Aboriginal Statewide service	\$135,000	Statewide
Vietnamese Community in Australia	Counselling and Support Services – CALD	\$88,344	South West Sydney
Wesley Mission	Legal Service	\$486,439	Statewide
Western Sydney Local Health District	Counselling and Support Services – CALD	\$117,594	Sydney and South West Sydney
Total		\$1,219,533	

Community Benefit Payment Scheme

Community benefit payments are made to the Responsible Gambling Fund when a venue is approved by the Independent Liquor and Gaming Authority for an increase to its number of gaming machines entitlements. As part of the approval, a condition is that the venue contributes a calculated, set monetary community benefit payment to the Responsible Gambling Fund as a one-off or annual payment for up to five years.

The Responsible Gambling Fund, in conjunction with an independent panel, then determines the recipients of the community benefit payments, which are generally made to not for profit organisations and registered charities that support the social wellbeing of the local community.

More information on the Scheme is available on the GambleAware website.

Funds granted under the Community Benefit Payment Scheme. Note this does not represent the full grant amount, only the funding paid in 2021-22.

Appendices

Auspice/funded organisation	Purpose/service	2021-22 funding	LGA/region
Bankstown Women's Health Centre	Community Benefit Payment Scheme	\$123,426	Canterbury Bankstown Council
Belmont Neighbourhood Centre	Community Benefit Payment Scheme	\$40,351	City of Lake Macquarie
Burwood Community Welfare Services	Community Benefit Payment Scheme	\$4941	Municipality of Burwood
Campbelltown Family Support Service	Community Benefit Payment Scheme	\$67,518	City of Campbelltown
Canterbury Earlwood Caring Association	Community Benefit Payment Scheme	\$123,426	Canterbury Bankstown Council
Community and Cultural Connections	Community Benefit Payment Scheme	\$38,500	Inner West Council
Community Restorative Centre Limited	Community Benefit Payment Scheme	\$214,853	Canterbury Bankstown Council
Leaderlife Limited	Community Benefit Payment Scheme	\$29,807	Dubbo Regional Council
Marrickville Legal Centre	Community Benefit Payment Scheme	\$6500	Inner West Council
Marrickville Youth Resource Limited	Community Benefit Payment Scheme	\$4500	Inner West Council
Metro Assist Limited	Community Benefit Payment Scheme	\$44,466	Canterbury-Bankstown Council
Molonglo Support Services Limited	Community Benefit Payment Scheme	\$3746	Queanbeyan Palerang Regional Council
Moving Forward DFV Case Management	Community Benefit Payment Scheme	\$58,757	Bayside Council
Nepean Community & Neighbourhood	Community Benefit Payment Scheme	\$7183	City of Blacktown
Newtown Neighbourhood Centre	Community Benefit Payment Scheme	\$37,500	Inner West Council
NSW Police Force –Coffs-Clarence Police District	Community Benefit Payment Scheme	\$30,475	Coffs Harbour City Council
NSW Police Force-Orana –Mid-Western Police District	Community Benefit Payment Scheme	\$56,633	Dubbo Regional Council
Port Macquarie Neighbourhood	Community Benefit Payment Scheme	\$39,551	Port Macquarie-Hastings Council
Riverstone Neighbourhood Centre	Community Benefit Payment Scheme	\$13,152	City of Blacktown
Robinvale District Health Service	Community Benefit Payment Scheme	\$25,430	Balranald Shire Council
Southern Youth & Family Service	Community Benefit Payment Scheme	\$90,750	Wollongong City
Sydney Local Health District –Marrickville Community Mental Health Service	Community Benefit Payment Scheme	\$58,500	Inner West Council
Warrina Domestic & Family Violence	Community Benefit Payment Scheme	\$7030	Coffs Harbour City
Western Sydney Local Health District -Mount Druitt Community Health Centre	Community Benefit Payment Scheme	\$118,367	Blacktown City Council
Women's Activities & Self-Help House	Community Benefit Payment Scheme	\$13,152	City of Blacktown
Total		\$1,258,514	

Land disposal

No properties with a value greater than \$5 million were disposed during 2021-22.

No properties were disposed of where there was a business or family connection between the purchaser and the approving person.

An application for access to documents concerning details of properties disposed of during the reporting year may be made in accordance with the *Government Information (Public Access) Act 2009*.

Major assets

Section 6(1) of the *Government Information (Public Access) Act 2009* provides that 'open access information' should be made publicly available unless there is an overriding public interest against disclosure of the information. Clause 6(2)(a) of the *Government Information (Public Access) Regulation 2018* requires that government departments make publicly available under open access information a list of the department's major assets, other than land holdings, appropriately classified and highlighting major acquisitions during the previous financial year, and the total number and total value of properties disposed of by the department during the previous financial year.

DCS owns two major assets:

- a property at 905-945 Londonderry Road, Londonderry, NSW 2753
- a property at 35 Regent St, Chippendale NSW 2008.

No major assets were acquired or disposed of during 2021-22.

Further information about assets and disposals can be found in the Financial Statements section of this report.

Legislation administered

From 21 December 2021 to 30 June 2022, the **Minister for Customer Service and Digital Government** (the former Minister for Customer Service) was responsible for the administration of the following Acts:

- *Access to Neighbouring Land Act 2000* [No 2](#)
- *Associated General Contractors Insurance Company Limited Act 1980* [No 38](#)
- *Births, Deaths and Marriages Registration Act 1995* [No 62](#), jointly with the Attorney General
- *Bishopsgate Insurance Australia Limited Act 1983* [No 81](#)
- *Community Land Development Act 2021* [No 6](#)
- *Conveyancing Act 1919* [No 6](#)
- *Conveyancing and Law of Property Act 1898* [No 17](#)
- *Data Sharing (Government Sector) Act 2015* [No 60](#)
- *Digital Restart Fund Act 2020* [No 15](#)
- *Duties Act 1997* [No 123](#), jointly with the Treasurer and the Minister for Finance
- *Electronic Conveyancing (Adoption of National Law) Act 2012* [No 88](#)
- *Encroachment of Buildings Act 1922* [No 23](#)
- *Fines Act 1996* [No 99](#), jointly with the Treasurer and the Minister for Finance (except parts, the Attorney General)
- *First Home Owner Grant (New Homes) Act 2000* [No 21](#), jointly with the Minister for Finance
- *Geographical Names Act 1966* [No 13](#)
- *Government Advertising Act 2011* [No 35](#), jointly with the Premier and the Attorney General
- *Government Information (Information Commissioner) Act 2009* [No 53](#), jointly with the Attorney General
- *Government Information (Public Access) Act 2009* [No 52](#), jointly with the Attorney General
- *Government Insurance Office (Privatisation) Act 1991* [No 38](#), sections 26 and 27, jointly with the Treasurer
- *Government Telecommunications Act 2018* [No 67](#)
- *Health Insurance Levies Act 1982* [No 159](#), jointly with the Treasurer and the Minister for Finance
- *Home Building Act 1989* [No 147](#), Parts 6, 6B and 6C
- *Independent Pricing and Regulatory Tribunal Act 1992* [No 39](#) (except section 9, the Premier)
- *Insurance Protection Tax Act 2001* [No 40](#), jointly with the Treasurer and the Minister for Finance
- *Land Sales Act 1964* [No 12](#)
- *Land Tax Act 1956* [No 27](#), jointly with the Treasurer and the Minister for Finance
- *Land Tax Management Act 1956* [No 26](#), jointly with the Treasurer and the Minister for Finance
- *Licensing and Registration (Uniform Procedures) Act 2002* [No 28](#)
- *Motor Accident Injuries Act 2017* [No 10](#)
- *Motor Accidents Act 1988* [No 102](#)
- *Motor Accidents Compensation Act 1999* [No 41](#)
- *Motor Vehicles (Third Party Insurance) Act 1942* [No 15](#)
- *Payroll Tax Act 2007* [No 21](#), jointly with the Treasurer and the Minister for Finance
- *Payroll Tax Deferral (BlueScope Steel) Act 2015* [No 68](#), jointly with the Treasurer and the Minister for Finance
- *Payroll Tax Rebate Scheme (Jobs Action Plan) Act 2011* [No 19](#), jointly with the Minister for Enterprise, Investment and Trade
- *Perpetuities Act 1984* [No 43](#)
- *Personal Injury Commission Act 2020* [No 18](#) (except parts, the Attorney General; sections 7(1), (2), (6) and (7) and 16 and Schedule 2, clause 15, jointly with the Attorney General)
- *Powers of Attorney Act 2003* [No 53](#)
- *Privacy and Personal Information Protection Act 1998* [No 133](#), jointly with the Attorney General
- *Real Property Act 1900* [No 25](#)
- *Relationships Register Act 2010* [No 19](#), jointly with the Attorney General
- *Service NSW (One-stop Access to Government Services) Act 2013* [No 39](#)
- *Small Business Grants (Employment Incentive) Act 2015* [No 14](#), jointly with the Minister for Small Business
- *State Debt Recovery Act 2018* [No 11](#), jointly with the Treasurer and the Minister for Finance
- *State Insurance and Care Governance Act 2015* [No 19](#) (except parts, the Minister for Finance)
- *Strata Schemes Development Act 2015* [No 51](#)
- *Surveying and Spatial Information Act 2002* [No 83](#)
- *Taxation Administration Act 1996* [No 97](#), jointly with the Treasurer and the Minister for Finance
- *Unclaimed Money Act 1995* [No 75](#), jointly with the Treasurer and the Minister for Finance
- *Workers Compensation Act 1987* [No 70](#) (except parts, the Minister for Finance)
- *Workplace Injury Management and Workers Compensation Act 1998* [No 86](#)

Appendices

From 1 July 2021 to 20 December 2021, in addition to the above Acts, the former **Minister for Customer Service** was also responsible for the following Acts (responsibility for these Acts was transferred to other Ministers for the remainder of the financial year):

- *Betting and Racing Act 1998* [No 114](#), jointly with the former Minister for Better Regulation and Innovation (except Part 2, the former Minister for Better Regulation and Innovation)
- *Betting Tax Act 2001* [No 43](#), jointly with the Treasurer and the former Minister for Finance and Small Business
- *Casino Control Act 1992* [No 15](#)
- *City Tattersall's Club Act of 1912*
- *Gambling (Two-up) Act 1998* [No 115](#)
- *Gaming and Liquor Administration Act 2007* [No 91](#)
- *Gaming Machine Tax Act 2001* [No 72](#), Part 4 and Schedule 1 (and the remaining provisions of the Act jointly with the Treasurer and the former Minister for Finance and Small Business)
- *Gaming Machines Act 2001* [No 127](#)
- *Liquor Act 2007* [No 90](#)
- *Music Festivals Act 2019* [No 17](#)
- *Public Lotteries Act 1996* [No 86](#)
- *Registered Clubs Act 1976* [No 31](#)
- *Totalizator Act 1997* [No 45](#) (except section 76, the Treasurer)
- *Unlawful Gambling Act 1998* [No 113](#)

From 21 December 2021 to 30 June 2022, the **Minister for Fair Trading** (the former Minister for Better Regulation and Innovation) was responsible for the administration of the following Acts:

- *Agricultural Tenancies Act 1990* [No 64](#)
- *Architects Act 2003* [No 89](#)
- *Associations Incorporation Act 2009* [No 7](#)
- *Betting and Racing Act 1998* [No 114](#), jointly with the Minister for Hospitality and Racing (except Part 2, the Minister for Hospitality and Racing)
- *Biofuels Act 2007* [No 23](#)
- *Boarding Houses Act 2012* [No 74](#) (except Parts 1 and 5 and Part 1 of Schedule 2, jointly with the Minister for Families and Communities, and parts, the Minister for Families and Communities)
- *Building and Construction Industry Long Service Payments Act 1986* [No 19](#)
- *Building and Construction Industry Security of Payment Act 1999* [No 46](#)
- *Building and Development Certifiers Act 2018* [No 63](#)
- *Building Products (Safety) Act 2017* [No 69](#)

- *Business Names (Commonwealth Powers) Act 2011* [No 44](#)
- *Charitable Fundraising Act 1991* [No 69](#)
- *Coal Mine Subsidence Compensation Act 2017* [No 37](#)
- *Community Gaming Act 2018* [No 60](#)
- *Community Land Management Act 2021* [No 7](#)
- *Contract Cleaning Industry (Portable Long Service Leave Scheme) Act 2010* [No 122](#)
- *Contracts Review Act 1980* [No 16](#)
- *Conveyancers Licensing Act 2003* [No 3](#)
- *Co-operative Housing and Starr-Bowkett Societies Act 1998* [No 11](#)
- *Co-operatives (Adoption of National Law) Act 2012* [No 29](#)
- *Credit (Commonwealth Powers) Act 2010* [No 6](#)
- *Dangerous Goods (Road and Rail Transport) Act 2008* [No 95](#) (except parts, the Minister for Environment and Heritage)
- *Design and Building Practitioners Act 2020* [No 7](#)
- *Entertainment Industry Act 2013* [No 73](#)
- *Environmental Planning and Assessment Act 1979* [No 203](#), Part 6 and section 10.13(1)(d), jointly with the Minister for Planning
- *Explosives Act 2003* [No 39](#)
- *Fair Trading Act 1987* [No 68](#)
- *Funeral Funds Act 1979* [No 106](#)
- *Gas and Electricity (Consumer Safety) Act 2017* [No 15](#)
- *Hairdressers Act 2003* [No 62](#)
- *Holiday Parks (Long-term Casual Occupation) Act 2002* [No 88](#)
- *Home Building Act 1989* [No 147](#) (except parts, the Minister for Finance and the Minister for Customer Service and Digital Government)
- *Long Service Corporation Act 2010* [No 123](#)
- *Motor Dealers and Repairers Act 2013* [No 107](#)
- *Mutual Recognition (Automatic Licensed Occupations Recognition) Act 2014* [No 51](#)
- *Paintball Act 2018* [No 44](#)
- *Partnership Act 1892* [55 Vic No 12](#), in so far as it relates to the functions of the Registrar of the register of limited partnerships and incorporated limited partnerships and to the setting of fees to be charged for maintaining that register, jointly with the Attorney General
- *Pawnbrokers and Second-hand Dealers Act 1996* [No 13](#)
- *Personal Property Securities (Commonwealth Powers) Act 2009* [No 35](#), Schedule 1, Part 2, Division 2 and Schedule 1, clause 24, jointly with the Attorney General
- *Plumbing and Drainage Act 2011* [No 59](#)

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- *Professional Standards Act 1994* [No 81](#)
- *Property and Stock Agents Act 2002* [No 66](#)
- *Residential Apartment Buildings (Compliance and Enforcement Powers) Act 2020* [No 9](#)
- *Residential (Land Lease) Communities Act 2013* [No 97](#)
- *Residential Tenancies Act 2010* [No 42](#) (except Part 7, jointly with the Minister for Homes and the Minister for Families and Communities)
- *Retail Trading Act 2008* [No 49](#)
- *Retirement Villages Act 1999* [No 81](#)
- *Storage Liens Act 1935* [No 19](#)
- *Strata Schemes Management Act 2015* [No 50](#)
- *Swimming Pools Act 1992* [No 49](#)
- *Tow Truck Industry Act 1998* [No 111](#)
- *Uncollected Goods Act 1995* [No 68](#)
- *Work Health and Safety Act 2011* [No 10](#)

From 1 July 2021 to 20 December 2021, in addition to the above Acts, the former **Minister for Better Regulation and Innovation** was also responsible for the following Acts (responsibility for these Acts was transferred to other Ministers for the remainder of the financial year):

- *Australian Jockey and Sydney Turf Clubs Merger Act 2010* [No 93](#)
- *Greyhound Racing Act 2017* [No 13](#)
- *Harness Racing Act 2009* [No 20](#)
- *Hawkesbury Racecourse Act 1996* [No 74](#)
- *Racing Appeals Tribunal Act 1983* [No 199](#)
- *Thoroughbred Racing Act 1996* [No 37](#)
- *Wagga Wagga Racecourse Act 1993* [No 109](#) (except parts, the former Minister for Lands and Water)

From 21 December 2021 to 30 June 2022, the **Minister for Small Business** was responsible for the administration of the following Acts:

- *Retail Leases Act 1994* [No 46](#)
- *Small Business Commissioner Act 2013* [No 22](#)
- *Small Business Grants (Employment Incentive) Act 2015* [No 14](#), jointly with the Minister for Customer Service and Digital Government

Legislative changes

The following legislative changes were made by or on behalf of the Minister for Customer Service and Digital Government (the former Minister for Customer Service) or the Minister for Fair Trading (the former Minister for Better Regulation and Innovation) or the Minister for Small Business during the 2021-22 financial year:

(Note: the legislative changes listed below with an asterisk (*) refer to legislative changes that were made by or on behalf of the former Minister for Customer Service, the former Minister for Digital, or the former Minister for Better Regulation and Innovation from 1 July 2021 up to 20 December 2021, before responsibility for the legislation was transferred to other Ministers for the remainder of the financial year).

Amending legislation (Acts assented to during 2021-22)

Better Regulation Legislation Amendment (Miscellaneous) Act 2021 [No 23](#)

Building Legislation Amendment Act 2021 [No 21](#)

COVID-19 and Other Legislation Amendment (Regulatory Reforms) Act 2022 [No 5](#)

Crimes (Administration of Sentences) Amendment Act 2022 [No 1](#)

Crimes Legislation Amendment (Loss of Foetus) Act 2021 [No 36](#)

Customer Service Legislation Amendment Act 2021 [No 32](#)

Electronic Conveyancing (Adoption of National Law) Amendment Act 2022 [No 18](#)

Gaming Machine Tax Amendment (Promotional Prizes) Act 2021 [No 37](#) *

Government Telecommunications Amendment Act 2022 [No 20](#)

Home Building Amendment (Medical Gas Licensing) Act 2022 [No 13](#)

Licensing and Registration (Uniform Procedures) Amendment Act 2022 [No 2](#)

Motor Accidents and Workers Compensation Legislation Amendment Act 2022 [No 25](#)

Payroll Tax Amendment (Payroll Tax Waiver) Act 2021 [No 29](#)

Racing and Gambling Legislation Amendment Act 2022 [No 22](#) *

Road Transport Legislation Amendment Act 2021 [No 22](#)

Service NSW (One-stop Access to Government Services) Amendment (COVID-19 Information Privacy) Act 2021 [No 35](#)

State Revenue and Fines Legislation Amendment (Miscellaneous) Act 2022 [No 16](#)

State Revenue Legislation Amendment Act 2022 [No 32](#)

Statute Law (Miscellaneous Provisions) Act 2022 [No 26](#)

Repealed legislation

Community Land Development Act 1989 [No 201](#)

Community Land Management Act 1989 [No 202](#)

New regulations

Community Land Development Regulation 2021 [\(SI 600\)](#)

Community Land Management Regulation 2021 [\(SI 601\)](#)

Conveyancers Licensing Regulation 2021 [\(SI 550\)](#)

Appendices

Mutual Recognition (Automatic Licensed Occupations Recognition) Regulation 2021 ([SI 405](#))

Retail and Other Commercial Leases (COVID-19) Regulation 2021 ([SI 379](#))

Retail and Other Commercial Leases (COVID-19) Regulation (No 2) 2021 ([SI 737](#))

Retail and Other Commercial Leases (COVID-19) Regulation 2022 ([SI 7](#))

Amending regulations

Casino Control Amendment (Crown Casino) Regulation 2021 ([SI 673](#)) *

Coal Mine Subsidence Compensation Amendment (Contributions) Regulation 2022 ([SI 301](#))

Community Land Management Amendment (COVID-19) Regulation 2022 ([SI 263](#))

Community Land Management Amendment (COVID-19) Regulation (No 3) 2021 ([SI 718](#))

Community Land Management Amendment (Meetings of Associations) Regulation 2021 ([SI 657](#))

Design and Building Practitioners Amendment (Fees) Regulation 2021 ([SI 417](#))

Design and Building Practitioners Amendment (Miscellaneous) Regulation 2022 ([SI 62](#))

Design and Building Practitioners Amendment (Miscellaneous) Regulation (No 2) 2021 ([SI 743](#))

Conveyancing (General) Amendment (AusNet Transmission Group Pty Ltd) Regulation 2022 ([SI 222](#))

Fair Trading Amendment (Code of Conduct for Short-term Rental Accommodation Industry) Regulation (No 2) 2021 ([SI 615](#))

Fair Trading Amendment (Commercial Agents) Regulation 2022 ([SI 65](#))

Gas and Electricity (Consumer Safety) Amendment (Electrical Meter Installation Safety) Regulation 2021 ([SI 616](#))

Gas and Electricity (Consumer Safety) Amendment (Medical Gas) Regulation 2021 ([SI 404](#))

Government Information (Public Access) Amendment (Miscellaneous) Regulation 2021 ([SI 359](#))

Liquor Amendment (Outdoor Dining) Regulation 2021 ([SI 593](#)) *

Liquor Amendment (Special Events Extended Trading) Regulation 2021 ([SI 734](#)) *

Liquor Amendment (Special Events Extended Trading) Regulation (No 2) 2021 ([SI 764](#)) *

Liquor and Gaming Legislation Amendment Regulation 2021 ([SI 594](#)) *

Motor Accident Injuries Amendment Regulation 2022 ([SI 280](#))

Motor Dealers and Repairers Amendment (Miscellaneous) Regulation 2021 ([SI 633](#))

Personal Injury Commission Amendment (Independent Review Officer Remuneration) Regulation (No 2) 2021 ([SI 443](#))

Property and Stock Agents Amendment (Material Facts Disclosure Obligations) Regulation 2021 ([SI 484](#))

Residential Apartment Buildings (Compliance and Enforcement Powers) Amendment (Building Work Levy) Regulation 2022 ([SI 293](#))

Residential Apartment Buildings (Compliance and Enforcement Powers) Amendment (Miscellaneous) Regulation 2021 ([SI 510](#))

Residential Tenancies Amendment (COVID-19 Pandemic Emergency Response) Regulation (No 2) 2021 ([SI 527](#))

Residential Tenancies (COVID-19 Pandemic Emergency Response) Amendment Regulation 2021 ([SI 378](#))

Retail and Other Commercial Leases (COVID-19) Amendment (Eligibility) Regulation 2021 ([SI 571](#))

Retail and Other Commercial Leases (COVID-19) Amendment (Impacted Lessees) Regulation 2021 ([SI 720](#))

Retail and Other Commercial Leases (COVID-19) Amendment Regulation 2021 ([SI 451](#))

Retail and Other Commercial Leases (COVID-19) Amendment Regulation 2022 ([SI 66](#))

Retirement Villages Amendment (Miscellaneous) Regulation 2021 ([SI 462](#))

Strata Schemes Management Amendment (COVID-19) Regulation 2022 ([SI 265](#))

Strata Schemes Management Amendment (COVID-19) Regulation (No 2) 2021 ([SI 402](#))

Strata Schemes Management Amendment (COVID-19) Regulation (No 3) 2021 ([SI 721](#))

Strata Schemes Management Amendment (Information) Regulation 2021 ([SI 773](#))

Strata Schemes Management Amendment (Pets) Regulation 2021 ([SI 464](#))

Work Health and Safety Amendment (Food Delivery Riders) Regulation 2022 ([SI 127](#))

Work Health and Safety Amendment (Licences in Digital Form) Regulation 2022 ([SI 295](#))

Workers Compensation Amendment (Certificates of Capacity) Regulation 2022 ([SI 128](#))

Major works

New major works in 2021-22

Project name and location	Total expenditure to 30 June 2022	Estimated total cost (\$'000 excl GST)	Start (year)	Completion date (actual or estimated)	Details of any significant: <ul style="list-style-type: none"> • cost overruns • delays • amendments • deferrals • cancellations.
Digital Restart Fund - Complaints, Compliance and Enforcement Program	822	30,725	2022	2023	
Digital Restart Fund - Live.NSW (Digital Twin)	1,170	29,907	2021	2029	
Digital Restart Fund - DCS GovConnect Cyber Resilience Program - Project Trust	6,025	20,000	2021	2023	
Birth Death and Marriages Relocation	-	5,800	2021	2023	
Digital Restart Fund - Mining Royalty Management System Enhancement	-	2,585	2022	2023	Delayed starting date to Financial Year 2023
Total new major works	8,017	89,017			

Continuing major works

Project name and location	Total expenditure to 30 June 2022 (\$'000 excl GST)	Estimated total cost (\$'000 excl GST)	Start (year)	Completion date (actual or estimated)	Details of any significant: <ul style="list-style-type: none"> • cost overruns • delays • amendments • deferrals • cancellations.
Office Refurbishment and Rationalisation	168,471	193,240	2005	2032	Program extended
ICT Projects	91,441	123,394	2004	2032	Program extended
Revenue NSW-Critical System Maintenance	8,836	63,798	2017	2028	
Spatial Data Infrastructure Program	27,525	50,540	2014	2028	
ICT Development Program	20,819	40,420	2014	2031	
Technology Asset Replacement Program	18,450	34,836	2014	2031	
Data Centre Consolidation Acceleration Program	12,389	23,833	2013	2031	
OneGov Digital Services Gateway	7,603	13,110	2013	2028	
Data Conversion and Cleansing	10,377	11,090	2013	2022	Completion date brought forward
Corsnet Sustaining Capital	70	6,350	2019	2029	
Digital Restart Fund - Modernise Licencing and Compliance Program	38,062	103,351	2020	2023	
Digital Restart Fund - Whole of Government Web Consolidation	5,250	13,404	2020	2023	Extension to delivery schedule
Digital Restart Fund - Assured Revenue	7,987	7,987	2020	2022	
Digital Restart Fund - eConstruction	5,288	4,811	2021	2023	Amendment to categorisation of project
Digital Restart Fund - Australian Death Notification Service	873	1,966	2021	2023	Project scope extension
Total continuing major works	423,441	692,130			

Overseas travel

Overseas visits undertaken by our officers and employees during 2021-22, and the main purpose of these visits:

Date	Officer	Destination	Purpose
May 2022	Government Chief Information and Digital Officer	San Francisco and Washington DC	Attended delegation with the Digital Transformation Agency and Australian Information Industry Association (AIIA). The visit sought to build stronger collaborative relationships and gain valuable insights into the future of digital innovation to strengthen NSW's digital infrastructure and create a strong economy, especially post the COVID-19 pandemic.

Public interest disclosures

The DCS Report Wrongdoing and Public Interest Disclosures Policy outlines the support and protections available under the *Public Interest Disclosures Act 1994* for an employee making a public interest disclosure (PID). The policy is widely available on the DCS intranet and includes details of the nominated officers who are authorised to receive a PID.

PID training and resources are available to staff on the DCS intranet and is highlighted during induction training.

	Category 1 Public interest disclosures made by public officials in performing day to day functions	Category 2 Public interest disclosures not covered by category 1 that are made under a statutory or other legal obligation	Category 3 All other public interest disclosures
Number of public officials who made PIDs	-	-	2
Number of PIDs received	-	-	2
Corrupt conduct	-	-	2
Maladministration	-	-	-
Serious and substantial waste	-	-	-
Government information contravention	-	-	-
Local government pecuniary interest contravention	-	-	-
Number of PIDs finalised during the financial year	-	-	1

Research and development

Centre for Work Health and Safety

Impact of robotics on work health and safety

The Impact of *Robotics on Work Health and Safety* research project aims to develop a holistic framework and guidelines to plan and implement safe collaborative robot (cobot) workplaces from technical, human, organisational, and company environment perspectives. The framework and guidelines are intended to facilitate best practice in the commissioning and utilisation of collaborative robots.

The study combined deep technical cobot expertise with a human-centred and design-led approach to deliver a collaborative robot-specific risk analysis and mitigation approach, identify safe collaborative robot design principles, and identify stakeholder roles and responsibilities.

The study, conducted in partnership with the University of Technology Sydney, commenced in June 2021. The total cost of the project is \$470,550 (\$288,000 in 2021-22). The project is ongoing with an expected completion date of September 2022.

Ageing demographic of the Australian workforce

In 2021, the Centre for Work Health and Safety released a crowdsourcing campaign which sought creative research proposals to aid the prevention of workplace harm in the ageing demographic. The campaign resulted in the award of two research partnerships.

The first research project, *Healthy Older Worker (HOW) Toolkit: A participatory organisational intervention*, focuses on the design of work health and safety (WHS) systems to prevent injury in older workers. The toolkit will facilitate the identification and assessment of the impact of an ageing workforce on WHS systems, and to guide the design of healthy, safe and sustainable work for older workers, applicable across a wide range of workplaces.

The approach follows a strong participatory element to ensure the engagement of end-users in the development of the HOW Toolkit.

The study, conducted in partnership with Edith Cowan University, commenced in August 2021 at a total cost of \$150,000. This project is ongoing, with an expected completion date of November 2022.

The second research project awarded, *The ageing demographic of the Australian workforce – work health and safety in an ageing workforce in two critical industries: Construction and Nursing*, aims to address the lack of information on the specific challenges that present to the work health and safety of an ageing workforce population, particularly in maintaining physical and psychological wellbeing.

By exploring two disparate industries using the same methods, measures and concepts, the research design permits comparison and examination of WHS issues affecting older workers that will be generalisable – to enable better understanding of issues and commonalities, as well as industry specific challenges and how to address them.

The study, conducted in partnership with Western Sydney University, commenced in May 2021. The total cost of the project is \$377,919 (\$117,029 in 2021-22). The project is ongoing with an expected completion date of August 2023.

Artificial Intelligence (AI) WHS Risk Management Tool

The *AI WHS Risk Management Tool* research project aims to assist businesses adopting AI technology in safeguarding workplace health and safety by delivering a complete and practical AI risk management tool that champions the wellbeing of workers during the planning, implementation and continued use of AI technology.

The study draws on and integrates the findings of two prior research projects, *Investigating the psychological barriers to accepting advice from ‘thinking’ machines in the workplace* and *Ethical deployment of AI in the workplace: preparing a protocol and scorecard for business*. The research will link the risks identified in the original scorecard to appropriate mitigation actions, strategies, and principles.

The study, conducted internally at no external cost, commenced in August 2021. The project has completed the risk management element and the mitigation and digitisation components will be completed in July 2023.

Building Information Modelling (BIM) for WHS management

The positive benefits of BIM – a 3D model-based process that maps the physical and functional characteristics of a structure – have been recognised worldwide with increasing interest in Australia. This project aims to better understand the use of BIM for WHS management and leverage this technology to improve WHS management in construction.

The study developed and published guidelines for the integration of WHS management in BIM. The published guidelines enable the use of this technology to improve WHS management throughout the planning, design and construction phases, and in the ongoing management of buildings and infrastructures.

The study, conducted in partnership with Torrens University Australia and Western Sydney University, concluded in October 2021 at a total cost of \$334,284.

Gig economy roles and responsibilities in WHS

Technological advancement and the emergence of app-based business structures have created flexible working opportunities for workers across a range of expanding sectors. These changes have provided better access, flexibility and prices for customers and consumers. However, despite such advancements, the gig economy has generated confusion around work rights, legal roles and responsibilities. The research aims to establish a better understanding of the WHS perceptions and behaviours in the Australian gig economy context by focusing on food delivery services.

The study delivered new knowledge on the characteristics of food delivery workers and operators (the online platforms), their knowledge, awareness, behaviours and main concerns in relation to health and safety at work. This project also published a safety message ‘how to guide’ developed with industry partners using behavioural insights to nudge good road safety practices.

The study, conducted in partnership with the Behavioural Insights Team and Macquarie University, concluded in July 2021 at a total cost of \$296,100.

Flexible work and psychosocial safety

With flexible work becoming more common, this research explored the potential risks of flexible, remote and working from home practices. The project aims to understand the psychosocial risks that employees may face when working from locations different to their usual place of work, and to develop new strategies to prevent psychosocial harm among these employees.

This research highlights that effective WHS systems should comprise resources and tools tailored to the needs of flexible workers for identifying and reporting psychological hazards, WHS participation and compliance, fostering a WHS culture of trust and open communication, and integrated capacity and competence building mechanisms. The project also created a best practice guide to improve WHS outcomes for flexible working.

The study, conducted in partnership with Edith Cowan University Western Australia, the University of New South Wales, Southern Cross University, Queensland University of Technology, Sydney Water and Live-Better, concluded in July 2021 at a total cost of \$135,157.

Appendices

Office of Responsible Gambling*

The Office of Responsible Gambling initiates and funds research that provides the evidence base for responsible gambling policy, interventions and programs. The research program aligns with, and progresses, the Responsible Gambling Fund Research Agenda 2021-24. Included in the program are commissioned and grant funded projects as well as national research projects receiving funding support from the Responsible Gambling Fund through Gambling Research Australia (GRA).

There were seven commissioned research projects that received funding in 2021-22.

Research organisation	Cost	Purpose
Central Queensland University	\$35,823.00	Youth Gambling Study – Stage 2 Qualitative component \$35,823 was paid in 2021-22, the total value of the contracted work was \$179,114.
Dr Anna Thomas Consulting	\$49,560.00	Gambling Research Summary 2020-21 The total value of the contracted work was \$49,560
Central Queensland University	\$20,104.32	The second national study of interactive gambling in Australia (2019-20) The total value of the contracted work was \$1,016,448, of which \$100,701.62 was spent in 2021-22. NSW contributes approx. 20% towards the costs of GRA research.
Central Queensland University	\$16,245.71	Behavioural trial for consistent gambling messaging under the national consumer protection framework The total value of the contracted work was \$281,034, of which \$81,228.55 was spent in 2021-22. NSW contributes approx. 20% towards the costs of GRA research.
Central Queensland University	\$16,252.60	Behavioural trial of voluntary opt-out precommitment for online wagering in Australia The total value of the contracted work was \$218,180, of which \$81,263 was spent in 2021-22. NSW contributes approx. 20% towards the costs of GRA research.
Central Queensland University	\$22,773.96	Skill based gaming in Australia The total value of the contracted work was \$376,816, of which \$113,869.80 was spent in 2021-22. NSW contributes approx. 20% towards the costs of GRA research.
Total	\$160,795.59	

There were also three research projects in progress in 2021-22, supported through grants awarded under the Responsible Gambling Fund Research Grants program.

Research organisation	Cost	Purpose
Central Queensland University	\$57,319.60	Development and randomised-control-trial of safe gambling guidelines for EGM play. \$57,319 was paid in 2021-22 the total value of the grant is \$191,063.
Central Queensland University	\$15,952.00	Supporting parents to prevent gambling and gambling problems in adolescents. \$15,952 was paid in 2021-22; the total value of the grant is \$79,788.
Central Queensland University	\$55,778.00	Smartphone betting on sports, esports and daily-fantasy-sports amongst young people. \$55,778 was paid in 2021-22; the total value of the grant is \$185,927.
Total	\$129,049.60	

Note: All amounts are GST exclusive

*Liquor and Gaming NSW, Office of Responsible Gambling, Office of Racing (and related entities including the Independent Liquor and Gaming Authority and Greyhound Welfare and Integrity Commission) transferred to the newly formed Department of Enterprise, Investment and Trade (DEIT) on 1 April 2022. Reporting for the period 1 April 2022 to 30 June 2022 can be found in the DEIT annual report 2021-22.

Customer, Delivery and Transformation

Personal Identification Factor

The Personal Identification Factor (PIF) tool helps to protect customer privacy by measuring the potential risk of reidentification from deidentified data, from one dataset to another. This functionality allows government departments and agencies to define and manage and apply their own risk tolerances. NSW Data Tools (GovProtect, GovLink and PIF) continue to be tested, assessed and developed for eventual integration with the NSW Data Analytics Centre's Advanced Analytics Service.

AI Strategy

The NSW AI Strategy contains 22 action items under five focus areas. The action items are predominantly the responsibility of DCS, with assistance from the NSW Public Service Commission and the ICT Community of Practice. The action items aim to build maturity in the NSW Government's use of AI and to increase community understanding of its use.

To date, 17 of the 22 action items have been completed. Key achievements include:

- the establishment of the AI Advisory Committee
- the development of the AI Assurance Framework
- the release of a Data Governance Toolkit
- the inclusion of AI skills in the Skills Framework for the Information Age.

The remaining five actions items under the AI Strategy are currently in progress and are expected to be completed during 2022.

NSW Government AI Assurance Framework

The development of the AI Assurance Framework is a key action item under the AI Strategy. The Assurance Framework supports public accountability over the use of Artificial Intelligence (AI) in government and will reduce public anxiety over unintended misuse. It will assist agencies to comply with the AI Ethics Policy and to identify and mitigate AI-specific risks.

The framework came into effect in March 2022 after a three month transition period, enabling cluster agencies to adjust to the new assurance process and build it into their existing AI projects.

The framework addresses public feedback and expert advice gathered through the AI Strategy consultation for the NSW Government to:

- ensure regular testing of AI projects' performance and outcomes
- provide AI-specific guidance on risks and mitigation strategies for managing data bias
- ensure data used in AI systems is of appropriate quality and is used safely, securely and consistently with privacy considerations.

Risk management, audit, attestation and insurance activities

Corporate governance

Governance principles and framework

DCS has a well-defined governance and accountability framework that provided broad corporate oversight across the cluster which reflected the following principles:

- clear roles and responsibilities
- transparent, accountable and ethical decision-making
- respect for legal and regulatory requirements and high probity standards.

The DCS governance model includes:

- the Executive Team
- independent Audit and Risk Committees for DCS and other cluster entities as appropriate
- agency boards and committees
- decision-making executive subcommittees for finance, people, and management assurance.

The model was further supported through a central team to provide strong capability and advice in governance, audit, risk, compliance, privacy, strategic planning, performance reporting and customer feedback, across the cluster.

The central team works to provide support services to DCS and its divisions according to a 'Three Lines Model', as defined by NSW Treasury. The Three Lines Model defines a model governance structure comprised of management functions; risk, control, and compliance oversight functions; and independent assurance functions.

The following units also provided additional oversight of corporate governance functions and support to divisions:

- Information Communications Technology
- Legal Services
- Corporate Finance
- People and Culture
- Chief Information and Security Office (CISO).

There were also several key governance support initiatives:

- Risk Partners Community of Practice
- Privacy Partners Community of Practice
- Business Continuity Management Community of Practice
- Information Governance Forum
- Complaint Handling Insights and Capability Working Group
- a network of project and program management offices.

Risk Management Framework

During the 2021-22 financial year, DCS implemented a wide range of activities designed to strengthen risk management and improve insights into the cluster's risk position. These activities included:

- implementation of an online risk management system, replacing excel-based risk registers, and providing aggregation and reporting functionalities, with benefits for DCS including:
 - a clear view of enterprise, strategic and operational risk in a single 'source of truth' to guide decision-making
 - less labour intensive by automating a manual method of maintaining risk registers as excel spreadsheets
 - greater consistency in risk management processes
 - on-demand reporting for divisions and agencies
- reviewed and updated the DCS Risk Management Framework, Policy and Process, which aligns with Australian standards and guidelines and NSW Treasury requirements
- engaged internal audit to independently assess the appropriateness of DCS's Risk Management Framework, validate the self-assessment of maturity conducted by each business unit, and provide insights on potential future state for risk management practices for consideration by DCS
- provided regular reports to the DCS Executive Leaders and Governance Committees, including the Audit and Risk Committee and the Management and Assurance Committee, outlining the status and management of risks across DCS.

Audit

Audit and Risk Committee

During 2021-22, DCS had an Audit and Risk Committee (ARC) that is compliant with the NSW Treasury Policy TPP 20-08 *Internal Audit and Risk Management Policy for the General Government Sector*. DCS's Internal Audit and Risk Management Attestation Statement is provided at pages 151 to 152.

The objective of the ARC is to provide independent assistance to all participating entities by monitoring, reviewing and providing advice about their governance processes, risk management and control frameworks, and their external accountability requirements. The ARC also provided independent assurance and advice to the Secretary.

Internal Audit

Internal Audit (IA) provides independent and objective assurance services and consulting advice to management, the ARC and the Secretary. The Chief Audit Executive (CAE) reports functionally to the ARC and administratively to the Secretary in accordance with NSW Treasury Policy TPP 20-08 *Internal Audit and Risk Management Policy for the General Government Sector*. The CAE reports monthly to the Secretary and quarterly to the ARC on audit matters including progress against the risk-based IA plan, the status of audit issues and recommendations and other audit related matters.

During 2021-22, IA updated its Charter and Policy and Procedures and completed 19 DCS audits including three Cluster-wide audits of Purchasing Cards, Risk Management and Payroll.

IA Investigations also received 28 reports of fraud, corruption and maladministration matters in 2021-22, which underwent assessment and investigation as appropriate. Of those 28 reports, 2 matters were assessed and determined to be eligible as a Public Interest Disclosure (PID). IA Investigations also provided advice to management on corruption prevention, risk and internal control improvements, and facilitated regulatory reporting to the Independent Commission Against Corruption and the NSW Ombudsman.

An internal Quality Assurance Improvement Program (QAIP) was also conducted in 2021-22 confirming that IA conformed with the Institute of Internal Auditors International Standards for the Professional Practice of Internal Auditing and met the requirements of the NSW Treasury Policy TPP 20-08 *Internal Audit and Risk Management Policy for the General Government Sector*.

External Audit

The Audit Office of NSW has audited DCS's financial statements as at 30 June 2022 and issued an Independent Audit Report with an unqualified audit opinion in November 2022. The audit report did not highlight any significant governance matters but did highlight the following key audit matters, identified by audit as having the most significance on the audit of the financial statements for the year ended 30 June 2022:

- valuation of service concession assets
- recognition and measurement of administered taxation revenue and receivables.

Both matters were audited as part of the overall DCS audit.

Audit recommendations are implemented across the business within agreed timeframes. The implementation of recommendations is overseen by DCS's Audit and Risk Committee.

Internal audit and risk management attestation statement for the 2021-2022 financial year for Department of Customer Service

I, Emma Hogan, Secretary of the Department of Customer Service, am of the opinion that the Department of Customer Service has internal audit and risk management processes in operation that are compliant with the seven (7) Core Requirements set out in the *Internal Audit and Risk Management Policy for the General Government Sector*, specifically:

Core Requirements		For each requirement, please specify whether compliant, non-compliant, or in transition
Risk Management Framework		
1.1	The Accountable Authority shall accept ultimate responsibility and accountability for risk management in the agency.	Compliant
1.2	The Accountable Authority shall establish and maintain a risk management framework that is appropriate for the agency. The Accountable Authority shall ensure the framework is consistent with AS ISO 31000:2018.	Compliant
Internal Audit Function		
2.1	The Accountable Authority shall establish and maintain an internal audit function that is appropriate for the agency and fit for purpose.	Compliant
2.2	The Accountable Authority shall ensure the internal audit function operates consistent with the International Standards for Professional Practice for Internal Auditing.	Compliant
2.3	The Accountable Authority shall ensure the agency has an Internal Audit Charter that is consistent with the content of the 'model charter'.	Compliant
Audit and Risk Committee		
3.1	The Accountable Authority shall establish and maintain efficient and effective arrangements for independent Audit and Risk Committee oversight to provide advice and guidance to the Accountable Authority on the agency's governance processes, risk management and control frameworks, and its external accountability obligations.	Compliant
3.2	The Accountable Authority shall ensure the Audit and Risk Committee has a Charter that is consistent with the content of the 'model charter'.	Compliant

Membership

The independent chair and members of the Audit and Risk Committee (ARC) are:

- Independent Chair, Carol Holley, 1 November 2019 to 31 October 2022
- Independent Member, Nancy Milne OAM, 1 November 2019 to 31 October 2022
- Independent Member, Bruce Turner AM, 1 November 2019 to 31 October 2022 (**Resigned November 2021**)
- Independent Member, Ken Barker PSM (replacement for Bruce Turner), 1 March 2022 to 1 March 2025

Shared Arrangements

I, Emma Hogan, Secretary, advise that Department of Customer Service (DCS) has entered into an approved shared arrangement with the following agencies:

- Rental Bond Board
- New South Wales Government Telecommunications Authority
- Independent Liquor and Gaming Authority (ILGA)
- Greyhound Welfare and Integrity Commission (GWIC)

It was noted that GWIC and ILGA were subject to a Machinery of Government (MOG) change and are now under Department of Enterprise, Investment and Trade (DEIT) effective 31 March 2022. DCS continued to support the ARC arrangements for GWIC and ILGA and processes until 30 June 2022 to allow DEIT to establish its new arrangements and support a smooth transition.



Emma Hogan
Secretary
Department of Customer Service

Date: 27/09/22

Agency Contact Officer
Effie Chen
DCS Chief Audit Executive
cae@customerservice.nsw.gov.au

Department of Customer Service



Cyber security Annual Attestation Statement for the 2021-2022 Financial Year for the Department of Customer Service (Secretary – NSW Department of Customer Service)

I, Emma Hogan, am of the opinion that the Department of Customer Service has managed cyber security risks in a manner consistent with the Mandatory Requirements set out in the NSW Government Cyber Security Policy. The evidence presented to me as a part of this attestation gives me confidence that the aggressive and comprehensive cyber security resilience strategy DCS has been implementing has delivered extensive maturity improvements which will strengthen our ability to keep the trust of our clients.

Risks to the information and systems of the Department of Customer Service have been identified and assessed. The Department of Customer Service is continuously improving cyber risk management processes and operations to effectively manage cyber risks.

Governance is in place to manage cyber security maturity and related initiatives, including uplift of the ACSC Essential Eight. Independent audits on cyber security have been conducted, commitment and processes are in place to treat any opportunities for improvement. The Department of Customer Service has designed and operates a contemporary cyber incident response plan, which has been tested during the reporting period.

The Department of Customer Service will continue to harden its technology environments and increase awareness of cyber security risks for all staff. Through an aggressive and comprehensive cyber security resilience strategy, the Department of Customer Service will continue to ensure that the security of citizen information and trust in the services of government are maintained to the best of its abilities against increasingly complex and prevalent threats. The strategy is focused on long-term, sustainable processes and solutions. The Department of Customer Service acknowledges and accepts the risk until target maturity levels are met.

This attestation covers, in addition to the DCS core agencies, the following agencies:

- Independent Review Office
- Long Service Corporation.

Yours sincerely

A handwritten signature in black ink, appearing to read 'Emma Hogan'.

Emma Hogan
Secretary, NSW Department of Customer Service

Business Risk Insurance Report

DCS has insurance arrangements in place for all of its assets and major risks. Insurable risk cover was primarily provided through participation in the NSW Treasury Managed Fund (TMF), the NSW Government self-insurance scheme.

The TMF Statement of Cover provides cover for the following risk exposure:

- legal liability including:
 - public liability
 - product liability
 - environmental liability
 - liability for claimed misleading representations
 - cyber liability
 - statutory liability
 - professional indemnity
 - directors/officer’s liability
- workers’ compensation
- property
- motor vehicles
- miscellaneous including employee fidelity, personal accident (officials who are not covered under the NSW Workers Compensation), personal effects, cancellation of events and travel (domestic and international).

Cluster claims performance

Number of claims

Line of business	2021-22
Workers Compensation	41
Motor Vehicle	104
Property	4
Liability	8
Other	-
Total	157

Net incurred claims cost (\$)

Line of business	2021-22
Workers Compensation	\$ 1,344,896
Motor Vehicle	\$ 480,798
Property	\$ 73,149
Liability	\$ 314,084
Other	-
Total	\$ 2,212,928

Data regarding incurred claims and relevant costs was sourced from iCare TMF Dashboard. It is based on the claims reported and relevant assessment as at 30 June 2022.

The final costs and claim numbers may vary due to the timing of loss incurred, claims reported, and the outcome of the negotiated settlement. The claims performance data outlined above is exclusive of Service NSW and Liquor, Gaming and Racing (LGR) (and their associated entities – Independent Liquor and Gaming Authority, Office of Responsible Gaming, Greyhound Welfare and Integrity Commission) as these entities produce their insurance data in their Annual Reports.

LGR transitioned to the Department of Enterprise, Investment and Trade (DEIT) in April 2022 as a part of the Machinery of Government (MoG) changes.

Significant judicial decisions

Better Regulation Division – Fair Trading

Decision	Brief explanation of decision
Commissioner for Fair Trading, NSW Department of Customer Service v Kalkan [2022] NSWCATAP 112	<p>In April 2021, a delegate of the Commissioner for Fair Trading refused Mr Kalkan's application for a contractor licence under the <i>Home Building Act 1989</i> (HB Act). In June 2021, that decision was affirmed on internal review. The stated basis for the Commissioner's decision was that Mr Kalkan did not meet one of the purported requirements for a contractor licence.</p> <p>The NSW Civil and Administrative Tribunal set aside the Commissioner's decision. The Commissioner appealed that decision.</p> <p>Between the date of the Commissioner's decision and the date of the Tribunal's decision, amendments were made to the HB Act which are relevant to the question of the requirements that must be satisfied by an applicant for a contractor licence. The central question raised by the appeal is whether in reviewing the Commissioner's decision, the Tribunal was required to apply the version of the HB Act in force at the date of the Commissioner's decision or the version current at the date of the Tribunal's decision.</p> <p>On 13 April 2022, the Appeal Panel of the Tribunal allowed an appeal by the Commissioner and held that the Tribunal erred in applying the version of the HB Act in force before the amendments came into effect, as the Tribunal was required to apply the version of the HB Act current at the date of the Tribunal's decision.</p>
Commissioner for Fair Trading v Matthew Geoffrey Rixon (No. 5) [2022] NSWSC 146	<p>On 23 February 2022, the Supreme Court convicted Mr Rixon of contempt of court and sentenced him to a term of imprisonment of 21 months, commencing 17 November 2021 and expiring 16 August 2023.</p> <p>On 17 April 2013, the Supreme Court made orders prohibiting Mr Rixon from being directly or indirectly involved in unlicensed residential building works within the meaning of the <i>Home Building Act 1989</i>. On 29 November 2021, Mr Rixon pleaded guilty to 18 acts of contempt against those orders, in relation to work at five separate residential premises.</p>
Narita Imports Pty Ltd v Commissioner for Fair Trading [2021] NSWCATAD 305	<p>On 30 August 2021, the Commissioner for Fair Trading, acting on powers under the <i>Motor Dealers and Repairers Act 2013</i>, cancelled the motor dealer's licence held by Narita Imports Pty Ltd (Narita). On the same day, the Commissioner disqualified Narita from holding a motor dealer's licence for a period of three years and, also disqualified Narita from being involved in the direction, management or conduct of a business for which a motor dealer licence is required for a period of three years.</p> <p>On 21 October 2021, the NSW Civil and Administrative Tribunal refused an application by Narita to stay the decision of the Commissioner to cancel and disqualify Narita from holding a motor dealer's licence.</p>
NSW Fair Trading matter of Adele Woods	<p>On 17 September 2021, Ms Woods was convicted of one offence under section 192E of the <i>Crimes Act 1900</i>, after being charged by NSW Police.</p> <p>Ms Woods was ordered to pay \$75,000 in compensation and sentenced to a three year Community Correction Order, with an additional condition that she perform 300 hours of community service.</p> <p>An investigation revealed that Ms Woods used her position as a manager at Tucker Real Estate Pty Ltd (ACN 160 317 448), in Mollymook, to falsify books and records and gain access to monies she was not entitled to.</p>
NSW Fair Trading matter of Aleksander Todorovski	<p>On 13 October 2021, the Local Court convicted Mr Todorovski of an offence under section 192E(1)(b) of the <i>Crimes Act 1900</i>, after Mr Todorovski was charged by NSW Police.</p> <p>Mr Todorovski was ordered to pay \$30,535.17 and sentenced to a 12 month Intensive Correction Order, with an additional condition that he perform 100 hours of community service.</p> <p>Mr Todorovic was employed as a property manager at Antrose Pty Ltd (ACN: 050 068 963) trading as Morton Real Estate Agency, in Crows Nest. Mr Todorovski was the holder of a certificate of registration which has since been surrendered. An investigation revealed that Mr Todorovski had asked tenants to make deposits directly into his personal account to satisfy outstanding fictitious invoices.</p>

Appendices

Decision	Brief explanation of decision
NSW Fair Trading matter of Allan Piggott	<p>On 18 February 2022, the Local Court convicted Mr Piggott of three offences under the <i>Home Building Act 1989</i> (one offence under section 4(1)(a), one offence under section 5(1)(a) and one offence under section 17(1)(a)) and another offence under section 158(7) of the Australian Consumer Law.</p> <p>Mr Piggott was sentenced to 10 months imprisonment to be served by way of an Intensive Correction Order, with an additional condition that he perform 80 hours of community service. He also received a concurrent Conditional Release Order for a period of 18 months.</p> <p>Mr Piggott was also ordered to pay \$12,200 in compensation and \$250 professional costs.</p> <p>An investigation revealed that in 2018, Mr Piggott sought and contracted with a consumer to do residential building work without a licence. Mr Piggott received a deposit exceeding the maximum limit for work that he performed while unlicensed. Mr Piggott accepted payment, but did not complete the works. The investigation also revealed that in 2019, Mr Piggott knowingly misrepresented to another consumer that he was the holder of a concreter's licence.</p>
NSW Fair Trading matter of Anthony Robertson	<p>On 9 December 2021, the Local Court convicted Mr Robertson of ten offences under the <i>Crimes Act 1900</i> (two offences under section 192G(b) and eight offences under section 254(b)(ii)), and twenty offences under the <i>Home Building Act 1989</i> (two offences under section 4(1)(a) and 18 offences under section 92(2)).</p> <p>Mr Robertson was sentenced to an aggregate of two and a half years imprisonment with a non-parole period of 20 months, fined \$20,000 and ordered to pay \$168,462.10 in compensation.</p> <p>An investigation revealed that between 6 June 2017 and 8 March 2018, Mr Robertson used false documents and published false or misleading statements in the course of contracting with two consumers to build their homes at contract prices of \$600,706 and \$488,344, respectively. Mr Robertson did not hold a contractor licence to lawfully do so and he did not have appropriate insurance.</p>
NSW Fair Trading Matter of Dhirend Kumar Singh	<p>On 4 February 2022, the Local Court convicted Mr Singh of ten offences under the <i>Home Building Act 1989</i> (two offences under sections 4(1)(a)/137, one offence under sections 5(1)(a)/137, one offence under sections 8(2)(a)/137, one offence under sections 92(1)/137 and five offences under sections 92(2)/137).</p> <p>Mr Singh was fined \$70,000 and ordered to pay professional costs of \$3980.73.</p> <p>An investigation revealed that Mr Singh was the sole director of DS Projects (Aus) Pty Ltd (ACN 614 067 640). In 2018 and 2019, the company contracted with two different consumers to do residential building work and received payments in relation to those contracts. The company was not licensed to do the work and did not hold the appropriate insurance for the works.</p> <p>The Local Court's decision is subject to appeal in the District Court.</p>
NSW Fair Trading matter of Hong Thang Dan Tran	<p>On 18 March 2022, the Local Court convicted Mr Tran (in his absence) of 22 offences under the <i>Home Building Act 1989</i> (five offences under sections 4(1)(a)/137, two offences under sections 8(2)(a)/137, three offences under sections 92(1)/137 and 12 offences under sections 92(2)/137) and four offences under section 158(7) of the Australian Consumer Law.</p> <p>Mr Tran was fined \$120,000 and ordered to pay \$85,800 in compensation.</p> <p>An investigation revealed that Mr Tran was the sole director of Maris Building Group Pty Ltd (ACN 641 182 747). In 2020 and 2021, Mr Tran knowingly authorised the company to contract with five consumers to do residential building work (namely to undertake internal renovations or construction of a new unit) in circumstances where the company did not hold a licence permitting it to do so. Mr Tran permitted the company to receive excessive deposits on two occasions and performed work and received payments in circumstances where the appropriate insurance had not been obtained. Payments were accepted for some of the contracted services but the services were not provided to four out of the five consumers.</p>
NSW Fair Trading matter of Jamie Fredrick Leslie Howard	<p>On 6 June 2022, Mr Howard was convicted of two offences under section 192E(1)(b) of the <i>Crimes Act 1900</i>.</p> <p>Mr Howard was sentenced to 30 months imprisonment to be served by way of an Intensive Correction Order, with an additional condition that he perform 300 hours of community service.</p> <p>An investigation revealed that Mr Howard was a licensed strata manager and director of Strata Partners Pty Ltd (ACN 003 675 778). In the period from 2016 to 2019, Mr Howard misappropriated \$766,254.30 from trust accounts that were kept in respect of four different strata plans.</p> <p>The Local Court's decision is subject to appeal in the District Court.</p>

Appendices

Decision	Brief explanation of decision
NSW Fair Trading matter of Kim Ramsay	<p>On 20 June 2022, the Local Court convicted Ms Ramsey of six offences under sections 211(2)/218 of the <i>Property, Stock and Business Agents Act 2002</i> (as it was known at the time of the conduct).</p> <p>Ms Ramsey was sentenced to an aggregate of two and a half years imprisonment to be served by way of an Intensive Correction Order, with an additional condition that she perform 120 hours of community service.</p> <p>An investigation revealed that in 2019, Ms Ramsey was the licensee in charge of Stoj Lloyd Pty Ltd (ACN 605 727 428) trading as First National Molong (located in Molong, NSW) in circumstances where \$142,774.50 in trust money (including rent monies and sale deposits received by the company) were fraudulently converted.</p>
NSW Fair Trading matter of Majid Karamfar	<p>On 13 May 2022, the Local Court convicted Mr Karamfar of an offence under sections 211(2)/218 of the <i>Property and Stock Agents Act 2002</i>.</p> <p>Mr Karamfar was sentenced to 12 months imprisonment to be served by way of an Intensive Correction Order.</p> <p>An investigation revealed that Mr Karamfar was a licensed real estate agent and the sole director of Sunland Mortgages Pty Ltd (ACN 611 558 519), a licensed corporation. In 2018, the company received a sales deposit of \$71,500 on trust which Mr Karamfar used for personal payments, transfers and cash withdrawals.</p>
NSW Fair Trading matter of Pasqualino Ciampa and Ciampa Constructions Pty Ltd	<p>On 9 July 2021, the Local Court convicted Mr Pasqualino Ciampa of an offence under sections 92(2)/137(1) of the <i>Home Building Act 1989</i> (HB Act) and an offence under section 254(b)(ii) of the <i>Crimes Act 1900</i>. The Local Court also convicted Ciampa Constructions Pty Ltd (ACN 071 799 481) (Mr Ciampa is the sole director of the company) of an offence under section 92(2) of the HB Act.</p> <p>Mr Ciampa was fined \$7500 and sentenced to imprisonment for 15 months to be served by way of an Intensive Correction Order, with an additional condition that he perform 180 hours of community service. Ciampa Constructions Pty Ltd was fined \$7500.</p> <p>An investigation revealed that on 8 February 2016, Mr Ciampa used a forged certificate of insurance to induce consumers to enter into a contract for residential building work at a contract price of \$771,534.50. The company did not hold the appropriate insurance for the works.</p>
NSW Fair Trading matter of Yousif Najm Abdulhussein Al-Badrani	<p>On 16 June 2022, the Local Court convicted Mr Al-Badrani of three offences under section 52(1) of the <i>Motor Dealers and Repairers Act 2013</i> and two offences under section 192E(1)(b) of the <i>Crimes Act 1900</i>.</p> <p>Mr Al-Badrani was fined \$6000 and sentenced to a Community Correction Order for a period of 12 months, with an additional condition that he perform 120 hours of community service work.</p> <p>An investigation revealed that in between about 2017 and about 2020, Mr Al-Badrani altered odometer readings on four motor vehicles and consigned two of them for sale through an auction house without disclosing the alteration to the odometers.</p>
Votano v Building Professionals Board (No 2) [2022] NSWCATOD 42	<p>On 11 May 2020, Mr Votano applied to the NSW Civil and Administrative Tribunal for administrative review of a decision by the former Building Professionals Board to issue him with a certificate of accreditation under the <i>Building Professionals Act 2005</i> in Category A2 – Building Surveying Grade 2, with conditions. The Tribunal affirmed the decision under review: <i>Votano v Building Professionals Board</i> [2021] NSWCATOD 7.</p> <p>The Applicant lodged an appeal. The Appeal Panel of the Tribunal set aside the decision and remitted the administrative review application for redetermination.</p> <p>On 23 April 2021, the Building Professionals Board’s decision was affirmed (the Reconsideration Decision).</p> <p>On 14 April 2022, the Tribunal affirmed the Reconsideration Decision to grant Mr Votano a certificate of accreditation under the <i>Building Professionals Act 2005</i> in Category A2 – Building Surveying Grade 2, with conditions.</p>

Better Regulation Division – Liquor and Gaming NSW

Note: the following significant judicial decisions were delivered when Liquor and Gaming NSW was part of DCS, which was up until 1 April 2022

Liquor and Gaming NSW, Office of Responsible Gambling, Office of Racing (and related entities including the Independent Liquor and Gaming Authority and Greyhound Welfare and Integrity Commission) transferred to the newly formed Department of Enterprise, Investment and Trade (DEIT) on 1 April 2022. Reporting for the period 1 April 2022 to 30 June 2022 can be found in the DEIT annual report 2021-22.

Decision	Brief explanation of decision
Liquor and Gaming NSW v Betfair Pty Ltd	<p>On 30 September 2021, following pleas of guilty, the Local Court convicted Betfair Pty Ltd of three offences under section 33H(1) of the <i>Betting and Racing Act 1998</i> in relation to publishing prohibited gambling advertisements on the company's Facebook page, website and Twitter page. The advertisements were accessible to persons living in NSW.</p> <p>Betfair Pty Ltd was fined a total of \$30,000 for the three offences.</p>
Liquor and Gaming NSW v Merlehan Bookmaking Pty Ltd	<p>On 25 August 2021, following a plea of guilty, the Local Court convicted Merlehan Bookmaking Pty Ltd trading as TopSport, of three offences under section 33H(1) of the <i>Betting and Racing Act 1998</i>.</p> <p>Merlehan Bookmaking Pty Ltd was fined a total of \$60,000 for the three offences, including:</p> <ul style="list-style-type: none"> • two offences involved the publishing of prohibited gambling advertisements on the TopSport website advertising the availability of "Top Up" (a gambling product which is a form of enhanced odds offered by TopSport) which was accessible to persons living in NSW • one offence involved promoting a weekly Tipping Competition on the Sportingbase website, which was offering TopSport bonus bets as a prize for the top tipsters, which was accessible to persons living in NSW. <p>On 14 October 2021, the matter proceeded to a Severity Appeal before the District Court and the appeal was dismissed.</p>
Liquor and Gaming NSW v Sportsbet Pty Ltd	<p>On 5 November 2021, following pleas of guilty, the Local Court convicted Sportsbet Pty Ltd (Sportsbet) of five offences under sections 33H(1), 33HA(1) and 33HA(2) of the <i>Betting and Racing Act 1998</i>. A further two offences pursuant to section 33H(1) were taken into account on a Form 1, that is where a court can take into account additional charges with which the Defendant has been charged, but not convicted.</p> <p>Sportsbet was fined a total of \$135,000 for the five offences, including:</p> <ul style="list-style-type: none"> • three offences involving the publishing of prohibited gambling advertisements on Sportsbet's Facebook, Instagram and Twitter accounts that were accessible to persons living in NSW • one offence involving unlawfully providing gambling advertisements directly to a betting account holder after they had withdrawn consent to receive such advertisements • one offence involving providing a gambling advertisement directly to a betting account holder, by email, without providing a means by which the person could easily unsubscribe from receiving the gambling advertisements.

Better Regulation Division – Registrar General

Decision	Brief explanation of decision
<p>Ausbao (286 Sussex St) Pty Ltd v The Registrar General of New South Wales [2021] NSWSC 1651</p>	<p>A developer, Ausbao (286 Sussex St) Pty Ltd, acquired land at 286 Sussex Street, Sydney, for \$55 million in 2013 in reliance on a registered plan prepared by the Registrar General which erroneously overstated the land area. The developer sued the Registrar General for \$7.5 million in compensation from the Torrens Assurance Fund, as the developer would have offered a lower purchase price if it had known the true land area, having regard to the expected rate of return from the completed development.</p> <p>The Registrar General conceded that an officer of the Registrar General made an error when the area of land was described in the deposited plan prepared by the Registrar General's office.</p> <p>However, the Registrar General argued and the Supreme Court held that the Registrar General was not liable to pay compensation for two reasons. Firstly, the error in the plan was an error "in the measurement of land", which is a statutory exception to payment of compensation under section 129(2)(e) of the <i>Real Property Act 1900</i>. Secondly, the developer's failure to verify the land area prior to purchasing the land was the effective cause of its loss or damage.</p> <p>The developer has appealed to the Court of Appeal.</p> <p>This is the largest litigated claim for compensation in the history of the Torrens Assurance Fund.</p>
<p>Kumar v Registrar General of New South Wales [2021] NSWSC 1103</p>	<p>Mr Kumar's business manager (who was granted a general power of attorney by Mr Kumar, the Plaintiff) signed an incomplete Withdrawal of Caveat form (Withdrawal Form) on behalf of the Plaintiff and gave it to a fraudster, on certain conditions.</p> <p>The Withdrawal Form was in relation to Mr Kumar's caveat over a property that he had previously sold, protecting an interest in the land in the nature of an unpaid vendor's lien or as an equitable mortgagee. The fraudster used the Withdrawal Form to enable a refinance to be registered over the property, which meant that Mr Kumar lost his priority interest as an equitable mortgagee.</p> <p>Mr Kumar sued the Registrar General for \$1.48 million in compensation from the Torrens Assurance Fund. Mr Kumar conceded that his attorney's conduct was reckless but argued that the fraudster's conduct is what caused the loss.</p> <p>However, the Registrar General argued and the Supreme Court accepted that the whole of the claimed loss or damage was a consequence of the acts or omissions of the Plaintiff, and therefore, no compensation was payable from the Torrens Assurance Fund.</p>
<p>Wassell v Ken Carr Bobcat & Tipper Hire Pty Ltd [2021] NSWSC 1415</p>	<p>Mr Wassell and Ms Wassell (the Plaintiffs) sought judgment for possession of land in Thornton (the Property) that was registered in the name of Ken Carr Bobcat & Tipper Hire Pty Ltd (the Company) (the Defendant). The Plaintiffs sought to enforce a mortgage that the Company (as borrower) purportedly granted to secure a repayment of a loan given by the Plaintiffs (as lender).</p> <p>The Defendant (the borrower) filed a defence denying that any of the documents relied upon by the Plaintiffs (the lender) were valid due to the fact that they were executed fraudulently by a fraudster external to the Company. The solicitor that witnessed the documents provided by the fraudster (which the fraudster had signed pretending to be the borrower) had dealt solely with the fraudster and no steps were taken to ensure that the solicitor's legal services were properly retained by the Company.</p> <p>Following a default under the loan, the Plaintiffs (the lender) sued the Defendant (the borrower). The borrowers sued the Registrar General for \$206,000 in compensation from the Torrens Assurance Fund.</p> <p>The Registrar General argued and the Supreme Court held that the loss suffered by the Plaintiffs resulted because they had paid the loan monies to the fraudster's bank account and not to the Company. The terms of the mortgage only obliged the Company to repay the loan if the loan had actually been made to the Company. Both the act of paying the money to the fraudster and the drafting of the mortgage, were acts of the Plaintiffs which had nothing to do with the operation of the <i>Real Property Act 1900</i>, and therefore, the Plaintiffs were not entitled to compensation from the Torrens Assurance Fund.</p>

Better Regulation Division – SafeWork

Decision	Brief explanation of decision
<p>Landmark Roofing Pty Ltd v SafeWork NSW [2021] HCASL 209; Landmark Roofing Pty Ltd v SafeWork NSW [2021] NSWCCA 95</p>	<p>On 14 March 2018, a worker sustained fatal injuries at Mayfield when he fell six metres through a brittle polycarbonate skylight.</p> <p>Following a SafeWork NSW investigation, Landmark Roofing Pty Ltd (Landmark) pleaded not guilty to an offence under sections 32/19(1) of the <i>Work Health and Safety Act 2011</i>.</p> <p>On 7 August 2020, the Defendant was convicted by the District Court and fined \$400,000.</p> <p>The Court noted that the Defendant’s culpability was in the high end of the mid-range of objective seriousness. The risk was obvious and known to the Defendant and there were steps available to eliminate or minimise the risk at no cost or inconvenience.</p> <p>On 8 October 2020, Landmark appealed to the NSW Court of Criminal Appeal. The appeal was dismissed on 13 May 2021.</p> <p>On 16 June 2021, Landmark filed an Application for Special Leave to Appeal to the High Court of Australia.</p> <p>On 14 October 2021, the High Court refused to grant Landmark leave to appeal and dismissed the application.</p>
<p>SafeWork NSW v Askfay Pty Ltd; SafeWork NSW v Anthony Grima</p>	<p>On 22 May 2018, a 19 year-old apprentice was seriously injured when he fell three metres from an unprotected stairwell to a concrete floor at Glenmore Park.</p> <p>Following a SafeWork NSW investigation, Askfay Pty Ltd pleaded guilty to an offence under sections 32/19(1) of the <i>Work Health and Safety Act 2011</i>. The company’s director, Mr Grima, pleaded guilty to an offence under sections 32/20(2) of the Act.</p> <p>On 22 October 2021, Askfay Pty Ltd was convicted by the District Court and fined \$375,000. Mr Grima was convicted and fined \$37,500.</p> <p>The Court noted that the foreseeability of the risk was high, and the risk was known to the Defendants and steps to eliminate or minimise the risk were readily available.</p>
<p>SafeWork NSW v Camden Council</p>	<p>On 3 July 2018, a volunteer worker (from Men’s Shed organisation) was laying an irrigation pipe at the Camden Bicentennial Equestrian Park when a pipe moved over a star picket and struck him on the head, and he sustained fatal injuries.</p> <p>Following a SafeWork NSW investigation, Camden Council pleaded guilty to an offence under sections 32/19(1) of the <i>Work Health and Safety Act 2011</i>.</p> <p>On 21 December 2021, the Defendant was convicted by the District Court and fined \$750,000.</p> <p>The Court noted the risk of a person being injured when assisting with the installation of a 500m length PVC irrigation pipe towed by a tractor, was foreseeable and obvious. The volunteer workers received no training in the task allocated to them and there was an ongoing failure on the part of the Defendant to adequately monitor the activities of the volunteers.</p>
<p>SafeWork NSW v Deicorp Pty Ltd</p>	<p>On 16 January 2019, a 28 year-old worker suffered serious injuries at a construction site at Campsie NSW when he fell 4.5 metres through an unsecured and unmarked penetration after picking up a loose piece of plywood, not realising that it was covering a void.</p> <p>Following a SafeWork NSW investigation, Deicorp Pty Ltd pleaded guilty to an offence under sections 19(1)/32 of the <i>Work Health and Safety Act 2011</i>.</p> <p>On 7 June 2022, the Defendant was convicted by the District Court and fined \$400,000.</p> <p>The Court noted that the Defendant’s culpability was in the middle range of seriousness. The risk was obvious and there were simple and straightforward steps that the Defendant could have taken to overcome the risk.</p>
<p>SafeWork NSW v Elcorp Commercial Pty Ltd; SafeWork NSW v Salvatore Treffiletti</p>	<p>On 7 February 2019, a worker suffered serious injuries when he fell from a pile of formwork screens. The worker was standing on the pile of formwork screens to assist in directing the movement of screens that were being moved by a tower crane.</p> <p>Following a SafeWork NSW investigation, Elcorp Commercial Pty Ltd was charged with an offence under sections 32/19(1) of the <i>Work Health and Safety Act 2011</i>. Additionally, the company’s director, Mr Salvatore Treffiletti, pleaded guilty to an offence under sections 32/27(1) of the Act.</p> <p>On 7 June 2022, Elcorp Commercial Pty Ltd was convicted by the District Court and fined \$300,000. Mr Treffiletti was convicted and fined \$22,500.</p> <p>The Court noted the risks involved in the workers climbing up stacks of formwork screens, balancing on the top of those stacks and directing a crane driver as to the placement of loads, are obvious and serious. The potential consequences of the risk were catastrophic and included a risk of death.</p>

Appendices

Decision	Brief explanation of decision
SafeWork NSW v Rex Australia Pty Ltd; SafeWork NSW v Wei Wang	<p>On 11 September 2018, a worker was walking between an unloading table and a forklift carrying unsecured glass panels, weighing approximately 700 kg. The glass panels fell off the forklift, striking the worker and causing serious injuries.</p> <p>Following a SafeWork NSW investigation, Rex Australia Pty Ltd pleaded guilty to an offence under sections 32/19(1) of the <i>Work Health and Safety Act 2011</i>. The company's director, Mr Wei Wang, pleaded guilty to an offence under sections 32/27(1) of the Act.</p> <p>On 23 July 2021, Rex Australia Pty Ltd was convicted by the District Court and fined \$225,000. Mr Wang was convicted and fined \$45,000.</p> <p>The Court noted that the risk was obvious and foreseeable and that prosecutions involving forklifts often come before the Court.</p>
SafeWork NSW v South Coast Under Road Borers Pty Ltd	<p>On 23 October 2017, a 27 year-old mechanic suffered fatal injuries when the truck he was working underneath moved and travelled down a slope.</p> <p>Following a SafeWork NSW investigation, South Coast Under Road Borers Pty Ltd pleaded guilty to an offence under sections 32/19(1) of the <i>Work Health and Safety Act 2011</i>.</p> <p>On 14 July 2021, the Defendant was convicted by the District Court and fined \$375,000.</p> <p>The Court noted that the risk of a worker being struck or crushed by the unplanned movement of a vehicle during servicing or maintenance was obvious and well documented in the available guidance material and that the steps that could have been taken to eliminate the risk were simple, inexpensive and well known.</p>
SafeWork NSW v Stonehenge Constructions (Aust) Pty Ltd; SafeWork NSW v Diaa Kara-Ali	<p>On 17 August 2018, two SafeWork NSW inspectors attended a site at Gladesville. A verbal argument ensued between the director of Stonehenge Constructions (Aust) Pty Ltd, Mr Kara-Ali and the SafeWork NSW inspectors forcing the inspectors to leave the worksite.</p> <p>Following a SafeWork NSW investigation, Stonehenge Constructions (Aust) Pty Ltd pleaded guilty to an offence under section 155 of the <i>Work Health and Safety Act 2011</i> for failing to respond to a notice issued by SafeWork NSW. Mr Kara-Ali pleaded guilty to an offence under section 188 of the Act for hindering or obstructing an inspector in exercising compliance powers.</p> <p>On 7 July 2021, Stonehenge Constructions (Aust) Pty Ltd was convicted by the Local Court and fined \$16,000. Mr Kara-Ali was convicted and fined \$4000.</p> <p>The Court noted that Mr Kara-Ali's actions of obstructing and using inappropriate language towards the SafeWork NSW inspectors was a serious breach of the Act and deterrence should play a significant role in sentencing to ensure that people in the industry allow inspectors to perform their functions adequately.</p>

Revenue NSW

Decision	Brief explanation of decision
Chief Commissioner of State Revenue v McIntosh Bros Pty Ltd (in liq) [2021] NSWCA 221	<p>The respondent company owned land which was assessed for land tax by the Chief Commissioner for the calendar years 2014 to 2016.</p> <p>During those years, the land was informally divided into two parts:</p> <ul style="list-style-type: none"> • on the east side, Mr Ron McIntosh and his son conducted a beef cattle operation, and another party ran a cattle grazing business • on the west side, Mr Ian McIntosh grazed his own cattle and agisted the cattle of third parties, including a nearby dairy farmer. <p>The respondent claimed that the land was exempt from land tax as land used for primary production. The Chief Commissioner determined that the land in question did not satisfy the criteria for exemption under section 10AA of the <i>Land Tax Management Act 1956</i> on the basis that its use by multiple users could not be aggregated so as to satisfy the dominant use test in section 10AA(3), nor did its use by those multiple users satisfy the commerciality tests in section 10AA(2).</p> <p>Following an application for review of the Commissioner’s decision by the respondent, the NSW Civil and Administrative Tribunal set aside the land tax assessments on the basis that the land was exempt from land tax. A subsequent appeal by the Chief Commissioner to the Appeal Panel of the Tribunal was unsuccessful. The Chief Commissioner sought leave to appeal to the Court of Appeal on this issue and others.</p> <p>The Court of Appeal held that where the “dominant use” of the land consists of primary production activities conducted independently by a number of users, in determining whether the commerciality and purpose of profit tests are satisfied that use is to be assessed as a whole, taking into account those independent uses. The Court granted leave on this issue, but the appeal was dismissed.</p>
Nikjoo v Chief Commissioner of State Revenue [2022] NSWCATAD 213	<p>The Applicant was refused a HomeBuilder Grant in relation to the renovation of a residence, as the Applicant did not meet the eligibility guidelines. The Applicant sought a review by the NSW Civil and Administrative Tribunal of the Chief Commissioner’s decision.</p> <p>The Chief Commissioner contended that the decision to refuse the HomeBuilder Grant is not an administrative reviewable decision. Therefore, the NSW Civil and Administrative Tribunal does not have jurisdiction to review the decision or determine the proceedings.</p> <p>The Tribunal held that the Tribunal has general jurisdiction over a decision if relevant enabling legislation provides jurisdiction for the Tribunal to make decisions in respect of that matter. However, as the HomeBuilder Grant Scheme is not a statutory scheme (i.e. there is no legislation authorising the HomeBuilder Grant Scheme but rather it is administered through executive power), the Tribunal’s administrative review jurisdiction is not enlivened where a decision under the HomeBuilder Grant Scheme has been made. Therefore, Applicant’s claim was dismissed.</p>
Godolphin Australia Pty Ltd v Chief Commissioner of State Revenue [2022] NSWSC 430	<p>The Plaintiff carried out equine operations on various parcels of land, including maintaining broodmares and their offspring, grazing of cattle, the covering of mares by its stallions, raising and educating yearlings (including the ‘breaking in’ of horses), and the spelling of racehorses between race campaigns.</p> <p>The land for which the Plaintiff claimed exemption from land tax was “rural land”, so the Plaintiff’s use of the land had to satisfy the land tax exemption for land used for primary production under the dominant use test set out in section 10AA of the <i>Land Tax Management Act 1956</i>.</p> <p>The Chief Commissioner submitted that while the dominant use of the land was for the maintenance of animals, the purpose was for breeding and training thoroughbred racehorses and spelling thoroughbred racehorses in between race events, and that any sale of the thoroughbred horses was ancillary or incidental to that purpose.</p> <p>The Supreme Court held that the Plaintiff was conducting an integrated thoroughbred stud operation involving both breeding and racing activities, such that the dominant use of the land (whether for breeding, training or spelling) is for the purpose of the ultimate sale of their bodily produce or natural increase. Therefore, the exemption from land tax applied.</p> <p>The Chief Commissioner has appealed to the Court of Appeal.</p>

Appendices

Decision	Brief explanation of decision
Southern Cross Community Healthcare Pty Ltd v Chief Commissioner of State Revenue [2021] NSWSC 1317	<p>The Plaintiff provides in-home care services for severely disabled, frail, and aged persons by arranging for care services to be provided by support workers. Various organisations funded the Plaintiff's provision of these services. The support workers were engaged and remunerated by the Plaintiff.</p> <p>In July 2017, the Plaintiff received payroll tax assessment notices in respect of remuneration paid to support workers for the years ended 30 June 2012, 2013, 2014, 2015 and 2016.</p> <p>The Plaintiff argued that some or all of the payments made to support workers were not subject to payroll tax because they were made in relation to employment agency contracts, and therefore, exempt from payroll tax.</p> <p>The Supreme Court held that the Plaintiff is liable to pay payroll tax on the basis that the relationship between the Plaintiff and a support worker did not constitute an 'employment agency contract' for the purposes of section 37(1) of the <i>Payroll Tax Act 2007</i>.</p>

Work health and safety and injury management

DCS is committed to the health, safety and wellbeing of all employees, including contractors, agency staff, and volunteers. Our strategies and initiatives are focused on promoting, supporting and enabling a robust safety and wellbeing culture that enables safe and healthy workplaces.

Work Health and Safety

In 2021-22, a key focus was to launch and implement mySafety – an online hazard and incident reporting system with a focus on a real-time incident and hazard dashboard.

Physical health

mySafety - our new online hazard, near miss and incident reporting tool available for all our employees with single sign-on via the SAP Self Service (ESS) portal. The system ensures managers conduct WHS investigations and close out any actions submitted in their respective teams. The tool enhanced physical and psychological reporting in addition to introducing a dedicated channel for confidential reporting to the Safety and Wellbeing team for further support and follow-up. Implementation was supported by a communication plan, dedicated intranet page, training guides and drop-in sessions for staff and managers.

Work Health and Safety Dashboard – a new tool implemented to allow managers and other people leaders to obtain a snapshot of incidents, hazards, and investigation details from an easy to use and simple customised WHS dashboard. It also has the functionality for those who want to view more detailed information, based on the relevant reporting level.

Fitness Passport - DCS partners with Fitness Passport to offer a low cost, flexible corporate gym and pool membership program in their preferred area at a reduced cost.

Flu vaccination program - our free annual flu vaccination program runs in the lead-up to winter each year and is available to all DCS staff including temporary team members.

Mental health and wellbeing

Wellbeing hub – a centralised SharePoint depository for wellbeing to promote, prevent and support our employees with self-care tips, tools and resources. Curated information for our employees to be their best, at work and at home, to boost workplace wellbeing and resilience.

Employee Assistance Program (EAP) - we continue to provide an exemplar EAP through our provider Benestar. Employee utilisation of this program is 8% (compared to industry standard of 4.3% and all customers at 2.9%) as at June 2022. During the recent natural disasters, proactive and early intervention psychological support was offered broadly.

A major focus for 2021-22 was our response to the COVID-19 pandemic and flood response. It included:

COVID-19 Wellbeing Support

People and Culture Hypercare Support team

- established to support our people through the implementation of our DCS Vaccination approach in response to the COVID-19 global pandemic. The dedicated support was delivered through a 3 Tier Hypercare model to manage the complexity of our engagement.

COVID-19 Support Hub and support resources - a dedicated SharePoint site available to all employees with regular updates and frequently asked questions to provide our employees with accurate, clear and simple support including working from home guidance and a support checklist for managers who have an employee test positive for COVID-19. A Rapid Antigen Testing guide was also developed in partnership with Governance Risk and Performance and Procurement.

Mental health support – a dedicated support for areas of the business that were impacted due to shutdowns such as our Service NSW Centres. We held weekly virtual debrief sessions with impacted employees with leader updates, followed by psychoeducation from a Benestar clinician and tips and support about how to keep well while in isolation. Dedicated support was also arranged for our people leaders who manage teams, while being impacted themselves by the lockdown complexities.

Ergonomic support - ergonomics was identified as a key focus due to the COVID-19 pandemic, given the large numbers of employees working from home. Resources were developed to support employees. This included the development of a Working from Home Ergonomic Guide, a refreshed Home Ergonomics intranet page, and virtual ergonomic assessments being made available to staff. Office equipment, such as chairs and monitors, was offered to all employees to provide a safe working environment at home.

Note: There were no prosecutions under the *Work Health and Safety Act 2011* during the 2021-22 financial year.

Recover at work

DCS remains committed to facilitating recovery at work for all injured employees in accordance with the department's Return to Work Program.

The Recover at Work team has continued to work collaboratively with the business, our HR business partners and DCS's workers compensation insurers (EML and Allianz) to improve the recovery at work outcomes and overall claims performance. This has resulted in significantly improved claims performance across our workers' compensation claims policies.

Table 1: Reported claims for 2021-22

Policy	FY 2020-21	FY 2021-22
Total	122	75
State Insurance Regulatory Authority (SIRA)	2	3
Personal Injury Commission	0	1
Independent Review Office	0	0
Better Regulation Governance and Policy	7	6
Corporate Services	7	2
Information and Privacy Commission NSW	0	0
Digital NSW and ICT	3	2
NSW Fair Trading	2	6
Liquor and Gaming NSW*	1	1
Revenue NSW	11	7
Independent Pricing and Regulatory Tribunal	0	0
Subsidence Advisory NSW	0	0
Service NSW	73	33
NSW Telco Authority	2	1
SafeWork NSW	7	8
Long Service Corporation	2	0
Greyhound Welfare and Integrity Commission*	1	0
NSW Registry Births Deaths and Marriages	0	5
Customer, Delivery and Transformation	4	0

*Note: Liquor and Gaming NSW (and related entities including the Greyhound Welfare and Integrity Commission) transferred to DEIT on 1 April 2022. However, the DCS Recover at Work team continued to provide return to work services to these divisions until 30 June 2022.

The table above notes all reported claims for financial year 2021-22 per policy. DCS experienced a 38% decrease across all its policies with 75 claims reported in 2021-22 compared to 122 claims reported the previous year.

This decrease in the claim numbers is driven by Service NSW claim numbers which decreased by 53% during 2021-22 as 33 claims were reported compared to 2020-21 with 75 claims reported.

Of the 75 claims lodged in 2021-22, 18 claims were closed as of 30 June 2022.

Table 2: Reported claims listed by mechanism of injury FY 2021-22

Mechanism of Injury	FY 2020-21	FY 2021-22
Total	122	75
Chemicals and other substances	3	2
Vehicle incidents and other	18	6
Falls, trips and slips of a person	15	15
Hitting objects with a part of the body	2	2
Being hit by moving objects	7	1
Sound and pressure	6	0
Body stressing	29	17
Heat, electricity and other environmental factors	5	1
Biological factors	1	1
Mental stress	36	30

Of the total number of claims reported in 2021-22, mental stress was the leading cause of injury (30 claims) followed by body stress (17 claims) and falls, trips and slips of a person (15 claims).

Claims reviews with the insurers are held monthly with DCS's insurers with a focus on psychological injuries. The Recover at Work team continues to collaborate closely with iCare, SIRA and SafeWork to ensure we implement the best practice case management strategy and support.

Table 3: Total amount paid per financial year from 2017–22

	2017-18	2018-19	2019-20	2020-21	2021-22
Total amount paid	\$2,632,373.24	\$6,394,750.10	\$2,291,716.17	\$1,313,332.99	\$1,430,445.37
Total number of reported claims	116	161	116	122	75

The total amount paid in FY2021-22 increased by 8.9% compared to the previous financial year. This increase is mainly driven by the higher costs associated with psychological claims. Mental stress injuries take longer to recover from and investigate, producing longer return to work durations and significantly higher costs compared to physical injuries.

Litigated claims

- DCS had 9 claims listed in the Personal Injury Commission (PIC) for 2021-22 of which two matters are still proceeding – these two matters relate to whole person impairment claims lodged as a result of primary psychological injuries
- one matter relating to a psychological claim was discontinued following lodgment in the PIC
- DCS had 5 Work Injury Damages claims settled across all its policies:

Policy name	Work injury damages settlement
Fair Trading – WC900289	\$250,000
Fair Trading – WC900289	\$950,000
DCS Service First – MWJ3333288	\$503,000
Service NSW – T10142	\$200,000
Service NSW – T10142	\$360,000

Contact the Department of Customer Service

NSW Department of Customer Service Sydney CBD office

McKell Building, 2-24 Rawson Place, Sydney NSW 2000

Tel: **13 77 88** (7am to 7pm Monday to Friday and 9am to 5pm weekends and public holidays)

<https://www.nsw.gov.au/customer-service>

Details on the ways you can contact us can be found here: <https://www.nsw.gov.au/customer-service/contact-us>.
We encourage you to contact us in a way that suits you.

Details of Service NSW service centres and their opening hours can be found here:
<https://www.service.nsw.gov.au/service-centre>

People with disabilities can get information on how to access our buildings here:
<https://www.nsw.gov.au/customer-service/dcs-building-access>

Further information on the individual agencies, offices, entities and business units that form the Customer Service Cluster, including the NSW Registry of Births Deaths and Marriages, NSW Fair Trading, Revenue NSW and SafeWork NSW, can be found here: <https://www.nsw.gov.au/customer-service/our-agencies>

Media outlets seeking information related to the Department of Customer Service and its agencies can contact the media unit: media@customerservice.nsw.gov.au

8. Financial statements





INDEPENDENT AUDITOR'S REPORT

Department of Customer Service

To Members of the New South Wales Parliament

Opinion

I have audited the accompanying financial statements of Department of Customer Service (the Department), which comprise the Statement by the Accountable Authority, the Statement of Comprehensive Income for the year ended 30 June 2022, the Statement of Financial Position as at 30 June 2022, the Statement of Changes in Equity and the Statement of Cash Flows, for the year then ended, notes comprising a Statement of Significant Accounting Policies, and other explanatory information.

In my opinion, the financial statements:

- have been prepared in accordance with Australian Accounting Standards and the applicable financial reporting requirements of the *Government Sector Finance Act 2018* (GSF Act), the *Government Sector Finance Regulation 2018* (GSF Regulation) and the Treasurer's Directions
- presents fairly the Department's financial position, financial performance and cash flows.

My opinion should be read in conjunction with the rest of this report.

Basis for Opinion

I conducted my audit in accordance with Australian Auditing Standards. My responsibilities under the standards are described in the 'Auditor's Responsibilities for the Audit of the Financial Statements' section of my report.

I am independent of the Department in accordance with the requirements of the:

- Australian Auditing Standards
- Accounting Professional and Ethical Standards Board's APES 110 'Code of Ethics for Professional Accountants (including Independence Standards)' (APES 110).

I have fulfilled my other ethical responsibilities in accordance with APES 110.

Parliament promotes independence by ensuring the Auditor-General and the Audit Office of New South Wales are not compromised in their roles by:

- providing that only Parliament, and not the executive government, can remove an Auditor-General
- mandating the Auditor-General as auditor of public sector agencies
- precluding the Auditor-General from providing non-audit services.

I believe the audit evidence I have obtained is sufficient and appropriate to provide a basis for my audit opinion.

Key Audit Matters

Key audit matters are those matters that, in my professional judgement, were of most significance in my audit of the financial statements for the year ended 30 June 2022. These matters were addressed in the context of my audit of the financial statements as a whole, and in forming my opinion thereon. I do not provide a separate opinion on these matters. I have determined the matters described below to be the key audit matters to be communicated in my report.

Key Audit Matter

How my audit addressed the matter

Valuation of service concession assets

The Department obtained a comprehensive valuation of service concession assets from an external valuer at 30 June 2022. This resulted in:

- increase in service concession assets and asset revaluation reserve by \$38.1 million at 30 June 2022
- restatement of prior years' balances and transactions due to prior period errors in the valuation of service concession assets.

I considered this to be a key audit matter because:

- the service concession arrangement is financially significant to the Department's financial position
- the measurement of service concession assets is complex and involve significant judgements and assumptions.

Further information on the valuation techniques for service concession assets are disclosed in notes 14 and 15.

Key audit procedures included:

- evaluated and tested the design and implementation of key controls in the financial reporting of the service concession assets
- assessed the competency, capability and objectivity of management's independent valuation expert
- assessed the appropriateness of the valuation methodology, key assumptions and judgements adopted
- tested the key inputs and mathematical calculation of the valuation model
- assessed the adequacy of the financial statement disclosures against the requirements of applicable Australian Accounting Standards and NSW Treasurer's Directions.

Recognition and measurement of administered revenue and receivables

The Department reported administered taxation and fines revenue of \$40.7 billion in 2021–22, \$5.6 billion in administered taxation and fines receivable and \$351.3 million in an allowance for impairment for taxation and fines as at 30 June 2022.

I considered this to be a key audit matter because:

- of the financial significance of taxation revenue, and related receivable in the disclosure of the Department's administered activities
- recognition and measurement of administered taxation revenue was significantly affected by the COVID-19 stimulus measures implemented by the NSW Government including deferral of lodgements in returns for self-assessed taxes
- the calculation of the allowance related to taxation receivable requires significant judgements and assumptions.

Refer to Notes 29, 30 and 31 in the financial statements for related disclosures.

Key audit procedures included the following:

- evaluated the design and tested operating effectiveness of controls over key administered revenue streams, including land tax, payroll tax, duties, gaming machine taxes and mineral royalties
- recalculated key administered revenue streams for reasonableness against the requirements of the relevant taxation legislation
- tested the adjustments of administered revenue. The adjustments captured material deferrals in lodgements of returns for self-assessed taxes as part of the COVID-19 stimulus packages up until the date of signing the financial statements
- assessed the methodology and assumptions used to estimate the allowance for impairment related to administered taxation receivable against historical recoverability rates and write-off of debt for reasonableness
- recalculated the allowance for impairment recognised for mathematical accuracy
- assessed the adequacy of the financial statement disclosures against the requirements of applicable Australian Accounting Standards and NSW Treasurer's Directions.

The Secretary's Responsibilities for the Financial Statements

The Secretary is responsible for the preparation and fair presentation of the financial statements in accordance with Australian Accounting Standards, the GSF Act, GSF Regulation and Treasurer's Directions. The Secretary's responsibility also includes such internal control as the Secretary determines is necessary to enable the preparation and fair presentation of the financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the Secretary is responsible for assessing the Department's ability to continue as a going concern, disclosing as applicable, matters related to going concern and using the going concern basis of accounting.

Auditor's Responsibilities for the Audit of the Financial Statements

My objectives are to:

- obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error
- issue an Independent Auditor's Report including my opinion.

Reasonable assurance is a high level of assurance, but does not guarantee an audit conducted in accordance with Australian Auditing Standards will always detect material misstatements. Misstatements can arise from fraud or error. Misstatements are considered material if, individually or in aggregate, they could reasonably be expected to influence the economic decisions users take based on the financial statements.

A description of my responsibilities for the audit of the financial statements is located at the Auditing and Assurance Standards Board website at: www.auasb.gov.au/auditors_responsibilities/ar6.pdf. The description forms part of my auditor's report.

The scope of my audit does not include, nor provide assurance:

- that the Department carried out its activities effectively, efficiently and economically
- about the assumptions used in formulating the budget figures disclosed in the financial statements
- about the security and controls over the electronic publication of the audited financial statements on any website where they may be presented
- about any other information which may have been hyperlinked to/from the financial statements.



Margaret Crawford
Auditor-General of New South Wales

2 November 2022
SYDNEY

DEPARTMENT OF CUSTOMER SERVICE
FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2022
STATEMENT BY THE SECRETARY

Pursuant to section 7.6(4) of the *Government Sector Finance Act 2018* (“the Act”), I state that these financial statements:

- a) have been prepared in accordance with the Australian Accounting Standards and the applicable requirements of the Act, the *Government Sector Finance Regulation 2018* and the Treasurer’s directions, and
- b) present fairly the Department of Customer Service’s financial position, financial performance and cash flows.



Emma Hogan

Secretary
Department of Customer Service

Date: 2 November, 2022

Financial statements

DEPARTMENT OF CUSTOMER SERVICE STATEMENT OF COMPREHENSIVE INCOME FOR THE YEAR ENDED 30 JUNE 2022				
	Notes	Budget 2022 \$'000	Actual 2022 \$'000	Restated Actual 2021 * \$'000
Expenses excluding losses				
Employee related expenses	2(a)	882,839	691,760	664,646
Operating expenses	2(b)	358,122	476,209	333,562
Depreciation and amortisation	2(c)	101,771	69,332	98,988
Grants and subsidies	2(d)	2,378,134	768,201	717,911
Finance costs	2(e)	11,852	11,530	11,612
Cost of motor vehicle inventory sold	2(f)	-	233	36,244
Other expenses	2(g)	-	3,292	4,354
Total Expenses excluding losses		3,732,718	2,020,557	1,867,317
Revenue				
Appropriations	3(a)	3,088,832	1,318,955	1,125,231
(Transfers to the Crown)	3(b)	-	(29,976)	(21,227)
Sale of goods and services from contracts with customers	3(c)	203,383	184,689	161,700
Personnel services revenue	3(d)	118,125	109,658	100,338
Investment revenue	3(e)	5,638	4,252	8,619
Retained taxes, fees and fines	3(f)	55,585	94,558	92,208
Grants and other contributions	3(g)	259,888	306,523	257,132
Acceptance by the Crown of employee benefits and other liabilities	3(h)	15,667	(20,353)	(1,281)
Proceeds from sale of motor vehicle inventory	3(i)	-	546	38,378
Other revenue	3(j)	116,850	148,757	128,249
Total Revenue		3,863,968	2,117,609	1,889,347
Gain/(loss) on disposal	4(a)	(13)	(1,810)	(1,071)
Other gains/(losses)	4(b)	(14)	113,707	(41,390)
		(27)	111,897	(42,461)
NET RESULT		131,223	208,949	(20,431)
Other comprehensive income				
<i>Items that will not be reclassified to net result in subsequent periods</i>				
Revaluation reserve released due to sale of property, plant and equipment		-	(209)	-
Revaluation surplus of property, plant and equipment	13(a)	-	5,547	-
Net change in revaluation surplus of service concession intangible asset	4(b), 14	-	38,053	880
Total other comprehensive income/(loss)		-	43,391	880
TOTAL COMPREHENSIVE INCOME/(LOSS)		131,223	252,340	(19,551)

The accompanying notes form part of these financial statements.

* The comparative periods are prepared based on restated amounts. Refer to Note 1(j) for further details.

**DEPARTMENT OF CUSTOMER SERVICE
STATEMENT OF FINANCIAL POSITION
AS AT 30 JUNE 2022**

	Notes	Budget 2022 \$'000	Actual 2022 \$'000	Restated Actual 2021 * \$'000	Restated Actual 1 July 2020* \$'000
ASSETS					
Current Assets					
Cash and cash equivalents	6	283,078	542,688	474,698	500,933
Other financial assets	7	22,745	-	22,672	23,142
Receivables	8	99,521	128,008	101,886	130,677
Contract assets	9	-	9,865	23,373	40,012
Inventories	10	2,594	-	87	2,594
Non-Current assets held for sale	11	19,285	8,730	18,912	19,285
Financial assets at fair value	12	828	14,409	10,193	7,972
Other		922	-	-	-
Total Current Assets		428,973	703,700	651,821	724,615
Non-Current Assets					
Other financial assets	7	-	-	26,070	52,041
Receivables	8	-	-	-	1,719
Inventories	10	-	-	-	-
Property, plant and equipment	13(a)	191,318	126,186	100,469	138,692
Right-of-use assets	13(b)	349,600	111,768	327,501	433,974
Intangible assets	14	778,741	990,253	901,807	880,796
Financial assets at fair value	12	82,085	66,174	75,945	79,388
Other		24,445	-	-	-
Total Non-Current Assets		1,426,189	1,294,381	1,431,792	1,586,610
Total Assets		1,855,162	1,998,081	2,083,613	2,311,225
LIABILITIES					
Current Liabilities					
Payables	16	82,359	187,718	105,156	129,434
Contract liabilities	9	-	63,310	52,492	44,096
Borrowings	17	55,574	22,593	54,052	85,698
Provisions	18	147,494	127,266	127,251	138,486
Service Concession Liability	19	78,175	77,725	77,596	77,412
Other Liabilities	20	39,235	71,598	39,250	29,336
Total Current Liabilities		402,837	550,210	455,797	504,462
Non-Current Liabilities					
Borrowings	17	404,205	89,688	424,729	518,060
Provisions	18	213,034	29,277	29,812	28,669
Service Concession Liability	19	2,254,908	2,254,037	2,327,871	2,401,448
Other Liabilities	20	9	-	183	0
Total Non-Current Liabilities		2,872,156	2,373,002	2,782,595	2,948,177
Total Liabilities		3,274,993	2,923,212	3,238,392	3,452,639
Net Assets / (Liabilities)		(1,419,831)	(925,131)	(1,154,779)	(1,141,414)
EQUITY					
Reserves		2,733	46,990	3,599	2,734
Accumulated funds		(1,422,564)	(972,121)	(1,158,378)	(1,144,148)
Total Equity		(1,419,831)	(925,131)	(1,154,779)	(1,141,414)

The accompanying notes form part of these financial statements.

* The comparative periods are prepared based on restated amounts. Refer to Note 1(j) for further details.

DEPARTMENT OF CUSTOMER SERVICE STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 30 JUNE 2022				
	Notes	Accumulated Funds \$'000	Asset Revaluation Surplus \$'000	Total \$'000
Balance at 1 July 2021		(1,158,378)	3,599	(1,154,779)
Net result for the year		208,949	-	208,949
Revaluation reserve released due to sale of property, plant and equipment		-	(209)	(209)
Net change in revaluation surplus of property, plant and equipment	13(a)	-	5,547	5,547
Net change in revaluation surplus of service concession intangible asset	4(b), 14	-	38,053	38,053
Total comprehensive income for the year		208,949	43,391	252,340
Transactions with owners in their capacity as owners				
Decrease in net assets from equity transfers	22	(22,692)	-	(22,692)
Balance at 30 June 2022		(972,121)	46,990	(925,131)
Balance at 1 July 2020		(1,935,936)	2,734	(1,933,202)
Changes in accounting policy – initial application of AASB 1059		821,156	-	821,156
Correction of prior period errors		(29,368)	-	(29,368)
Restated balance at 1 July 2020		(1,144,148)	2,734	(1,141,414)
Restated net result for the year		(20,431)	-	(20,431)
Other comprehensive income				
Net change in revaluation surplus of service concession intangible asset	4(b)	-	880	880
Total comprehensive income for the year		(20,431)	880	(19,551)
Transactions with owners in their capacity as owners				
Increase in net assets from equity transfers	22	6,186	-	6,186
Transfer between equity items				
Transfers between equity items on disposal of assets		15	(15)	-
Balance at 30 June 2021		(1,158,378)	3,599	(1,154,779)

The accompanying notes form part of these financial statements.

DEPARTMENT OF CUSTOMER SERVICE				
STATEMENT OF CASH FLOWS				
FOR THE YEAR ENDED 30 JUNE 2022				
	Notes	Budget 2022 \$'000	Actual 2022 \$'000	Actual 2021 \$'000
CASH FLOWS FROM OPERATING ACTIVITIES				
Payments				
Employee related expenses		870,040	679,014	660,227
Grants and subsidies		2,378,134	768,201	717,911
Finance costs		11,852	232	868
Suppliers for goods and services		183,811	495,496	408,241
Other		-	712	12,269
Total Payments		3,443,837	1,943,655	1,799,516
Receipts				
Appropriations (excluding equity appropriations)		3,088,832	1,318,955	1,125,231
(Transfers to the Crown)		-	(44,614)	(20,337)
Sale of goods and services		301,167	418,923	357,648
Retained taxes, fees and fines		53,734	92,051	92,520
Interest received		2,494	3,955	782
Grants and other contributions		259,888	338,652	257,132
Proceeds from sale of motor vehicle inventory		-	546	38,378
Other		27,157	62,400	102,027
Total Receipts		3,733,272	2,190,868	1,953,381
NET CASH FLOWS FROM OPERATING ACTIVITIES	26	289,435	247,213	153,865
CASH FLOWS FROM INVESTING ACTIVITIES				
Purchases of land and buildings, plant and equipment and infrastructure system		(54,021)	(17,846)	(14,654)
Acquisition of intangibles		-	(91,840)	(73,783)
Proceeds from withdrawal/ sale of financial assets		22,690	19	6,553
Other investing activities		(174,386)	(1,979)	-
NET CASH FLOWS FROM INVESTING ACTIVITIES		(205,717)	(111,646)	(81,884)
CASH FLOWS FROM FINANCING ACTIVITIES				
Payment of principal portion of lease liabilities		-	(67,503)	(67,464)
Repayment of borrowings and advances		(74,827)	(1,299)	(30,752)
NET CASH FLOWS FROM FINANCING ACTIVITIES		(74,827)	(68,802)	(98,216)
NET INCREASE/(DECREASE) IN CASH		8,891	66,765	(26,235)
Opening cash and cash equivalents		274,187	474,698	500,933
Cash transferred in/ (out) as a result of administrative restructuring	22	-	1,225	-
CLOSING CASH AND CASH EQUIVALENTS	6	283,078	542,688	474,698

The accompanying notes form part of these financial statements.

DEPARTMENT OF CUSTOMER SERVICE
NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2022

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

(a) Reporting Entity

The Department of Customer Service (DCS), is a NSW government entity and is controlled by the State of New South Wales, which is the ultimate parent. DCS is a not-for-profit entity (as profit is not its principal objective) and it has no cash generating units.

DCS as a reporting entity comprises the following divisions:

- a) Customer, Delivery and Transformation division
 - o NSW Registry of Births, Deaths and Marriages
 - o Data Analytics Centre
 - o Office of the Customer Experience Unit
 - o Behavioural Insights Unit

- b) Revenue NSW division
 - o Revenue NSW

- c) Better Regulation division
 - o NSW Fair Trading
 - o SafeWork NSW
 - o Subsidence Advisory NSW
 - o Titling Registry Service Concession
 - o Hospitality and Racing (formerly known as Liquor & Gaming NSW) (up to 1 April 2022, refer to Note 22 and below)

- d) Digital.NSW division
 - o Spatial Services
 - o ICT/ Digital

- e) Corporate Services division
 - o Small Business Commissioner (with effect from 1 April 2022, refer to Note 22 and below)

The following Administrative Orders were issued during the year that effected structural changes to DCS for this financial year effective from 1 April 2022:

- o Administrative Arrangement (Administrative Changes—Miscellaneous) Order 2022 published on 16 February 2022; and
- o Administrative Arrangements (Second Perrottet Ministry—Transitional) Order 2021 dated 21 December 2021.

The below divisions/program groups were transferred out of DCS (and removed from the financial statements):

- o Liquor & Gaming NSW was transferred to Department of Enterprise, Investment and Trade.

The below divisions/program groups were transferred into DCS (and reflected in the financial statements):

- o Small Business Commissioner Staff were transferred from NSW Treasury.

Included in the financial statements are the financial performance of Liquor & Gaming NSW from 1 July 2021 to 31 March 2022; Small Business Commissioner Staff from 1 April 2022 to 30 June 2022; and the financial position of Small Business Commissioner Staff as at 30 June 2022. Refer to Note 22 for the results of these transfers for the comparable periods.

The financial statements for the year ended 30 June 2022 have been authorised for issue by the Secretary on 2 November 2022.

(b) Basis of Preparation

DCS's financial statements are general purpose financial statements which have been prepared on an accruals basis and in accordance with:

- applicable Australian Accounting Standards (AAS) (which include Australian Accounting Interpretations);
- the requirements of the *Government Sector Finance Act 2018 (GSF Act)*;
- Government Sector Finance Regulation 2018; and
- Treasurer's Directions issued under the GSF Act.

Property, plant and equipment and financial assets at 'fair value through profit or loss' and 'available-for-sale' are measured using the fair value basis. Other financial statement items are prepared in accordance with the historical cost convention except where specified otherwise.

Judgements, key assumptions and estimations management has made are disclosed in the relevant notes to the financial statements.

All amounts are rounded to the nearest one thousand dollars and are expressed in Australian currency, which is DCS's presentation and functional currency.

The financial statements of DCS have been prepared on a going concern basis.

Negative Equity

The 30 June 2022 net liabilities are \$0.925 billion (30 June 2021 restated: net liabilities of \$1.155 billion). The negative equity has no cash impact on the operations of DCS. The reason for the significant negative equity is due to the 35 year service concession with the private sector entered into on 30 June 2017 so as to facilitate the provision of land titling and registry services. The transaction resulted in service concession liability of \$2.7 billion being recognised as a liability and an equity transfer to Treasury of \$2.622 billion for the repatriation of cash concession contribution to Treasury. DCS' negative equity position does not indicate a going concern issue, as the going concern of DCS to operate is based on the intention of the State rather than DCS' sustainability based on the accumulated profit position. Funding is provided from NSW Treasury via appropriations or grants which will enable DCS to meet all and any of its obligations due and payable.

(c) Statement of Compliance

DCS's financial statements and notes comply with Australian Accounting Standards, which include Australian Accounting Interpretations.

(d) Comparative Information

Except when an Australian Accounting Standard permits or requires otherwise, comparative information is disclosed in respect of DCS's previous reporting period, 30 June 2021, for all amounts reported in the financial statements.

(e) Administered Activities

DCS administers, but does not control, certain activities on behalf of the Crown in right of the State of New South Wales (Crown). It is accountable for the transactions relating to those administered activities but does not have the discretion to deploy the resources for the achievement of the DCS's own objectives.

Transactions and balances relating to the administered activities are not recognised as DCS's incomes, expenses, assets and liabilities, but are disclosed in the accompanying schedules as 'Administered Revenues', 'Administered Expenses', 'Administered Assets' and 'Administered Liabilities'.

The accrual basis of accounting and applicable accounting standards have been adopted.

(f) Accounting for the Goods and Services Tax (GST)

Income, expenses and assets are recognised net of the amount of GST, except that the:

- amount of GST incurred by DCS as a purchaser that is not recoverable from the Australian Taxation Office (ATO) is recognised as part of the cost of acquisition of an asset or as part of an item of expense; and
- receivables and payables are stated with the amount of GST included.

Cash flows are included in the Statement of Cash Flows on a gross basis. However, the GST components of cash flows arising from investing and financing activities which are recoverable from, or payable to, the ATO are classified as operating cash flows.

(g) Changes in Accounting Policy, Including New or Revised Australian Accounting Standards

(i) Effective for the first time in financial year 2022

The accounting policies applied in 2021-22 are consistent with those of the previous financial year.

Several other amendments and interpretations apply for the first time in FY2021-22, but do not have an impact on the financial statements of DCS:

- AASB 2020-5 Amendments to Australian Accounting Standards – Insurance Contracts
- AASB 2020-7 Amendments to Australian Accounting Standards – COVID-19-Related Rent Concessions: Tier 2 Disclosures
- AASB 2020-8 Amendments to Australian Accounting Standards – Interest Rate Benchmark Reform – Phase 2
- AASB 2020-9 Amendments to Australian Accounting Standards – Tier 2 Disclosures: Interest Rate Benchmark Reform (Phase 2) and Other
- AASB 2021-1 Amendments to Australian Accounting Standards – Transition to Tier 2: Simplified Disclosures for Not-for-Profit Entities
- AASB 2021-3 Amendments to Australian Accounting Standards – COVID-19-Related Rent Concessions beyond 30 June 2021
- AASB 1060 General Purpose Financial Statements – Simplified Disclosures for For-Profit and Not-for-Profit Tier 2 Entities

(ii) Issued but not yet effective

NSW public sector entities are not permitted to early adopt new Australian Accounting Standards, unless Treasury determines otherwise. Certain new accounting standards and interpretations have been published that are not mandatory for the 30 June 2022 reporting period.

The following new Accounting Standards/Interpretations have been issued but are not yet effective:

- AASB 17 Insurance Contracts
- AASB 2020-1 Amendments to Australian Accounting Standards – Classification of Liabilities as Current or Non-current
- AASB 2020-3 Amendments to Australian Accounting Standards – Annual Improvements 2018–2020 and Other Amendments
- AASB 2020-6 Amendments to Australian Accounting Standards – Classification of Liabilities as Current or Non-current – Deferral of Effective Date
- AASB 2021-2 Amendments to Australian Accounting Standards – Disclosure of Accounting Policies and Definition of Accounting Estimates
- AASB 2021-5 Amendments to Australian Accounting Standards – Deferred Tax related to Assets and Liabilities arising from a Single Transaction
- AASB 2021-6 Amendments to Australian Accounting Standards – Disclosure of Accounting Policies: Tier 2 and Other Australian Accounting Standards
- AASB 2021-7a Amendments to Australian Accounting Standards – Effective Date of Amendments to AASB 10 and AASB 128 and Editorial Corrections
- AASB 2021-7b Amendments to Australian Accounting Standards – Effective Date of Amendments to AASB 10 and AASB 128 and Editorial Corrections
- AASB 2021-7c Amendments to Australian Accounting Standards – Effective Date of Amendments to AASB 10 and AASB 128 and Editorial Corrections

These Standards will not have a material impact on the financial statements based on its current operations.

(h) Impact of COVID-19 and natural disasters on Financial Reporting for 2022

The natural disasters in the financial year, primarily coronavirus ("COVID-19"), have had a major impact on individuals, businesses and the government sector.

The primary area of heightened risk from COVID-19 is to DCS' workforce, in both public-facing and office based roles. As a result, significant focus has been placed on managing work health and safety (WHS) risks, physical, mental and social. Most office-based staff have moved to working from home arrangements, and DCS has acted to reduce any adverse impact on staff arising from these work arrangements. Frontline staff have also been provided with guidance in relation to hygiene, travel, illness prevention, and flexible working. DCS continues to support the health and safety of its staff.

The currently known impacts of COVID-19, other than the covid-related programs already disclosed in the other notes to the financial statements that were funded either directly or indirectly by NSW Treasury are as follows:

- Additional costs by Spatial Services amounting to \$253,075 (2021: \$200,000) were incurred to validate the addresses for NSW applicants for cross-border passes during COVID-19 lockdown between state borders.
- Waiver of license fees by Spatial Services receivable from PSMA Australia Limited amounting to \$300,000 (2021: \$300,000).
- Additional costs incurred amounting to \$56.5 million (2021: \$34.1 million) for resources, advertising and related expenses to manage and deliver government Covid-19 response led by DCS including safety plans, COVID campaign materials, supporting vaccination insights program and resourcing for rapid updates on Public Health Orders. The activities include sharing government dashboards, data sets and other insights to facilitate government decision-making on the COVID-19 response.

Further impact from other natural disasters such as floods impacted DCS in the current financial year as follows:

- Additional costs incurred amounting to \$2.6m (2021: Nil) to manage and deliver government flood response and rapid updates on flood support information and timely responses to social media channels.

There is no uncertainty about DCS' ability to continue as a going concern at 30 June 2022 as liquidity and credit risk are not significant areas of risk for DCS. There has been limited impact on DCS' liquidity or credit risk profiles as a result of COVID-19.

On account of COVID-19, a further assessment on the fair value of the following accounts, taking into account relevant assumptions and estimates, has been performed resulting in either no impact or insignificant impact being identified:

- Receivables – Note 8
- Inventories – Note 10
- Property, plant and equipment and Right-of-use assets – Note 13
- Intangibles – Note 14; and
- Financial instruments – Note 33.

Other than the above, it has not come to DCS attention that there would be any other significant impact on the financial statements for the financial year ended 30 June 2022.

(i) Superannuation on annual leave loading

DCS has determined that it is not probable a liability arises to pay superannuation on annual leave loading. This position has been formed based on current inquiries, other information currently available to management, and after considering the facts from a decision in the Federal Court of Australia: *Finance Sector Union of Australia v Commonwealth Bank of Australia [2022] FedCFamC2G 409*. That decision confirmed that, in relation to the industrial agreement considered in that case, annual leave loading did not form part of ordinary time earnings and therefore, did not require superannuation contributions to be made under superannuation guarantee legislation because the obligation to pay annual leave loading was not referable to ordinary hours of work or to ordinary rates of pay. Rather, it was paid by reference to the period of annual leave, and for the purpose of compensating employees for their loss of opportunity to work additional hours at higher rates during this period.

This position will be re-assessed in future reporting periods as new information comes to light on this matter.

(j) Correction of prior period errors

The prior period errors that have been corrected in the financial statements are as follows:

Service concession asset revaluation adjustment

The service concession asset is revalued using an external valuer. In reviewing the current year valuation it came to light that there was an error in the prior year valuations concerning a component of the service concession asset, i.e. a specific register. As a result, the prior year valuations were amended and the impact has been reflected in the financial statements as a restatement of the comparatives, and a restatement of the opening balance at 1 July 2021.

Impact on each affected financial statements line item

These prior period errors have been corrected by restating each of the affected financial statement line items as follows:

	30 June 2021 \$'000	Increase/ (decrease) from correction of prior period	30 June 2021 (Restated) \$'000	1 July 2020 \$'000	Increase/ (decrease) from correction of prior period	Restated 1 July 2020 \$'000
Statement of Financial Position						
Intangible assets	935,075	(33,268)	901,807	910,164	(29,368)	880,796
Total non-current assets	1,465,060	(33,268)	1,431,792	1,615,978	(29,368)	1,586,610
Total assets	2,116,881	(33,268)	2,083,613	2,340,593	(29,368)	2,311,225
Net Assets / (Liabilities)	(1,121,511)	(33,268)	(1,154,779)	(1,112,046)	(29,368)	(1,141,414)
Reserves	2,719	880	3,599	2,734	-	2,734
Accumulated funds	(1,124,230)	(34,148)	(1,158,378)	(1,114,780)	(29,368)	(1,144,148)
Total Equity	(1,121,511)	(33,268)	(1,154,779)	(1,112,046)	(29,368)	(1,141,414)

Statement of Comprehensive Income

Other gains/(losses)	(36,610)	(4,780)	(41,390)			
Net result	(15,651)	(4,780)	(20,431)			
concession intangible asset	-	880	880			
Total other comprehensive income/(loss)	-	880	880			
Total comprehensive income/(loss)	(15,651)	(3,900)	(19,551)			

2. EXPENSES EXCLUDING LOSSES

(a) Employee Related Expenses

	2022	2021
	\$'000	\$'000
Salaries and wages (including annual leave)	615,806	572,453
Superannuation - defined benefit plans	3,599	3,594
Superannuation - defined contribution plans	54,950	47,026
Long service leave expense/(recovery) ⁽ⁱ⁾	(26,349)	(6,142)
Workers' compensation insurance	5,370	2,320
Payroll tax and fringe benefits tax	34,266	31,362
Voluntary redundancy	4,118	14,033
	691,760	664,646

(i) Long service leave is present valued annually by the Treasury actuary based on the 30 June government bond rates and other factors in the calculation. The movement this financial year is due to a material movement in these rates.

NSW public sector rates of accrual are not comparable with other jurisdictions or the private sector.

Employee related expenses of \$35.477 million (2021: \$12.577 million) have been capitalised in various capital works and therefore are excluded from the above.

Employee related expenses incurred above have been recovered for personnel services related costs which are reflected in Note 3(d), Personnel Services Revenue.

Refer to Note 28 Related Party Disclosures for in-kind contribution costs incurred.

(b) Operating Expenses

	2022	2021
	\$'000	\$'000
Auditor's remuneration - audit of the financial statements	1,389	1,772
Cost of sales	677	453
Network operating costs	621	13
Advertising	49,650	24,449
Occupancy related expenses	23,498	14,964
Expense relating to short-term leases	-	3,720
Maintenance	11,321	17,480
Insurance	5,162	945
Fees and charges	163,374	134,813
Postage and telephone	5,172	9,090
Printing, stationery and stores	10,450	10,519
Consultants	2,124	3,871
Other contractors	58,598	47,601
Books and periodicals	1,137	971
Travel and motor vehicle expenses	2,253	1,765
Computer expenses	100,145	54,270
Minor equipment	106	18
Training	4,338	2,649
Project management fees	11,203	-
Data related expenses	2,181	-
Other	22,810	4,199
	476,209	333,562

Reconciliation - Total maintenance expense

	2022	2021
	\$'000	\$'000
Maintenance expenses - contracted labour and other (non-employee related), as above	11,321	17,480
Employee related maintenance expense included in Note 2(a)	-	-
Total maintenance expenses included in Note 2(a) and 2(b)	11,321	17,480

Advertising

Advertising has increased this year as a result of COVID-19 advertising and media related costs.

Fees and charges

Increase in fees and charges is mainly due to initial cost outlay of maintenance of information technology which was previously outsourced and now managed by DCS for other NSW government agencies from the beginning of current financial year.

Maintenance expense

Day-to-day servicing costs or maintenance are charged as expenses as incurred, except where they relate to the replacement or an enhancement of a part or component of an asset, in which case the costs are capitalised and depreciated.

Insurance

DCS's insurance activities are conducted through the NSW Treasury Managed Fund Scheme of self-insurance for Government entities. The expense (premium) is determined by the Fund Manager based on past claims experience.

Computer expenses

Computer expenses have increased mainly due to the increase in work performed in relation to cloud implementation that cannot be capitalised.

(c) Depreciation and Amortisation Expense

	2022	2021
	\$'000	\$'000
Depreciation - Property plant and equipment		
- Buildings	444	431
- Plant and equipment	4,681	6,781
- Motor vehicles	13	3,457
- Leasehold improvements	327	8,639
	5,465	19,308
Depreciation – Right of use asset		
- Land and buildings	34,069	38,424
- Plant and equipment	76	91
- Motor vehicles	1,391	1,673
	35,536	40,188
Amortisation		
- Intangible assets	28,331	39,492
	69,332	98,988

Refer to Note 13 and 14 for recognition and measurement policies on depreciation and amortisation.

(d) Grants and Subsidies

	2022	2021
	\$'000	\$'000
Grants to Service NSW* ⁽ⁱ⁾	463,889	464,488
Grants to NSW Government Telecommunications Authority* ⁽ⁱ⁾	197,818	150,131
Grants to Valuer General NSW* ⁽ⁱⁱ⁾	38,159	38,374
Grants to Independent Liquor & Gaming Authority* ⁽ⁱ⁾	2,246	13,513
Consumer Trader & Tenancy Tribunal ⁽ⁱⁱⁱ⁾	12,710	11,057
Grants to Clubgrants Category 3 ^(iv)	8,229	10,493
Grants to Information and Privacy Commission* ⁽ⁱ⁾	7,660	6,000
Grants to Responsible Gambling Fund (Point of Consumption Tax)* ⁽ⁱ⁾	5,000	5,000
Grants to Greyhounds Welfare and Integrity Commission* ⁽ⁱ⁾	9,981	4,985
Contribution to Safework Australia	3,417	3,354
Digital Restart Fund *	-	2,500
Credit Counselling Program	2,178	1,893
Centre for WHS Research Grants	1,673	1,819
ABCB Contributions* ^(v)	1,096	1,370
Home Building/Strata/No interest loan scheme Grant	1,170	1,096
Grants to support Data Monitoring support fee assistance ^(vi)	452	679
Grants to Greyhound Capital Grants ^(vii)	-	501
Tenancy Advice and Advocacy Program	25	155
Bell Inquiry* ^(viii)	5,688	-
Greyhound Whole of Life Project* ^(ix)	3,590	-
Other Grants	3,220	503
	768,201	717,911

* These are other related party transactions in addition to those disclosed in Note 28 Related Party Disclosures.

(i) DCS receives appropriations from the Consolidated Fund for the cluster. Appropriation for each financial year for each DCS agency is set out in the Appropriations Act for that year. This grant represents the approved funding by NSW Treasury for this agency.

(ii) Grants to Valuer General NSW - RNSW receives grants to pay for the valuer general completing the services of valuing the land. This is an indirect support to RNSW. Valuer general as a business is not funded directly by Treasury rather it is funded via the councils and RNSW who use their service. In that respect, it is reflected as grants & subsidies for RNSW like Job Action Plan and Small Business Grant pass throughs whereby RNSW are provided recurrent funding for valuer general fees and pay upon monthly agreed invoice.

(iii) Consumer Trade and Tenancy Tribunal - Tribunal specialising in resolving consumer tenancy disputes in New South Wales - these matters include requests to terminate tenancy agreements, payment of rental bonds on termination of tenancies, breaches relating to terms of the tenancy agreement and payment of compensation.

(iv) Grants to Clubgrants category 3 - Grants to community organisations for infrastructure projects.

(v) ABCB Contributions -The grant payment of \$1.09 million is for Australian Building Codes Board (ABCB) as part of the Inter-Government Agreement (IGA) on building regulatory reform provides for annual funding of the ABCB by all parties (States) to the agreement.

(vi) Grant payment in relation to Data Monitoring fees for clubs suffering financial hardship.

(vii) Grants to Greyhound Capital Grants - Greyhound Racing Capital Grants Program is a Government commitment as part of the NSW Government greyhound racing reforms. The purpose of the Grants Program is to assist GRNSW (not a Government agency) and its clubs improve animal welfare by upgrading greyhound racing facilities across NSW to reduce injury rates for racing dogs. Grants Program funding is protected and publicly committed by the Government solely for this purpose.

(viii) Bell Inquiry - DCS provides funding for the cost of the review of Star Casino under s143 of the *Casino Control Act 1992* to Independent Liquor and Gaming Authority ("ILGA") by way of a grant equal to the total cost incurred for the inquiry up to a maximum value of \$6 million and up to 30 June 2022.

(ix) Greyhound Whole of Life project. DCS's Finance Committee approved for the Commission to proceed with the project, at an estimated cost of \$3.59 million.

(e) Finance Costs

	2022	2021
	\$'000	\$'000
Interest expense from lease liabilities	11,298	10,744
Interest expense on borrowings *	232	868
	11,530	11,612

* These are related party transactions in addition to those disclosed in Note 28 *Related Party Disclosures*.

Recognition and Measurement

Finance costs consist of interest and other costs incurred in connection with the borrowing of funds. Borrowing costs are recognised as expenses in the period in which they are incurred, in accordance with NSW Treasury's mandate to not-for profit NSW General Government Sector Entities.

Interest on lease liabilities relate to the unwinding of discounted lease payments for right-of-use assets. Lease liabilities are discounted as described in Note 17.

(f) Cost of motor vehicle inventory sold

	2022	2021
	\$'000	\$'000
Cost of motor vehicle inventory sold	233	36,244

Recognition and Measurement

This represents the carrying amount of motor vehicle inventory sold during the year. DCS holds motor vehicles for rental to others in property plant and equipment (Note 13) and transfer such assets to inventories at their carrying amount when they cease to be rented and become held for sale (Note 10). The proceeds from the sale of such assets are recognised as revenue (Note 3(i)).

(g) Other Expenses

	2022	2021
	\$'000	\$'000
Compensation fund payments	3,292	4,354

3. REVENUE

Recognition and Measurement

Income is recognised in accordance with the requirements of *AASB 15 Revenue from Contracts with Customers* or *AASB 1058 Income of Not-for-Profit Entities*, dependent on whether there is a contract with a customer defined by *AASB 15 Revenue from Contracts with Customers*. Comments regarding the accounting policies for the recognition of income are discussed below.

(a) Appropriations and Transfers to the Crown

Summary of Compliance - DCS	2022 \$'000	2021 \$'000
Original Budget per <i>Appropriation Act</i>	2,309,462	1,426,426
Variations made to the appropriations during the financial year		
Section 4.9 GSF Act 2018 - Transfers of functions between entities	12,405	-
Section 4.13 GSF Act 2018 / Section 32(2) of the Appropriation Act (Exigency of Government)	14,679,160	713,228
Section 34 of the Appropriation Act	28,568	48,100
Total spending authority from parliamentary appropriations, other than deemed appropriations	17,029,595	2,187,754
Deemed appropriations earned during the year	1,367,723	980,189
Deemed appropriations balance brought forward from prior years	40,813	-
Total spending authority from parliamentary appropriations	18,438,131	3,167,943
Less: total expenditure from parliamentary appropriations	(2,778,657)	(2,413,902)
Less: total expenditure from parliamentary appropriations - transfer payments	(12,881,408)	(618,924)
Variance:	2,778,066	135,117
Less: spending authority from appropriations lapsed at 30 June	(1,797,752)	(94,304)
Deemed appropriations balance carried forward to following years	980,314	40,813
	2022 \$'000	2021 \$'000
Transfer payments ⁽ⁱ⁾	13,558,702	1,093,962
Appropriations (per Statement of Comprehensive Income)	1,318,955	1,125,231
	14,877,657	2,219,193

(i) Transfer payments

Transfer payments are amounts received for transfer to eligible beneficiaries in accordance with legislative or other authoritative requirements. They are not controlled by DCS. As these amounts are not controlled by DCS, they are correctly excluded from DCS's results of operations in order to represent the true and fair view of DCS's financial performance. These transfer payments are disclosed in the Summary of Compliance above to reconcile the total gross appropriations received to the net appropriations controlled and recognised as revenues in DCS.

As these transfer payments are not controlled by DCS, their effective and efficient administration is also an important role of DCS and it is a requirement for these amounts to be disclosed as part of administered items.

	Transfer Payments		Transfer Receipts	
	2022 \$'000	2021 \$'000	2022 \$'000	2021 \$'000
Digital Restart Fund	614,000	413,000	614,000	413,000
Rental Bond Board	63,370	62,038	63,370	62,038
NSW Government Telecommunications Authority	-	8,028	-	8,028
Service NSW				
Dine and Discover Vouchers	257,730	400,000	257,730	400,000
Northern beaches small business hardship grants	-	13,000	-	13,000
Small Business Fees & Charges Rebate	205,130	31,000	205,130	31,000
Northern Rivers Recovery Grant	60,000	-	60,000	-
Return to work	-	5,000	-	5,000
Creative Kids Program grants	-	-	-	-
COVID-19 Small Business Hardship	2,369,100	-	2,369,100	-
COVID-19 Jobsaver	7,750,142	-	7,750,142	-
COVID-19 MicroBusiness Support	784,600	-	784,600	-
Parents NSW Voucher	59,265	-	59,265	-
Test & Isolate Grant	93,117	-	93,117	-
Commercial Landlord Hardship	40,000	-	40,000	-
Accommodation Providers Grant	16,512	-	16,512	-
2022 Small Business Support (Bizsaver)	127,524	-	127,524	-
Stay and Rediscover Vouchers	52,653	-	52,653	-
Rental Support Scheme - Flood	248,000	-	248,000	-
Small Business Grant	187,670	4,870	187,670	4,870
Music and Overnight Camp	14,000	-	14,000	-
Council Rate Relief	40,000	-	40,000	-
Revenue NSW				
Land tax concession	506,716	136,716	506,716	136,716
Duties Bushfire Relief	448	2,159	448	2,159
Job Action Plan Payroll Tax Rebates	1,751	17,608	1,751	17,608
Job Lodgement grants	-	543	-	543
Electronic Vehicles Rebate	8,424	-	8,424	-
NSW Fair Trading				
Rental Relief Payment	58,550	-	58,550	-
	13,558,702	1,093,962	13,558,702	1,093,962

Recognition and Measurement

Parliamentary Appropriations other than deemed appropriations

Income from appropriations, other than deemed appropriations (of which the accounting treatment is based on the underlying transaction), does not contain enforceable and sufficiently specific performance obligations as defined by AASB 15. Therefore, except as specified below, appropriations (other than deemed appropriations) are recognised as revenue when DCS obtains control over the assets comprising the appropriations. Control over appropriations is normally obtained upon the receipt of cash.

The Appropriation Act 2021 (Appropriations Act) appropriates the sum of \$17,029,595,000 (2021: \$2,187,754,000) to the Minister for Customer Service out of the Consolidated Fund for the services of the Department of Customer Service for the year 2021–22. The spending authority of the Minister from the Appropriations Act has been delegated or subdelegated to officers of the Department of Customer Service and entities that it is administratively responsible for, including:

- Long Service Corporation
- Information and Privacy Commission
- Independent Liquor and Gaming Authority (9 months to 31 March 2022)
- Responsible Gambling Fund (9 months to 31 March 2022)
- Greyhound Welfare and Integrity Commission (9 months to 31 March 2022)
- Board of Surveying and Spatial Information
- NSW Telecommunications Authority
- Service NSW

The responsible Minister(s) for each entity above is/are taken to have been given an appropriation out of the Consolidated Fund under the authority of s4.7 of the Government Sector Finance Act 2018, at the time the entity receives or recovers any deemed appropriation money, for an amount equivalent to the money that is received or recovered by the entity. The spending authority of the responsible Ministers from deemed appropriation money has been delegated or sub-delegated to officers of the entity that receives or recovers the deemed appropriation money for its own services.

The delegation and sub-delegations for FY2022 and FY2021, authorising officers of the Department of Customer Service to spend Consolidated Fund money, impose limits to the amounts of individual transactions, but do not specify an aggregate expenditure limit for the Department of Customer Service. However, as it relates to expenditure in reliance on a sum appropriated through an annual Appropriations Act, the delegation/ sub-delegations are referable to the overall authority to spend set out in the relevant Appropriations Act. The individual transaction limits have been properly observed. The information in relation to the limit from the Appropriations Act is disclosed in the summary of compliance table above.

The summary of compliance has been prepared on the basis of aggregating the spending authorities of both the Minister for Customer Service for the services of the Department of Customer Service and the responsible Ministers for the services of the entities listed above that receives or recovers deemed appropriation money. It reflects the status at the point in time this disclosure statement is being made.

The summary of compliance does not include appropriations for the Independent Pricing and Regulatory Tribunal of New South Wales and its expenditure. This is because a separate amount has been appropriated for its services under the Appropriations Act.

(b) Transfers to the Crown

	2022	2021
	\$'000	\$'000
StateFleet Motor Vehicle Reserve	21,430	18,506
Net proceeds from sale of Loose Fill Asbestos	8,546	2,721
	29,976	21,227

These are all other related party transactions in addition to those disclosed in Note 28 Related Party Disclosures.

(c) Sale of Goods and Services from contract with customers

	2022	2021
	\$'000	\$'000
Project and asset management services	20,253	9,863
Penalty notice fees	39,205	44,460
Business services fee ⁽ⁱ⁾	95,143	69,342
Motor vehicle leasing	311	6,385
Gaming revenue	697	757
License revenue	20,572	16,592
Other goods and services	8,508	14,301
	184,689	161,700

(i) Business services fee has increased mainly due to DCS providing services to other NSW cluster agencies which were previously outsourced to external parties.

Recognition and Measurement

Type of service	Nature of Timing of Satisfaction of Performance Obligation, Including Significant Payment Terms	Revenue Recognition Policies
Project and asset management services	The performance obligation are typically satisfied when the services are performed and deemed as satisfying the requirements of the agreement in place.	The revenue is recognised when the services are provided and measured at the contractually agreed respective rates and amounts.
Penalty notice fees	The nature of penalty notice has no performance obligation.	The revenue is recognised when the issued penalty notice comes into effect.
Business services fee	The performance obligation are typically satisfied when the services are performed and deemed as satisfying the requirements of the agreement in place.	The revenue is recognised when the services are provided and measured at the contractually agreed respective rates and amounts.
Motor vehicle leasing	The performance obligation of transferring these products is typically satisfied at the point in time when the products are being used by the customer, i.e. the products have been delivered in accordance with the specifications in the sales contract.	This revenue is recognised based on time-usage and where the consumer is deemed to have possession of the vehicle.
Gaming Revenue	The performance obligation is typically satisfied when the licence application and funds are received. Payments are typically received in advance when the application for the specific licence type or the application for the extension of the specific licence type is submitted.	The revenue is recognised when the funds are received to the extent that it is highly probable that a significant reversal will not occur. The relevant fees are based on the amounts set by Regulation or by the business entity after a review by the Independent Pricing and Regulatory Tribunal (IPART).
Licence Revenue	The performance obligation is typically satisfied when the licence application and funds are received. Payments are typically received in advance when the application for the specific licence type or the application for the extension of the specific licence type is submitted.	The revenue is recognised when the funds are received to the extent that it is highly probable that a significant reversal will not occur. The relevant fees are based on the amounts set by Regulation or by the business entity after a review by IPART.

Other goods and services	The performance obligation is satisfied when the service is being performed and when the benefits of the goods are transferred to the customer and delivered in accordance with the specifications of the contractual agreements.	Revenue from the sale of goods is recognised as revenue when DCS transfers the significant risks and rewards of ownership of the goods, usually on delivery of the goods. Revenue on other services is recognised upon completion of rendering the contracted services.
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(d) Personnel Services

	2022	2021
	\$'000	\$'000
NSW Government Telecommunications Authority	30,586	20,587
State Insurance Regulatory Authority	70,573	71,900
Board of Surveying and Spatial Information	396	368
Long Service Corporation	8,103	7,483
	109,658	100,338

These are related party transactions in addition to those disclosed in Note 28 *Related Party Disclosures*.

Personnel Services Revenue is revenue earned from entities within the DCS cluster in relation to employee related costs.

(e) Investment Revenue

	2022	2021
	\$'000	\$'000
Interest income from financial assets at amortised cost	2,524	5,331
Finance income on the net investment in the lease	1,728	782
Net gain/(loss) from TCorp IM Funds measured at fair value through profit or loss	-	2,506
	4,252	8,619

Recognition and Measurement

Interest income is calculated by applying the effective interest rate to the gross carrying amount of a financial asset except for financial assets that subsequently become credit impaired. For financial assets that become credit impaired, the effective interest rate is applied to the amortised cost of the financial asset (i.e. after deducting the loss allowance for expected credit losses).

(f) Retained Taxes, Fees and Fines

	2022	2021
	\$'000	\$'000
Statutory interest	4,950	5,775
Building licensing fees	62,800	54,757
Real estate and property licence fees	715	6,037
Owner builder permit fees	1,360	1,229
Plumbing inspection fees	9,333	9,571
Motor dealers compensation fees	1,761	1,332
Fines for non-compliance of Safety at Work regulations	7,226	7,226
Other fees, fines and penalties	6,413	6,281
	94,558	92,208

Recognition and Measurement

Retained fees, taxes and fines are recognised when earned and if the amounts can be determined reliably.

Type of service	Nature of Timing of Satisfaction of Performance Obligation, Including Significant Payment Terms	Revenue Recognition Policies
Statutory interest	The performance obligation is satisfied when we have performed our obligation of keeping funds within the stipulated contractual time frame to be entitled to an interest income.	Revenue is recognised upon the completion of the performance obligation and the right to receive the income has been established.
Building licensing fees, Real estate and property licence fees, Owner builder permit fees, Plumbing inspection fees, Motor dealers compensation fees	The performance obligation is typically satisfied when the licence application and funds are received. Payments are typically received in advance when the application for the specific licence type is submitted.	The revenue is recognised when the funds are received to the extent that it is highly probable that a significant reversal will not occur. The relevant fees are based on the amounts set by Regulation or by the business entity after a review by IPART.
Fines for non-compliance of Safety at Work regulations; Other fees, fines and penalties	The nature of other fees, fines and penalties have no performance obligation and the notices are in accordance to the relevant legislation.	These revenues are recognised when the issued notices come into effect.

(g) Grants and Other Contributions

	2022	2021
	\$'000	\$'000
Grants		
<i>Grants without sufficiently specific performance obligations</i>		
Life Journeys* ^(vi)	5,438	7,478
Stronger Communities* ^(ix)	-	2,350
Business Insights Hub* ^(x)	-	1,580
Digital Birth Certificate* ^(xi)	-	3,330
Government Made Easy* ^(xii)	1,789	1,660
Loose Fill Asbestos Grants ^(xiii)	-	1,530
Cleaning Stimulus ^(viii)	-	318
Voluntary Redundancy Grant ⁽ⁱ⁾	-	68
PaTH (Process and Harmonisation) Program ^(xviii)	20,100	-
E Construction ^(xx)	13,769	-
Other	1,976	2,435
	43,072	20,749
<i>Grants to acquire/construct a recognisable non-financial asset to be controlled by the entity</i>		
Whole of Government website consolidation* ^(xvi)	-	13,980
Telecommunication Optimisation Group Grant from Telco ^(v)	-	728
Project Trust ^(xix)	6,025	4,400
Digital Restart Fund* ^(vii)	83,074	62,885
Taxes & Grants - Mining Royalties* ^(xiv)	-	1,473
Taxes & Grants - Assured Revenue* ^(xv)	3,875	13,625
Taxes & Grants - Electric Vehicles ^(xvii)	3,091	-
	96,065	97,091
Other Contributions		
Contributions from State Insurance Regulatory Authority* ⁽ⁱⁱ⁾	144,486	128,892
Contribution for Bergin Inquiry* ⁽ⁱⁱⁱ⁾	12,500	-
Colliery Contribution Levy ^(iv)	10,400	10,400
	167,386	139,292
Grants and Other Contributions	306,523	257,132

* This is a related party transaction in addition to those disclosed in Note 28 *Related Party Disclosures*.

(i) Voluntary Redundancy Grants - Treasury funding for DCS Voluntary Redundancies.

(ii) Contributions from State Insurance Regulatory Authority - The operations of SafeWork are principally funded by the State Insurance Regulatory Authority. Each year, under s35 (1)(a1) of the *Workplace Injury Management and Workers Compensation Act 1998*, the Minister approves the payment of amounts from the Workers Compensation Insurance Fund to the Workers Compensation Operational Fund having regard to the budget of SafeWork. This payment is made monthly to reflect cash requirements of SafeWork provided the approved amount is not exceeded.

(iii) Contribution for Bergin Inquiry - Liquor & Gaming NSW received a contribution from Independent Liquor and Gaming Authority ("ILGA") in relation to a reimbursement of \$12.5 million to partially reimburse the government for the costs of the Bergin Inquiry. The Bergin Inquiry was established under s143 of the *Casino Control Act 1992* and appointed the Honourable Patricia Bergin SC to preside over the Inquiry relating to the Barangaroo restricted gaming facility granted to Crown Sydney Gaming Pty Limited and other matters relating to the regulatory framework in which ILGA operates.

(iv) Colliery Contribution Levy - Subsidence Advisory NSW ("SANSW") receives funding from the NSW coal mining industry under Section 33 of the *Coal Mine Subsidence Compensation Act 2017*. Each year a contribution is levied onto the industry in order to fund the activities of SA NSW under the Act.

(v) Telecommunication Optimisation Group Grant from NSW Telecommunications Authority ("Telco") - The Telecommunication Optimisation Group (TOG) continues to identify and support the realisation of key benefit opportunities for the Telco and enterprise telco reform. Benefits have arisen from contract optimisation, billing audits and service optimisation. The NSW Telco Authority have funded tranches of work of TOG.

(vi) Life Journeys - The Life Journeys program (funded by Treasury) cuts across agencies to make it easier for citizens to deal with government at critical life junctures, such as losing someone close to you, starting retirement, or having a baby. Program of work includes End of Life End to End, Retirement Years, Life Events Navigators Information Services, First 2000 days.

(vii) The Digital Restart Fund was established in 2019 and aimed to provide a better way of resourcing digital and information and communications technology initiatives across the NSW government sector. In the Digital and ICT space, from July 2021 to March 2022, it has funded the following initiatives - the Cyber Security program (\$20.0m), Buy.NSW (\$2.5m), Government Licensing Systems Modernisation (\$7.4m), eRegulatory Management System (\$7.8m).

(viii) Cleaning Stimulus - Grant funding from NSW Treasury to deliver enhanced environmental cleaning of office buildings and operational spaces in light of the COVID-19 pandemic.

(ix) The Stronger Communities Data Partnership (funded by Treasury), a cross-agency Deputy Secretaries Group tasked by DaPCo to increase the use of human services data assets, is seeking to build and validate a prototype of the Better Outcomes Lab – a continuum of fit-for-purpose data infrastructure that will enable government decision-makers, service providers and academic researchers to safely conduct high-quality, cost-effective and timely analysis on existing linked human services datasets. The aim of the Lab is to set up the foundational technical infrastructure that is necessary to improving the ease of use of state-significant data assets in NSW. Since there is no single solution to address the barriers to data access, the Lab will set up a continuum of infrastructure and products including a data concierge, a dashboard and reporting function, and a capability hub for uplifting data skills.

(x) Business Insights Hub (funded by Treasury) - The NSW Data Analytics Centre (DAC) is proposing to pilot a Business Insights Hub (BIH), a new data broker platform which will accelerate existing activities and new initiatives, including this one, to support economic interventions with a focus on small to medium businesses most impacted when COVID19 subsidies like Job Keeper and Job Seeker end in March 2021.

(xi) Digital Birth Certificate (funded by Treasury) - Development of a national, interoperable and secure platform for a digital birth certificate supported by Commonwealth, State and Territory jurisdictions and key stakeholders.

(xii) Government Made Easy (funded by Treasury) - Complete discovery and prototyping for the change of name when getting married, aligned with Living in NSW Life Event. Program of work includes initial desktop scoping, customer research, mapping, service design, technical solution development and partner onboarding discovery.

(xiii) Loose Fill Asbestos Grants - Contribution from NSW Treasury to purchase land and/or buildings impacted by Loosefill Asbestos.

(xiv) Mining Royalties (funded by DRF)- Legacy systems modernisation to ensure system calculations of coal royalty complies with Mining Act 1992 and Mining Regulation 2016.

(xv) Assured Revenue (funded by DRF) - This business case supports the 'Efficient & Effective Revenue Collection' program under the Excellence in Customer Service outcomes based budget outcome for the Department of Customer Service. Additionally, this proposal aligns to the NSW budget priority of improving productivity by providing accretive revenue.

(xvi) Whole of Government website consolidation (funded by DRF) - This program is aimed at consolidating content from 500 NSW Government websites into a single, customer oriented and easy to use structure rather than by government agency structures.

(xvii) Electric Vehicles - The NSW Government will offer \$3,000 rebates for the first 25,000 new full battery electric vehicles (BEVs) and hydrogen fuel cell electric vehicles (FCEVs), purchased for a dutiable value of less than \$68,750 that are registered on or after 1 September 2021.

(xviii) PaTH Program - This program is aimed at delivering the Process and Technology Harmonisation (previously known as Whole of Government Enterprise Resource Planning) by acquiring and consolidating Whole of Government SAP licence (S4HANA licence) and initiate deployment across government agencies

(xix) Project Trust (funded by Treasury)- Recent cyber security incidents in GovConnect and SNSW have triggered immediate incident response and recovery work and also elevated the need to embark upon medium term (comprise recovery) and longer term (strategic recovery projects). In DCS, Project Trust was recently formed to address: Business process and information governance, culture, capability and awareness, cyber security, privacy and policy framework, cyber and privacy policy remediation and cyber resilience.

(xx) E-Construction -Build digital platforms and enforce compliance to rebuild confidence in the class 2 building sector to deliver end-to-end quality assurance for customers, suppliers, and builders. This will improve the transparency, accountability, and quality of work within the building sector.

Recognition and Measurement

Type of service	Nature of Timing of Satisfaction of Performance Obligation, Including Significant Payment Terms	Revenue Recognition Policies
Grants without sufficiently specific performance obligations	These are grant incomes received from various sources for designated purposes with no specific performance obligation.	Grants are recognised immediately in accordance with AASB 1058 as there are no specific performance obligations on these grants.
Grants to acquire/ construct a recognisable non-financial asset to be controlled by the entity	These are grant incomes received from various sources for designated purposes where the whole portion or some of which may be designated for DCS as the recipient to acquire or constructed a non-financial asset.	Grants are recognised immediately in accordance with AASB 1058 and to defer the portion where there is a requirement for DCS to acquire or construct a recognisable non-financial asset and then to recognise this as revenue as the performance obligation is satisfied.
Other grants and contributions	Other grants and contributions generally have no performance obligation.	Grants are recognised immediately in accordance with AASB 1058 as there are no specific performance obligations.

(h) Acceptance by the Crown of Employee Benefits and Other Liabilities

The following liabilities and/or expenses have been assumed by the Crown or other government entities:

	2022	2021
	\$'000	\$'000
Superannuation - defined benefit	3,229	3,477
Long service leave ⁽ⁱ⁾	(23,744)	(4,959)
Payroll tax	162	201
	(20,353)	(1,281)

(i) Refer to Note 2(a) *Employee Related Expenses* for information on the movement.

(i) **Proceeds of Sale of Motor Vehicle Inventory**

	2022	2021
	\$'000	\$'000
Gross proceeds of sale of motor vehicles	550	38,965
Less: Disposal costs	(4)	(587)
	546	38,378

(j) **Other Revenue**

	2022	2021
	\$'000	\$'000
Commissions on payroll deductions	5	5
Bad debts recovered	26	-
Revenue related to service concession arrangement	77,664	77,534
Corporate cost recovery *	15,697	10,586
Corporate accommodation recovery *	24,229	13,607
Administrative fee* ⁽ⁱ⁾	30,423	25,227
Other revenue	713	1,290
	148,757	128,249

* These are related party transactions in addition to those disclosed in Note 28 Related Party Disclosures.

Administrative fee

The administrative service income is received from the Rental Bond Board ("RBB") and Digital Restart Fund ("DRF").

The RBB income represents an agreed charge between DCS and RBB reflecting the provision of all administrative and corporate services by DCS. The fee has been approved by the Expenditure Review Committee, Treasury and the Rental Bond Board.

The DRF income represents an agreed charge between DCS and DRF reflecting the provision of all administrative and corporate services by DCS. The fee is an agreed portion of the total DRF funding over the 3 year period ending June 2023, as agreed via Letter of Confirmation between DRF and DCS.

Recognition and Measurement

Revenue related to Service Concession Arrangement

On 12 April 2017, the NSW State government entered into a 35 year concession with the private sector to facilitate the provision of land titling and registry services. Under the concession, the State received an up-front contribution of \$2.622 billion, which was repatriated to the Restart NSW Fund, and transferred employee liabilities to the private sector operator.

ICT and other assets necessary to operate the concession have legally transferred to the private sector operator and legal ownership of these assets reverts to the State at the end of the concession. The State continues to own all existing and underlying data, information and intellectual property related to titling and registry services and provides access to these assets to the operator.

The concession is classified as a service concession arrangement. As the grantor of the service concession:

- DCS recognises the up-front contribution provided by the operator as revenue progressively over the concession term.
- Assets legally transferred to the operator prior to the concession commencement are treated as controlled for accounting purposes by DCS and recorded at their carrying values. These assets are depreciated or amortised over their useful lives which is in line with DCS depreciation policy (Refer to Note 13).
- Assets further acquired by the operator during the service concession period are recorded by DCS and depreciated in the same way. These are reflected as revenue over the remaining period of the service concession period.

Corporate Cost Recovery

The revenue recognised in relation to corporate cost recovery relates to services which are incurred within DCS and chargeable to other entities within the Customer Service Cluster.

DCS provides certain functions to cluster agencies where certain functions are performed centrally by the reporting entity, DCS. During the year, DCS incurred centralised corporate costs relating to Corporate Finance, Legal, Chief Technology / Information Office, Workplace Property & Accommodation, Governance Risk & performance, Procurement, Office of the Chief Operating Officer, Office of the Secretary and People & Culture in relation to services such as recruitment, procurement, business partnering support, budgeting, management reporting, financial reporting, expense management, contract reviews, legal advice, vendor contract management, internal audit, performance metrics, accommodation servicing, information technology support and compliance amongst other things. In line with DCS/ Agency MOUs, these costs are recouped as Corporate Cost recovery, with the exception of specific areas whereby services may be agreed up front for an additional fee (for example, some Legal services).

An amount of to \$62,378,000 for the financial year ended 30 June 2022 (2021: \$46,283,000) was incurred in DCS and has not been recovered from the other entities within the DCS Cluster. Refer to Note 28 for details.

4. (a) GAIN/(LOSS) ON DISPOSAL

	2022	2021
	\$'000	\$'000
Gain/(loss) on disposal of property, plant & equipment and intangibles (excluding StateFleet motor vehicles)	717	(1,056)
Written down value of assets disposed/written off	(2,527)	(15)
Net gain/(loss) on disposal of property, plant & equipment and intangibles (excluding StateFleet motor vehicles)	(1,810)	(1,071)

b) OTHER GAINS/(LOSSES)

	2022	Restated
	\$'000	2021
		\$'000
Impairment losses on:		
Sale of goods and services	4,503	(4,278)
Retained taxes, fees, fines and other	(1,847)	962
Bad debts (written off)/recovered	(149)	387
Derecognition of right-of-use assets and lease liabilities with Property NSW*	101,375	-
Derecognition of right-of-use assets and lease liabilities as a lessor**	2,759	-
Impairment (loss) from right-of-use assets	(3,212)	(34,970)
Impairment recovery/ (loss) from intangible assets (refer to Note 14)	21,337	(21,574)
Impairment recovery/ (loss) from intangible assets (refer to Note 14)	(3,525)	-
Revaluation increment/(decrement) from service concession assets	-	18,064
Net gain/(loss) on derivatives	(19)	19
Net gain/(loss) from TCorp IM Funds measured at fair value through profit or loss	(7,515)	-
Net other gains/(losses)	113,707	(41,390)

* Gains/(losses) are recognised due to the change in lease arrangements with Property NSW ("PNSW") resulting in derecognition of the right-of-use asset and lease liability as at 30 June 2022. Please refer to Note 13(b) for further details on the derecognition.

The net gain/(loss) from the derecognition of right-of-use asset and lease liability as at 30 June 2022 is reconciled as follows:

	<u>2022</u>
	<u>\$'000</u>
Right-of-Use asset	
Gross carrying value	(501,864)
Less: accumulated depreciation and accumulated impairment provision	89,600 88,271
Net book value	<u>(323,993)</u>
Lease liability	<u>425,368</u>
Net gain on derecognition of PNSW leases	<u>101,375</u>

**Derecognition of Sublease as a lessor

There is a change in recognition of the sublease arrangements between DCS and other agencies from a finance lease due to change in circumstances arising from anticipated migration plans from the data centres. These sublease arrangements will be accounted for as operating leases going forward.

The net gain/(loss) from the derecognition of sublease arrangements of the data centres as at 30 June 2022 is reconciled as follows:

	<u>2022</u>
	<u>\$'000</u>
Right-of-Use asset	
Gross carrying value	92,009
Less: accumulated depreciation	61,994
Net Book Value	<u>30,015</u>
Lease Receivable	
Current Lease Receivable	(23,704)
Non - Current Lease Receivable	(2,366)
	<u>(26,070)</u>
Finance income on the net investment in the lease	<u>(1,186)</u>
Net gain on derecognition of sublease arrangements for data centres	<u>2,759</u>

Recognition and Measurement

Impairment losses on assets

Impairment losses may arise on non-financial assets held by DCS from time to time. Accounting for impairment losses is dependent upon the individual asset (or group of assets) subject to impairment. Accounting Policies and events giving rise to impairment losses are disclosed in the following notes:

- Trade receivables – Note 8
- Property, plant and equipment – Note 13(a)
- Right-of-use-assets – Note 13(b)
- Intangible assets – Note 14

5. STATE OUTCOME STATEMENTS FOR THE YEAR ENDED 30 JUNE 2022

	Excellence in customer service ^{(i) *}		Digital leadership and innovation in government services		Fair, secure and efficient markets ^{(iii) *}		Not attributable		Total	
	2022	2021	2022	2021	2022	Restated 2021	2022	2021	2022	Restated 2021
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
EXPENSES AND INCOME										
Expenses excluding losses										
Operating Expenses										
• Employee related expenses	285,166	263,129	102,094	84,492	304,500	317,025	-	-	691,760	664,646
• Other operating expenses	189,970	126,732	99,243	66,474	186,996	140,356	-	-	476,209	333,562
Depreciation and amortisation	26,734	40,185	15,648	21,320	26,950	37,483	-	-	69,332	98,988
Grants and subsidies	345,861	290,165	77,912	58,416	344,428	369,330	-	-	768,201	717,911
Finance costs	4,383	4,149	2,836	1,910	4,311	5,553	-	-	11,530	11,612
Book value of motor vehicles sold	105	10,251	26	2,541	102	23,452	-	-	233	36,244
Other expenses	-	-	-	-	3,292	4,354	-	-	3,292	4,354
Total Expenses excluding losses	852,219	734,611	297,759	235,153	870,579	897,553	-	-	2,020,557	1,867,317
Revenue										
Appropriations **	-	-	-	-	-	-	-	1,318,955	1,318,955	1,125,231
(Transfers to the Crown)	(9,600)	(7,217)	(2,422)	(1,666)	(17,954)	(12,344)	-	-	(29,976)	(21,227)
Sale of goods and services from contracts with customers	89,814	88,455	41,444	23,254	53,431	49,991	-	-	184,689	161,700
Personnel services revenue	49,127	39,131	12,391	9,031	48,140	52,176	-	-	109,658	100,338
Investment revenue	41	50	1,729	785	2,482	7,784	-	-	4,252	8,619
Retained taxes, fees and fines	105	9,701	-	2,207	94,453	80,300	-	-	94,558	92,208
Grants and contributions	27,604	56,313	86,295	40,053	192,624	160,766	-	-	306,523	257,132
Acceptance by the Crown of employee benefits and other liabilities	(7,995)	(785)	(2,255)	(310)	(10,103)	(186)	-	-	(20,353)	(1,281)
Proceeds from sale of motor vehicles	244	14,953	62	3,451	240	19,974	-	-	546	38,378
Other revenue	24,343	14,645	10,404	3,091	114,010	110,513	-	-	148,757	128,249
Total Revenue	173,683	215,246	147,648	79,896	477,323	468,974	1,318,955	1,125,231	2,117,609	1,889,347
Gain/(loss) on disposal	(4,268)	(1)	(628)	-	3,086	(1,070)	-	-	(1,810)	(1,071)
Other gains/(losses)	52,538	(22,912)	14,163	(5,323)	47,006	(13,155)	-	-	113,707	(41,390)
NET RESULT	48,270	(22,913)	13,535	(5,323)	50,092	(14,225)	1,318,955	1,125,231	111,897	(42,461)
Other comprehensive income										
Revaluation reserve released due to sale of property, plant and equipment	-	-	-	-	(209)	-	-	-	(209)	-
Revaluation surplus of property, plant and equipment	2,824	-	-	-	2,723	-	-	-	5,547	-
Net change in revaluation surplus of service concession intangible asset	-	-	-	-	38,053	880	-	-	38,053	880
Total other comprehensive income	2,824	-	-	-	40,567	880	1,318,955	1,125,231	43,391	880
TOTAL COMPREHENSIVE INCOME/(LOSS)	(627,442)	(542,278)	(136,576)	(160,580)	(302,597)	(441,924)	1,318,955	1,125,231	252,340	(19,551)

* The names and purposes of each outcome are summarised below.

** Appropriations are made on an entity basis and not to individual outcomes. Consequently, appropriations must be included in the 'Not Attributable' column. Cluster grant funding is also unlikely to be attributable to individual outcomes.

	Excellence in customer service ⁽ⁱ⁾ *		Digital leadership and innovation in government services ⁽ⁱⁱ⁾ *		Fair, secure and efficient markets ⁽ⁱⁱⁱ⁾ *		Total	
	2022	2021	2022	2021	2022	2021	2022	2021
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
ASSETS AND LIABILITIES								
Current Assets								
Cash and cash equivalents	98,098	51,678	24,711	11,925	419,879	411,095	542,688	474,698
Other financial assets	-	-	-	22,672	-	-	-	22,672
Receivables	47,195	33,554	30,268	23,986	50,545	44,346	128,008	101,886
Contract assets	4,801	7,052	1,207	4,721	3,857	11,600	9,865	23,373
Inventories	-	34	-	8	-	45	-	87
Financial assets at fair value	-	7	-	2	14,409	10,184	14,409	10,193
Non-Current Assets Held for sale	-	-	-	-	8,730	18,912	8,730	18,912
Total Current Assets	150,094	92,325	56,186	63,314	497,420	496,182	703,700	651,821
Non Current Assets								
Other financial assets	-	-	-	26,070	-	-	-	26,070
Property, plant and equipment	54,763	38,449	13,407	12,603	58,016	49,417	126,186	100,469
Right of use assets	8	124,399	110,024	35,401	1,736	167,701	111,768	327,501
Intangible assets	42,935	32,304	75,781	30,626	871,537	838,877	990,253	901,807
Financial assets at fair value	-	-	-	-	66,174	75,945	66,174	75,945
Total Non Current Assets	97,706	195,152	199,212	104,700	997,463	1,131,940	1,294,381	1,431,792
TOTAL ASSETS	247,800	287,477	255,398	168,014	1,494,883	1,628,122	1,998,081	2,083,613
Current Liabilities								
Payables	82,247	41,000	37,934	8,486	67,537	55,670	187,718	105,156
Contract liabilities	1,088	442	7,330	12,514	54,892	39,536	63,310	52,492
Borrowings	-	10,451	21,871	28,816	722	14,785	22,593	54,052
Provisions	43,634	34,494	17,726	14,004	65,906	78,753	127,266	127,251
Service Concession	-	-	-	-	77,725	77,596	77,725	77,596
Other	9,592	5,947	32,347	1,373	29,659	31,930	71,598	39,250
Total Current Liabilities	136,561	92,334	117,208	65,193	296,441	298,270	550,210	455,797
Non Current Liabilities								
Borrowings	9	153,635	88,683	65,261	996	205,833	89,688	424,729
Provisions	7,952	6,923	2,006	3,098	19,319	19,791	29,277	29,812
Service Concession	-	-	-	-	2,254,037	2,327,871	2,254,037	2,327,871
Other liabilities	-	71	-	16	-	96	-	183
Total Non Current Liabilities	7,961	160,629	90,689	68,375	2,274,352	2,553,591	2,373,002	2,782,595
TOTAL LIABILITIES	144,522	252,963	207,897	133,568	2,570,793	2,851,861	2,923,212	3,238,392
NET ASSETS/(LIABILITIES)	103,278	34,514	47,501	34,446	(1,075,910)	(1,223,739)	(925,131)	(1,154,779)

* The names and purposes of each outcomes are summarised below.

	Excellence in customer service ⁽ⁱ⁾		Digital leadership and innovation in government services ⁽ⁱⁱ⁾		Fair, secure and efficient markets ⁽ⁱⁱⁱ⁾		Total	
	2022 \$'000	2021 \$'000	2022 \$'000	2021 \$'000	2022 \$'000	2021 \$'000	2022 \$'000	2021 \$'000
ADMINISTERED EXPENSES AND INCOME								
Administered Expenses								
Other	479,500	379,290	-	-	-	-	479,500	379,290
Transfer payments	1,200,097	398,412	-	-	-	-	1,200,097	398,412
Total Administered Expenses	1,679,597	777,702	-	-	-	-	1,679,597	777,702
Administered Revenues								
Licences, taxes, fees and fines	36,771,569	31,895,094	-	-	97,354	106,786	36,868,923	32,001,880
Other	140	162	-	-	3,792,806	1,470,062	3,792,946	1,470,224
Transfer payments	1,231,346	607,949	-	-	-	-	1,231,346	607,949
Total Administered Revenues	38,003,055	32,503,205	-	-	3,890,160	1,576,848	41,893,215	34,080,053
Administered Revenues less Expenses	36,323,458	31,725,503	-	-	3,890,160	1,576,848	40,213,618	33,302,351

Administered Expenses and Revenues are disclosed in detail in Note 30 and 31 respectively.
Administered Assets and Liabilities are disclosed in Note 29.

State Outcome Descriptions

(i) Excellence in customer service

This Outcome focuses the Department's efforts towards a customer-centred approach across the NSW Government, resulting in better customer experiences and easier transactions. This Outcome measures the availability of digital transactions, customer satisfaction with government services, and the number of services where customers only need to 'Tell us Once'.

(ii) Digital leadership and innovation in government services

The Department aims to invest in innovation and technology to increase and improve digital availability, reliability and security of NSW Government platforms, information and services. This Outcome measures digital government readiness and the public safety coverage and operation of the Critical Communications Enhancement Program.

(iii) Fair, secure and efficient markets

The Department has a fundamental objective of delivering a regulatory framework that promotes safety, efficiency and regulatory requirements that meets the evolving expectations of businesses and customers. This Outcome measures the regulatory compliance rates of selected industries, the rate of work-related traumatic injury fatalities and the affordability of the Compulsory Third Party Insurance scheme.

6. CURRENT ASSETS - CASH AND CASH EQUIVALENTS

	2022 \$'000	2021 \$'000
Cash at bank and on hand	272,279	161,979
TCorp IM Funds Cash facility	797	797
Motor vehicle reserve (a)	-	28,808
Other restricted cash (b)	269,612	283,114
	542,688	474,698

For the purposes of the Statement of Cash Flows, cash and cash equivalents includes cash at bank, cash on hand, motor vehicle reserve and special purpose funds.

Cash and cash equivalent assets recognised in the Statement of Financial Position are reconciled at the end of the financial year as shown to the Statement of Cash Flows as follows:

	2022 \$'000	2021 \$'000
Cash and cash equivalents (per Statement of Financial Position)	542,688	474,698
Closing cash and cash equivalents (per Statement of Cash Flows)	542,688	474,698

Refer to Note 33 for details regarding credit risk and market risk arising from financial instruments.

(a) Motor vehicle reserve

	2022 \$'000	2021 \$'000
Motor vehicle reserve	-	28,808

The purpose of Motor vehicle reserve is to manage the residual risk of the fleet. StateFleet has been decommissioned, with all vehicles disposed. The remaining balance of the Motor Vehicle Reserve was transferred to NSW Treasury during the year and the bank account was closed thereafter.

(b) Other restricted cash

	2022 \$'000	2021 \$'000
Motor Dealers Compensation Fund (i)	19,432	19,086
Property Services Compensation Fund (ii)	16,188	14,396
Property Statutory Interest Account (iii)	140,135	186,847
Home Building Administration Fund (iv)	50,620	30,901
Torrens Assurance Fund (v)	22,701	18,503
Tow Truck Industry Fund (vi)	12,327	11,632
NSW Consumer Law Fund (vii)	104	94
Coal Mine Subsidence Compensation Fund (viii)	8,105	1,655
	269,612	283,114

(i) The *Motor Dealers Act 1974* was repealed on 1 December 2014 and was replaced by the *Motor Dealers and Repairers Act 2013*. The *Motor Dealers and Repairers Act 2013* established the **Motor Dealers and Repairers Compensation Fund** to provide protection to persons who have suffered a loss in connection with a motor vehicle through their dealings with a motor dealer or a car-market operator. Licensing fees paid by full dealers and car-market operators finance the fund. Claims are usually made on the fund when a motor dealer ceases to trade either on a voluntary basis or a forced closure.

(ii) The *Property, Stock and Business Agents Act 2002* established the **Property Services Compensation Fund** which is supported by:

- investment income earned on the investments of the fund;
- contributions or levies paid by licensees; and
- other lawful receipts.

The money in the Compensation Fund is applied to:

- payment of claims, as provided by the Act;
- legal expenses in relation to claims, licensing objections and complaints for cancellation, incurred in relation to the Fund;
- the expense involved in the administration of the Fund; and
- other lawful expenses.

(iii) The **Property Statutory Interest Account** is supported by interest earned on trust money held by real estate agents and investments made by DCS.

The account is used to meet the costs of administering the *Property, Stock and Business Agents Act 2002* and various other Acts, supplement the Compensation Fund when required, pay grants to various government and non-government agencies and invest in schemes to provide residential accommodation.

(iv) **The Home Building Administration Fund** is supported by:

- prescribed fees for contractor licences, registration certificates, owner-builder permits and building consultancy licences;
- investment income earned on the investments of the Fund; and
- other lawful receipts.

The money in the Home Building Administration Fund is applied to:

- meeting the costs of operating the scheme;
- meeting the costs of administering the *Home Building Act 1989*; and
- the making of any authorised investments.

(v) The **Torrens Assurance Fund** is a statutory compensation scheme designed to compensate people who, through no fault of their own, suffer loss or damage as a result of the operation of the *Real Property Act 1900* ("RPA").

Payment from the Fund is permitted if loss has been suffered in respect of land resulting from:

- an act or omission of the Registrar General;
- the registration of someone else as the owner of land/an estate or interest in land;
- an error, misdescription or omission in the Register;
- the land being converted to Torrens Title;
- fraud;
- an error or omission in an official search; or
- an error in recording details supplied in a Notice of Sale.

The Registrar General has delegated titling and registry functions to an authorised operator. Therefore, any loss or damage suffered as a result of an act or omission of the authorised operator can be made against the Fund.

(vi) **The Tow Truck Industry Fund** is supported by:

The *Tow Truck Industry Act 1998* and the *Tow Truck Industry Regulation 2008* regulate the Tow truck industry. The *Tow Truck Industry Act 1998* – Sect 91 established the Tow Truck Industry Fund, the Fund is a continuation of the Tow Truck Industry operating under the *Tow Truck Act 1989* immediately before the repeal of that Act by this Act.

From 1 July 2017, the administrative function of tow trucks was transferred from Roads and Maritime Services to NSW Fair Trading, which is now responsible for the licensing and regulation of tow truck operations in NSW.

The Tow Truck Industry Fund is supported by:

- all money received by or on account of the Secretary under this Act
- all penalties for offences under this Act and the regulations that are recovered in prosecutions brought by, or penalty notices issued by, the Secretary or authorised officers
- all money borrowed by or advanced to the Secretary for the purposes of this Act or appropriated by Parliament for the purposes of the Secretary under this Act.
- the proceeds of the investment of money in the Fund, and
- all other money required by or under this or any other Act to be paid into the Fund

The money in the Tow Truck Industry Fund is applied to:

- all amounts required to meet expenditure incurred in the administration or execution of this Act and the regulations, and
- all payments made on account of the Secretary under this Act or otherwise required to meet expenditure incurred in relation to the functions of the Secretary under this Act, and

Tow Truck Industry Act 1998 – Sect 92 established the Secretary may invest money in the Tow Truck Industry Fund:

- in such manner as may be authorised by the *Government Sector Finance Act 2018*, or
- if that Act does not confer power on the Department to invest the money, in any other manner approved by the Minister with the concurrence of the Treasurer.

(vii) **The Fair Trading Act 1987** – Sect 79Y established the NSW Consumer Law Fund. The NSW Consumer Law Fund is to receive:

- any pecuniary penalty ordered by a court under section 224 of the *Australian Consumer Law* (“ACL”) to be paid to the State, and
- any amount ordered by a court under section 239 (1) of the ACL to be paid into the Fund, and
- the proceeds of the investment of money in the Fund, and
- any money directed to be paid into the Fund by or under this or any other Act.

The money in the NSW Consumer Law Fund is to pay:

- money to non-party consumers in accordance with an order under section 239 (1) of the ACL, and
- special purpose grants for improving consumer well-being, consumer protection or fair trading, and
- administrative expenses incurred in relation to the Fund, and
- money that is directed to be paid from the Fund by or under this or any other Act.

Subject to the regulations, money is to be paid out of the Fund in accordance with the directions of the Minister made on the recommendation of the Secretary. Any amount ordered by a court under section 239 (1) of the ACL to be paid into the Fund must not be paid out of the Fund except in accordance with the terms of the order. The Minister may, on the recommendation of the Secretary, invest money in the Fund in such manner as may be authorised by the *Government Sector Finance Act 2018*.

(viii) **Coal Mine Subsidence Compensation Fund** - Part 5 of the *Coal Mine Subsidence Compensation Act 2017* (Act) establishes a Special Deposits Account called the Coal Mine Subsidence Compensation Fund into which annual levies are received from proprietors of coal mines. The Fund supports the objective of the Act being to provide a compensation framework for dealing with impacts of coal mine subsidence, regulate development in mine subsidence districts and provide 24 hour response to emergency subsidence calls.

7. OTHER FINANCIAL ASSETS

	2022 \$'000	2021 \$'000
Current		
Receivables on finance leases as lessor	-	22,672
Non-current		
Receivables on finance leases as lessor	-	26,070

Receivables on finance leases as lessor

Leases that the entity transfers substantially all the risks and rewards incidental to ownership of an asset are classified as finance leases.

At the lease commencement date, the entity recognises a receivable for assets held under a finance lease in its statement of financial position at an amount equal to the net investment in the lease. The net investment in leases is classified as financial assets amortised cost and equals the lease payments receivable by a lessor and the unguaranteed residual value, plus initial direct costs, discounted using the interest rate implicit in the lease initial direct costs or the incremental borrowing rate where the implicit interest rate is not readily determined.

Derecognition of finance leases

DCS has made an assessment of its lease arrangements as a lessor and has determined that the circumstances at year end do not reflect the lease arrangements as a finance lease. As such, the sublease arrangements shall be recognised as operating leases and on-going amounts receivable for the period shall be reflected as operating lease revenue in the Statement of Comprehensive Income and no further amounts are to be recognised as finance lease receivables as at 30 June 2022.

DCS has undertaken an impairment assessment for the above finance lease receivable and the impact is immaterial.

Future minimum rentals receivable (undiscounted) under non-cancellable finance lease as at 30 June are, as follows:

	2022 \$'000	2021 \$'000
Within one year	-	23,214
Later than one year but not later than two years	-	23,920
Later than two years but not later than three years	-	2,365
Later than three years but not later than four years	-	-
	-	49,499

	2022	2021
	\$'000	\$'000
During the financial year, DCS as the lessor has resulted in the following:		
(i) Selling profit or loss	-	-
(ii) Finance income (lease interest income)	52,653	782
(iii) Income relating to variable lease payments not included in the measurement of the net investment in the lease	-	-

8. CURRENT / NON-CURRENT ASSETS - RECEIVABLES

	2022	2021
	\$'000	\$'000
Current		
Prepayments	43,192	18,151
Other	14,018	7,922
	<u>57,210</u>	<u>26,073</u>
Sale of goods and services	68,979	79,209
Less: Allowance for expected credit losses*	(176)	(4,731)
	<u>68,803</u>	<u>74,478</u>
Retained taxes, fees and fines	18,583	16,076
Less: Allowance for expected credit losses*	(16,588)	(14,741)
	<u>1,995</u>	<u>1,335</u>
Total Current Receivables	<u>128,008</u>	<u>101,886</u>

	2022	2021
	\$'000	\$'000
<i>* Movement in the allowance for expected credit losses</i>		
<u>Sale of goods and services</u>		
Balance at beginning of year	4,731	504
Transfers through administrative restructure	(52)	-
Amounts written off during the year	-	(51)
Amounts recovered during the year	-	-
Increase/(decrease) recognised in profit or loss (Note 4(b))	(4,503)	4,278
Balance at end of year	<u>176</u>	<u>4,731</u>
<u>Retained taxes, fees and fines</u>		
Balance at beginning of year	14,741	16,080
Amounts written off during the year	-	(377)
Increase/(decrease) recognised in profit or loss (Note 4(b))	1,847	(962)
Balance at end of year	<u>16,588</u>	<u>14,741</u>

Details regarding credit risk of trade receivables that are neither past due nor impaired, are disclosed in Note 33.

Recognition and Measurement

Receivables

Receivables are initially recognised at fair value plus any directly attributable transaction costs. Trade receivables that do not contain a significant financing component are measured at the transaction price. Short term receivables with no stated interest rate are measured at the original invoice amount where the effect of discounting is immaterial.

Subsequent measurement

DCS holds receivables with the objective to collect the contractual cash flows and therefore measures them at amortised cost using the effective interest method, less any impairment. Changes are recognised in the net result for the year when impaired, derecognised or through the amortisation process.

Impairment

DCS recognises an allowance for Expected Credit Losses ("ECL") for all financial assets not held at fair value through profit or loss. ECLs are based on the difference between the contractual cash flows and the cash flows that DCS expects to receive, discounted at the original effective interest rate.

For trade receivables, DCS applies a simplified approach in calculating ECLs. DCS recognises a loss allowance based on lifetime ECLs at each reporting date. DCS has established a provision matrix based on its historical credit loss experience for trade receivables, adjusted for forward-looking factors specific to the receivable.

9. CONTRACT ASSETS AND LIABILITIES

	2022	2021
	\$'000	\$'000
Current		
Contract assets	9,865	23,373
Contract liabilities	63,310	52,492

Recognition and Measurement

Contract assets relate to DCS's right to consideration in exchange for works performed/services rendered, but not yet billed up to reporting date.

The decrease in contract assets is mainly due to billings made prior to end of financial year and recognised as Receivables in Note 8.

Contract liabilities relate to consideration received in advance from customers. The balance of contract liabilities at mainly consists of low value and short term license fees recognised on a straight line basis over the period of the licence and grants received to construct non-financial assets and will be recognised as revenue as the performance obligations are satisfied.

	2022	2021
	\$'000	\$'000
Revenue recognised that was included in the contract liability balance at the beginning of the year	36,889	39,688
Revenue recognised from performance obligations satisfied in previous periods	-	-
Transaction price allocated to the remaining performance obligations from contracts with customers	63,310	52,492

All of the contract liabilities are expected to be satisfied of its obligations and recognised as revenue in the next financial year.

10. CURRENT ASSETS - INVENTORIES

	2022	2021
	\$'000	\$'000
Current		
Motor vehicle inventory held for resale	-	87

Recognition and Measurement

Inventories held for distribution are stated at cost, adjusted when applicable, for any loss of service potential. A loss of service potential is identified and measured based on the existence of a current replacement cost that is lower than the carrying amount. Inventories (other than those held for distribution) are stated at the lower of cost and net realisable value. Cost is calculated using the weighted average cost method.

The cost of inventories acquired at no cost or for nominal consideration is the current replacement cost as at the date of acquisition. Current replacement cost is the cost DCS would incur to acquire the asset as at the end of the reporting period. Net realisable value is the estimated selling price in the ordinary course of business less the estimated costs of completion and the estimated costs necessary to make the sale.

Motor vehicle inventory held for resale is not applicable for 2022.

On 1 July 2016, StateFleet was decommissioned and replaced with a new fleet supply model. In 2022, the remaining fleet was sold, as a result, StateFleet has been completely wound down.

11. NON-CURRENT ASSETS HELD FOR SALE

	2022	2021
	\$'000	\$'000
Current		
Loose Fill Asbestos Land Assets ⁽ⁱ⁾	1,749	4,523
Subsidence Advisory Properties held for resale ⁽ⁱⁱ⁾	6,981	14,389
	8,730	18,912

(i) Loose Fill Asbestos Land Assets

The properties held for sale were acquired for asbestos removal in accordance with the *Loose-Fill Asbestos Eradication Scheme 2014*, and are restored to a safe and marketable condition. Any work done is capitalised as cost of property and assessed against the market value and any adjustment/ impairment is recognised to reflect the property at lower of cost or net realisable value, which is the estimated selling price less selling costs in the ordinary course of business. The full proceeds of the sale, net of selling costs, are returned to the Crown.

(ii) Subsidence Advisory Properties held for resale

The properties held for sale have been purchased as a result of subsidence claims in accordance with the *Coal Mine Subsidence Compensation Act 2017*. The practice is to remediate the effects of the subsidence and to restore the property to a marketable condition. Any impairment on the purchase price to net market value is recognised as a claims expense. Properties held are recorded at the lower of cost or net realisable value – which is the estimated selling price less selling costs in the ordinary course of business. The full proceeds of the sale, net of selling costs, are returned to the Special Deposits Account called the Coal Mine Subsidence Compensation Fund.

Recognition and Measurement

DCS has land assets classified as held-for-sale, where their carrying amount will be recovered principally through a sale transaction, not through continuing use. Non-current assets held-for-sale are recognised at the lower of their carrying amount and fair value less costs of disposal. These assets are not depreciated / amortised while they are classified as held-for-sale.

12. FINANCIAL ASSETS AT FAIR VALUE

	2022	2021
	\$'000	\$'000
Current Assets		
Derivatives	-	19
TCorp IM Funds – Medium Term Growth* ⁽ⁱ⁾	14,409	10,174
	14,409	10,193
Non-Current Assets		
TCorp IM Funds – Medium Term Growth* ⁽ⁱ⁾	66,174	75,945

* These are related party transactions in addition to those disclosed in Note 28 *Related Party Disclosures*.

(i) This relates to cash, money market instruments, Australian and international bonds, listed property and Australian shares held within Subsidence Advisory NSW; and invested with NSW Treasury Corporation ("Tcorp"), a related party entity.

Refer to Note 33 for further information regarding fair value measurement, credit risk and market risk arising from financial instruments.

Recognition and Measurement

All 'regular way' purchases or sales of financial assets are recognised and derecognised on a trade date basis. Regular way purchases or sales are purchases or sales of financial assets that require delivery of assets within the time frame established by regulation or convention in the marketplace.

Classification and measurement

DCS financial assets at fair value are classified, at initial recognition, and subsequently measured at either fair value through other comprehensive income or fair value through profit or loss. Transaction costs of financial assets carried at fair value through profit or loss are expensed in net results. Transaction costs of financial assets carried as other comprehensive income are included as part of their fair value and amortised to net results using the effective interest method.

Financial assets at fair value through other comprehensive income

DCS measures financial assets at fair value through other comprehensive income when they are held for both collection of contractual cash flows and for selling the financial assets, and where the assets' cash flows represent solely payments of principal and interest.

Movements in the carrying amount are taken through other comprehensive income, except for the recognition of impairment gains or losses, interest income and foreign exchange gains and losses which are recognised in net results. When the financial asset is derecognised, the cumulative gain or loss previously recognised in other comprehensive income is reclassified from equity to net results and recognised in other gains/(losses).

Interest income from these financial assets is included in investment revenue using the effective interest method. Foreign exchange gains and losses are presented in other gains/(losses) and impairment expenses are presented as separate line item in the statement of comprehensive income.

DCS has elected to classify irrevocably its equity investments in ordinary shares as designated at fair value through other comprehensive income, that would otherwise be measured at fair value through profit or loss. These equity investments meet the definition of equity instruments under AASB 132 Financial Instruments: Presentation and are not held for trading. The classification is determined on an instrument-by-instrument basis.

Gains and losses on these financial assets are never recycled to profit or loss. Dividends are recognised as income under 'investment revenue' when the right of payment has been established.

Financial assets at fair value through profit or loss

Financial assets at fair value through profit or loss include financial assets held for trading, financial assets designated upon initial recognition at fair value through profit or loss, or financial assets mandatorily required to be measured at fair value under AASB 9.

Financial assets are held for trading if acquired for the purpose of selling or repurchasing in the near term. Derivatives, including separated embedded derivatives, are also classified as held for trading unless they are designated as effective hedging instruments.

Financial assets with cash flows that are not solely payments of principal and interest are classified and measured at fair value through profit or loss, irrespective of the business model. TCorpIM Funds are managed and their performance is evaluated on a fair value basis and therefore the business model is neither to hold to collect contractual cash flows or sell the financial asset. Hence these investments are mandatorily required to be measured at fair value through profit or loss.

Notwithstanding the criteria to be classified at amortised cost or at fair value through other comprehensive income, financial assets may be designated at fair value through profit or loss on initial recognition if doing so eliminates, or significantly reduces, an accounting mismatch.

A gain or loss on a financial asset that is subsequently measured at fair value through profit or loss is recognised in net results and presented net within other gains/(losses), except for TCorpIM Funds that are presented in 'investment revenue' in the period in which it arises.

Impairment of financial assets at fair value through other comprehensive income

DCS recognises an allowance for ECLs for all debt instruments not held at fair value through profit or loss. ECLs are based on the difference between the contractual cash flows due in accordance with the contract and all the cash flows that DCS expects to receive, discounted at an approximation of the original effective interest rate. The expected cash flows will include cash flows from the sale of collateral held or other credit enhancements that are integral to the contractual terms.

ECLs are recognised in two stages. For credit exposures for which there has not been a significant increase in credit risk since initial recognition, ECLs are provided for credit losses that result from default events that are possible within the next 12-months (a 12-month ECL). For those credit exposures for which there has been a significant increase in credit risk since initial recognition, a loss allowance is required for credit losses expected over the remaining life of the exposure, irrespective of the timing of the default (a lifetime ECL). In addition, DCS considers that there has been a significant increase in credit risk when contractual payments are more than 30 days past due.

DCS's debt financial assets classified as financial assets at fair value through other comprehensive income are issued by financial institutions that have strong credit ratings and, therefore, considered to be low credit risk investments. Hence, DCS measures the loss allowance for these debt financial assets at an amount equal to 12-month ECL. However, when there is a significant increase in credit risk since origination, the allowance will be based on the lifetime ECL.

DCS uses the ratings from external credit rating agencies both to determine whether there has been a significant increase in credit risk on the debt financial assets and to estimate ECLs. These estimates are performed at every reporting date.

Equity instruments designated at fair value through other comprehensive income are not subject to impairment assessment.

Derecognition of financial asset

A financial asset is derecognised when the contractual rights to the cash flows from the financial assets expire; or if the agency transfers the financial asset:

- where substantially all the risks and rewards have been transferred; or
- where DCS has not transferred substantially all the risks and rewards, if the agency has not retained control.

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

13. NON-CURRENT ASSETS - PROPERTY, PLANT AND EQUIPMENT AND RIGHT-OF-USE ASSETS

(a) Property, Plant and Equipment

	Land and Buildings \$'000	Plant and Equipment \$'000	Motor Vehicles \$'000	Leasehold Improvements \$'000	Work in Progress \$'000	Total \$'000
1 July 2020 – fair value						
Gross carrying amount	37,490	121,886	68,799	97,629	5,157	330,961
Accumulated depreciation and impairment	(3,875)	(105,193)	(43,264)	(39,937)	-	(192,269)
Net carrying amount	33,615	16,693	25,535	57,692	5,157	138,692
Year ended 30 June 2021						
Net carrying amount at beginning of year	33,615	16,693	25,535	57,692	5,157	138,692
Transfer to / from Work in Progress	-	606	-	130	(736)	-
Additions (current year expenditure)	640	1,119	-	5,908	8,074	15,741
Transfers to Motor Vehicle Inventory	-	-	(21,919)	-	-	(21,919)
Transfers to Assets Held for Sale	(3,117)	-	-	-	(497)	(3,614)
Depreciation expense	(431)	(6,781)	(3,457)	(8,639)	-	(19,308)
Disposals	-	(1,148)	-	(5,096)	-	(6,244)
Write-offs	-	(135)	-	(2,739)	-	(2,874)
Impairment losses (recognised in other gain/losses)	-	(5)	-	-	-	(5)
Net carrying amount at end of year	30,707	10,349	159	47,256	11,998	100,469
30 June 2021 – fair value						
Gross carrying amount	35,014	86,432	765	64,977	11,998	199,186
Accumulated depreciation and impairment	(4,307)	(76,083)	(606)	(17,721)	-	(98,717)
Net carrying amount	30,707	10,349	159	47,256	11,998	100,469
Year ended 30 June 2022						
Net carrying amount at beginning of year	30,707	10,349	159	47,256	11,998	100,469
Transfer to / from Work in Progress	-	268	-	-	(268)	-
Additions (current year expenditure)	-	3,370	-	105	22,358	25,833
Transfers to Motor Vehicle Inventory	-	-	(146)	-	-	(146)
Transfers through administrative restructure	-	172	-	-	-	172
Depreciation expense	(444)	(4,681)	(13)	(327)	-	(5,465)
Disposals	-	(202)	-	(22)	-	(224)
Revaluation	5,547	-	-	-	-	5,547
Net carrying amount at end of year	35,810	9,276	-	47,012	34,088	126,186
30 June 2022 – fair value						
Gross carrying amount	35,979	61,649	-	63,731	34,088	195,447
Accumulated depreciation and impairment	(169)	(52,373)	-	(16,719)	-	(69,261)
Net carrying amount	35,810	9,276	-	47,012	34,088	126,186

As a result of the Service Concession Arrangement, DCS (as the grantor) is deemed to have control over some of the plant and equipment held by the operator in accordance with AASB 1059 with a corresponding increase in service concession liabilities. The net carrying amount of plant and equipment capitalised in line with the Service Concession Arrangement at 30 June 2022 is \$0.63 million (30 June 2021: \$1.61 million).

Further details regarding the fair value measurement of property, plant and equipment are disclosed in Note 15.

Recognition and Measurement

Acquisition of property, plant and equipment

Property, plant and equipment are initially recognised at cost and subsequently revalued at fair value less accumulated depreciation and impairment. Cost is the amount of cash or cash equivalents paid or the fair value of the other consideration given to acquire the asset at the time of its acquisition or construction or, where applicable, the amount attributed to that asset when initially recognised in accordance with the requirements of other Australian Accounting Standards.

Fair value is the price that would be received to sell an asset in an orderly transaction between market participants at measurement date.

Where payment for an item is deferred beyond normal credit terms, its cost is the cash price equivalent, i.e. the deferred payment amount is effectively discounted over the period of credit.

Assets acquired at no cost, or for nominal consideration, are initially recognised at their fair value at the date of acquisition (see also assets transferred as a result of an administrative restructure - Note 22).

Capitalisation Thresholds

Property, plant and equipment and intangible assets are capitalised if it individually costs above a certain threshold which varies depending on the asset classes.

Major Inspection Costs

When a major inspection is performed, the labour cost of performing major inspections for faults is recognised in the carrying amount of an asset as a replacement of a part, if the recognition criteria are satisfied.

Restoration Costs

The present value of the expected cost for the restoration or cost of dismantling of an asset after its use is included in the cost of the respective asset if the recognition criteria for a provision are met.

Maintenance

Day-to-day servicing costs or maintenance are charged as expenses as incurred, except where they relate to the replacement of a part or component of an asset, in which case the costs are capitalised and depreciated.

Depreciation

Depreciation is provided for on a straight line basis for all depreciable assets so as to write off the depreciable amount of each asset as it is consumed over its useful life to DCS.

All material identifiable components of assets are depreciated separately over their useful lives. Land is not a depreciable asset.

The value of the assets is depreciated within the useful lives of each asset class as follows:

Buildings and improvements	26 to 50 years
Major computer hardware	4 years
Computer equipment – portable	3 years
Furniture and fittings	10 years
Office equipment	5 years
Motor vehicles	5 years
Leasehold improvements	shorter of lease period or estimated useful lives

Refer to note 14 for intangible assets amortisation rates used.

Revaluation of Property, Plant and Equipment

Physical non-current assets are valued in accordance with the 'Valuation of Physical Non-Current Assets at Fair Value' Policy and Guidelines Paper (TPP21-09) and Treasurer's Direction, 'Valuation of Physical Non-Current Assets at Fair Value' (TD21-05). TD21-05 and TPP21-09 adopts fair value in accordance with AASB 116 Property, Plant and Equipment and AASB 13 Fair Value Measurement.

Property, plant and equipment is measured at the highest and best use by market participants that is physically possible, legally permissible and financially feasible. The highest and best use must be available at a period that is not remote and take into account the characteristics of the asset being measured, including any socio-political restrictions imposed by government. In most cases, after taking into account these considerations, the highest and best use is the existing use. In limited circumstances, the highest and best use may be a feasible alternative use, where there are no restrictions on use or where there is a feasible higher restricted alternative use.

DCS's fair value of property, plant and equipment is based on market participants' perspective, using valuation techniques (market approach, cost approach and income approach) that maximise relevant observable inputs and minimise unobservable inputs. Also refer to Note 15 for further information regarding fair value.

Revaluations are made with sufficient regularity to ensure the carrying amount of each asset in the class does not differ materially from its fair value at reporting date. DCS conducts a comprehensive revaluation of land and buildings every three years. The last comprehensive revaluation was completed on 31 March 2022 and was based on an independent assessment. Other non-current assets are assessed by management to ensure that the carrying amount of each asset in the class does not differ materially from its fair value at the end of the reporting period.

Interim revaluations are conducted between comprehensive revaluations where cumulative changes to indicators suggest fair value may differ materially from carrying value. DCS used external professionally qualified valuers to conduct the comprehensive valuation as at 30 June 2022.

Non-specialised assets with short useful lives are measured at depreciated historical cost, as an approximation of fair value. DCS has assessed that any difference between fair value and depreciated historical cost is unlikely to be material.

For other assets valued using other valuation techniques, any balances of accumulated depreciation at the revaluation date in respect of those assets are credited to the asset accounts to which they relate. The net asset accounts are then increased or decreased by the revaluation increments or decrements.

Revaluation increments are credited directly to the asset revaluation surplus, except that, to the extent that an increment reverses a revaluation decrement in respect of that class of asset previously recognised as a loss in the net result, the increment is recognised immediately as a gain in the net result. Revaluation decrements are recognised immediately as a loss in the net result, except to the extent that it offsets an existing revaluation surplus on the same class of assets, in which case, the decrement is debited directly to the asset revaluation surplus.

As a not-for-profit entity, revaluation increments and decrements are offset against one another within a class of non-current assets, but not otherwise. When revaluing non-current assets using the cost approach, the gross amount and the related accumulated depreciation are separately restated. Where an asset that has previously been revalued is disposed of, any balance remaining in the revaluation surplus in respect of that asset is transferred to accumulated funds.

The residual values, useful lives and methods of depreciation of property, plant and equipment are reviewed at each financial year end.

DCS has adopted the option to not apply AASB 16 to assets that would be classified as service concession assets in accordance with *AASB 1059 Service Concession Arrangements: Grantors*. DCS continues to apply its existing accounting policy to these assets until AASB 1059 is applied.

Impairment of Property, Plant and Equipment

As a not-for-profit entity with no cash generating units, impairment under AASB 136 *Impairment of Assets* is unlikely to arise. As property, plant and equipment is carried at fair value or an amount that approximates fair value, impairment can only arise in the rare circumstances such as where the costs of disposal are material. Specifically, impairment is unlikely for not-for-profit entities given that AASB 136 modifies the recoverable amount test for non-cash generating assets of not-for-profit entities to the higher of fair value less costs of disposal and depreciated replacement cost, where depreciated replacement cost is also fair value.

DCS assesses at each reporting date whether there is an indication that an asset may be impaired. If any indication exists, or when annual impairment testing for an asset is required, DCS estimates the asset's recoverable amount. When the carrying amount of an asset exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount.

As a not-for-profit entity, an impairment loss is recognised in the net result to the extent the impairment loss exceeds the amount in the revaluation surplus for the class of asset. After an impairment loss has been recognised, it is reversed only if there has been a change in the assumptions used to determine the asset's recoverable amount. The reversal is limited so that the carrying amount of the asset does not exceed its recoverable amount, nor exceed the carrying amount that would have been determined, net of depreciation, had no impairment loss been recognised for the asset in prior years. The reversal is recognised in other comprehensive income and is treated as a revaluation increase, except to the extent that an impairment loss on the same class of asset was previously recognised in the net result.

(b) Right-of-Use Assets

The following table presents right-of-use assets that do not meet the definition of investment property.

	Land and Buildings \$'000	Plant and Equipment \$'000	Motor Vehicles \$'000	Total \$'000
At 1 July 2020 – fair value				
Gross carrying amount	517,609	32	4,406	522,047
Accumulated depreciation and impairment	(86,485)	(17)	(1,571)	(88,073)
Net carrying amount	431,124	15	2,835	433,974
Year ended 30 June 2021				
Net carrying amount at beginning of year	431,124	15	2,835	433,974
Additions	5,930	287	865	7,082
Depreciation expense	(38,424)	(91)	(1,673)	(40,188)
Assets transferred in from/(out to) other agencies	5,282	-	-	5,282
Impairment adjustments	(34,970)	-	-	(34,970)
Lease remeasurement	(41,734)	-	-	(41,734)
Other adjustments	(1,945)	-	-	(1,945)
Net carrying amount at end of year	325,263	211	2,027	327,501
At 1 July 2021 – fair value				
Gross carrying amount	483,023	320	5,237	488,580
Accumulated depreciation and impairment	(157,760)	(109)	(3,210)	(161,079)
Net carrying amount	325,263	211	2,027	327,501
Year ended 30 June 2022				
Net carrying amount at beginning of year	325,263	211	2,027	327,501
Additions	35,802	-	1,146	36,948
Depreciation expense	(34,069)	(76)	(1,391)	(35,536)
Assets transferred in from/(out to) other agencies	-	2	-	2
Disposals	(1,310)	-	-	(1,310)
Lease remeasurement	79,488	-	-	79,488
Other adjustments	1,799	-	-	1,799
Write offs	-	-	-	-
Impairment losses (recognised in other gain/losses)	(3,212)	-	-	(3,212)
Transfer to/from administrative restructure	84	(18)	-	66
Derecognition of right-of-use assets	(293,978)	-	-	(293,978)
Net carrying amount at end of year	109,867	119	1,782	111,768
30 June 2022 – fair value				
Gross carrying amount	180,769	276	6,383	187,428
Accumulated depreciation and impairment	(70,902)	(157)	(4,601)	(75,660)
Net carrying amount	109,867	119	1,782	111,768

Right-of-use assets under leases

Recognition and measurement

DCS assesses at contract inception whether a contract is, or contains, a lease. That is, if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration. DCS recognises lease liabilities to make lease payments and right-of-use assets representing the right to use the underlying assets, except for short-term leases and leases of low-value assets.

i. Right-of-use assets

DCS recognises right-of-use assets at the commencement date of the lease (i.e. the date the underlying asset is available for use). Right-of-use assets are initially measured at the amount of initial measurement of the lease liability, adjusted by any lease payments made at or before the commencement date and lease incentives, any initial direct costs incurred, and estimated costs of dismantling and removing the asset or restoring the site. The right-of-use assets are subsequently measured at cost. They are depreciated on a straight-line basis over the shorter of the lease term and the estimated useful lives of the assets (refer to the useful lives of asset in Note 13(a)).

If ownership of the leased asset transfers to DCS at the end of the lease term or the cost reflects the exercise of a purchase option, depreciation is calculated using the estimated useful life of the asset. The right-of-use assets are also subject to impairment. DCS assesses, at each reporting date, whether there is an indication that an asset may be impaired. If any indication exists, or when annual impairment testing for an asset is required, the entity estimates the asset's recoverable amount. When the carrying amount of an asset exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount. After an impairment loss has been recognised, it is reversed only if there has been a change in the assumptions used to determine the asset's recoverable amount. The reversal is limited so that the carrying amount of the asset does not exceed its recoverable amount, nor exceed the carrying amount that would have been determined, net of depreciation, had no impairment loss been recognised for the asset in prior years. Such reversal is recognised in the net result.

ii. Short-term leases and leases of low-value assets

DCS applies the short-term lease recognition exemption to its short-term leases of machinery and equipment (i.e. those leases that have a lease term of 12 months or less from the commencement date and do not contain a purchase option). It also applies the lease of low-value assets recognition exemption to leases of office equipment that are considered to be low value. Lease payments on short-term leases and leases of low value assets are recognised as expense on a straight-line basis over the lease term.

iii. Leases that have significantly below-market terms and conditions principally to enable the entity to further its objectives

Right-of-use assets under leases at significantly below-market terms and conditions that are entered into principally to enable the entity to further its objectives, are measured at cost. These right-of-use assets are depreciated on a straight-line basis over the shorter of the lease term and the estimated useful lives of the assets, subject to impairment. They are not subject to revaluation.

Derecognition of right-of-use-asset

Entity as a lessee

During financial year ended 30 June 2022, DCS has accepted the changes in the office accommodation arrangements with Property NSW ("PNSW"). The main change is the introduction of the 'substitution right' clause for PNSW to relocate DCS during the term of the agreement. The clause provides PNSW with a substantive substitution right. Therefore, these agreements are no longer accounted for as a lease within the scope of AASB 16. The corresponding right of use assets and lease liabilities have been derecognised on 30 June 2022, the effective date of the new clause. The net impact of the derecognition is recognised in 'Other Gains/(Losses)' - refer to Note 4(b). From 1 July 2022, the accommodation charges will be recognised as expenses when incurred over the agreement duration.

DCS continues to carry the responsibility to make good, and to control the fit-out during the remaining occupancy period as DCS receives the economic benefits via using the fit-out or expected compensation from PNSW upon relocation. The incentives received prior to the 30 June 2022 apply to the remaining occupancy period. Therefore, the entity's accounting treatment for make-good provision and fit-out costs in relation to the relevant accommodation remains unchanged.

During the current financial year, the financial effect of revising lease terms to reflect the effect of exercising extension and termination options was an increase in recognised lease liabilities and right-of-use assets of \$79,488,000.

Impairment Losses for Right-of-Use Assets

The COVID-19 outbreak occurring throughout the current financial year had an unprecedented effect on the NSW and global economies.

The entity has therefore undertaken an impairment assessment for the above right-of-use assets, to determine whether the carrying amount exceeded their recoverable amount. Impacted right-of-use assets were written down to their recoverable amounts by reference to the right-of-use asset's fair value less costs of disposal and an impairment loss is recognised.

DCS did not recognise any impairment loss on the right-of-use assets in the current financial year (2021: \$34,970,000). Impairment losses for right-of-use assets are included in *Other Gains/(Losses)* in the Statement of Comprehensive Income, Note 4(b).

14. INTANGIBLE ASSETS

	Software \$'000	Work in progress \$'000	Service concession asset \$'000	Total \$'000
1 July 2020 (Restated)				
Cost (gross carrying amount)	401,035	16,173	791,788	1,208,996
Accumulated amortisation and impairment	(328,200)	-	-	(328,200)
Net carrying amount	72,835	16,173	791,788	880,796
Year ended 30 June 2021				
Net carrying amount at beginning of year	72,835	16,173	821,156	910,164
Service concession revaluation adjustment	-	-	(29,368)	(29,368)
Adjusted net carrying amount at beginning of year	72,835	16,173	791,788	880,796
Transfer to/from WIP	1,963	(1,963)	-	-
Additions – Internally generated	20,548	51,245	-	71,793
Additions – Externally acquired	-	1,990	-	1,990
Disposals	(6,920)	-	-	(6,920)
Write-offs	(3,730)	-	-	(3,730)
Impairment losses	-	(21,574)	-	(21,574)
Revaluation increment	-	-	18,944	18,944
Amortisation (recognised in depreciation and amortisation)	(39,492)	-	-	(39,492)
Net carrying amount at end of year	45,204	45,871	810,732	901,807
30 June 2021 (Restated)				
Cost (gross carrying amount)	361,678	67,445	810,732	1,239,855
Accumulated amortisation and impairment	(316,474)	(21,574)	-	(338,048)
Net carrying amount	45,204	45,871	810,732	901,807
Year ended 30 June 2022				
Net carrying amount at beginning of year	45,204	45,871	810,732	901,807
Transfer to/from WIP	5,863	(5,863)	-	-
Additions – Internally generated	36,014	55,826	-	91,840
Additions – Externally acquired	-	-	-	-
Disposals	(7,600)	-	-	(7,600)
Write-offs	(3)	(2,271)	-	(2,274)
Assets transferred in/(out) to other agencies	354	(6)	-	348
Transfers to/from administrative restructure	(2,141)	(19,261)	-	(21,402)
Reclassification	-	-	-	-
Impairment recovery	-	21,337	-	21,337
Impairment losses (recognised in other gain/losses)	-	(3,525)	-	(3,525)
Revaluation increment	-	-	38,053	38,053
Amortisation (recognised in depreciation and amortisation)	(28,331)	-	-	(28,331)
Net carrying amount at end of year	49,360	92,108	848,785	990,253
30 June 2022				
Cost (gross carrying amount)	346,245	92,108	848,785	1,287,138
Accumulated amortisation and impairment	(296,885)	-	-	(296,885)
Net carrying amount	49,360	92,108	848,785	990,253

As a result of the Service Concession Arrangement, DCS (as the grantor) is deemed to have control over some of the software held by the operator in accordance with AASB 1059. The net carrying amount of software capitalised in line with the Service Concession Arrangement at 30 June 2022 is \$8.81 million (30 June 2021: \$8.29 million).

Recognition and Measurement

DCS recognises intangible assets only if it is probable that future economic benefits will flow to DCS and if the cost of the asset can be measured reliably. Intangible assets are measured initially at cost. Where an asset is acquired at no or nominal cost, the cost is its fair value as at the date of acquisition. Following initial recognition, intangible assets are subsequently measured at fair value only if there is an active market. As there is no active market for DCS's intangible assets, the assets are carried at cost less any accumulated amortisation and impairment losses.

All research costs are expensed. Development costs are only capitalised when certain criteria are met.

Software is amortised using the straight-line method within a period of 4 years. No depreciation is recognised for Work in Progress and Service Concession Asset. The amortisation period and the amortisation method for an intangible asset with a finite useful life are reviewed at least at the end of each reporting period.

Intangible assets are tested for impairment where an indicator of impairment exists. If the recoverable amount is less than its carrying amount, the carrying amount is reduced to recoverable amount and the reduction is recognised as an impairment loss.

Service concession asset (SCA)

Service concession arrangements are contracts between a grantor and an operator where an operator provides public services related to a service concession asset on behalf of a public sector grantor for a specified period of time and manages at least some of those services.

Based on the DCS's assessment, the following arrangements fall in the scope of AASB 1059:

	Service concession arrangement
Name and description	This is a grantor-operator service concession arrangement to enable Australian Registry Investments (ARI) to operate the NSW Land Titling Registration Concession.
Period	35 years
Terms	Concession commenced on 30 June 2017. Total consideration of \$2.7 billion was received by DCS for the right to operate the NSW Land Titling Registry.
Rights and obligations	As per the concession deed, DCS maintains control over the Titling database. The Operator (ARI) is responsible for maintenance and operation of the Titling Database. DCS also regulates and controls the maximum price chargeable by the Operator for the core services and other price revisions over the Concession term.
Changes occurred during the FY21	None
Changes occurred during the FY22	None
The carrying amount of SCA as at 30 June 2021	\$811 million (restated)
The carrying amount of SCA as at 30 June 2022	\$849 million

i. Initial recognition

For arrangements within the scope of AASB 1059 where an operator is allowed to provide public services, DCS shall recognise a service concession asset as DCS controls the asset by regulating the services and prices of the service and have beneficial entitlement of the asset at the end of the service concession arrangement. This asset is recognised at current replacement cost in accordance with *AASB 1059 Service Concession Arrangements*. The recognition of this asset has been valued by an external valuer with experience in valuing service concession arrangements and involves certain major assumptions to derive a value which is considered true and fair under the current replacement cost valuation. The major assumptions are included under fair value measurement in Note 15.

ii. Subsequent to initial recognition

The service concession asset recognised in DCS consists of 2 components. The major component of the Service Concession Asset (SCA) is the database of land titles disclosed under Intangible Assets and a minor component of plant and equipment (including software) which DCS is legally entitled to in order for these services to be provided. The major component of the asset is expected to have an infinite useful life and not depreciated in accordance with AASB 138 and AASB 116. The plant and equipment and software is considered the depreciable portion in accordance with AASB 116 and is depreciated over its estimated useful lives as appropriate under AASB 116 and AASB 138, which is disclosed under Property, Plant and Equipment (Note 13) and software above.

The SCA has an indefinite useful life as there is a guaranteed ongoing public requirement to use the Registers for conveyancing, mortgages etc and there is no other public record of these land dealings. Therefore, the SCA has no foreseeable limit to generate revenue.

The external valuer in completing the valuation has considered the advancement of technology and its impact on the Current Replacement Cost (CRC) of the land titles registry.

Revaluation increments are credited directly to the asset revaluation surplus, except that, to the extent that an increment reverses a revaluation decrement in respect of that class of asset previously recognised as a loss in the net result, the increment is recognised immediately as a gain in the net result. Revaluation decrements are recognised immediately as a loss in the net result, except to the extent that it offsets an existing revaluation surplus on the same class of assets, in which case, the decrement is debited directly to the asset revaluation surplus.

For key valuation methodology and assumptions, refer note 15(b).

iii. At the end of the arrangement

At the end of the service concession arrangement:

- DCS will continue to account for the major component of the Service Concession Asset under Intangible assets under AASB 138 with an indefinite useful life;
- If the service concession arrangement with the grantor ceases and is not extended, the requirement to value the asset at current replacement cost under AASB 1059 also ceases and reference to fair value reverts to the appropriate approach under AASB 13 Fair Value Measurement;
- DCS will continue to account for the minor component of the asset under Property, Plant and Equipment under AASB 116 with its estimated useful lives; and
- DCS will continue to recognise these assets and will only derecognise when DCS does not have control over the asset.

15. FAIR VALUE MEASUREMENT OF NON-FINANCIAL ASSETS

Fair Value Measurement and Hierarchy

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 fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either in the principal market for the asset or liability or in the absence of a principle market, in the most advantageous market for the asset or liability.

When measuring fair value, the valuation technique used maximises the use of relevant observable inputs and minimises the use of unobservable inputs. Under AASB 13 *Fair Value Measurement*, DCS categorises, for disclosure purposes, the valuation techniques based on the inputs used in the valuation techniques as follows:

- Level 1 – quoted (unadjusted) prices in active markets for identical assets / liabilities that DCS can access at the measurement date.
- Level 2 - inputs other than quoted prices included within Level 1 that are observable, either directly or indirectly.
- Level 3 - inputs that are not based on observable market data (unobservable inputs).

DCS recognises transfers between levels of the fair value hierarchy at the end of the reporting period during which the change has occurred.

(a) Fair value hierarchy

	Level 1 \$'000	Level 2 \$'000	Level 3 \$'000	Total \$'000
30 June 2021				
Land	-	22,970	-	22,970
Buildings	-	7,737	-	7,737
Service Concession Asset - Intangibles (restated)	-	-	810,732	810,732
Net carrying amount	-	30,707	810,732	841,439
30 June 2022				
Land	-	27,076	-	27,076
Buildings	-	8,734	-	8,734
Service Concession Asset - Intangibles	-	-	848,785	848,785
Net carrying amount	-	35,810	848,785	884,595

There were no transfers between Level 1 or 2 during the year (2021: Nil).

(b) Valuation techniques, inputs and processes used to determine Level 2 and Level 3 Fair Values

DCS obtains independent valuations for its land and buildings every three years. The last revaluation was completed on 31 March 2022.

At the end of each reporting period, DCS updates its assessment of the fair value of its land and buildings, taking into account the most recent independent valuation.

The fair value of DCS's land and buildings is determined based on the best available market evidence, including current market selling prices for the same or similar assets. Where such information is not available, the asset's fair value is measured at the market buying price, the best indicator of which is depreciated replacement cost. The level 2 fair value of land and buildings has been derived using the market approach. The key inputs under this approach are from the sales of comparable land and buildings in the area.

Service Concession Asset

The valuation of the Service Concession Asset (SCA) is based on AASB 1059 requirements and the current cost of replacement approach has been used to value the SCA. Valuation methodology is based upon identifying the current cost in processing each record in a group of databases. Some significant unobservable inputs used in valuing the database includes employee expenses to replicate records, corporate overheads and major project spend to maintain the service level based on current reasonable expectation.

To perform the valuation of this asset, which comprises data more than 100 years old, this involves some major assumptions including:

- The cost of replicating each category of record is the same regardless of the age of the data. Each record type is assumed to incur the same amount of time to replicate in order to calculate the current cost of replacement
- The current replacement cost methodology is a hypothetical exercise in estimating the minimum cost to replicate the records within the database and its existing service potential
- All paper records would be available as back up for calculating the replacement cost for inputting into the Registers to replicate the database to its current state
- Electronic back-up of existing records is considered out of scope as the back up does not represent the minimum cost in replicate the Registers
- Information is readily available, however, the cost to collect source data has not been considered or included in the cost assumption model

As the asset does not have an expiry and continues to exist subsequent to the service concession arrangement, the asset has an indefinite useful life and no amortisation is incurred.

Management performs desktop valuations on a yearly basis and will perform a comprehensive revaluation at least once every 5 years in accordance with NSW Treasury guidelines. The valuation of this asset may be impacted by business restructuring, market inflation and changes in economic conditions as these factors may impact on labour in processing records and the demand from public in accessing the database.

DCS has performed a comprehensive valuation for 30 June 2022.

In applying the cost approach, we determined the CRC i.e. the minimum cost to replace the existing service potential of the Subject Assets via two methods:

- manual inputting/manipulation of records: using costs incurred by the Operator to process dealings/plans/titles volumes in a financial year (cost per record) and applying to relevant total volumes.
- digitisation/conversion costs: estimating current costs to input non digital records into ITS.

Other significant inputs include volume statistics (e.g. number of dealings, plans etc.), salary and overheads data and FTE headcount information obtained from the Operator.

c) Reconciliation of recurring Level 3 fair value measurements

	Service Concession Assets \$'000	Total Recurring Level 3 Fair value \$'000
Fair value at 1 July 2021	810,732	810,732
Revaluation increments recognised in Net result – included in 'Other gains / (losses)'	-	-
Revaluation increments recognised through Reserves	38,053	38,053
Fair value at 30 June 2022	848,785	848,785
Fair value at 1 July 2020	821,156	821,156
Service concession revaluation adjustment	(29,368)	(29,368)
Adjusted fair value at 1 July 2020	791,788	791,788
Revaluation increments recognised in Net result – included in 'Other gains / (losses)'	18,064	18,064
Revaluation increments recognised through Reserves	880	880
Fair value at 30 June 2021	810,732	810,732

16. CURRENT LIABILITIES - PAYABLES

	2022 \$'000	2021 \$'000
Accrued salaries, wages and on-costs	17,163	12,170
Creditors	147,538	90,825
Advance claims *	2,835	-
Other	20,182	2,161
	187,718	105,156

Refer Note 33 for details regarding credit risk, liquidity risk and market risk arising from financial instruments.

* These are other related party transactions in addition to those disclosed in Note 28 *Related Party Disclosures*.

Recognition and Measurement

Payables represent liabilities for goods and services provided to DCS and other amounts. Short-term payables with no stated interest rate are measured at the original invoice amount where the effect of discounting is immaterial.

Payables are financial liabilities at amortised cost, initially recognised at fair value, net of directly attributable transaction costs. These are subsequently measured at amortised cost using the effective interest method. Gains and losses are recognised in the net result when the liabilities are derecognised as well as through the amortisation process.

17. CURRENT / NON-CURRENT LIABILITIES - BORROWINGS

	2022	2021
	\$'000	\$'000
Current Liabilities		
TCorp borrowings *	-	1,221
Lease liability ⁽ⁱ⁾	22,593	52,831
	22,593	54,052
Non-Current Liabilities		
Lease liability ⁽ⁱ⁾	89,688	424,729
Total Borrowings	112,281	478,781

* These are related party transactions in addition to those disclosed in Note 28 *Related Party Disclosures*.

(i) Refer to Note 4(b) *Other Gains/(Losses)* for derecognition of lease liabilities at 30 June 2022.

Recognition and Measurement

Borrowing represents interest bearing liabilities mainly raised through NSW Treasury Corporation, lease liabilities, and other interest bearing liabilities.

Financial liabilities at amortised cost

Borrowings classified as financial liabilities at amortised cost are initially measured at fair value, net of directly attributable transaction costs. These are subsequently measured at amortised cost using the effective interest method. Gains and losses are recognised in net result when the liabilities are derecognised as well as through the amortisation process.

TCorp borrowings

DCS had ceased the loan facility with TCorp (a related party) in the current financial year.

In the prior year, 30 June 2021, the loan facility had a limit of \$650 million to fund the StateFleet Leasing Arrangement. Each month funds are drawn from this facility to cover the purchase price of motor vehicles purchased during the previous month. Monthly settlement of principal and interest are made in respect of loan funds drawn down in prior months based on repayment schedules calculated according to individual vehicle lease terms, residuals and capital costs. The monthly settlement also includes repayment of outstanding principal for vehicles disposed of during the preceding month. Borrowings are recognised at amortised cost using the effective interest method in *AASB 9 Financial Instruments*.

On 1 July 2016, StateFleet was decommissioned and replaced with a new fleet supply model. The new model consists of a panel of private sector fleet management providers and a separate panel of lessors. Since the decommissioning of StateFleet, the new panel of lessors provide the capital funding to purchase new vehicles for each agency. The existing government owned fleet is being retained and, as the leases underpinning the motor vehicles expire over a five-year period, the fleet was being sold down over that time. Accordingly, the TCorp borrowings will decline as the motor vehicle fleet is run down. As at 30 June 2022, the facility has ceased and there is nothing utilised, (30 June 2021: \$1.2 million as utilised). In 2022, the remaining fleet was sold and the TCorp borrowing has been settled, as a result, StateFleet has been completely wound down.

Details regarding credit risk, liquidity risk and market risk, including a maturity analysis of the above borrowings are disclosed in Note 33.

DCS has not designated financial liabilities at fair value through profit or loss.

Lease liabilities

	2022	2021
	\$'000	\$'000
Carrying amount at beginning of year	477,560	571,785
Additions	36,948	7,082
Lease interest	11,298	10,744
Repayment	(67,503)	(67,464)
Lease remeasurement	79,488	(41,734)
Other adjustments	(367)	(2,853)
Derecognition of lease liabilities	(425,143)	-
	112,281	477,560

At the commencement date of the lease, DCS recognises lease liabilities measured at the present value of lease payments to be made over the lease term. Lease payments include:

- fixed payments (including in substance fixed payments) less any lease incentives receivable;
- variable lease payments that depend on an index or a rate;
- amounts expected to be paid under residual value guarantees;
- exercise price of a purchase options reasonably certain to be exercised by the entity; and
- payments of penalties for terminating the lease, if the lease term reflects the entity exercising the option to terminate.

Variable lease payments that do not depend on an index or a rate are recognised as expenses (unless they are incurred to produce inventories) in the period in which the event or condition that triggers the payment occurs.

The lease payments are discounted using the interest rate implicit in the lease. If that rate cannot be readily determined, which is generally the case for the entity's leases, the lessee's incremental borrowing rate is used, being the rate that the entity would have to pay to borrow the funds necessary to obtain an asset of similar value to the right-of-use asset in a similar economic environment with similar terms, security and conditions.

After the commencement date, the amount of lease liabilities is increased to reflect the accretion of interest and reduced for the lease payments made. In addition, the carrying amount of lease liabilities is remeasured if there is a modification, a change in the lease term, a change in the lease payments (e.g., changes to future payments resulting from a change in an index or rate used to determine such lease payments) or a change in the assessment of an option to purchase the underlying asset.

DCS's lease liabilities are included in borrowings. Extension and termination options are included in a number of property and equipment leases. These terms are used to maximise operational flexibility in terms of managing contracts. The majority of extension and termination options held are exercisable only by the entity and not by the respective lessor. In determining the lease term, management considers all facts and circumstances that create an economic incentive to exercise an extension option, or not exercise a termination option. Extension options (or periods after termination options) are only included in the lease term if the lease is reasonably certain to be extended (or not terminated).

All accommodation leases relating to PNSW has been derecognised at 30 June 2022, refer details in note 13(b).

During the current financial year, the financial effect of revising lease terms to reflect the effect of exercising extension and termination options was an increase in recognised lease liabilities and right-of-use assets of \$79,488,000.

Changes in liabilities arising from financing activities

	TCorp borrowings \$'0	Leases \$'000	Total liabilities from financing activities \$'000
30 June 2020	31,973	571,785	603,758
Additions	-	7,082	7,082
Cash flows - repayment	(30,752)	(67,464)	(98,216)
Other movements	-	(33,843)	(33,843)
30 June 2021	1,221	477,560	478,781
Additions	-	36,948	36,948
Cash flows - repayment	(1,299)	(67,503)	(68,802)
Other movements	78	90,419	90,497
Derecognition of lease liabilities	-	(425,143)	(425,143)
30 June 2022	-	112,281	112,281

Financial Guarantees

A financial guarantee contract is a contract that requires the issuer to make specified payments to reimburse the holder for a loss it incurs because a specified debtor fails to make payment when due in accordance with the original or modified terms of a debt instrument.

Financial guarantee contracts are recognised as a financial liability at the time the guarantee is issued. The liability is initially measured at fair value, being the premium received. Subsequent to initial recognition, DCS's liability under each guarantee is measured at the higher of the amount initially recognised less cumulative amortisation, and an expected credit loss provision.

DCS has reviewed its open contracts for any financial guarantees and determined that there is no liability to be recognised for financial guarantee contracts as at 30 June 2022 and as at 30 June 2021.

18. CURRENT / NON-CURRENT LIABILITIES - PROVISIONS

	2022	2021
	\$'000	\$'000
Current		
Employee related provisions		
Annual leave	65,284	53,166
Long service leave	-	44
Other on-costs	38,660	38,496
	103,944	91,706
Other provisions		
Provision for outstanding claims	17,428	18,279
Make good provisions	1,303	2,043
Other	4,591	15,223
	23,322	35,545
Total current provisions	127,266	127,251
Non-current		
Employee related provisions		
Other provisions		
Provision for outstanding claims	11,527	10,561
Make good provisions	17,750	17,751
Other	-	1,500
Total non-current provisions	29,277	29,812
Total provisions	156,543	157,063
Aggregate employee benefits and related on-costs		
Provisions	103,944	91,706
Accrued salaries, wages and on-costs (Note 16)	17,163	12,170
	121,107	103,876
Provisions expected to be settled within 12 months from reporting date		
Annual leave	56,256	43,691
Long service leave	-	4
Other on-costs	16,549	12,769
Provision for outstanding claims	17,428	18,279
Make good provisions	1,303	1,789
Other	4,591	15,219
	96,127	91,751
Provisions expected to be settled in more than 12 months from reporting date		
Annual leave	9,028	9,475
Long service leave	-	40
Other on-costs	22,111	25,727
Provision for outstanding claims	11,527	10,561
Make good provisions	17,750	18,005
Other	-	1,504
	60,416	65,312

Movements in provisions (other than employee benefits)

Movements in each class of provision during the year, other than employee benefits, are set out below:

	<u>2022</u>
	<u>\$'000</u>
Provision for outstanding claims	
Carrying amount at beginning of year	28,840
Increase in provision from remeasurement	8,847
Utilisation	<u>(8,732)</u>
Carrying amount at end of year	<u><u>28,955</u></u>
Make good provisions	
Carrying amount at beginning of year	19,794
Utilisation	<u>(741)</u>
Carrying amount at end of year	<u><u>19,053</u></u>
Other provisions	
Carrying amount at beginning of year	16,723
Increase in provision from remeasurement	811
Administrative transfer	(11,013)
Utilisation	<u>(1,930)</u>
Carrying amount at end of year	<u><u>4,591</u></u>

Recognition and Measurement

Employee Benefits and related on-costs

Salaries and Wages, annual Leave and sick leave

Salaries and wages (including non-monetary benefits) and paid sick leave that are expected to be settled wholly within 12 months after the end of the period in which the employees render the service are recognised and measured at the undiscounted amounts of the benefits.

Annual leave is not expected to be settled wholly before twelve months after the end of the annual reporting period in which the employees render the related service. As such, it is required to be measured at present value in accordance with *AASB 119 Employee Benefits* (although short-cut methods are permitted).

Actuarial advice obtained by Treasury has confirmed that using the nominal annual leave balance plus the annual leave entitlements accrued while taking annual leave (calculated using 8.4% of the nominal value of annual leave) can be used to approximate the present value of the annual leave liability. DCS has assessed the actuarial advice based on the DCS's circumstances and has determined that the effect of discounting is immaterial to annual leave. All annual leave is classified as a current liability even where DCS does not expect to settle the liability within 12 months, as DCS does not have an unconditional right to defer settlement.

Unused non-vesting sick leave does not give rise to a liability as it is not considered probable that sick leave taken in the future will be greater than the benefits accrued in the future.

Long Service Leave and Superannuation

Long service leave is measured at present value of expected future payments to be made in respect of services provided up to the reporting date, in accordance with *AASB 119 Employee Benefits*. Consideration is given to certain factors based on actuarial review, including expected future wage and salary levels, experience of employee departures, and periods of services (specified in NSWTC 18/13) to employees with five or more years of service, using current rates of pay. Expected future payments are discounted using Commonwealth government bond rate at the reporting date. These factors were determined based on an actuarial review to approximate present value.

The superannuation expense for the financial year is determined by using the formulae specified in the Treasurer's Directions. The expense for certain superannuation schemes (i.e. Basic Benefit and Aware Super) is calculated as a percentage of the employees' salary. For other superannuation schemes (i.e. State Superannuation Scheme and State Authorities Superannuation Scheme), the expense is calculated as a multiple of the employees' superannuation contributions.

Long Service Leave and Superannuation Liabilities Assumed by the Crown

DCS's liabilities for long service leave and defined benefit superannuation are assumed by the Crown.

DCS accounts for the liability as having been extinguished resulting in the amount assumed being shown as part of the non-monetary revenue item described as 'Acceptance by the Crown of employee benefits and other liabilities'.

Consequential On-costs

Consequential costs to employment are recognised as liabilities and expenses where the employee benefits to which they relate have been recognised. This includes outstanding amounts of payroll tax, workers' compensation insurance premiums and fringe benefits tax.

Provision for outstanding claims

A provision is made for subsidence compensation claims when a decision has been made by the Chief Executive of Subsidence Advisory NSW (or delegate) to accept liability for a claim. The amount is based on repair estimates provided by DCS's technical or engineering staff or experts in that area of work.

A provision is made for subsidence preventative works when a decision is made by the Board (or delegate) to accept liability for carrying out mitigation works to reduce the total prospective liability to DCS. The amount is based on estimates provided by DCS's technical or engineering staff or experts in that area of work.

Claims are normally settled within 12 months of being determined but due to other circumstances they may exceed 12 months, for example, delay in information from claimants that could push the claim to beyond 12 months.

Other Provisions

Other Provisions consist of community engagement, Australian Nuclear Science and Technology Organisation ("ANSTO") and copyright royalties. Community engagement consists of issuing free birth certificates via various programs to vulnerable adults and children as well as victims of Domestic Violence, those at risk of becoming homeless, and Aboriginal and Torres Strait Islander citizens. This is sponsored by (\$1/certificate) fee collected on sale of standard certificates. ANSTO is a NSW Government Election Commitment that DCS were asked to support and fund. The policy proposed a \$12.5 million grant over five years to the ANSTO paid progressively from 2018-19. Copyright royalties can be claimed by registered surveyors who prepare plans in accordance with the 2013 order. \$3 million in copyright royalties has been collected from sales of registered plans through NSW Land Registry Services.

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Other provisions consist of Grants to Club Grants Category 3, Grants to Greyhound Capital Grants and Australian Nuclear Science and Technology Organisation (ANSTO). Grants to Club Grants Category 3 consist of grants to community organisation for infrastructure projects while Greyhound Racing Capital Grants is a Government commitment as part of the NSW Government greyhound racing reforms. The purpose of the Grants Program is to assist GRNSW (not a government agency) and its clubs improve animal welfare by upgrading greyhound racing facilities across NSW to reduce injury rates for racing dogs. Grants Program funding is protected and publicly committed by the Government solely for this purpose. ANSTO is a NSW Government Election Commitment that DCS were asked to support and fund. The policy proposed a \$12.5 million grant over 5 years to the ANSTO paid progressively from 2018-19.

Provisions are recognised when DCS has a present legal or constructive obligation as a result of a past event; it is probable that an outflow of resources will be required to settle the obligation; and a reliable estimate can be made of the amount of the obligation. When DCS expects some or all of a provision to be reimbursed, for example, under an insurance contract, the reimbursement is recognised as a separate asset, but only when the reimbursement is virtually certain. The expense relating to a provision is presented net of any reimbursement in the Statement of Comprehensive Income.

Any provisions for restructuring are recognised only when an agency has a detailed formal plan and DCS has raised a valid expectation in those affected by the restructuring that it will carry out the restructuring by starting to implement the plan or announcing its main features to those affected.

The impact of time value of money in the measurement of other provisions is considered immaterial.

19. SERVICE CONCESSION LIABILITIES

	2022	2021
	\$'000	\$'000
Current		
Grant of right to operate liability under service concession	77,725	77,596
Non-Current		
Grant of right to operate liability under service concession	2,254,037	2,327,871

Recognition and Measurement

On 12 April 2017, the State entered into a 35 year concession with the private sector to facilitate the provision of land titling and registry services. Under the concession, the State received an up-front contribution of \$2,622 million, which was repatriated to the Restart NSW Fund, and transferred employee liabilities to the private sector operator.

ICT and other assets necessary to operate the concession have legally transferred to the private sector operator and legal ownership of these assets reverts to the State at the end of the concession. The State continues to own all existing and underlying data, information and intellectual property related to titling and registry services and provides access to these assets to the operator.

As the grantor of the service concession, DCS recognises the up-front contribution and any contributed assets provided by the operator as revenue progressively over the concession term.

The amount recorded in the "Grant of right to operate liability under service concession" is the amount of consideration received by DCS in advance. This represents the commitment of DCS as the grantor to provide rights to operate the service concession asset over the remaining service concession period. This shall be recognised as revenue on a straight line basis in the future periods as the commitment as grantor diminishes over time.

20. CURRENT / NON-CURRENT LIABILITIES – OTHER LIABILITIES

	2022	2021
	\$'000	\$'000
Current		
Contribution to Crown (i)	609	15,247
Torrens Assurance Fund and Ad Valorem Levy (ii)	22,701	18,503
Liability to construct non-financial assets to be controlled by DCS ⁽ⁱⁱⁱ⁾	37,483	5,354
Other liabilities	10,805	146
	71,598	39,250
Non-Current		
Other liabilities	-	183

(i) Relates to balance owing to Crown regarding specific programs.

(ii) The Torrens Assurance Fund is a liability as a result of the *Real Property Act 1900*.

Refer to Note 6(b)(v) for further information on how the fund operates.

(iii) This consists of deferred income relating to project funding received to construct non-financial assets and unspent as at year end. The increase compared to prior year is due to the increase in the number of projects.

The increase contract liabilities is mainly due to an increase in uncompleted DRF projects as at 30 June 2022 to construct non-financial assets.

Reconciliation of financial liabilities arising from transfers to acquire or construct non-financial assets to be controlled by DCS:

	<u>2022</u>	<u>2021</u>
	<u>\$'000</u>	<u>\$'000</u>
Opening balance of liabilities arising from transfers to acquire/construct non-financial assets to be controlled by the entity	5,354	-
Add: receipt of cash during the financial year	1,146,094	53,415
Deduct: income recognised during the financial year	(1,113,965)	(48,061)
Closing balance at end of year	<u>37,483</u>	<u>5,354</u>

21. DEFINED BENEFIT SUPERANNUATION SCHEMES

30 June 2021

As part of the 2021 budget process, NSW Treasury and DCS agreed to the transfer of the net liability of defined benefit superannuation schemes held as at 1 July 2020. The value of the liability that was transferred was \$6.2 million (see Note 22). The transfer of liability is consistent with current policy to consolidate and centrally manage General Government sector employee liabilities within the Crown and was approved by the Treasurer on 29 June 2020.

22. EQUITY MOVEMENTS AND RESTRUCTURE OF ADMINISTRATIVE ARRANGEMENTS

Background

As a result of Administrative Orders detailed in note 1, the financial performance of the impacted business units have been included for only part of the year as the Administrative Orders came into effect part way through the financial year. In addition to these changes the PaTH Program was transferred out of DCS, refer (c) below.

(a) Transfer of Small Business Commissioner into DCS

This is the financial impact as a result of the *Administrative Arrangement (Administrative Changes—Miscellaneous) Order 2022* published on 16 February 2022 and *Administrative Arrangements (Second Perrottet Ministry—Transitional) Order 2021* dated 21 December 2021. This Order took effect from 1 April 2022 where *Small Business Commissioner Staff* were transferred from Treasury to DCS.

(b) Transfer of Liquor & Gaming NSW out of DCS

This is the financial impact as a result of the *Administrative Arrangement (Administrative Changes—Miscellaneous) Order 2022* published on 16 February 2022 and *Administrative Arrangements (Second Perrottet Ministry—Transitional) Order 2021* dated 21 December 2021. This Order took effect from 1 April 2022 where Hospitality and Racing (formally Liquor & Gaming NSW) was transferred to *Department of Enterprise, Investment and Trade*.

Liquor & Gaming's operations for 9 months (1 July 2021 to 31 March 2022) have been included in the net result of DCS; from 1 April 2022 it was transferred to Department of Enterprise, Investment and Trade where the remaining 3 months' operations (1 April to 30 June 2022) were recorded.

(c) PaTH (Process and Harmonisation) Program (formerly WofG ERP 2.0) transfer out of DCS

This was transferred from DCS to Stronger Communities Cluster - Department of Communities and Justice ("DCJ"). The responsibility for the delivery of the PaTH program was transferred from DCS to DCJ effective 1 November 2021.

As a result, we have prepared the comparative financial statements as follows to be more comparable by reflecting the above changes in the comparatives below.

Comparatives on the face of the financial statements

The comparatives on the face of the financial statements are the audited balances of DCS as at 30 June 2021.

The following disclosures relate to the net increase/ decrease in net assets from equity transfer at the respective dates:

	Transfer inward of Small Business Commissioner (a) \$'000	Transfer outward of Liquor & Gaming NSW (b) \$'000	Transfer outward of PaTH Program (c) \$'000	Total \$'000
Current Assets				
Cash and cash equivalents	1,225	-	-	1,225
Receivables	35	(691)	-	(656)
Contract assets	-	(21,494)	-	(21,494)
Financial assets at fair value	-	-	-	-
Total Current Assets	1,260	(22,185)	-	(20,925)
Non Current Assets				
Property, plant and equipment	172	-	-	172
Right-of-use assets	84	(18)	-	66
Intangible assets	-	(2,289)	(19,067)	(21,356)
Total Non Current Assets	256	(2,307)	(19,067)	(21,118)
TOTAL ASSETS	1,516	(24,492)	(19,067)	(42,043)
Current Liabilities				
Payables	(217)	3,787	-	3,570
Borrowings	(96)	-	-	(96)
Provisions	(502)	16,370	-	15,868
Other Liabilities	-	-	-	-
Total Current Liabilities	(815)	20,157	-	19,342
Non Current Liabilities				
Borrowings	-	19	-	19
Provisions	(10)	-	-	(10)
Total Non Current Liabilities	(10)	19	-	9
TOTAL LIABILITIES	(825)	20,176	-	19,351
Increase/ (Decrease) in Net Assets from Equity Transfer	691	(4,316)	(19,067)	(22,692)

Year ended 30 June 2021

	Long Service Corporation \$'000
Non-Current Asset	
Defined Benefit Super Schemes	1,719
Total Assets	1,719
Non-Current Liability	
Defined Benefit Super Schemes	7,905
Total Non-Current Liability	7,905
Increase/(Decrease) in Nets Assets from Equity Transfer	6,186

The Defined Benefit Superannuation ("DBS") liability of Long Service Corporation has been transferred to NSW Treasury effective from 1 July 2020. The transfer was approved by the NSW Treasurer on 29 June 2020.

Recognition and Measurement

Revaluation Surplus

The revaluation surplus is used to record increments and decrements on the revaluation of non-current assets. This is in accordance with the agency's policy on the revaluation of property, plant and equipment as outlined in Note 13(a) Property, plant and equipment.

Accumulated Funds

Accumulated Funds includes all current and prior period retained funds.

Reserves

Separate reserve accounts are recognised in the financial statements only if such accounts are required by specific legislation or Australian Accounting Standards.

Equity Transfers – Recognition and Measurement

The transfer of net assets between entities as a result of an administrative restructure, transfers of programs/functions and parts thereof between NSW public sector entities and 'equity appropriations' are designated or required by Accounting Standards to be treated as contributions by owners and recognised as an adjustment to Accumulated Funds. This treatment is consistent with *AASB 1004 Contributions* and *Australian Interpretation 1038 Contributions by Owners Made to Wholly-Owned Public Sector Entities*.

Transfers arising from an administrative restructure involving not-for-profit and for-profit government entities are recognised at the amount at which the assets and liabilities were recognised by the transferor immediately prior to the restructure. In most instances, this will approximate fair value.

All other equity transfers are recognised at fair value, except for intangibles. Where an intangible has been recognised at amortised cost by the transferor because there is no active market, DCS recognises the asset at the transferor's carrying amount. Where the transferor is prohibited from recognising internally generated intangibles, DCS does not recognise that asset.

The results of the operations of Small Business Commissioner for the current financial year have been reflected in the respective books of the transferor and DCS as follows:

Results of operations reflected in the books of:	NSW Treasury	DCS	NSW Treasury
	Small Business Commissioner	Small Business Commissioner	Small Business Commissioner
	9 months 1 July 2021 to 31 March 2022 (a) \$'000	3 months 1 April to 30 June 2022 (a) \$'000	Full year 1 July 2021 to 30 June 2021 (a) * \$'000
Expenses excluding losses			
Employee related	5,910	2,185	7,642
Operating expenses	2,885	1,671	4,606
Depreciation and amortisation	-	105	1,181
Grants and subsidies	663	-	-
Total Expenses excluding losses	9,458	3,961	13,429
Revenue			
Appropriations	-	7,203	-
(Transfers to the Crown)	146	-	-
Sale of goods and services from contracts	540	-	1,011
Grants and other contributions	-	-	278
Acceptance by the Crown of employee benefits and other liabilities	-	190	142
Total Revenue	686	7,393	1,431
Other gains/(losses)	-	(56)	-
NET RESULT/ TOTAL COMPREHENSIVE INCOME/(LOSS)	(8,772)	3,376	(11,998)

23. COMMITMENTS

Capital Commitments

	2022	2021
	\$'000	\$'000
Aggregate capital expenditure for the acquisition of information technology equipment and other equipment contracted for at balance date and not provided for:		
Not later than one year	33,830	12,671
Later than one year and not later than five years	2,229	-
Later than five years	-	-
Total (including GST)	36,059	12,671

Lease revenue commitments

Aggregate lease revenue for StateFleet motor vehicles:

	2022	2021
	\$'000	\$'000
Not later than one year	-	12
Later than one year and not later than five years	-	-
Later than five years	-	-
Total (excluding GST)	-	12

The NSW Government introduced the StateFleet Leasing Arrangement in 2003 for the provision of passenger and commercial motor vehicles to budget sector and other approved agencies.

All new motor vehicles delivered to the approved client agencies are financed under the StateFleet Leasing Arrangement. This arrangement is financed by the NSW Treasury Corporation and managed by StateFleet.

The lease agreement is a long-term rental arrangement which provides clients with a vehicle in return for a fixed monthly payment. StateFleet retains all the capital risks and costs associated with ownership of a vehicle. When the client returns the vehicle there is no residual liability on sale.

On 1 July 2016, StateFleet was decommissioned and replaced with a new fleet supply model. In 2022, the remaining fleet was sold, as a result, StateFleet has been completely wound down.

24. CONTINGENT ASSETS AND LIABILITIES

(a) Contingent Assets

DCS is not aware of any contingent assets as at reporting date.

(b) Contingent Liabilities

Insurance Claims

DCS may be liable for payment of compensation arising from claims and other matters subject to litigation. The amounts involved cannot be accurately determined and in some instances are subject to arbitration. These claims are covered by the Treasury Managed Fund.

DCS potentially have other immaterial insurance claims that would be covered by the respective business funding sources.

Transitional Arrangement for Mine Proprietors

Subsidence Advisory NSW has entered into Deeds of Agreement with the Mine Proprietors to assist them in meeting their obligations and reducing their financial burden under the new legislation framework (the Coal Mine Subsidence Compensation Act 2017). The transitional agreements end on 31 December 2022 and claims lodged must meet specific criteria before the mines are reimbursed. Therefore, the remaining exposure cannot be accurately determined at this reporting date but it is estimated to be a maximum of approximately \$26 million, which is fully covered by the Coal Mine Subsidence Compensation Fund.

Criteria is as follows:

- Subsidence must have ceased
- Proof of any payments must be provided before re-imburement will occur
- Last payment made must be less than 90 days from submission (EG last day to submit anything would be 31 March 2023 based on 31 December 2022 being the last date that an invoice was paid)
- The Agency has 30 days to notify the mine after receiving the claim

Torrens Assurance Fund

The Torrens Assurance Fund, is a special deposit account operated by DCS (refer Note 6). There are 17 claims (30 June 2021: 19 claims) against the Torrens Assurance Fund which are estimated to be \$8.87 million (30 June 2021: \$13.43 million).

25. BUDGET REVIEW

The budgeted amounts are drawn from the original budgeted financial statements presented to Parliament in respect of the reporting period. Subsequent amendments to the original budget (e.g. adjustment for transfer of functions between entities as a result of Administrative Arrangements Orders) are not reflected in the budgeted amounts. Major variances between the original budgeted amounts and the actual amounts disclosed in the financial statements are explained below.

Net result

The actual net result for DCS for 2022 is a \$208.9 million surplus (2021 restated: \$20.4 million loss) which was favourable to the budgeted net result by \$78 million.

The major revenue variations to budgets are:

- \$13.6 billion of appropriations were reclassified and treated as “transfer payments” in accordance with AASB 1050 “Administered Items”, whilst for budget purposes these were treated as appropriations (refer to note 3(a)(i)). Additionally, there was \$14.3 billion of approved variations to the appropriations budget throughout the year mainly relating to COVID stimulus measures.
- Transfers to crown of \$30 million related to State Fleet wind down and proceeds from sale of Loose Fill Asbestos which were unbudgeted.
- Retained taxes, fees and fines revenue is \$39 million favourable to budget due to higher building licensing fees and a portion of budget for licences fees being included in other revenue due to Treasury account mapping used in the budget papers.
- Grants and other contributions are \$46.6 million favourable to budget however broadly in line with latest approved budget due to budget variations mainly related to Digital Restart funding for Cyber Security & eRegulation.
- Acceptance by Crown of employee benefits is \$37 million unfavourable to budget due to Treasury’s actuarial assessment of the Crown long service leave balances. The movement is a result of increases in the Commonwealth bond rate during the year.

The major expense variations to budgets are:

- \$13.6 billion of Grants & Subsidies which have been treated as “transfer payment” in accordance with AASB1050 “Administered Items”, whilst for budget purposes these were treated as grants and subsidies. Additionally, there was \$14.3 billion of approved variations to the budget throughout the year mainly relating to COVID stimulus measures.
- Employee Related expenses are \$192.1 million favourable to budget due to delays in filling vacancies.
- Operating expenses are \$117 million unfavourable to budget driven by overspend in ICT and Contractor expenses. This overspend in contractors partially offsets the underspend in employee related expenses as contractors have been hired to fill vacancies temporarily.
- Depreciation and amortisation expense is \$32.4 million favourable to budget due to lower capital expenditure than budgeted across software and plant and equipment.

There were \$113.7 million of unbudgeted other gains mainly due to derecognition of right-of-use assets and lease liabilities with Property NSW.

Assets and liabilities

Net Liabilities: The actual net liability of \$925 million (2021 restated: \$1,155 million net liability) was favourable to budget by \$495 million which is a 35% variance.

Total Assets were favourable to budget by \$143 million predominantly due to cash at bank being \$260 million higher than budget. This is partially offset by right of use assets with Property NSW being derecognised causing a \$238 million variance to budget.

Total Liabilities were lower than budget by \$352 million primarily due to non-current borrowings as a result of lease liabilities with Property NSW being derecognised. This was partially offset by a higher than budgeted current payables balance at year end.

Cash flows

The closing cash balance is \$260 million favourable to budget mainly due to lower investing cash outflows compared to budget and a higher opening cash balance than budgeted. There was also \$1.2 million of unbudgeted cash transferred into DCS due to the administrative restructure resulting in the transfer of the Small Business Commission.

26. RECONCILIATION OF CASH FLOWS FROM OPERATING ACTIVITIES TO NET RESULT

	2022	Restated 2021
	\$'000	\$'000
Net cash used in operating activities	247,213	153,865
Depreciation and amortisation	(69,332)	(98,988)
Net gain/(loss) on sale of plant and equipment	(1,810)	(1,071)
Impairment recovery/ (loss)	116,282	(56,544)
Revaluation increment/(decrement) - service concession asset	-	18,064
Interest paid	(11,298)	(10,744)
Interest received	(7,515)	5,331
Increase/(decrease) in receivables	47,244	(29,878)
Increase/(decrease) in other financial assets	(48,742)	(26,441)
Increase/(decrease) in contract assets	7,986	(16,639)
Increase/(decrease) in inventories	(320)	(38,751)
(Increase)/decrease in payables	(83,297)	24,278
(Increase)/decrease in contract liabilities	(13,653)	(13,750)
(Increase)/decrease in provisions	(15,348)	2,187
(Increase)/decrease in service concession liabilities	73,705	73,393
(Increase)/decrease in other liabilities	(32,166)	(4,743)
Net result	208,949	(20,431)

27. TRUST FUNDS

DCS receives monies in a trustee capacity for various trusts. As DCS performs only a custodial role in respect of these monies, and because the monies cannot be used for the achievement of DCS's own objectives, these funds are not recognised in the financial statements. The following is a summary of the transactions in the trust accounts:

(a) Testamentary and Trust Fund

30 June 2022

	Common Fund	Interest Account	Total
	\$'000	\$'000	\$'000
Cash balance at beginning of financial year	4,363	12,192	16,555
Add: Receipts	-	28	28
Less: Payments	-	-	-
Cash balance at end of financial year	4,363	12,220	16,583

30 June 2021

	Common Fund	Interest Account	Total
	\$'000	\$'000	\$'000
Cash balance at beginning of financial year	4,363	12,167	16,530
Add: Receipts	-	25	25
Less: Payments	-	-	-
Cash balance at end of financial year	4,363	12,192	16,555

Under Section 26 of the *Trustee Companies Act 1964* unclaimed monies are paid into the Testamentary and Trust Fund (Common Fund). Interest received from investment of the Common Fund is credited to the Interest Account.

(b) Fines Accounts

	2022 \$'000	2021 \$'000
Cash balance at beginning of financial year	52,979	33,876
Add: Receipts	839,342	796,020
Less: Payments	(837,337)	(776,917)
Cash balance at end of financial year	54,984	52,979

These amounts are collected under the *Fines Act 1996* for government departments, agencies and organisations that issue fines in NSW, and include late fees for overdue fines.

(c) State Debt Accounts

	2022 \$'000	2021 \$'000
Cash balance at beginning of financial year	1,896	170
Add: Receipts	317,218	210,889
Less: Payments	(316,714)	(209,163)
Cash balance at end of financial year	2,400	1,896

DCS provides a fee for service arrangement to government departments, agencies and organisations in NSW to recover outstanding debts under the *State Debt Recovery Act 2018*.

Funds held in accounts reported in (b) and (c) are remitted daily, weekly or monthly.

(d) Retail Lease Security Bonds

Retail Lease Security Bonds are lodged with the Secretary in accordance with Section 16C of the *Retail Leases Act 1994*. These monies are excluded from the financial statements as DCS cannot be these monies for the achievement of its own objectives.

The balance of the Retail Tenancy Trust funds, which are established into Trust Account, Interest Account and Term Deposits are held with Westpac Banking Corporation ("Westpac") and NSW Treasury Corporation ("Tcorp").

	Westpac TSY Trust Account \$'000	Tcorp FT Trust Account \$'000	IM Cash Fund (Cash) \$'000	Tcorp IM Medium Term Growth \$'000	Total \$'000
Transfer arising from administrative restructure at 1 April 2022	30,493	4,453	75,189	132,686	242,821
<i>Add:</i>					
Bonds Lodgements	134	12,047	-	-	12,181
<i>Less:</i>					
Bonds released	(106)	(8,433)	-	-	(8,539)
Unrealised gains/(losses)	-	-	22	(6,207)	(6,185)
Balance at end of financial year	30,521	8,067	75,211	126,479	240,278

28. RELATED PARTY DISCLOSURES

The total remuneration of the key management personnel of DCS are as follows:

	2022	2021
	\$'000	\$'000
Short-term employee benefits:		
- Salaries	3,574	4,164
Post-employment benefits	216	211
Total remuneration	3,790	4,375

Other related party transactions

During the year, DCS entered into transactions with other entities that are controlled/ jointly controlled/ significantly influenced by NSW Government. These transactions which are conducted as arm's length transactions are a significant portion of DCS's sale of goods/ rendering of services/ receiving of services, in aggregate are as follows:

Nature of transaction	2022		2021	
	\$'000		\$'000	
	Transaction value income/ (expense)	Net receivable/ (payable)	Transaction value income/ (expense)	Net receivable/ (payable)
Sales of goods/ services, grants and contributions, proceeds from borrowings and other receipts	418,151	80,583	360,207	122,046
Purchases of goods/ services, grants and subsidies, repayment of borrowings and other payments	(767,287)	(40,927)	(739,610)	(21,822)

In addition to the above transactions, DCS incurred centralised corporate costs relating to the People & Culture; Procurement; Legal; Governance & Risk; Workplace & IT; and Finance functions for entities within the DCS Cluster. DCS recovered corporate costs from these entities \$70.3 million (2021: \$49.4 million) only where the costs were confirmed and funded from the counterparty entity.

Corporate costs are also reflected in the financial statements of the below entities as in-kind contribution from DCS; these costs were not recovered by DCS.

	2022	2021
	\$'000	\$'000
Service NSW	60,692	45,848
Independent Liquor & Gaming Authority NSW	1,226	165
Greyhound Welfare & Integrity Commission	-	246
Independent Pricing and Regulatory Tribunal	460	25
	62,378	46,284

29. ADMINISTERED ASSETS AND LIABILITIES

	2022	2021
	\$'000	\$'000
Administered Assets		
Cash at bank ⁽ⁱ⁾	118,767	111,152
Cash at bank ⁽ⁱⁱ⁾	240,786	209,537
Cash at bank – Retail Lease security bonds ⁽ⁱⁱⁱ⁾	240,278	-
Taxes and fines receivable ^(iv)	5,586,049	4,599,530
Licence receivable ^(v)	-	25,000
Less:		
Allowance for impairment – taxes and fines ^(vi)	(351,315)	(356,796)
Total Administered Assets	5,834,565	4,588,423
Administered Liabilities		
Taxes and fines paid in advance / overpayments	74,475	64,352
Retail Lease bonds payable ^(vii)	234,745	-
Total Administered Liabilities	309,220	64,352

Recognition and Measurement

In accordance with AASB 9 Financial Instruments, taxes and fines are initially recognised where statutory requirements establish a right to receive the financial asset. Such a right arises on the occurrence of a past event. Taxes and fines are initially recognised at the original levied amount.

(i) Cash at bank represents amounts received on 30 June 2022 and transferred to the Crown in July 2022.

(ii) This represents cash balance of Rental relief payments (NSW Fair Trading) and Digital Restart Fund at 30 June 2022.

(iii) Cash and cash equivalents comprise of cash at banks (Trust account, Cash account, Interest account and Term Deposits held with Westpac Banking Corporation and NSW Treasury Corporation (Tcorp) in relation to Retail Tenancy Trust funds.

(iv) Taxes and fines receivable at 30 June 2022 includes \$878.9 million (30 June 2021: \$734.0 million) outstanding longer than twelve months. Also included in taxes and fines receivable is \$174.6 million (30 June 2021: \$157.3 million) in time to pay arrangements with a finalisation date extending beyond twelve months.

(v) Due to Administrative Order changes on 1 April 2022 (refer further to Note 1), the Licence receivable relating to non-current receivable by Liquor & Gaming NSW has been transferred to the Department of Enterprise, Investment and Trade.

(vi) Allowance for impairment - taxes and fines

	2022	2021
	\$'000	\$'000
Balance at beginning of financial year	356,793	427,625
Amounts written off during the year		-
Bad debts	(90,977)	(51,161)
Fines satisfied via Work and Development Orders ^(a)	(27,649)	(29,694)
Increase/(decrease) in allowance recognised in Administered Expenses	113,145	10,023
Balance at end of financial year	351,312	356,793

(a) Subdivision 1 of the Fines Act 1995 authorises the Commissioner to make Work and Development Orders that allow eligible customers to satisfy their fines through unpaid work, courses, and/or treatment programs with approved sponsors. Previously included as part of Bad debts written off.

(vii) Retail lease bonds payable comprise of amounts payable out of the Retail Lease Security Bonds once the withdrawal of retail lease bond application is approved by DCS. From 1 April 2022, the Retail Lease bonds were administered by DCS, refer to Note 1.

	Small Business Commissioner \$'000	NSW Fair Trading \$'000	Total \$'000
<i>Retail bonds payable</i>			
Transfer arising from administrative restructure of Small Business Commissioner at 1 April 2022	(99)	(231,032)	(231,131)
<i>Add:</i>			
Bonds Lodgements	-	(12,047)	(12,047)
<i>Less:</i>			
Bonds Released	-	8,433	8,433
Balance at end of financial year	(99)	(234,646)	(234,745)

A memorandum of understanding ("MoU") was signed by DCS and NSW Treasury for NSW Fair Trading to provide the administration of the Retail Bonds as a *fee for service* arrangement. As a result, effective from 4 December 2021 the administration of the retail bonds was transferred to NSW Fair Trading.

The *Administrative Arrangement (Administrative Changes—Miscellaneous) Order 2022* published on 16 February 2022 and *Administrative Arrangements (Second Perrottet Ministry—Transitional) Order 2021* dated 21 December 2021, commenced on 1 April 2022 and resulted in the retail bonds being transferred from NSW Treasury to DCS.

30. ADMINISTERED EXPENSES

During the year DCS incurred the following expenses on behalf of the Crown:

	2022 \$'000	2021 \$'000
Other		
Act of Grace payments	1,332	779
Court imposed interest payments	759	292
Land tax discounts ⁽ⁱ⁾	46,507	42,753
GST rebate - Clubs ⁽ⁱⁱ⁾	14,000	14,260
First Home Owner Grant scheme	52,537	76,894
First Home - New Home/First Home Buyers Assistance scheme ⁽ⁱⁱⁱ⁾	(350)	(970)
HomeBuilder	208,695	194,445
Remissions ^(iv)	49,060	40,814
Investment losses ^(x)	(6,185)	-
Impairment losses/(gains) - taxes and fines	113,145	10,023
Sub total - other	479,500	379,290
Transfer payments		
Grant expense - DRF ^(v)	618,246	239,019
Administration Expense ^(vi)	6,006	2,367
Grant expense - Rental Relief Payments ^(vii)	58,506	-
Grant expense - Land Tax Concession and Duties Bushfire Relief ^(viii)	507,164	138,875
Grant expense - Job Action Plan Payroll Tax and Job Lodgement	1,751	18,151
Grant expense - Electric Vehicle ^(ix)	8,424	-
Sub total - transfer payments	1,200,097	398,412
Total administered expenses	1,679,597	777,702

-
- (i) Section 40 of the *Land Tax Management Act 1956* entitles customers to a discount where payment of their liability is made by the first instalment date. By order of the Treasurer the discount rate is currently 1.5%.
- (ii) The GST rebate is paid to clubs to compensate for the impact of the GST. It is based on gaming profits and is paid quarterly.
- (iii) The \$350,000 in 2022 (2021: \$970,000) includes \$405,000 (2021: \$1.2 million) in amounts recovered from compliance activities.
- (iv) In accordance with the *Taxation Administration Act 1996* the Chief Commissioner of State Revenue, or his delegate, has the discretionary power to remit partially or wholly a statutory penalty and/or interest.
- (v) In accordance with Digital Restart Fund Act 2020 No 15, There is payable from the fund to all or part of the cost of a project that promotes the purpose of the Fund and it is approved by the Minister on the recommendation of the Secretary of the Department of Customer Service.
- (vi) In accordance with Digital Restart Fund Act 2020 No 15 Section 9 there is a payable from the fund for the money required to meet administrative expenses relating to the Fund.
- (vii) Rental Relief Payment was financial assistance provided to landlords who agreed to reduce rent for COVID-19 impacted tenants.
- (viii) In accordance with the Act of Grace payments under section 5.7 of the Government Sector Finance Act 2018, relief grant is to be provided to landowners of properties substantially damaged by the 2019/20 NSW bushfires and people whose homes were destroyed during the 2019/20 NSW bushfires and who choose to purchase a replacement property are relieved of the burden of paying transfer duty on the purchase of the replacement home. Under section 5.7(4) of the Government Sector Finance Act 2018, land tax concession to be provided up to 25% of the land tax payable to landlords and reduce the rent for a tenant who is suffering financial distress due to COVID-19.
- (ix) The NSW Government is making EVs more affordable for the people of NSW by reducing the upfront cost (\$3,000) for the first 25,000 eligible EVs sold.
- (x) Investment (loss)/income represent the (losses)/ growth, dividend and interest income/ (loss) arising from Interest Account, Cash Account and Term Deposits managed by NSW Treasury Corporation (TCorp) in relation to the Retail Tenancy Trust funds

31. ADMINISTERED INCOME - CROWN

Administered income information is presented on a revenue earned (accrual) basis.

Revenue earned	2022 \$'000	2021 \$'000
Taxes, duties and levies		
Duties ^{(i) (ii)}	16,635,051	11,757,917
Parking space levy ⁽ⁱ⁾	102,847	102,879
Payroll tax ⁽ⁱ⁾	10,438,674	10,125,687
Land tax ⁽ⁱ⁾	4,923,374	4,967,472
Health insurance levy ⁽ⁱ⁾	262,597	220,701
Emergency services levy ⁽ⁱ⁾	1,094,677	1,232,844
Passenger services levy	49,405	56,384
Tax equivalents	176,785	170,677
Casino duties and levy	94,656	101,881
Sub total – taxes, duties and levies	33,778,066	28,736,442
Gaming and racing		
Lotteries	595,609	518,157
Keno tax	10,402	15,742
Totalizator tax on and off course totes	27,048	28,531
Fixed odds sports betting	4,216	5,130
Fixed odds racing betting	12,479	15,864
Footy TAB	164	252
Point of consumption tax ⁽ⁱ⁾	212,743	165,424
Club gaming devices ⁽ⁱ⁾	635,409	842,412
Hotel gaming devices ⁽ⁱ⁾	827,131	1,021,769
Charities licenses	-	5
Gaming related licenses ⁽ⁱⁱⁱ⁾	2,660	4,546
Sub total - gaming and racing	2,327,861	2,617,832
Fines		
Motor traffic fines	599,659	545,123
Public health order fines ^(iv)	47,365	1,133
Fees	54,165	47,769
Court fines	57,393	49,629
Other fines	4,376	3,598
Liquor, Gaming and Racing court fines	38	354
Sub total - Fines	762,996	647,606
Other		
Mineral royalties ⁽ⁱ⁾	3,721,726	1,404,211
Unclaimed money	35,285	18,400
Other revenue	140	162
Liquor licences	791	875
Certificate and licences	26,486	38,122
Service concession regulation fee	8,518	8,454
Sub total - other	3,792,946	1,470,224
Transfer payments		
Appropriation revenue - DRF ^{(v), (x)}	614,000	413,000
DRF Contribution revenue - government agency ^(vi)	41,457	37,923
Grant revenue - Land Tax Concession and Duties Bushfire Relief ^(vii)	507,164	138,875
Grant revenue - Job Action Plan Payroll Tax and Job Lodgement	1,751	18,151
Grant revenue - Electric Vehicle ^(viii)	8,424	-
Grant Revenue - Rental Relief Assistance Programme ^(ix)	58,550	-
Sub total - transfer payments	1,231,346	607,949
Total revenue earned	41,893,215	34,080,053

(i) Included in the revenue earned figures are interest and penalties amounting to:

	2022	2021
	\$'000	\$'000
Duties	50,461	41,860
Parking space levy	656	1,086
Payroll tax	26,682	56,042
Land tax	16,864	31,168
Health insurance levy	16,751	434
Emergency services levy	213	653
Point of consumption tax	175	9
Club gaming devices	1,375	3,505
Hotel gaming devices	2,556	2,806
Mineral royalties	25	366
Total	115,758	137,929

(ii) Primarily includes Duties on Contracts and Conveyances, Insurance, and Motor Vehicles.

(iii) Gaming related licence includes Keno Licence duty.

(iv) Collection of fines issued for breach of orders issued under s.7 of the *Public Health Act 2010* in relation to COVID-19 restrictions.

(v) The funding relates to appropriation from Treasury through DCS principal department to fund the DRF projects in accordance Digital Restart Fund Act 2020 No 15.

(vi) Collection of contribution revenue under section 8(e) of the Digital Restart Fund Act 2020 No 15 from Department of Education, Revenue NSW and Regional NSW; (2021: DCS, HealthShare NSW and Department of Education).

(vii) Land Tax concession - Landlords providing rent relief for eligible tenants in financial distress due to COVID-19 land tax concession were part of a wide range of support measures designed to help those in need and support jobs and businesses) and Duties Bushfire Relief scheme is intended for people whose homes were destroyed during the 2019/20 NSW bushfires and who choose to purchase a replacement property elsewhere rather than rebuild. People who meet the requirements for receiving this assistance will either:

- not have to pay duty
- pay a reduced amount of duty, or
- receive a refund of all (or some) of duty paid.

(viii) The NSW Government is making EVs more affordable for the people of NSW by reducing the upfront cost (\$3,000) for the first 25,000 eligible EVs sold.

(ix) Rental Relief Assistance Programme - To support landlords and tenants who have been impacted financially by restrictions imposed by the Public Health (COVID-19 Temporary Movement and Gathering Restrictions) Order 2021(Order). As part of the Package, landlords who agree to a rent reduction for impacted tenants from 14 July 2021 can apply to receive a lump sum payment of up to \$4,500 per tenancy agreement. The treasurer with approval by the Governor determined to provide additional money to be paid out of the consolidated fund by way of an increase to the annual appropriation for the Department of Customer Service (Department) for 2021–22.

(x) This includes only amounts appropriated that have been transferred to the Digital Restart Fund's (DRF) bank account. The following additional amounts have been appropriated and represent a cumulative spending authority that is available for immediate use for the purposes of the DRF, but have not been transferred to the bank account established for the DRF.

Appropriated amounts hypothecated to certain Special Deposit Accounts

		2022	2021
		\$'000	\$'000
Special Deposit Accounts	Authority		
Digital Restart Fund	Digital Restart Fund Act 2020	102,000	-
Total		102,000	-

Recognition and Measurement

Revenue is recognised as follows:

- Administered revenue is recognised when the underlying past event under statutory requirements results in the right to receive revenue, unless it cannot be reliably measured before the financial statements are signed.
- Taxpayer assessed revenues (including Payroll tax and Lotteries) are reliably measured when payments or returns are received, which may not occur before the financial statements are signed.

32. ADMINISTERED CONTINGENT LIABILITIES AND CONTINGENT ASSETS

There are no administered contingent assets. With regard to contingent liabilities, the Crown Solicitor and/or other legal firms are currently acting on a number of matters on behalf of DCS in the normal course of activities. A settlement estimate for these matters cannot be reliably determined.

33. FINANCIAL INSTRUMENTS

DCS's principal financial instruments are outlined below. These financial instruments arise directly from DCS's operations or are required to finance DCS's operations. DCS does not enter into or trade financial instruments, including derivative financial instruments, for speculative purposes.

DCS's main risks arising from financial instruments are outlined below, together with DCS's objectives, policies and processes for measuring and managing risk. Further quantitative and qualitative disclosures are included throughout these financial statements.

The Secretary has overall responsibility for the establishment and oversight of risk management and reviews and agrees policies for managing each of these risks. Risk management policies are established to identify and analyse the risks faced by DCS, to set risk limits and controls and to monitor risks. Compliance with policies is reviewed by DCS on a continuous basis.

(a) Financial Instrument Categories

	Note	Category	2022	2021
			\$'000	\$'000
			Carrying Amount	Carrying Amount
Financial Assets				
Cash and cash equivalents	6	Amortised cost	542,688	474,698
Other financial assets	7	Amortised cost	-	48,742
Receivables ⁽ⁱ⁾	8	Amortised cost	73,478	76,757
Contract assets	9	Amortised cost	9,865	23,373
Financial assets at fair value	12	Fair value through profit or loss	80,583	86,138
Financial Liabilities				
Payables ⁽ⁱⁱ⁾	16	Financial liabilities measured at amortised cost	184,883	105,156
Borrowings	17	Financial liabilities measured at amortised cost	112,281	478,781

(i) Excludes statutory receivables and prepayments (i.e. not within scope of AASB 7)

(ii) While contract assets are also not financial assets, they are explicitly included in the scope of AASB 7 for the purpose of the credit risk disclosures.

(iii) Excludes statutory payables and contract liabilities (i.e. not within scope of AASB 7)

(b) Derecognition of financial assets and financial liabilities

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 contractual rights to the cash flows from the financial assets expire; or if DCS transfers its rights to receive cash flows from the asset or has assumed an obligation to pay the received cash flows in full without material delay to a third party under a 'pass-through' arrangement; and either:

- DCS has transferred substantially all the risks and rewards of the asset; or
- DCS has neither transferred nor retained substantially all the risks and rewards of the asset but has transferred control.

When DCS has transferred its rights to receive cash flows from an asset or has entered into a passthrough arrangement, it evaluates if, and to what extent, it has retained the risks and rewards of ownership. Where DCS has neither transferred nor retained substantially all the risks and rewards or transferred control, the asset continues to be recognised to the extent of DCS's continuing involvement in the asset. In that case, DCS also recognises an associated liability. The transferred asset and the associated liability are measured on a basis that reflects the rights and obligations that DCS has retained.

Continuing involvement that takes the form of a guarantee over the transferred asset is measured at the lower of the original carrying amount of the asset and the maximum amount of consideration that DCS could be required to repay.

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

(c) Offsetting financial instruments

Financial assets and financial liabilities are offset and the net amount is reported in the Statement of Financial Position if there is a currently enforceable legal right to offset the recognised amounts and there is an intention to settle on a net basis, or to realise the assets and settle the liabilities simultaneously.

(d) Financial Risk

Credit Risk

Credit risk arises when there is the possibility of DCS's debtors defaulting on their contractual obligations, resulting in a financial loss to DCS. The maximum exposure to credit risk is generally represented by the carrying amount of the financial assets (net of any allowance for impairment).

Credit risk arises from the financial assets of DCS, including cash, receivables, and authority deposits. No collateral is held by DCS. DCS has not granted any financial guarantees.

Credit risk associated with DCS's financial assets, other than receivables, is managed through the selection of counterparties and establishment of minimum credit rating standards. Authority deposits held with TCorp are guaranteed by NSW State.

DCS considers a financial asset in default when contractual payments are past 90 days past due. However, in certain cases, DCS may also consider a financial asset to be in default when internal or external information indicates that DCS is unlikely to receive the outstanding contractual amounts in full before taking into account any credit enhancements held by DCS.

Based on management's assessment on natural disasters (including COVID-19), there was no impact on the receivables or other assets in the balance sheet. DCS has assessed the recoverability of its debtors and there was no additional impact on the ECL calculation that has been performed at 30 June 2022 (30 June 2021: nil).

Cash and cash equivalents

Cash and cash equivalents comprises cash on hand and bank balances within the NSW Treasury Banking System. Interest is earned on daily bank balances at the monthly average NSW Treasury Corporation ("TCorp") 11am unofficial cash rate, adjusted for a management fee to NSW Treasury.

Accounting policy for impairment of trade debtors and other financial assets under AASB 9

Receivables - trade receivables

Collectability of trade receivables is reviewed on an ongoing basis. Procedures developed to recover outstanding amounts, including letters of demand. DCS applies the AASB 9 simplified approach to measuring expected credit losses which uses a lifetime expected loss allowance for all trade receivables.

To measure the expected credit losses, trade receivables and contract assets, if applicable, have been grouped based on shared credit risk characteristics and the days past due.

The expected loss rates are based on historical observed loss rates. The historical loss rates are adjusted to reflect current and forward-looking information on macroeconomic factors affecting the ability of the customers to settle the receivables.

Trade receivables are written off when there is no reasonable expectation of recovery. Indicators that there is no reasonable expectation of recovery include, amongst others, a failure to make contractual payments for a period of greater than 30 days past due.

The expected credit loss as at 30 June 2022 was determined based on the gross receivables as follows:

	30 June 2022					
	\$'000					
	Current	<30 days	30-60 days	61-90 days	>91 days	Total
Total gross receivables carrying amount	39,972	11,112	1,822	1,327	33,329	87,562
Expected credit loss rate	0%	0%	2%	2%	50%	19%
Expected credit loss	(13)	(7)	(31)	(31)	(16,682)	(16,764)
Total	39,959	11,105	1,791	1,296	16,647	70,798

	30 June 2021					
	\$'000					
	Current	<30 days	30-60 days	61-90 days	>91 days	Total
Total gross receivables carrying amount	57,796	11,403	2,380	1,215	22,491	95,285
Expected credit loss rate	0%	0%	0%	0%	86%	18%
Expected credit loss	(16)	(10)	(2)	(3)	(19,441)	(19,472)
Total	57,780	11,393	2,378	1,212	3,050	75,813

Notes: The analysis excludes statutory receivables and prepayments as these are not within the scope of AASB 7. Therefore, the total does not include all receivables in Note 8. Only financial assets that are past due or impaired are *sales of goods and services* and *retained taxes, fees and fines* included in note 8.

DCS is not materially exposed to concentrations of credit risk to a single debtor or group of debtors as at 30 June 2022 and 2021.

Other financial assets - Authority Deposits

DCS has placed funds on deposit with TCorp, which has been rated 'AAA' by Standard and Poor's Rating. These deposits are placed with Cash Funds and Medium Term Growth Funds, which have a weighted average interest rate of -6.16% (2021: 8.25%) calculated on a weighted average balance during the financial year of \$86.5 million (30 June 2021: \$90 million). None of these are past due or impaired.

(e) Liquidity Risk

Liquidity risk is the risk that DCS will be unable to meet its payment obligations when they fall due. DCS continuously manages risk through monitoring future cash flows and maturities planning to ensure adequate holding of high quality liquid assets. The objective is to maintain a balance between continuity of funding and flexibility through the use of overdrafts, loans and other advances.

DCS has a loan facility with TCorp with a limit of \$650 million to fund the StateFleet Leasing Arrangement. None of this facility was utilised as at 30 June 2022 (30 June 2021: \$1.2 million utilised).

During the current year, there were no defaults of loans payable (2021: Nil). No assets have been pledged as collateral. DCS's exposure to liquidity risk is deemed insignificant based on prior periods' data and current assessment of risk.

The liabilities are recognised for amounts due to be paid in the future for goods or services received, whether or not invoiced. Amounts owing to suppliers (which are unsecured) are settled in accordance with the policy set out in *Treasurer's Direction TC 11/12 Payment of Accounts*. For small business suppliers, where terms are not specified, payment is made no later than 30 days from date of receipt of a correctly rendered invoice. For small business suppliers, where payment is not made within the specified time period, simple interest must be paid automatically unless an existing contract specifies otherwise. For other suppliers, if trade terms are not specified, payment is made no later than the end of the month following the month in which an invoice or a statement is received. For payments to other suppliers, the Head of an authority (or person appointed by the Head of an authority) may automatically pay the supplier simple interest. The rate of interest applied during the year was 8.04% (2021: 8.28%).

Based on management's assessment on natural disasters (including COVID-19), there was no change to the underlying terms and conditions of our financial liabilities. However, DCS has chosen to reduce the payment period on our all our creditors and other payables to assist with struggling businesses due to the COVID-19 impact. This has not affected DCS's ability to settle and pay for all debts as and when they arise.

The table below summarises the maturity profile of DCS's financial liabilities based on contractual undiscounted payments, together with the interest rate exposure.

	%	\$'000	Interest Rate Exposure \$'000			Maturity \$'000			
			Nominal Amount ⁽ⁱ⁾	Fixed Interest Rate	Variable Interest Rate	Non-interest Bearing	< 1 Year	1-5 Years	> 5 Years
2022									
Payables	0.00%	184,883	-	-	-	184,883	-	-	-
<i>Borrowings</i>									
Lease liabilities	1.57%	118,528	-	-	-	118,528	62,781	29,467	-
TCorp borrowings	0.00%	-	-	-	-	-	-	-	-
		303,411	-	-	-	303,411	62,781	29,467	-
2021									
Payables	0.00%	105,156	-	-	-	105,156	-	-	-
<i>Borrowings</i>									
Lease liabilities	1.50%	561,132	561,132	-	-	-	162,562	339,871	-
TCorp borrowings	2.02%	16,206	11,507	4,699	-	5,165	11,041	-	-
		682,494	572,639	4,699	-	105,156	173,603	339,871	-

(i) The amounts disclosed are the contractual undiscounted cash flows of each class of financial liabilities based on the earliest date on which DCS can be required to pay. The tables include both interest and principal cash flows and therefore will not reconcile to the Statement of Financial Position.

(f) Market Risk

Market risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices. DCS's exposures to market risk are primarily through interest rate risk on DCS's borrowings. DCS has no exposure to foreign currency risk and does not enter into commodity contracts.

The effect on profit and equity due to a reasonably possible change in risk variable is outlined in the information below, for interest rate risk and other price risk. A reasonably possible change in risk variable has been determined after taking into account the economic environment in which DCS operates and the time frame for the assessment (i.e. until the end of the next annual reporting period). The sensitivity analysis is based on risk exposures in existence at the statement of financial position date. The analysis is performed on the same basis as for 2021. The analysis assumes that all other variables remain constant.

Interest Rate Risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. Exposure to interest rate risk arises primarily through DCS's interest bearing liabilities. This risk is minimised by undertaking mainly fixed rate borrowings, primarily with TCorp. DCS does not account for any fixed rate financial instruments at fair value through profit or loss or as at fair value through other comprehensive income. Therefore, for these financial instruments, a change in interest rates would not affect profit or loss or equity. A reasonably possible change of +/-1% is used, consistent with current trends in interest rates (based on official RBA interest rate volatility over the last five years). The basis will be reviewed annually and amended where there is a structural change in the level of interest rate volatility. The following table demonstrates the sensitivity to a reasonably possible change in interest rates:

	Change in interest	2022 \$'000	2021 \$'000
Impact on net result	+/-1%	-	-/+296
Impact on equity	+/-1%	-	-/+296

(g) Other Price risk – TCorpIM Funds

Exposure to 'other price risk' primarily arises through the investment in the TcorpIM funds, which are held for strategic rather than trading purposes. DCS has no direct equity investments. DCS holds units in the following TCorpIM Funds trusts:

Facility	Investment Sectors	Investment Horizon	2022 \$'000	2021 \$'000
TCorpIM Cash Fund	Cash and fixed income	Up to 1.5 years	797	797
Medium-Term Growth Fund	Cash and fixed income, credit, equities, alternative assets, real assets	3 years to 7 years	80,583	86,119

The unit price of each facility is equal to the total fair value of the net assets held by the facility divided by the number of units on issue for that facility. Unit prices are calculated and published daily.

TCorp as trustee for each of the above facilities is required to act in the best interest of the unit holders and to administer the trusts in accordance with the trust deeds. As trustee, TCorp has appointed external managers to manage the performance and risks of each facility in accordance with a mandate agreed by the parties. TCorp has also leveraged off internal expertise to manage certain fixed income assets for the TCorpIM Funds facilities. A significant portion of the administration of the facilities is outsourced to an external custodian.

Investment in the TCorpIM Funds facilities limits DCS's exposure to risk, as it allows diversification across a pool of funds with different investment horizons and a mix of investments.

TCorp provides sensitivity analysis information for each of the Investment facilities, using historically based volatility information collected over a ten-year period, quoted at two standard deviations (i.e. 95% probability). The TCorpIM Funds are measured at fair value through profit or loss and therefore any change in unit price impacts directly on net results. A reasonably possible change is based on the percentage change in unit price (as advised by TCorp) multiplied by the redemption value as at 30 June 2022 for each facility.

Core Funds*	Impact on net result/ equity		
	Change in unit price	2022 \$'000	2021 \$'000
TCorpIM Cash Fund	+/-10%	+/- 80	+/- 8
Medium-Term Growth Fund	+/-10%	+/- 8,058	+/- 5,165

Asset Class Fund*	Impact on net result/ equity		
	Change in unit price	2022 \$'000	2021 \$'000
Australian Shares	+/-10%	+/- 8,058	+/- 8,612
International Shares	+/-10%	+/- 8,058	+/- 8,612
Listed Property Fund**	+/-10%	+/- 8,058	+/- 8,612
Emerging Markets shares**	+/-10%	+/- 8,058	+/- 8,612
Global Credit Fund**	+/-10%	+/- 8,058	+/- 8,612
Multi-Asset Class Fund**	+/-10%	+/- 8,058	+/- 8,612

* TCorpIM Investment funds are unrated and are not guaranteed by NSW Treasury Corporation.

** The sensitivity percentages are derived from historically based volatility information collected by NSW Treasury Corporation since inception of these funds.

(h) Fair Value Measurement

(i) Fair value compared to carrying amount

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 fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either in the principal market for the asset or liability or in the absence of a principal market, in the most advantageous market for the asset or liability.

Financial instruments are generally recognised at cost. The amortised cost of financial instruments recognised in the Statement of Financial Position approximates the fair value because of the short-term nature of many of the financial instruments.

The following table details the financial instruments, by class, where the fair value differs from the carrying amount:

	2022		2021	
	Fair Value \$'000	Carrying Amount \$'000	Fair Value \$'000	Carrying Amount \$'000
Financial liabilities				
TCorp borrowings	-	-	16,081	1,221

(ii) Fair value recognised in the Statement of Financial Position

Management assessed that cash, trade receivables, trade payables, and other current liabilities approximate their fair values, largely due to the short-term maturities of these instruments.

When measuring fair value, the valuation technique used maximises the use of relevant observable inputs and minimises the use of unobservable inputs. Under AASB 13, DCS categorises, for disclosure purposes, the valuation techniques based on the inputs used in the valuation techniques as follows:

- Level 1 - quoted (unadjusted) prices in active markets for identical assets / liabilities that DCS can access at the measurement date.
- Level 2 – inputs other than quoted prices included within Level 1 that are observable, either directly or indirectly.
- Level 3 – inputs that are not based on observable market data (unobservable inputs).

DCS recognises transfers between levels of the fair value hierarchy at the end of the year during which the change has occurred.

	Level 1 \$'000	Level 2 \$'000	Level 3 \$'000	Total \$'000
2022				
Financial Assets at fair value				
TCorp IM funds	-	80,583	-	80,583
2021				
Financial Assets at fair value				
TCorp IM funds	-	86,138	-	86,138

The value of available-for-sale financial assets is based on DCS's share of the value ordinary shares in the capital of the underlying entity based on market value.

The value of the TCorpIM Funds is based on the DCS's share of the value of the underlying assets of the facility, based on the market value. All of the TCorpIM Funds facilities are valued using 'redemption' pricing.

The table above only includes financial assets, as no financial liabilities were measured at fair value in the Statement of Financial Position.

The fair value of financial instruments that are not traded in an active market is determined using valuation techniques. These valuation techniques maximise the use of the observable market data where it is available and rely as little as possible on entity specific estimates. If all significant inputs required to fair value an instrument are observable, the instrument is included in level 2.

34. EVENTS AFTER THE REPORTING PERIOD

a) Adjusting Events

There are no known events after the reporting period which would give rise to a material impact on the reported results or financial position of DCS as at 30 June 2022.

b) Non- Adjusting Events

(i) A major subsidence event is occurring at Elermore Vale, which is a suburb on the western outskirts of Newcastle. The value of potential claims is currently estimated to be at least \$20m, but the total extent of the liability is yet to be accurately determined. The liabilities can be covered by the Coal Mine Subsidence Fund which is valued at approximately \$60m at the reporting date. If the total potential claims exceed the funds in the Coal Mine Subsidence Fund then the shortfall will have to be funded either by a significant increase in the annual levy payable by the current mine operators or another source yet to be identified by the NSW Government.

ii) The Office of Project Remediate in DCS, representing the NSW Government, is offering support to eligible owners corporations to remediate combustible cladding on residential apartment buildings.

Project Remediate is a three-year program to help remove combustible cladding. It offers:

- 10-year interest-free loans to fund the remediation work
- quality assurance and program management services delivered by experienced professionals.

It is a voluntary opt-in program to fix flammable cladding. As at the date of this report, DCS is unable to reliably measure the total interest guarantee to be borne by DCS in the 10-year period. DCS is expected to cover the interest guarantee of the loans issued and subjected to any defaults in payments by the owners' corporations of the buildings as the financial guarantor of the loan payments. Subsequent to financial year end, the Office of Project Remediate has organised a \$50m loan facility with a capital provider.

END OF AUDITED FINANCIAL STATEMENTS

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