

2015
2016

Annual Report



Premier
& Cabinet

**The Department of
Premier and Cabinet
Annual Report 2015—2016**

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Premier
& Cabinet

The Hon Mike Baird MP
Premier and Minister for Western Sydney
52 Martin Place
Sydney NSW 2000

31 October 2016

Dear Premier

I am pleased to submit the 2015-2016 Annual Report of the Department of Premier and Cabinet to you for presentation to the NSW Parliament.

This volume reports on the operations and performance of the Department, together with the financial statements for the period 1 July 2015 to 30 June 2016.

It has been prepared in accordance with the provisions of the *Annual Reports (Departments) Act 1985* and the *Annual Reports (Departments) Regulation 2015*.

Yours sincerely

Blair Comley PSM
Secretary

FROM THE SECRETARY

The Department of Premier and Cabinet (DPC) leads the NSW public sector to successfully deliver on the Government's commitments and priorities. The scope of our work covers the entire state and we work collaboratively with multiple agencies to drive economic and social reform.

This year, we developed our mission statement – DPC enhances the lives of the people of NSW by driving priorities, brokering outcomes and delivering programs and services. We have been working to build the capabilities of DPC and our staff to achieve this mission successfully. This includes promoting diversity in our workforce, and ensuring we are recruiting the right people for the right jobs. We have introduced a new Performance Development Framework, to ensure we are focused on continued development and engagement, and providing support for people to reach their full potential.

DPC plays a central role in helping to define and deliver the NSW Government's priorities. In September 2015 the Premier announced a commitment to key policy priorities focused on boosting the NSW economy and providing better services in our communities. The priorities address areas such as employment, infrastructure, health, education, public safety and equality. DPC is promoting clarity in performance and transparency on the delivery progress of these priorities.

We have worked closely with other NSW Government agencies to provide robust advice and support to Ministers and the Premier. Effective engagement with our stakeholders has helped DPC shape improved service delivery, planning and governance practices and outcomes. We helped strengthen our regional communities by partnering with agencies from across the sector to enhance outcomes and promote business opportunities. DPC has guided whole-of-government communication activities, and delivered and promoted successful events and programs.

We are a central agency, leading reforms and priorities across the sector. At DPC we proactively drive discussions that question where the sector's efforts should be focused, and ask what can we do to improve the lives of our citizens. We can only be confident that we are truly successful in this role with a dynamic workforce, capable of constantly delivering innovative world class programs and services. DPC will always strive to be an employer of choice where people love to work and are passionate about what they do. I would like to thank everyone in DPC for their tireless work and outstanding professionalism, passion and commitment.



Blair Comley PSM

Secretary

ABOUT US

WE ENHANCE THE LIVES OF THE PEOPLE OF NSW BY DRIVING PRIORITIES, BROKERING OUTCOMES AND DELIVERING PROGRAMS AND SERVICES.

PERFORMANCE HIGHLIGHTS

Boosting NSW trade and investment

DPC welcomed the international trade and investment portfolio into the cluster in 2015. The department worked collaboratively with agencies and the private sector in NSW to advance the state's position as a leading global business destination. DPC focused the government's efforts on sectors, such as international education, tourism technology and financial services, where NSW holds a competitive advantage and is best placed to capitalise on emerging opportunities.

By proactively engaging high value investors and promoting the NSW investment pipeline, DPC helped to secure \$1.3 billion worth of international investment into the state. This created skilled jobs and strengthened the economy. DPC worked with partners to deliver over 140 export capability building events to 6,500 participants while also engaging with more than 850 companies across the state to build export ready sustainable businesses.

DPC facilitated seven successful overseas missions, led by the Premier and Minister for Trade, Tourism and Major Events, to our priority trading partners including China, USA, ASEAN and the European Union. These four markets alone are responsible for two thirds of global gross domestic product. Each mission created opportunities for business to create connections, deepened international relations and offered insights into cutting edge policies in innovation and technology.

Strengthening regional communities

As part of the NSW Government's plan to revitalise and strengthen regional communities, DPC is supporting Joint Organisations (JOs) pilots to enable local and state government to better deliver priorities for regional communities. In 2015, JOs were piloted in five regions – Central West NSW, Hunter, Illawarra, Namoi and Riverina. DPC is building capacity within the pilots as well as developing stronger connections with key state agencies.

Increasing investment in the social impact market

DPC worked with NSW Treasury and other agencies to continue implementing the Social Impact Investment policy, which was released in February 2015. Key achievements include:

- » entered into negotiations for four social impact investments to:
 - › reduce parolee reoffending and reincarceration
 - › support vulnerable young people to transition to independence
 - › improve outcomes for people with chronic health conditions
 - › improve outcomes for people with mental health conditions
- » published the 2016 Statement of Opportunities to communicate to the market those policy areas where the government believes there are opportunities for better outcomes through social impact investment
- » published a technical guide to develop a rigorous measurement framework and financial basis for the social impact investment proposal to the NSW Government
- » supported two more rounds of the Expert Advice Exchange, which connects social sector organisations with pro bono expert advice from leading legal, professional and financial services firms to build capability in the NGO sector
- » regularly convened an intergovernmental network to discuss local approaches to and developments in social impact investment
- » redeveloped the Office of Social Impact Investment's website to promote understanding of the market and share information.

Creating jobs for veterans

The Veterans' Employment Program (VEP) was formally launched by the Premier and NSW Minister for Veterans' Affairs on 5 May 2016 at NSW Parliament House. It is the first of its kind in Australia and is supporting the Premier's commitment to employ an additional 200 veterans in the NSW Government sector by 2019.

NSW hosts the largest number of military bases in Australia and sees approximately 1,300 highly-skilled military people separate from the Australian Defence Force (ADF) each year. Supporting the effective transition of veterans, including finding sustainable and meaningful careers post military service, has become a priority for the government.

VEP is a collaborative enterprise, established in consultation with the Department of Defence, the Department of Veterans' Affairs and in particular, the NSW Public Service Commission. Non-government stakeholders including veterans' charities, welfare groups, specialised military recruitment and transition agencies were also consulted to help develop a program that can potentially be used as a national model. The veterans' affairs team also developed a web portal featuring practical information for ADF personnel transitioning from defence careers and a suite of custom-built tools and resources to assist government recruitment processes.

Driving progress on the Premier's Priorities

DPC has commenced work with partner agencies to uncover the drivers of performance, identify best practice and pilot successful interventions at selected sites. The 12 Premier's Priorities are:

- » Creating 150,000 jobs by 2019.
- » Key infrastructure projects to be delivered on time and on budget.
- » Reduce the proportion of domestic violence perpetrators re-offending within 12 months by 5 per cent.
- » Improving service levels in hospitals to have 81 per cent of patients through emergency departments within 4 hours.
- » Tackling childhood obesity by reducing overweight and obesity rates of children by 5 per cent over 10 years.
- » Increase the proportion of NSW students in the top two NAPLAN bands by 8 per cent.

- » Decrease the percentage of children and young people re-reported at risk of significant harm by 15 per cent.
- » Reducing youth homelessness by increasing the proportion of young people who successfully move from Specialist Homelessness Services to long term accommodation by 10 per cent.
- » Driving public sector diversity by increasing the number of women and Aboriginal and Torres Strait Islander people in senior leadership roles.
- » Keeping our environment clean by taking action to reduce litter by 40 per cent by 2020.
- » 90 per cent of housing approvals determined within 40 days.
- » Improve customer satisfaction with key government services every year, this term of government.

At 30 June 2016, partnership between DPC and key agencies has driven progress across all the priorities. For example, the NSW Government's focus on growing the economy means the target of creating 150,000 jobs by 2019 will be achieved early.

In support of the Premier's priority to reduce litter by 40 per cent by 2020, the government has announced the introduction of a Container Deposit Scheme to commence in July 2017. The scheme will provide a refund of 10 cents for eligible beverage containers, which will deliver significant progress towards the litter reduction target.

Building stronger councils

On 12 May 2016, the Premier and Minister for Local Government announced the creation of 19 new, larger councils in NSW, reducing the total number of councils state wide from 152 to 129. DPC led the delivery of this priority reform and continues to support the development of stronger councils, with a particular focus on building the professional capabilities of councils and ensuring they are financially sustainable into the future.

Since their creation, the new councils are delivering results for communities. A number of councils have already realised savings of over \$1 million by reducing duplication. This money will be used to deliver better services for residents. Early achievements by new, stronger councils for their communities include more ranger services, greater access to libraries and better coordinated emergency response systems. DPC is working with new councils to ensure they continue to meet important milestones.

ABOUT US

DEPARTMENT OF PREMIER AND CABINET

DPC leads the NSW public sector to deliver on the government's commitments and priorities. As a central agency supporting the Premier and Cabinet, DPC provides thought leadership across the sector, assisting in the generation of ideas and policy vision. DPC works in partnership with agencies, as well as private, not-for-profit and academic organisations to optimise public sector performance and drive the implementation of decisions made by the government.

In 2015–16 DPC played a role in:

- » providing clear reform leadership
- » setting and monitoring objectives and targets
- » driving delivery of the NSW State Priorities
- » improving public sector performance
- » contributing to an efficient customer focused public sector
- » facilitating private sector partnerships and investment
- » providing an independent source of advice based on sound evidence
- » leading negotiations on priority Council of Australian Governments (COAG) agreements
- » advising on governance and machinery of government changes
- » coordinating and managing cross portfolio issues
- » coordinating legislative and parliamentary processes
- » facilitating the government's decision making.

DPC is a public service agency under the Government Sector Employment (GSE) Act 2013.

The department is primarily responsible to the NSW Premier.

Central Agency Groups

DPC comprises five groups which work across the spectrum of government to provide policy advice, administer legislation, deliver projects and corporate services.

Cabinet and Legal Group

The Cabinet and Legal Group provides advice and services concerning the law, policy, governance and Cabinet. The group:

- » supports the Premier and Cabinet and manages the Cabinet and legislative agendas
- » develops and implements policy and legislative reforms within the Premier's portfolio, assists with government priority reforms, and manages DPC's litigation and external legal service provision (except employment matters)
- » includes the legal branch, Cabinet branch and Information Access Unit (IAU).

The group administers legislation allocated to the Premier including constitutional, integrity and electoral legislation. It also leads Cabinet practice across the government sector and provides secretariat services. IAU manages DPC's compliance with the Government Information (Public Access) Act 2009 (GIPA) and responses to resolutions of the Legislative Council under Standing Order 52.

DPC generates ideas and policy vision and drives implementation of the government's decisions.

Economic Policy Group

The Economic Policy Group drives the government's agenda in economic development, infrastructure, planning, land use and resources policy and:

- » works across government and the broader community to improve productivity, optimise resource allocation, facilitate major projects, streamline regulatory frameworks and promote international trade and investment
- » supports delivery against government goals and targets through benchmarking, performance reporting and capability assessments
- » has secretariat responsibility for three subcommittees of Cabinet: Expenditure Review Committee, Cabinet Standing Committee on Infrastructure, and the Cabinet Standing Committee on Resources and Land Use
- » comprises five branches: State Economy, Cities, Resources and Land Use, International and Local Government Reform.

Government, Corporate and Regional Coordination Group

The Government, Corporate and Regional Coordination Group provides DPC's enabling functions through corporate governance, ministerial services, protocol, events and regional coordination, as well as whole of government functions for advertising and communications.

The group:

- » is responsible for providing DPC with the mechanisms to transform the way it does business and interacts with customers
- » provides human resources, information technology, finance, governance and communications support to DPC, political office holders and their staff, and as needed, coordination and support to other entities in the Premier and Cabinet cluster
- » works with agencies and local government to ensure that government priorities are met in regional communities
- » includes the coordination and delivery of major events and protocol support, and the Veterans' Affairs unit
- » supports the Governor of New South Wales through the provision of staff and corporate services to Government House, Sydney.

Premier's Implementation Unit

The Premier's Implementation Unit supports the Premier in driving delivery of the Premier's Priorities. The unit works closely with agency implementation teams in the use of data and to identify opportunities and barriers to delivery. The unit will remain steadfastly focused on delivery of the Premier's Priorities and will work collaboratively to promote clarity in performance and transparency of progress on delivery.

Social Policy Group

The Social Policy Group provides advice and strategic support to the government on social policy and intergovernmental matters as well as Cabinet processes. Supporting the government's agenda to improve the lives of people in NSW, the group builds capacity to generate new policy ideas and provides active leadership in the national policy agenda, collaborating on issues and brokering evidence based solutions to complex social policy matters.

The group also supports the Social Policy Cabinet Committee and the Counter Terrorism and Emergency Management Cabinet Committee.

Areas of focus include:

- » Health
- » Education
- » National Disability Insurance Scheme (NDIS) reform
- » Justice, Police and Emergency Services
- » Intergovernmental relations
- » Family and Community Services (FACS)
- » Service delivery reform and strategic commissioning
- » Social impact investing and behavioural insights.

Premier and Cabinet cluster

DPC is the lead department of the Premier and Cabinet cluster.

The cluster included the following entities as at 30 June 2016

Anzac Memorial Trust

Barangaroo Delivery Authority

Destination NSW

Infrastructure NSW

Institute of Sport

Natural Resources Commission

Office of Sport

Parliamentary Counsel's Office

Sydney Cricket and Sports Ground Trust

Sydney Olympic Park Authority

Venues NSW

The cluster also included the following independent entities as at 30 June 2016

Audit Office

Independent Commission Against Corruption

Independent Pricing and Regulatory Tribunal of NSW

Inspector of Independent Commission Against Corruption

Inspector of the Police Integrity Commission

NSW Electoral Commission

NSW Ombudsman's Office

Public Service Commission

The entities above that are required to produce annual reports do so separately from DPC's annual report.

DEPARTMENT OF PREMIER AND CABINET

CORE VALUES

INTEGRITY

- » Consider people equally without prejudice or favour.
- » Act professionally with honesty, consistency and impartiality.
- » Take responsibility for situations, showing leadership and courage.
- » Place the public interest over personal interest.

TRUST

- » Appreciate difference and welcome learning from others.
- » Build relationships based on mutual respect.
- » Uphold the law, institutions of government and democratic principles.
- » Communicate intentions clearly and invite teamwork and collaboration.
- » Provide apolitical and non partisan advice.

SERVICE

- » Provide services fairly with a focus on customer needs.
- » Be flexible, innovative and reliable in service delivery.
- » Engage with the not for profit and business sectors to develop and implement service solutions.
- » Focus on quality while maximising service delivery.

ACCOUNTABILITY

- » Recruit and promote employees on merit.
- » Take responsibility for decisions and actions.
- » Provide transparency to enable public scrutiny.
- » Observe standards for safety.
- » Be fiscally responsible and focus on efficient, effective and prudent use of resources.

DEPARTMENT OF PREMIER AND CABINET

STATEMENT OF STRATEGIC INTENT

2016 – 2019

OUR MISSION

WE ENHANCE THE LIVES OF THE PEOPLE OF NSW BY DRIVING PRIORITIES, BROKERING OUTCOMES AND DELIVERING PROGRAMS AND SERVICES.

AREAS OF FOCUS

- » We are focused on supporting the NSW Government to deliver on its identified priorities:
 - Strong budget and economy
 - Building infrastructure
 - Protecting the vulnerable
 - Better services
 - Safer communities.
- » We will support delivery against these priorities through high standards of service delivery and advice to government and the people of NSW, and effective community and stakeholder engagement.

ORGANISATIONAL EFFECTIVENESS

To achieve DPC's mission successfully and support the Areas of Focus, we promote and build the capabilities our organisation and our people require to succeed. We understand how our work contributes to the bigger picture, can articulate it clearly to others and have the skills, resources and authority to shape policies, programs and strategies to align with the overarching direction.

CAPABILITIES IN OUR ORGANISATION

- » We have a high level of awareness of the organisation's priorities and emerging issues which drives individual, team and organisational performance.
- » We are a valued partner and advisor and provide accurate and timely advice that is fit-for-purpose.
- » We focus time and resources where they are needed most.
- » We maintain high standards of governance and financial management.

CAPABILITIES IN OUR PEOPLE

- » We promote an engaging, effective and diverse workplace.
- » We are clear on what is expected of us, engaged in our work and supported to reach our full potential.
- » We are exemplar public administrators.
- » Performance evaluation to promote ongoing improvement is embedded in everything we do.

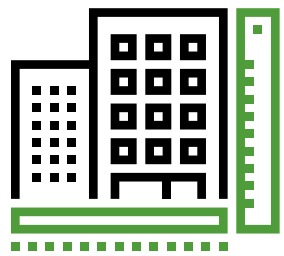
ACHIEVEMENTS

DPC IS FOCUSED ON SUPPORTING THE NSW GOVERNMENT TO DELIVER ON ITS IDENTIFIED PRIORITIES:

- » Strong budget and economy
- » Building infrastructure
- » Protecting the vulnerable
- » Better services
- » Safer communities.



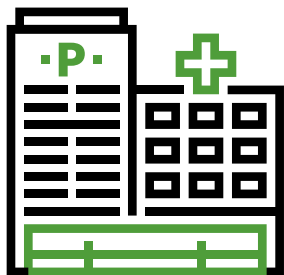
STRONG BUDGET
AND ECONOMY



BUILDING
INFRASTRUCTURE



PROTECTING
THE VULNERABLE



BETTER
SERVICES



SAFER
COMMUNITIES



STRONG BUDGET AND ECONOMY

Creating more jobs for NSW

DPC led the creation of Jobs for NSW, a new private sector driven initiative that fosters a competitive and innovative economy by refocusing the government's approach to industry development. A board of private sector leaders has been established to introduce greater commercial acumen to investment decisions. Jobs for NSW fulfils the government's election commitment to aggressively pursue business investment in NSW and is central to achieving the Premier's Priority of creating 150,000 jobs by 2019.

Addressing youth unemployment

DPC is working with state and federal agencies to address high youth unemployment in the Eurobodalla and Bega Valley Council areas in response to the need for a skilled workforce in the Aged Care, Disability, Health and Community Support Services sector. The strategy identifies skills gaps to meet the demand for quality services as part of the National Disability Insurance Scheme. It targets young people, the underemployed and the unemployed and supports pathways to education, training and employment.

DPC's role is to ensure infrastructure, transport and land use planning is well integrated so that it delivers the best possible urban renewal outcomes for these communities.

Driving urban renewal and growth

DPC continues to work with other agencies to improve the liveability and productivity of our cities. DPC is contributing to the development of vibrant economic and community hubs in the Bays Precinct, Barangaroo, Parramatta and Newcastle. DPC's role is to ensure infrastructure, transport and land use planning is well integrated so that it delivers the best possible urban renewal outcomes for these communities.

Supporting development of agri-food economy

DPC is working with the NSW Department of Primary Industries to further develop the agri-food economy on the NSW North Coast. DPC supports the NSW North Coast Agri-Food Alliance Steering Group to leverage investment of government and stakeholders to facilitate economic development and jobs in the agri-food sector. It has successfully grown the blueberry economy in the Coffs Harbour Local Government Area, and is now expanding to focus on dairy, beef, greenhouse horticulture and aquaculture (oysters). There is a strong focus on projects to promote skills and training, collaboration, communication and business.

Planning for economic diversification

DPC, with government agencies and industry, is examining opportunities for job creation and economic growth to respond to the changing industry environment in the Upper Hunter region. This is in response to the restructuring of the coal mining and power generation sectors, and the emergence of new opportunities for agribusiness development through free trade agreements. It also addresses regional water security planning. Industry leaders' consultation forums helped develop a joint government–industry approach for understanding the region's long term industry transition needs, and to inform future government responses.

Reforming Emergency Services Levy

DPC and NSW Treasury have worked together to improve the fairness of emergency services funding to help lower property insurance costs. DPC proposed a reform model for the levy that ensures emergency services are paid for by all who benefit from them. The average insured householder will save \$40 per year as a result of the improved Emergency Services Levy. These reforms will ensure a more stable, economically efficient funding source for emergency services.

DPC with StudyNSW continues to prioritise programs that improve the international student experience and grow international student enrolments in NSW.

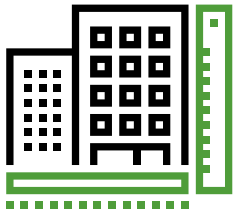
Improving experience of international students

International student enrolments increased by 10.7 per cent in 2015 to 242,025, reinforcing the state's position as Australia's most popular study destination. Key initiatives included:

- » greeting international students by establishing a student welcome desk at Sydney Airport, staffed by international students
- » acknowledging international student contributions to communities through annual International Student Awards
- » providing free legal advice and advocacy services for international students in NSW in partnership with the Redfern Legal Centre
- » enhancing employability skills of international students by offering work integrated learning programs across government agencies.

Delivering communications efficiencies

DPC managed the NSW Government's advertising purchasing agreements for approximately \$60 million of media services through Universal McCann and ZenithOptimedia. DPC advised on rate negotiations, provided critical analysis, monitoring, benchmarking and reporting on NSW Government agency advertising expenditure. It also provided high level advice to agencies regarding supplier engagement protocols and processes. DPC has also improved government's access to expert advertising and digital communication suppliers, including small and medium size companies, by implementing a more flexible, streamlined prequalification scheme.



BUILDING INFRASTRUCTURE

Overseeing major infrastructure projects

DPC is working to deliver the Premier's priority of key infrastructure being delivered on time and on budget. Over the past 12 months the department worked with agencies to achieve good planning and governance practices on infrastructure projects across NSW, including WestConnex, NorthConnex, the Sydney Light Rail, Sydney Metro, the Powerhouse Museum relocation, new suburban train procurement and Sydney stadia. For example DPC has helped negotiate the return of ANZ Stadium to public ownership – a critical step in the redevelopment of the stadium into a world class rectangular venue as part of the government's \$1.6 billion Rebuilding the Major Stadia Network strategy.

DPC also worked with Infrastructure NSW (INSW) to establish a new risk based Infrastructure Investor Insurance Framework. This provides a single point of accountability for independent assurance across all of government and enables greater oversight of the progress of our major projects. The DPC INSW partnership applies the framework to effectively monitor the NSW Government's infrastructure program.

Over the past 12 months the department worked with agencies to achieve good planning and governance practices on infrastructure projects across NSW, including WestConnex, NorthConnex, the Sydney Light Rail, Sydney Metro, the Powerhouse Museum relocation, new suburban train procurement and Sydney stadia.

Redeveloping Wynyard Place

DPC led the finalisation of the unsolicited proposal for the redevelopment of Wynyard Station. The proposal, being delivered by Brookfield Property Partners, includes a grand transit hall, public concourse and new entrance from George Street. The changes are the centrepiece of "Wynyard Place", a new \$1 billion commercial and retail precinct featuring a 27 level office tower. The modern transit hall will connect Wynyard Station with George Street, light rail, bus, taxi and pedestrian networks via a public concourse that will service more than 100,000 commuters daily. The project has obtained State Significant Development approval and is now in delivery phase.

Transforming Port Kembla

DPC worked with agencies to develop and roll out the Port Kembla Community Investment Fund. This fund is allocated \$1 million annually for the life of the lease of the port (99 years) and will be invested in community infrastructure and projects to improve the liveability of Port Kembla. Following the successful launch by the Parliamentary Secretary of the Illawarra and South Coast, DPC and NSW Industry developed the Liveable Port Kembla Strategy to accelerate the transformation of Port Kembla. It will lead to better planning of key sites and the integration of business, tourism and community service strategies under one strategic framework.

Developing Waterloo Station

DPC provided critical analysis to support the decision to include a Sydney Metro Station at Waterloo. This decision provides a much needed boost to the socio-economic development of the Waterloo area which is consistent with the government's commitment to developing productive and liveable urban areas.

The Waterloo Metro Station will provide increased access to a rapidly growing area and take pressure off existing transport infrastructure at Redfern and Green Square.

Managing George Street during the light rail construction

DPC supported the establishment of the CBD Coordination Office to minimise disruption during the construction of the Sydney CBD–South East light rail. The department also worked closely with Transport for New South Wales to ensure there was sufficient community awareness about changes to the city during construction. This ensured customers understood how they would be affected and what actions they may need to take to change their travel behaviour.

Upgrading the Port of Newcastle

DPC coordinated funding for new infrastructure at the Port of Newcastle through the Tourism Demand Driver Infrastructure (TDDI) fund. The 2015–16 TDDI funding will be used to construct new \$800,000 mooring bollards at the port's cruise shipping berth. These will allow a greater number of cruise liners to call at Newcastle, boosting the region's economy and supporting jobs growth. DPC administers the Australian Government TDDI initiative in NSW each year, and selects infrastructure projects that align with NSW state, regional and destination tourism plans.

Managing floods in the Hawkesbury–Nepean region

DPC worked with INSW to finalise the Hawkesbury–Nepean Risk Management Strategy. The strategy will reduce the potential risk to life, the economy and social amenity posed by floods in the Hawkesbury–Nepean Valley. The government has committed \$58 million over the next four years to implement phase one of the strategy. This will complete the planning and development work to raise Warragamba Dam wall, as well as increasing community flood risk awareness, creating evacuation signage, improving flood forecasting and integrating flood risk management with regional planning.



PROTECTING THE VULNERABLE

Preventing domestic and family violence

DPC has established a Domestic and Family Violence Steering Group on the North Coast to coordinate local activity under It Stops Here: Standing together to end domestic and family violence in NSW. The group has strategic oversight of the roll out of Domestic and Family Violence services and programs across the North Coast, including the Safer Pathways site in Tweed Heads, and Staying Home Leaving Violence programs in Kempsey, Coffs Harbour and Northern NSW.

Responding to child sexual abuse

As chair of the NSW Interagency Coordination Group, DPC continues to lead the government's response to the Royal Commission into Institutional Responses to Child Sexual Abuse. DPC positions the NSW Government to respond strategically to issues emerging from the work of the Royal Commission.

Resettling refugees in our communities

DPC has been supporting the NSW Coordinator General for Refugee Resettlement, who has been working with all levels of government and non government, community, corporate and education sectors to ensure NSW is prepared for the increased numbers of refugees settling in NSW as a result of the conflicts in Syria and Iraq.

More than 60 community groups and over 400 individuals were consulted in the policy development process to ensure the government's approach to refugees is informed by the experience and knowledge of those working with refugees on a daily basis. This collaborative approach has helped to embed a whole of community approach to refugee resettlement, in which all sectors are engaged in supporting refugees to integrate into NSW and work in partnership to maximise their collective efforts.

Recognising the diversity of NSW audiences

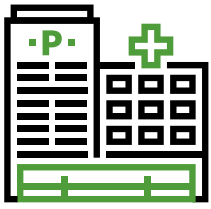
DPC recognises the culturally and linguistically diverse (CALD) and Aboriginal audiences in NSW and the need for government communications to be accessible for all people in NSW. DPC worked with Multicultural NSW to revise the NSW Government Multicultural and Indigenous Communications Policy. It now reflects the current varied communication methods that agencies use to reach their audiences, allowing agencies to effectively focus their communications and efficiently manage media budgets.

More than 60 community groups and over 400 individuals were consulted in the policy development process to ensure the government's approach to refugees is informed by the experience and knowledge of those working with refugees on a daily basis.

Reforming service delivery

DPC continues to support the implementation of service delivery reform at key sites throughout the state. DPC has implemented an integrated approach to education and service delivery at Nowra East Public School to improve the wellbeing and attendance rates of Aboriginal children and their families (Aged 0–9). In Western Sydney, DPC has supported a co-design child and youth mental health services reform and wrap around services for targeted families. On the Central Coast, DPC assisted FACS in establishing the District Homelessness Implementation Group as part of the Going Home Staying Home reforms.

ACHIEVEMENTS



BETTER SERVICES

Increasing participation for people with disability

DPC has continued to lead on access and inclusion considerations for people with disability and limited mobility attending NSW government supported events. These initiatives led to a 40 per cent increase in participation of people with accessibility considerations attending Sydney New Year's Eve fireworks displays. There was a 100 per cent increase in registrations for the accessible buggy service. Australia Day Concerts in 2016 experienced an 800 per cent increase in attendance from 2015. Attendance for Vivid Sydney increased from 2015 with an increase of 100 per cent as a result of additional accessible pick up and drop off areas.

Empowering Aboriginal people

DPC has a leading role in empowering Aboriginal people to shape government service delivery in their communities through the development of Local Decision Making (LDM) Accords. The first accord in the Murdi Paaki region of Western NSW is being implemented across the areas of affordable and appropriate housing, economic development, education and early childhood services. An evaluation of the accord negotiation is being used to inform and improve the negotiation process between the NSW Government and other regional Aboriginal Alliances. DPC is also leading pre-accord negotiations in the Illawarra and Wingecarribee regions with agencies and the local Aboriginal communities about their needs and priorities.

DPC has continued to lead on access and inclusion considerations for people with disability and limited mobility attending NSW government supported events.

Making it easier to do business in NSW

DPC led the business case development and program design of Easy to do Business, a new service that makes it easier for businesses to transact with government. The initiative, delivered by Service NSW in partnership with the Office of the Small Business Commissioner, will contribute to the government's objective of making NSW the easiest state to start a business. It will streamline approvals and payment processes for businesses through a one stop shop and make additional services available online so that entrepreneurs can do business with government anywhere, at any time.

Supporting improved service delivery

DPC developed Breaking the Cycle – A Plan for Kempsey based on consultation with agencies and service providers. The plan is a framework to enhance educational, health and employment outcomes for the Kempsey community. An interagency group is overseeing the delivery of the plan. The first year evaluation of the plan found that social and economic outcomes had improved within the community. Achievements have been made against each of the seven flagship measures: school attendance rates; violent crime; drug and alcohol use; access to mental health services; unemployment; community wellbeing; and government collaboration.



SAFER COMMUNITIES

Reviewing the Martin Place Siege

DPC continues to oversee the implementation of the NSW Government's response to the Martin Place Siege Review.

In 2015–16 DPC worked closely with the Department of Justice and the NSW Police Force on the development and introduction of new bail and firearms legislation to deliver on the NSW Government's commitments. The legislation ensures that, except in exceptional circumstances, bail must be refused for anyone who is charged with an offence that carries a custodial sentence and has been subject to a terrorism control order, or is on bail for, currently charged with, or previously been convicted of certain terrorism related offences. These changes were supported by changes to the Firearms Act 1996 to create a new offence for the possession of a stolen firearm, to carry a maximum penalty of 14 years imprisonment. Legislation giving effect to these bail and firearms reforms was passed by parliament in October 2015.

The DPC Countering Violent Extremism (CVE) team has been established to work across government and with communities to implement a suite of 15 initiatives worth \$46.6 million announced by the Premier in November 2015.

Reducing the risk of violent extremism

The DPC Countering Violent Extremism (CVE) team has been established to work across government and with communities to implement a suite of 15 initiatives worth \$46.6 million announced by the Premier in November 2015. DPC has commenced work on these initiatives

which aim to prevent extremist ideology taking root and to divert individuals at risk of taking a path toward violence. DPC CVE has also coordinated NSW's involvement in inter-jurisdictional work across seven CVE focus areas agreed to by COAG in December 2015.

Addressing negative impact of crystalline methamphetamine

DPC coordinated the Central Coast Methamphetamine Working Group, which seeks to address the negative impacts of drug use on local communities. Collaboration over the last 12 months has led to an increased number of referrals to the Magistrates Early Referral Into Treatment (MERIT) program. This program helps adult defendants affected by substance abuse access early intervention and support.

Building resilient communities

DPC led the delivery of community information forums aimed at non government organisations, businesses, primary producers and community leaders; explaining roles and responsibilities during both the response and recovery phases of a natural disaster, and the necessary planning to ensure business continuity and community resilience following a disaster.

Responding to natural disasters

DPC continues to provide support and advice to the Premier and other NSW Government ministers on the response to and recovery from natural disasters in NSW. For example, during the east coast low which caused severe weather events in June 2016, DPC supported the Premier in appointing Mr David Owens APM as Recovery Coordinator to lead recovery efforts and put in place legal protections to ensure volunteers were not penalised by their employers due to their involvement in emergency and recovery operations.

INCREASING COMMUNITY AND STAKEHOLDER ENGAGEMENT

Promoting Sydney as a leading destination

Sydney is the leading destination in Australia for delivering world class events, with DPC exemplifying best practice for NSW Government coordination, access and inclusion. DPC supported the state priority to increase attendance at cultural events, through its facilitation of major international events like New Year's Eve and Vivid Sydney. DPC also delivered an inclusive state wide Australia Day program with Indigenous celebrations and a free live concert broadcast nationally at the Sydney Opera House. DPC has worked with government agencies and event organisers to keep Sydney 'open' for events (such as the Anzac Day March) during the construction of major infrastructure projects.

Celebrating Centenary of Anzac

The NSW Government's Centenary of Anzac Commemorative Program includes ceremonial, educational and cultural activities that focus on encouraging community participation in local commemorations and projects from 2014 to 2018 to mark 100 years since the First World War and a century of service by Australian Defence personnel. NSW Government agencies are delivering projects with the overall program being overseen by the Centenary of Anzac Interdepartmental Committee and coordinated by Veterans' Affairs, DPC.

Key highlights of the 2015–16 Centenary of Anzac activities were:

- » Re-enactment of recruitment marches – a key community driven project successfully delivered between September 2015 and January 2016.
- » Anzac Day 2016 – marked the 100th Anzac Day and the delivery of the Sydney March along Elizabeth Street to accommodate construction of the CBD and South East Light Rail on George Street.

- » Premier's Anzac Memorial Scholarship 2016 Tour – The Premier announced the 24 successful 2016 Premier's Anzac Memorial Scholars on 20 March 2016. The students were selected from all education systems and school sectors throughout NSW. They departed for Europe in July and travelled to the key battlefields and memorial sites in France and Belgium to commemorate and learn about Australia's involvement in WWI. The tour gave the students insight into Australia's experience of conflict, the lessons of war and allowed them to develop a greater understanding of the significance of the Anzac tradition.

Celebrating cultural diversity and community engagement on Australia Day

The Australia Day event program in NSW is coordinated by the Australia Day Council of NSW which is located within DPC. Celebrating cultural diversity and community engagement, the program reinforces the state's leadership position in Australia Day celebrations and supports NSW's economic and visitation objectives. In 2016, Australia Day in Sydney was showcased to the nation through the inaugural television broadcast of Australia Day 2016 Live at the Sydney Opera House. The national broadcast on Channel Ten attracted over 1.4 million viewers (average 346,000) and was ranked second overall for total people across the free to air networks. The success of the broadcast and commitments from Destination NSW (event sponsor) and Channel Ten have secured the future of this national broadcast through to 2018.

Improving responsiveness to queries from the NSW public

In 2016 DPC commenced a program to implement a standardised 'Contact the Minister' webform across all Government Ministers. This will deliver to the public a clear and uniform way of contacting portfolio ministers. This will also result in significant business efficiencies leading to improved turnaround times and responsiveness to most public enquiries.

Increasing engagement with the public

Search engine optimisation improvements and more frequent content updates have led to significant growth in traffic to nsw.gov.au, improving the government's reach and engagement with the community. The website recorded 214,000 visitors in June 2016, up 136 per cent from the previous year, and 480 public consultations were uploaded to the 'Have Your Say' portal. The government now connects with the community through various digital channels, such as email newsletters and social media. Weekly deliveries of the 'Making It Happen' email newsletter began in October 2015. It now has over 6,000 subscribers. In April 2016, NSW Government launched its own page on Facebook to reach its audience directly on social media.

Informing the community about major projects

DPC coordinated the communication and collaboration between multiple agencies resulting in a focused Tomorrow's Sydney strategy to inform the community about the impact of major construction projects.

Enhancing emergency communications

DPC worked with the NSW Office of Emergency Management, response agencies, Newcastle City Council and six community groups from inner Newcastle to respond to incidents in the Kooragang Island heavy industry precinct.

This work involved improving emergency communications and procedures for surrounding communities. Meetings held have provided a forum for the ongoing improvement of emergency responses to industrial incidents.

Developing skills for engaging communications

DPC serves as a centre of excellence for the NSW Government, providing leadership, best practice information, industry research, support and training in communications. DPC delivered a series of high quality workshops for government agencies focused on media and marketing issues including building content strategies, measuring digital and social media communications, evaluation frameworks and reaching CALD audiences.

Improving digital processes

Over the last year work progressed on digitising critical processes, including the delivery of the eCabinet document management system to NSW Government clients. Enhancements to the Electronic Document Management System were also delivered, including better reporting to improve the quality and timeliness of briefings and correspondence for the Premier. Importantly, the department supported the delivery of a new NSW Government Dashboard for reporting of the key performance metrics, specifically the Premier's Priorities.

Building the capacity of the NSW public sector

After an initial proof of concept phase, DPC has expanded the Behavioural Insights (BI) program in NSW, working for the first time with clusters such as Transport and Infrastructure, Planning and Environment and Industry, Skills and Regional Development. DPC is currently partnering with agencies on a range of BI projects, including supporting the Premier's Priorities on reducing domestic violence, improving service levels in hospitals, and tackling childhood obesity.

SUPPORTING EFFECTIVE GOVERNMENT

Overseeing State Priorities

In September 2015, the Premier announced 12 Premier's and 18 NSW State Priorities as part of NSW Making it Happen. DPC has been driving the progress of the Premier's Priorities and has provided strategic oversight on the State Priorities, including driving the development of implementation plans and developing high level monitoring processes. The first round of implementation plans were compiled and presented to the Premier in June 2016.

Strengthening integrity in local government

DPC worked with the Office of Local Government to develop new integrity measures for local councils. As a result of these reforms, NSW is the first state to impose a general cap on political donations for local government elections. The reforms also force councillors to pay back any financial benefit they gained if they voted in a matter in which they had a pecuniary interest; require local government candidates to disclose whether they are a property developer; ban people convicted of serious crimes within the past seven years from standing for council; and restrict people convicted of election funding offences from standing for council for two years.

Negotiating a framework for Aboriginal land agreements

DPC partnered with the Department of Primary Industries – Lands, Aboriginal Affairs NSW and the NSW Aboriginal Land Council to develop a negotiating framework for Aboriginal Land Agreements. The framework uses Aboriginal Land Agreements to speed up resolution of 28,000 outstanding Aboriginal Land Claims in NSW, empower Local Aboriginal Land Councils to leverage their land to achieve sustainable social, cultural and economic outcomes, and provide certainty for government in managing the Crown estate.

Guiding robust government advertising

DPC manages peer review which is a legislative requirement for all government advertising over \$50,000. In 2015–16 DPC managed 74 peer reviews which assess advertising in terms of campaign need, strategy and management. The processes have been updated to remove inefficiencies and duplication, incorporate the new evaluation framework, and facilitate improved reporting on advertising performance. A Cost Benefit Analysis (CBA) framework was also developed in conjunction with NSW Treasury for all government advertising campaigns over \$1 million. This has provided clearer guidelines on how to apply an economic appraisal to advertising, which has enabled greater consistency across NSW Government agencies. All CBAs submitted in 2015–16 have indicated positive returns on investment.

Applying behavioural insights to complex policy areas

DPC continues to provide advice to a range of NSW Government agencies on bringing a behaviour change lens to complex policy areas. For example, DPC has published a short report developed for the NSW Public Service Commission exploring how behavioural biases can affect decision making in recruitment and highlighting evidence based interventions that could be used to increase public sector workforce diversity. DPC also developed a good practice guide for hospital discharge and an accompanying patient journey map to enable hospitals to improve patient flow.

DPC has been driving the progress of the Premier's Priorities and has provided oversight on the State Priorities.

DEVELOPING OUR CAPABILITIES

Supporting the delivery of the Premier's Priorities

In September 2015, the NSW Government established the Premier's Implementation Unit to work with agencies on delivering the 12 Premier's Priorities. Targets and objectives for the priorities are agreed and delivery plans have been developed to guide a targeted approach.

DPC has focused on developing the capabilities of its people to support delivery of the Premier's Priorities. DPC has run workshops, developed tailored materials and supported the training and development of staff in key skills. By further developing the capabilities of its staff, DPC has successfully identified opportunities and barriers to delivery through fieldwork and engaging staff on the frontline.

By further developing the capabilities of its staff, DPC has successfully identified opportunities and barriers to delivery through fieldwork and engaging delivery staff on the frontline.

Reforming appointment process for boards and committees

DPC has worked to implement reforms creating stronger central oversight of government board and committee appointments. The reforms support ministers and Cabinet in their decision making for key appointments and ensure that processes align with Public Service Commission standards. The four governing principles of the improved system are merit, fairness, diversity and integrity.

Instilling best practice government communications

In recognition of the value of evaluation and identifying inconsistencies in the approach taken across NSW Government, DPC has embedded into government requirements a standard NSW Government evaluation framework for advertising and communication. Developed in consultation with the University of Technology Sydney, the framework incorporates international literature and best practice standards, and encourages the use of evaluation to improve approaches year on year and to identify areas for innovation.

Improving the provision of corporate services

In December 2015, DPC transitioned from ServiceFirst to GovConnectNSW for the delivery of shared services. Under the GovConnectNSW brand, Infosys provides certain HR and finance transactional services while Unisys provides ICT and service desk support. The initial focus has been on transitioning to the new service provider and establishing key relationships, while minimising disruption to business as usual services.

Enhancing staff communications and engagement

DPC launched a new intranet that promotes employee engagement, simplifies access to business information and resources, and increases support of DPC initiatives. The intranet allows efficient distribution of key messages to staff and encourages collaboration and sharing of information across the department.

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CORPORATE GOVERNANCE

THIS SECTION REPORTS ON DPC'S KEY CORPORATE SERVICES AND GOVERNANCE FUNCTIONS INCLUDING STAFFING POLICIES AND PRACTICES.

POLICIES AND INITIATIVES

Governance initiatives

DPC is committed to good governance and complying with legislative requirements as well as NSW public sector policies and procedures. This year DPC undertook a self-assessment against the Audit Office Governance Lighthouse to inform its governance priorities. The full report was presented to the Audit and Risk Committee, to provide assurance on DPC's governance framework. DPC released a new Code of Conduct, updated its Gifts, Benefits and Hospitality Policy and Guides and developed new training modules. A procurement framework was also launched, designed to assist DPC staff involved in procurement related activities.

Human resources initiatives

Diversity and Inclusion Council

In early 2016 the DPC and The Treasury announced the establishment of a Diversity and Inclusion Council. The council is co-chaired by the DPC and Treasury Secretaries, Blair Comley and Rob Whitfield. The council aims to drive both agencies' commitment to diversity and inclusion, aligning with the Premier's priority of driving public sector diversity, ensuring that the public service is a reflection of the diverse community it serves.

Learning and development

DPC continued to focus on building high performance, capability and excellence through its learning and development opportunities.

The department implemented a range of initiatives to increase DPC's organisational capability including:

- » a number of programs for team members and managers on the new Performance Development Framework
- » a Women in Leadership Program, which offered fresh perspectives on traditional leadership and management issues, including developing resilience, displaying courage, nurturing support and making strategic use of support systems

- » a Power, Presence and Presentation Program, which focused on how to be effective and influential in different settings to achieve outcomes
- » an Unconscious Knowledge and Bias workshop for senior executives.

DPC introduced its first structured graduate program, which targeted entry level graduates at the clerk grade 3/4 level in policy and project roles. The Secretaries Board endorsed the recommendation that all graduate policy and project roles be incorporated into the NSW Government Graduate Program for the next intake in 2017 led by the Public Service Commission. The graduate program is a structured employment and development program designed to attract and retain talented graduates to build public sector capability and develop a cohort of future leaders. The program will provide participants with transferrable public administration skills, accelerated exposure to the sector, its governing framework and principles, and its operations. DPC will look to place successful graduates in ongoing roles at the completion of the 18 month program subject to operational requirements.

Other courses DPC offered included Combat Bullying and the face to face induction program for incoming staff. The popular Lunch 'n' Learn programs focusing on leadership and management, individual performance, diversity and culture were also run throughout the year.

Learning and collaborating on real work scenarios with peers across DPC is seen as a strong contributor to effective learning programs. A framework for learning and development is being created as is the design of priority programs including:

- » foundation skills for People Leaders (including recruitment, engaging in our vision, delegation, coaching, feedback and finance)
- » a refreshed approach to On-boarding & Induction
- » presentation skills which cover analysis, creation and presentation of complex data in a concise way.

DPC continues to provide a Study Assistance Scheme to support eligible staff to complete postgraduate study.

Workforce diversity

DPC is committed to building a positive and diverse workplace that is free of discrimination. DPC believes that the makeup of our workforce should reflect the diversity of the communities in which we live and work. The joint DPC Treasury Diversity and Inclusion Council will drive change, complemented by DPC specific programs to build an inclusive culture which celebrates diversity in all its forms.

Workforce diversity data for 2015–16 indicates that the:

- » percentage of females (66.3%) that DPC employs continues to exceed the benchmark
- » percentage of people with disability requiring work related adjustment (1.5%) exceeds the benchmark
- » percentage of females in senior executive roles is 58.43% this exceeds the target for women in leadership roles for the NSW government which is 50%
- » percentage of people from Aboriginal and Torres Strait Islander backgrounds is 1.7% and people with English as a second language is 14.4%.

DPC demonstrates its commitment to workforce diversity by:

- » celebrating major events, such as the National Aboriginal Islander Day Observance Committee (NAIDOC) Week, International Women's Day (IWD)

- and International Day of People with a Disability
- » providing ongoing support to the Young Professionals Network (YPN)
- » continuing support for the Indigenous Cadetship Program
- » conducting workshops with its senior executives in challenging unconscious bias in recruitment
- » utilising new technologies and telecommunications to enable employees more flexible ways of working
- » supporting flexible work practices including requests to work part-time or on a job share basis
- » implementing the Grace Paper program designed to support parents returning to the workforce following parental leave.

People with a disability

DPC has an inclusive culture that is supportive of employees with disability and is free from discrimination. DPC is committed to building a talented and responsive workforce that reflects the diversity of the people of NSW.

Aboriginal employment

DPC is committed to driving public sector diversity in support of the Premier's 12 key priorities for NSW. The aim is to double the number of Aboriginal and Torres Strait Islander people in senior leadership roles across the sector by 2025.

In support of Aboriginal Employment initiatives DPC has employee representatives on the Aboriginal Employment Advisory Committee, a consultative group comprised of Public Sector Aboriginal employees who provide an Aboriginal perspective to the Public Service Commission on the initiatives within the NSW Public Sector Aboriginal Employment Strategy 2014–17.

NAIDOC Week celebrations

DPC continues to celebrate NAIDOC Week which was celebrated the week of 5–12 July 2015. DPC hosted a celebration on 9 July 2015 encompassing the theme 'We all Stand on Sacred Ground: Learn, Respect and Celebrate'. The theme highlighted Aboriginal and Torres Strait Islander peoples' strong spiritual and cultural connection to land and sea.

Jawun secondment program

The Jawun secondment program, in collaboration with NSW Treasury, continued for a second year partnering with Jawun to provide opportunities for staff to use their skills to support Aboriginal Communities. The program enabled staff to undertake a secondment to an inner Sydney community or the Ngaanyatjarra Pitjantjatjara Yankunytjatjara (NPY) community of South Australia for a period six weeks.

Disability Inclusion Action Plan

DPC developed a new Disability Inclusion Action Plan 2015–17 which was developed around four key areas supporting the NSW Disability Inclusion Plan:

- » build more liveable and accessible communities
- » improve systems and processes to remove barriers and make it easier for people with disability to get information about the services and help they need
- » maximise the opportunities for people with disability to gain employment and retain jobs
- » identify ways to build positive attitudes and inclusive behaviours towards people with disability.

To achieve this DPC:

1. Provided an accessible and inclusive environment to employees and visitors
2. Procured goods which DPC specifies accessibility and compatibility with assistive technology
3. Continued to analyse recruitment practices to identify any unintended barriers that may prevent people with disability from either applying for roles or from being recruited
4. Supported managers and supervisors to effectively manage and support employees with disability
5. Provided workplace adjustments and flexibility to support employees with disability
6. Partnered with other government agencies to promote greater opportunities for participation and inclusion of people with disability in NSW Government supported events
7. Ensured the perspectives of employees with disability are considered by DPC management, the People Committee and other DPC employee representative forums
8. Supported the retention and career development opportunities of employees with disability.

Multicultural policies and services

DPC supports the principles of multiculturalism which recognise and value the different linguistic, religious, racial and ethnic backgrounds of residents of NSW, and promote equal rights and responsibilities for all residents of NSW.

The principles we follow at DPC are:

1. We are diverse and accepting
2. We have shared values
3. We participate and contribute to NSW
4. We respect diversity in an Australian setting
5. We ensure access to programs and services
6. We consider diversity an asset.

Young Professionals Network

DPC's Young Professionals Network (YPN) provides opportunities for younger staff (35 years and under) to be proactive about their professional development. The network enables staff to:

- » develop cross group connections
- » exchange ideas and organisational knowledge
- » keep each other informed about initiatives
- » support each other in growth and development.

The YPN committee continues to implement its road map, which includes four main themes to guide the network's professional leadership development: improve, influence, innovate and integrate.

Highlights from the year include the continuation of the highly popular and engaging Executive Insights series of conversations, as well as facilitating department social events and activities. This year DPC YPN will be fostering learning and development through a specialised program of YPN focused Lunch 'n' Learn seminars. DPC continues to provide centralised thought leadership throughout the NSW public sector by hosting quarterly meetings of the NSW Young Public Service Leaders Network.

Workplace health and safety

DPC is committed to ensure a safe and healthy work environment for all employees, contractors, clients and visitors. This was achieved by:

- » rolling out a new online e-learning Work, Health & Safety module
- » continuing numerous health and wellbeing initiatives including the corporate fitness program, influenza vaccinations, and information sessions on nutrition, weight loss and mental health
- » auditing first aid kits and defibrillators in metropolitan and rural office locations
- » participating on the Work, Health & Safety Committee
- » participating in a Public Sector and Industry Working Group to collaborate and develop a Mentally Healthy Workplace strategy
- » initiating work to define and lift work health and safety outcomes in its transport services area.

DPC claims and reports

Compensation claims as at 30 June 2016			
Year	Premiums paid	Claims lodged	Open claims
2009–2010	\$454,110	23	5
2010–2011	\$487,700	17	3
2011–2012	\$491,930	17	11
2012–2013	\$437,498	7	14
2013–2014	\$506,438	10	13
2014–2015	\$423,355	5	5
2015–2016	\$254,979	3	5

Accidents and incidents reported	
Cause type	Count
Slip/trip/fall (at work)	1
Slip/trip (journey/recess)	3
Lifting	3
Cuts/burns	0
Driving/car related	2
Psychological	0
Ergonomic	2
Other	12
Total	23

Industrial relations

The Joint Consultative Committee (JCC) facilitates joint workplace consultation between the DPC and the Public Service Association (PSA). The JCC ensures any matters that arise relating to changes to structures, processes or workplace issues are discussed and resolved efficiently and effectively. The committee also serves as a consultative body for revising and developing policies and staff training.

Consumer response

DPC processed approximately 570 items of Secretary's correspondence and 50,240 items of correspondence for the Premier during the reporting period, this includes both electronic and hardcopy correspondence. The department aims to open all correspondence within one business day of receipt, and respond where required, within 20 working days. For those items that required a substantive response the department met the target response timeframe 85 per cent of the time. The department's correspondence policy states that where a response is likely to take longer than 20 working days, people will be advised of when they can expect a reply.

Additionally, DPC facilitated the delivery of over 3,450 messages of congratulations from the Premier to NSW citizens as they celebrated milestone anniversaries and birthdays.

Complaints handling

DPC continued its commitment to handling public feedback and complaints courteously, efficiently, equitably and respecting the privacy of the person making the complaint.

DPC has a tiered approach to complaint handling. A Tier 1, or "frontline complaint", is where a complaint is received and handled by a staff member. This early resolution is preferred. Tier 2 complaints are more complex or contentious and are dealt with by a formal internal review or investigation. Tier 3 complaints are those complaints that are referred for an external review.

This year DPC updated its online internet portal to capture detailed information to assist the processing of complaints. This year there were no external complaints received.

In 2016-17 there will be further work undertaken to refine the department's handling of external complaints aimed at improving customer satisfaction.

The background is a vibrant blue with a low-poly, geometric pattern of various shades. A white, trapezoidal banner is positioned horizontally across the upper portion of the image, containing the word 'FINANCIALS' in a green, sans-serif font.

FINANCIALS

Statement by the Secretary of the Department of Premier and Cabinet

Pursuant to section 45F of the *Public Finance and Audit Act 1983*, I state to the best of my knowledge and belief that:

- a) The accompanying financial statements in respect of the year ended 30 June 2016 have been prepared in accordance with applicable Australian Accounting Standards, the provisions of the *Public Finance and Audit Act 1983*, applicable clauses of the Public Finance and Audit Regulation 2015 and the Financial Reporting Directions published in the Financial Reporting Code for NSW General Government Sector Entities;
- b) The statements exhibit a true and fair view of the financial position of the Department of Premier and Cabinet as at 30 June 2016, and transactions for the year then ended; and
- c) There are no circumstances which would render any particulars included in the financial statements to be misleading or inaccurate.



Blair Comley
Secretary

21 September 2016



INDEPENDENT AUDITOR'S REPORT

Department of Premier and Cabinet

To Members of the New South Wales Parliament

Opinion

I have audited the accompanying financial statements of the Department of Premier and Cabinet (the Department), which comprise the statement of financial position as at 30 June 2016, the statement of comprehensive income, statement of changes in equity, statement of cash flows, service group statements and summary of compliance with financial directives for the year then ended, notes comprising a summary of significant accounting policies and other explanatory information.

In my opinion the financial statements:

- give a true and fair view of the financial position of the Department as at 30 June 2016, and of its financial performance and its cash flows for the year then ended in accordance with Australian Accounting Standards
- are in accordance with section 45E of the *Public Finance and Audit Act 1983* (PF&A Act) and the Public Finance and Audit Regulation 2015.

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 those standards are further 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 auditor independence requirements of:

- Australian Auditing Standards
- ethical requirements of the Accounting Professional and Ethical Standards Board's APES 110 'Code of Ethics for Professional Accountants' (the Code).

I have also fulfilled my other ethical responsibilities in accordance with the Code.

The PF&A Act further 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, but precluding the provision of non-audit services.

I believe the audit evidence I have obtained is sufficient and appropriate to provide a basis for my audit opinion.

The Secretary's Responsibility for the Financial Statements

The Secretary is responsible for preparing financial statements that give a true and fair view in accordance with Australian Accounting Standards and the PF&A Act, and for such internal control as the Secretary determines is necessary to enable the preparation of financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the Secretary must assess the Department's ability to continue as a going concern unless the Department's operations will cease as a result of an administrative restructure. The assessment must include, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting.

Auditor's Responsibility 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 further description of my responsibilities for the audit of the financial statements is located at the Auditing and Assurance Standards Board website at: <http://www.auasb.gov.au/Home.aspx>. The description forms part of my auditor's report.

My opinion does *not* 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.



Margaret Crawford
Auditor-General of NSW

23 September 2016
SYDNEY

Financial Statements

of

Department of Premier and Cabinet

(ABN 34 945 244 274)

for the year ended 30 June 2016

Department of Premier and Cabinet

Statement of Comprehensive Income for the year ended 30 June 2016

	Notes	Actual 2016 \$000	Budget 2016 \$000	Actual 2015 \$000
Expenses excluding losses				
Operating expenses				
Employee related expenses	2(a)	122,002	117,173	101,813
Other operating expenses	2(b)	71,170	77,537	80,990
Depreciation and amortisation expense	2(c)	7,434	7,564	6,421
Grants and subsidies	2(d)	37,777	28,274	25,238
Finance costs	2(e)	130	163	153
Other expenses		----	65	----
Total expenses excluding losses		238,513	230,776	214,615
Revenue				
Recurrent appropriations (net of transfer payments)	3(a)	219,447	219,860	174,448
Capital appropriations	3(a)	8,620	12,371	4,495
Sale of goods and services	3(b)	5,032	1,492	8,438
Investment revenue	3(c)	1	----	418
Grants and contributions	3(d)	8,078	2,659	7,688
Acceptance by the Crown Entity of employee benefits and other liabilities	3(e)	3,625	3,528	2,710
Other revenue		----	644	----
Total revenue		244,803	240,554	198,197
Gain / (loss) on disposal	4	(25)	----	(17)
Other gains / (losses)	5	(1,756)	----	6,247
Net Result		4,509	9,778	(10,188)
Other comprehensive income				
Net increase/(decrease) in property, plant & equipment revaluation surplus	10	6,335	----	----
Total other comprehensive income		6,335	----	----
Total comprehensive income		10,844	9,778	(10,188)

The accompanying notes form part of these financial statements.

Department of Premier and Cabinet
Statement of Financial Position as at 30 June 2016

	Notes	Actual 2016 \$000	Budget 2016 \$000	Actual 2015 \$000
Assets				
Current Assets				
Cash and Cash Equivalents	8	18,909	7,191	5,242
Receivables	9	4,798	1,459	4,094
Total Current Assets		23,707	8,650	9,336
Non-Current Assets				
Receivables	9	102	----	----
Property, Plant and Equipment	10			
- Land and buildings		105,400	100,164	98,291
- Plant and equipment		9,058	57,073	9,988
- Leasehold Improvements		34,255	----	35,373
- Heritage and Cultural Assets		7,921	----	9,183
Intangible Assets	11	7,286	6,865	4,818
Total Non-Current Assets		164,022	164,102	157,653
Total assets		187,729	172,752	166,989
Liabilities				
Current Liabilities				
Payables	13	17,836	9,721	10,291
Provisions	14	12,038	11,816	9,643
Other	15	3,962	3,184	3,276
Total Current Liabilities		33,836	24,721	23,210
Non-Current Liabilities				
Provisions	14	5,310	5,517	4,654
Other	15	30,494	28,423	32,205
Total Non-Current Liabilities		35,804	33,940	36,859
Total Liabilities		69,640	58,661	60,069
Net Assets		118,089	114,091	106,920
Equity				
Reserves	16	6,335	----	----
Accumulated Funds		111,754	114,091	106,920
Total Equity		118,089	114,091	106,920

The accompanying notes form part of these financial statements.

Department of Premier and Cabinet
Statement of Changes in Equity for the year ended 30 June 2016

	Notes	Accumulated Funds \$000	Asset Revaluation Surplus \$000	Total \$000
Balance at 1 July 2015		106,920	----	106,920
Net result for the year		4,509	----	4,509
Other comprehensive income:				
Net increase/(decrease) in property, plant & equipment		----	6,335	6,335
Total other comprehensive income		----	6,335	6,335
Total comprehensive income for the year		4,509	6,335	10,844
Transactions with owners in their capacity as owners				
Increase/(decrease) in net assets from equity transfers	16	325	----	325
Balance at 30 June 2016		111,754	6,335	118,089

	Notes	Accumulated Funds \$000	Asset Revaluation Surplus \$000	Total \$000
Balance at 1 July 2014		117,553	----	117,553
Net result for the year		(10,188)	----	(10,188)
Other comprehensive income:				
Net increase/(decrease) in property, plant & equipment		----	----	----
Total other comprehensive income		----	----	----
Total comprehensive income for the year		(10,188)	----	(10,188)
Transactions with owners in their capacity as owners				
Increase/(decrease) in net assets from equity transfers	16	(445)	----	(445)
Balance at 30 June 2015		106,920	----	106,920

The accompanying notes form part of these financial statements.

Department of Premier and Cabinet
Statement of Cash Flows for the year ended 30 June 2016

	Notes	Actual 2016 \$000	Budget 2016 \$000	Actual 2015 \$000
Cash flows from operating activities				
Payments				
Employee related		(122,873)	(115,426)	(100,127)
Grants and subsidies		(37,776)	(28,274)	(25,238)
Other		(67,087)	(88,346)	(104,442)
Total payments		(227,736)	(232,046)	(229,807)
Receipts				
Recurrent allocation		219,447	219,860	172,112
Capital allocation (excluding equity appropriation)		9,004	12,371	3,626
Sale of goods and services		5,678	1,492	13,837
Interest received		90	90	715
Grants and contributions		13,685	109	8,087
Reimbursements from the Crown Entity		1,616	----	2,012
Other		----	11,463	----
Total receipts		249,520	245,385	200,389
Net cash flows from operating activities	20	21,784	13,339	(29,418)
Cash flows from investing activities				
Proceeds from sale of land and buildings, plant and equipment and infrastructure systems		----	----	4
Purchases of land and buildings, plant and equipment and infrastructure systems		(4,902)	(9,156)	(10,491)
Purchases of intangibles		(3,718)	(3,445)	(2,221)
Net cash flow from investing activities		(8,620)	(12,601)	(12,708)
Net increase / (decrease) in cash		13,164	738	(42,126)
Opening cash and cash equivalents		5,242	6,453	47,287
Cash transferred in/(out) as a result of administrative restructuring	16	503	----	81
Closing cash and cash equivalents	8	18,909	7,191	5,242

The accompanying notes form part of these financial statements.

Expenses & Income	Service Group 1 Policy Support *		Service Group 2 Protocol and Special Events *		Service Group 3 Administrative Support for Government *	
	2016	2015	2016	2015	2016	2015
	\$000	\$000	\$000	\$000	\$000	\$000
Expenses excluding losses						
Operating expenses						
Employee related expenses	41,953	34,111	10,993	11,291	69,056	56,411
Other operating expenses	15,312	8,433	8,646	18,587	47,212	53,970
Depreciation and amortisation	6	----	150	155	7,278	6,266
Grants and subsidies	2,917	1,473	21,899	14,928	12,961	8,837
Finance costs	----	----	----	----	130	153
Total expenses excluding losses	60,188	44,017	41,688	44,961	136,637	125,637
Revenue						
Recurrent appropriations	----	----	----	----	----	----
Capital appropriations	----	----	----	----	----	----
Sale of goods and services	1,615	2,237	1,102	5,942	2,315	260
Investment revenue	1	----	----	----	----	418
Grants and contributions	680	1,735	1,993	4,528	5,405	1,425
Acceptance by the Crown Entity of employee benefits and other liabilities	657	852	377	402	2,591	1,456
Total revenue	2,953	4,824	3,472	10,872	10,311	3,559
Gain / (loss) on disposal	----	----	----	----	(25)	(17)
Other gains / (losses)	----	----	(1,469)	(742)	(287)	6,989
Net result	(57,235)	(39,193)	(39,685)	(34,831)	(126,638)	(115,106)
Other comprehensive income						
Increase/(decrease) in asset revaluation surplus	----	----	6,335	----	----	----
Total other comprehensive income	----	----	6,335	----	----	----
Total comprehensive income	(57,235)	(39,193)	(33,350)	(34,831)	(126,638)	(115,106)

* The name and purpose of each service group is summarised in Note 7.

Expenses & Income	Not Attributable **		Total	
	2016	2015	2016	2015
	\$000	\$000	\$000	\$000
Expenses excluding losses				
Operating expenses				
Employee related expenses	----	----	122,002	101,813
Other operating expenses	----	----	71,170	80,990
Depreciation and amortisation	----	----	7,434	6,421
Grants and subsidies	----	----	37,777	25,238
Finance costs	----	----	130	153
Total expenses excluding losses	----	----	238,513	214,615
Revenue				
Recurrent appropriations	219,447	174,448	219,447	174,448
Capital appropriations	8,620	4,495	8,620	4,495
Sale of goods and services	----	----	5,032	8,438
Investment revenue	----	----	1	418
Grants and contributions	----	----	8,078	7,688
Acceptance by the Crown Entity of employee benefits and other liabilities	----	----	3,625	2,710
Total revenue	228,067	178,943	244,803	198,197
Gain / (loss) on disposal	----	----	(25)	(17)
Other gains / (losses)	----	----	(1,756)	6,247
Net result	228,067	178,943	4,509	(10,188)
Other comprehensive income				
Increase/(decrease) in asset revaluation surplus	----	----	6,335	----
Total other comprehensive income	----	0	6,335	0
Total comprehensive income	228,067	178,943	10,844	(10,188)

* The name and purpose of each service group is summarised in Note 7.

** Appropriations are made on an entity basis, not to individual service groups. Consequently, appropriations are included in "Not Attributable" column.

Assets & Liabilities	Service Group 1 Policy Support *		Service Group 2 Protocol and Special Events *		Service Group 3 Administrative Support for Government *	
	2016	2015	2016	2015	2016	2015
	\$000	\$000	\$000	\$000	\$000	\$000
ASSETS						
Current Assets						
Cash and cash equivalents	654	----	----	----	----	----
Receivables	739	816	501	413	3,558	2,865
Total current assets	1,393	816	501	413	3,558	2,865
Non-current assets						
Receivables	102	----	----	----	----	----
Land & buildings	----	----	105,400	98,291	----	----
Property, plant and equipment	196	352	1,548	1,783	7,314	7,853
Leasehold Improvements	19	----	----	----	34,236	35,373
Heritage and Cultural Assets	----	----	7,921	9,183	----	----
Intangible assets	836	1,156	----	----	6,450	3,662
Total non-current assets	1,153	1,508	114,869	109,257	48,000	46,888
Total assets	2,546	2,324	115,370	109,670	51,558	49,753
LIABILITIES						
Current liabilities						
Payables	5,283	2,441	1,927	2,264	10,626	5,586
Provisions	4,099	3,576	1,093	1,066	6,846	5,001
Other	154	8	360	203	3,064	3,065
Total current liabilities	9,536	6,025	3,380	3,533	20,536	13,652
Non-current liabilities						
Provisions	63	219	15	108	5,232	4,327
Other	----	----	----	----	30,494	32,205
Total non-current liabilities	63	219	15	108	35,726	36,532
Total liabilities	9,599	6,244	3,395	3,641	56,262	50,184
Net assets	(7,053)	(3,920)	111,975	106,029	(4,704)	(431)

* The name and purpose of each service group is summarised in Note 7.

	Not Attributable **		Total	
	2016	2015	2016	2015
	\$000	\$000	\$000	\$000
Assets & Liabilities				
ASSETS				
Current Assets				
Cash and cash equivalents	18,255	5,242	18,909	5,242
Receivables	----	----	4,798	4,094
Total current assets	18,255	5,242	23,707	9,336
Non-current assets				
Receivables	----	----	102	----
Land & buildings	----	----	105,400	98,291
Property, plant and equipment	----	----	9,058	9,988
Leasehold Improvements	----	----	34,255	35,373
Heritage and Cultural Assets	----	----	7,921	9,183
Intangible assets	----	----	7,286	4,818
Total non-current assets	----	----	164,022	157,653
Total assets	18,255	5,242	187,729	166,989
LIABILITIES				
Current liabilities				
Payables	----	----	17,836	10,291
Provisions	----	----	12,038	9,643
Other	384	----	3,962	3,276
Total current liabilities	384	----	33,836	23,210
Non-current liabilities				
Provisions	----	----	5,310	4,654
Other	----	----	30,494	32,205
Total non-current liabilities	----	----	35,804	36,859
Total liabilities	384	----	69,640	60,069
Net assets	17,871	5,242	118,089	106,920

* The name and purpose of each service group is summarised in Note 7.

Department of Premier and Cabinet

Summary of Compliance with Financial Directives for the year ended 30 June 2016

Consolidated	2016			
	Recurrent	Expenditure /	Capital	Expenditure /
	Appropriation	Net Claim on	Appropriation	Net Claim on
	\$'000	Consolidated	Fund	Consolidated
		Fund		Fund
		\$'000	\$'000	\$'000
Original budget appropriation				
Appropriation act	502,620	486,692	12,371	8,620
Other appropriations / expenditure				
S 24 PF&AA - transfers of functions into department	964	----	----	----
Treasurer's advance	600	----	----	----
S 33 Appropriation Act - transfers (to)/from another agency	(110)	----	1,200	----
	1,454	----	1,200	----
Total Appropriations / Expenditure / Net Claim on Consolidated Fund (includes transfer payments)	504,074	486,692	13,571	8,620
Amount draw down against Appropriation		479,685		9,004
Liability to Consolidated Fund		----		384

Consolidated	2015			
	Recurrent	Expenditure /	Capital	Expenditure /
	Appropriation	Net Claim on	Appropriation	Net Claim on
	\$'000	Consolidated	Fund	Consolidated
		Fund		Fund
		\$'000	\$'000	\$'000
Original budget appropriation / expenditure				
Appropriation act	518,966	294,311	4,010	4,010
Other appropriations / expenditure				
S 24 PF&AA - transfers of functions into departments	100,758	----	5,593	485
S 24 PF&AA - transfers of functions out of departments	(324,197)	----	----	----
Treasurer's advance	----	----	----	----
S 32 Appropriation Act - transfers from another agency	8,272	----	(5,108)	----
	(215,167)	0	485	485
Total Appropriations / Expenditure / Net Claim on Consolidated Fund (includes transfer payments)	303,799	294,311	4,495	4,495
Amount draw down against Appropriation		294,311		4,495
Liability to Consolidated Fund		----		----

The Summary of Compliance is based on the assumption that Consolidated Fund monies are spent first (except where otherwise identified or prescribed)

The Liability to Consolidated Fund represents the difference between the "Amount drawn against appropriation" and the "Total expenditure/Net claim on Consolidated Fund" for the year.

The Liability to Consolidated Fund relates to the appropriation made to the Premier.

Department of Premier and Cabinet

Notes to and forming part of the Financial Statements
for the year ended 30 June 2016

1 Summary of Significant Accounting Policies

(a) Reporting entity

The Department of Premier and Cabinet (the Department) is a NSW government entity. The Department is a not for profit entity (as profit is not its principal objective) and it has no cash generating units. The reporting entity is consolidated as part of the NSW Total State Sector Accounts.

In the process of preparing the consolidated financial statements for the economic entity, consisting of the controlling and controlled entities, all inter-entity transactions and balances have been eliminated, and like transactions and other events are accounted for using uniform accounting policies.

These financial statements for the year ended 30 June 2016 have been authorised for issue by the Secretary on 21 September 2016.

(b) Basis of preparation

The Department's financial statements are general purpose financial statements which have been prepared on an accrual basis in accordance with:

- applicable Australian Accounting Standards (which include Australian Accounting Interpretations)
- the requirements of the *Public Finance and Audit Act 1983 and Public Finance and Audit Regulation 2015*,
- the Financial Reporting Directions published in the Financial Reporting Code for NSW General Government Sector Entities or issued by the Treasurer.

The Department's financial statements have been prepared on a going concern basis, which contemplates the continuity of normal operating activity and the realisation of assets and the settlement of liabilities in the normal course of operations. The Department held cash on hand and at bank as at 30 June 2016 of \$18,909,000. As at 30 June 2016 the Department had a net working capital deficit of \$10,129,000. This is a consequence of the cash management reforms implemented by the Treasury on 1 July 2015, where agencies funded from the Consolidated Fund are funded on a cash flow needs basis and should only hold unrestricted cash balances to cover their immediate operational requirements. The Department draws down appropriations from the Treasury based on its allocated budget that is sufficient to fund its ongoing operations.

Property, plant and equipment are measured at fair value. Other financial statement items are prepared in accordance with the historical cost convention, except as otherwise specified.

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.

(c) Statement of compliance

The financial statements and notes comply with Australian Accounting Standards, which include Australian Accounting Interpretations.

(d) Insurance

The entity'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.

1 Summary of Significant Accounting Policies

(e) 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 the Department as a purchaser that is not recoverable from the Australian Taxation Office 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 is recoverable from, or payable to, the Australian Taxation Office are classified as operating cash flows.

(f) Income recognition

Income is measured at the fair value of the consideration or contribution received or receivable. Comments regarding the accounting policies for the recognition of income are discussed below.

(i) Parliamentary appropriations and contributions

Except as specified below, parliamentary appropriations and contributions from other bodies (including grants and donations) are recognised as income when the Department obtains control over the assets comprising the appropriations / contributions. Control over appropriations and contributions is normally obtained upon the receipt of cash.

Appropriations are not recognised as income in the following circumstance:

- Unspent appropriations are recognised as liabilities rather than income, as the authority to spend the money lapses and the unspent amount must be repaid to the Consolidated Fund.

The liability is disclosed in Note 15 as part of 'Current liabilities - Other'. The amount will be repaid and the liability will be extinguished in the next financial year.

(ii) Sale of goods

Revenue from the sale of goods is recognised as revenue when the Department transfers the significant risks and rewards of ownership of the assets.

(iii) Rendering of services

Revenue is recognised when the service is provided or by reference to the stage of completion (based on labour hours incurred to date).

(iv) Investment revenue

Interest revenue is recognised using the effective interest method as set out in AASB 139 *Financial Instruments: Recognition and Measurement*. Rental revenue is recognised in accordance with AASB 117 *Leases* on a straight line basis over the lease term.

1 Summary of Significant Accounting Policies

(g) Assets

(i) Acquisitions of assets

Assets acquired are initially measured at cost. 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.

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 equity transfer - Note 1(k).

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 asset is deferred beyond normal credit terms, its cost is the cash price equivalent, i.e. deferred payment amount is effectively discounted over the period of credit.

(ii) Capitalisation thresholds

Property, plant and equipment and intangible assets costing \$5,000 and above individually (or forming part of a network costing more than \$5,000) are capitalised.

(iii) 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 (TPP 14 01). This policy adopts fair value in accordance with AASB 13 *Fair Value Measurement*, AASB 116 *Property, Plant and Equipment*.

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.

Fair value of property, plant and equipment is based on a market participants' perspective, using valuation techniques (market approach, cost approach, income approach) that maximise relevant observable inputs and minimise unobservable inputs. Also refer Note 10 and Note 12 for further information regarding fair value.

1 Summary of Significant Accounting Policies

(g) Assets

(iii) Revaluation of property, plant and equipment

Revaluations shall be 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. The entity conducts a comprehensive revaluation at least every three years for its land and buildings (except infrastructure and land under infrastructure) where the market or income approach is the most appropriate valuation technique and at least every five years for other classes of property, plant and equipment. The last comprehensive revaluation was completed on March 2015 covering a component of the Government House collection and December 2013 for land & buildings and was based on an independent assessment. Interim revaluations are conducted between comprehensive revaluations where cumulative changes to indicators suggest fair value may differ materially from carrying value. A management revaluation of land and buildings was completed on 30 June 2016 as a result of a cumulative increase in indicators, using indexation factors provided by NSW Land and Property Information, of 5% for land and 4.5% for buildings.

Non specialised assets with short useful lives are measured at depreciated historical cost as an approximation of fair value. The entity has assessed that any difference between fair value and depreciated historical cost is unlikely to be material.

When revaluing non current assets using the cost approach, the gross amount and the related accumulated depreciation are separately restated.

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 revaluation surplus, except that, to the extent that an increment reverses a revaluation decrement in respect of that class of asset previously recognised as an expense in the net result, the increment is recognised immediately as revenue in the net result.

Revaluation decrements are recognised immediately as expenses in the net result, except that, to the extent that a credit balance exists in the revaluation surplus in respect of the same class of assets, they are debited directly to the 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.

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.

(iv) 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.

1 Summary of Significant Accounting Policies

(g) Assets

(v) Depreciation of property, plant and equipment

Except for certain heritage assets, 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 the Department.

All material separately identifiable components of assets are depreciated separately over their useful lives.

Land is not a depreciable asset. Certain heritage assets including original artworks and collections and heritage buildings may not have a limited useful life because appropriate curatorial and preservation policies are adopted. The decision not to recognise depreciation for these assets is reviewed annually.

The following depreciation rates have been adopted:

Buildings and improvements:

The construction type of the Department's buildings is used to determine the asset's useful life (from which a depreciation rate is derived). For example, historic buildings in use are deemed to have useful lives of 50 years.

Category of Assets	Depreciation Rates
<i>Depreciation</i>	
Office furniture and fittings	10%
Computer equipment	25%
General plant and equipment	14%
<i>Amortisation</i>	
The following amortisation rates have been adopted:	
Leasehold improvements (over the period of the lease)	8.33% - 25%
Software	25% - 33%

(vi) Major inspection costs

When each 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.

(vii) Restoration costs

The estimated cost of dismantling and removing an asset and restoring the site to the original condition is included in the cost of an asset, to the extent it is recognised as a liability. The liability is carried at present value of future estimated costs discounted using the government bond rate. The unwinding of the discount is recognised as finance costs in the statement of comprehensive income.

(viii) 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 a component of an asset, in which case the costs are capitalised and depreciated.

Department of Premier and Cabinet

Notes to and forming part of the Financial Statements
for the year ended 30 June 2016

1 Summary of Significant Accounting Policies

(g) Assets

(ix) Leased assets

A distinction is made between finance leases which effectively transfer from the lessor to the lessee substantially all the risks and rewards incidental to ownership of the leased assets, and operating leases under which the lessor effectively retains all such risks and rewards.

The Department has no finance leases.

Operating lease payments are recognised as an expense on a straight-line basis over the lease term.

(x) Intangible assets

The Department recognises intangible assets only if it is probable that future economic benefits will flow to the Department and 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.

All research costs are expensed. Development costs are only capitalised when certain criteria are met.

The useful lives of intangible assets are assessed to be finite.

Intangible assets are subsequently measured at fair value only if there is an active market. As there is no active market for the Department's intangible assets, the assets are carried at cost less any accumulated amortisation and impairment losses.

The Department's intangible assets consist of internally developed software and software licences. Software is amortised using the straight line method over a period between 3 and 5 years.

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.

(xi) Loans and receivables

Loans and receivables are non derivative financial assets with fixed or determinable payments that are not quoted in an active market. These financial assets are recognised initially at fair value, usually based on the transaction cost or face value. Subsequent measurement is at amortised cost using the effective interest method, less an allowance for any impairment of receivables. Any changes are recognised in the net result for the year when impaired, derecognised or through the amortisation process.

Short term receivables with no stated interest rate are measured at the original invoice amount where the effect of discounting is immaterial.

1 Summary of Significant Accounting Policies

(g) Assets

(xii) Impairment of financial assets

All financial assets are subject to an annual review for impairment. An allowance for impairment is established when there is objective evidence that the Department will not be able to collect all amounts due.

For financial assets carried at amortised cost, the amount of the allowance is the difference between the asset's carrying amount and the present value of estimated future cash flows, discounted at the effective interest rate. The amount of the impairment loss is recognised in the net result for the year.

Any reversals of impairment losses are reversed through the net result for the year, where there is objective evidence. Reversals of impairment losses of financial assets carried at amortised cost cannot result in a carrying amount that exceeds what the carrying amount would have been had there not been an impairment loss.

(xiii) De recognition of financial assets and financial liabilities

A financial asset is derecognised when the contractual rights to the cash flows from the financial assets expire; or if the Department transfers the financial asset:

- where substantially all the risks and rewards have been transferred or
- where the Department has not transferred substantially all the risks and rewards, if the entity has not retained control.

Where the Department has neither transferred nor retained substantially all the risks and rewards or transferred control, the asset is recognised to the extent of the Department's continuing involvement in the asset.

A financial liability is derecognised when the obligation specified in the contract is discharged or cancelled or expires.

(xiv) Trust funds

During the year the Department has received monies in a trustee capacity for various trusts and other entities as set out in Note 6 as Transfer Payments. As the Department performs only a custodial role in respect of these monies and because the monies cannot be used for the achievement of the Department's own objectives, these funds are not recognised in the financial statements.

(xv) Other assets

Other assets are recognised on a historic cost basis.

(xvi) Foreign currency

The Department has advance accounts for six of its overseas offices and replenishes funds in those accounts every quarter, with the overseas office providing a reconciliation of its expenses in that period. The foreign currency exchange rate on the day of the recoup is used to record transactions and replenish the overseas advance account to its foreign currency limit. Unrecouped expenses at the end of the year are accrued using the foreign currency exchange rate at reporting date.

The overseas advance accounts are translated to Australian dollars, the Department's functional currency at the foreign currency exchange rate at reporting date. Exchange differences from the translation are included in profit or loss.

1 Summary of Significant Accounting Policies

(h) Liabilities

(i) Payables

These amounts represent liabilities for goods and services provided to the Department. Payables are recognised initially at fair value, usually based on the transaction cost or face value. Subsequent measurement is at amortised cost using the effective interest method. Short term payables with no stated interest rate are measured at the original invoice amount where the effect of discounting is immaterial.

(ii) 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 liability at the time the guarantee is issued and initially measured at fair value, where material. After initial recognition, the liability is measured at the higher of the amount determined in accordance with AASB 137 *Provisions, Contingent Liabilities and Contingent Assets* and the amount initially recognised, less accumulated amortisation, where appropriate.

The Department has reviewed its financial guarantees and determined that there is no material liability to be recognised for financial guarantee contracts as at 30 June 2016 and at 30 June 2015.

(iii) Employee benefits and other provisions

a. Salaries and wages, annual leave, sick leave and on costs

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 the use of a nominal approach plus the annual leave on annual leave liability (using 7.9% of the nominal value of annual leave) can be used to approximate the present value of the annual leave liability. The Department has assessed the actuarial advice based on the Department's circumstances and has determined that the effect of discounting is immaterial to annual leave.

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.

Department of Premier and Cabinet

Notes to and forming part of the Financial Statements
for the year ended 30 June 2016

1 Summary of Significant Accounting Policies

(h) Liabilities

(iii) Employee benefits and other provisions

b. Long service leave and superannuation

The Department's liabilities for long service leave and defined benefit superannuation are assumed by the Crown Entity. The Department 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 Entity of employee benefits and other liabilities".

Long service leave is measured at present value in accordance with AASB 119 *Employee Benefits*. This is based on the application of certain factors (specified in NSWTC 15/09) to employees with five or more years of service, using current rates of pay. 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 First State 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.

c. 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.

Whilst the staff were employed by the Department, the obligation for the employee benefits such as annual leave and long service leave was held by the relevant agencies. In this regard the Department was acting as a pass through entity.

(iv) Other Provisions

Other provisions exist when: the Department 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.

Any provisions for restructuring are recognised only when the Department has a detailed formal plan and it 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.

If the effect of the time value of money is material, provisions are discounted at 1.98% (3.01% in 2015), which is a pre tax rate that reflects the current market assessments of the time value of money and the risks specific to the liability.

1 Summary of Significant Accounting Policies

(i) Fair value hierarchy

A number of the Department's accounting policies and disclosures require the measurement of fair values, for both financial and non financial assets and liabilities. 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, the entity categorises, for disclosure purposes, the valuation techniques based on the inputs used in the valuation techniques as follows:

- Level 1 - quoted prices in active markets for identical assets / liabilities that the entity 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).

The Department recognises transfers between levels of the fair value hierarchy at the end of the reporting period during which the change has occurred.

Refer Note 12 for further disclosures regarding fair value measurements of financial and non financial assets.

(j) Equity and reserves

(i) Revaluation surplus

The asset revaluation reserve is used to record increments and decrements on the revaluation of non current assets. This accords with the Department's policy on the revaluation of property, plant and equipment as discussed in Note 1 (g) (iii).

(ii) Accumulated Funds

The category 'Accumulated Funds' includes all current and prior period retained funds.

(k) Equity transfers

The transfer of net assets between agencies as a result of an administrative restructure, transfers of programs/functions and parts thereof between NSW public sector agencies 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 entities 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. Subject to below, 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, the Department recognises the asset at the transferor's carrying amount. Where the transferor is prohibited from recognising internally generated intangibles, the Department does not recognise that asset.

1 Summary of Significant Accounting Policies

(l) Budgeted amounts

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 budget amounts. Major variances between the original budgeted amounts and the actual amounts disclosed in the primary financial statements are explained in Note 19.

(m) Comparative information

Except when an Australian Accounting Standard permits or requires otherwise, comparative information is disclosed in respect of the previous period for all amounts reported in the financial statements.

(n) Changes in Accounting Policy, including new or revised Australian Accounting Standards

The accounting policies applied in 2015-16 are consistent with those of the previous financial year except as a result of the following new or revised Australian Accounting Standards that have been applied for the first time in twelve months to 30 June 2016.

- AASB 2014-1 (Part D) regarding amendments to AASB 9 *Financial Instrument*
- AASB 2015-3 regarding withdrawal of AASB 1031 *Materiality*
- AASB 2015-4 regarding amendments to AASB 128 *Investments in Associates and Joint Ventures* relating to financial reporting requirements for Australian groups with a foreign parent

The impact of these Standards in the period of initial application has not resulted in a material impact on the financial statements.

Issued but not yet effective:

NSW public sector entities are not permitted to early adopt new Australian Accounting Standards, unless Treasury determines otherwise.

The following new Australian Accounting Standards have not been applied and are not yet effective, in accordance with the NSW Treasury mandate (TC 15 03):

- AASB 9 and AASB 2014-7 regarding financial instruments
- AASB 14 and AASB 2014-1(Part E) regarding Regulatory Deferral Accounts
- AASB 15, AASB 2014-5 and AASB 2015-8 regarding Revenue from Contracts with Customers
- AASB 1056 *Superannuation Entities*
- AASB 2014-3 regarding accounting for acquisitions of interests in joint operations
- AASB 2014-4 regarding acceptable methods of depreciation and amortisation
- AASB 2014-6 regarding bearer plants
- AASB 2014-9 regarding equity method in separate financial statements
- AASB 2014-10 and AASB 2015-10 regarding sale or contribution of assets between an investor and its associate or joint venture
- AASB 2015-1 regarding annual improvements to Australian Accounting Standards 2012-2014 cycle
- AASB 2015-2 regarding amendments to AASB 101 (disclosure initiative)
- AASB 2015-5 *Amendments to Australian Accounting Standards – Investment Entities: Applying the Consolidation Exception*
- AASB 2015-6 *Amendments to Australian Accounting Standards – Extending Related Party Disclosures to Not-for-Profit Public Sector Entities*
- AASB 2015-7 *Amendments to Australian Accounting Standards – Fair Value Disclosures of Not-for-Profit Public Sector Entities*

The Department of Premier and Cabinet anticipates that the adoption of these Standards in the period of initial application will have no material impact on the financial statements.

Department of Premier and Cabinet

Notes to and forming part of the Financial Statements
for the year ended 30 June 2016

2 Expenses Excluding Losses

	2016	2015
	\$000	\$000
(a) Employee related expenses		
Salaries and wages (including annual leave)	96,246	79,569
Superannuation - defined benefit plans	468	496
Superannuation - defined contribution plans	6,851	6,021
Long Service Leave	3,275	2,259
Workers' Compensation Insurance	194	478
Payroll tax and fringe benefits tax	7,487	6,287
Redundancies	186	4,778
Agency contractors	7,295	1,925
	122,002	101,813
Employee related costs that have been capitalised and therefore excluded from the above	55	----

	2016	2015
	\$000	\$000
(b) Other operating expenses include the following:		
Auditor's remuneration - audit of financial statements	206	212
Committee fees and expenses	665	541
Community events	3,282	4,336
Consultancy costs	8,183	3,097
Contractor - projects	1,819	2,244
Corporate services	6,981	8,571
Cost of sales	641	688
Fees for services rendered	10,304	12,375
Impairment of assets and bad debts	----	149
Information dissemination	2,275	4,633
Insurance	147	169
Maintenance expenses*	752	1,036
Motor vehicle expenses	1,244	1,242
Operating lease rental expense - minimum lease payments	14,603	21,076
Other expenses	5,983	5,686
Other occupancy costs	6,911	7,985
Sponsorships and donations	587	2,447
Stores and minor assets	518	437
Telephone and communication costs	1,233	859
Training (staff development)	1,929	1,204
Travel costs	2,907	2,003
	71,170	80,990
<u>Total maintenance costs</u>		
Maintenance expense - contracted labour and other (non-employee related), as above	752	1,036
Total maintenance expenses included in Note 2(a) + 2(b)	752	1,036

Department of Premier and Cabinet

Notes to and forming part of the Financial Statements
for the year ended 30 June 2016

2 Expenses Excluding Losses

	2016	2015
	\$000	\$000
(c) Depreciation and amortisation expense		
<u>Depreciation</u>		
Buildings and improvements	150	155
Plant and equipment	2,259	1,844
<u>Amortisation</u>		
Leasehold improvements	3,567	3,165
Intangible assets	1,458	1,257
	7,434	6,421

	2016	2015
	\$000	\$000
(d) Grants and subsidies		
Commonwealth Government	2,392	3,000
NSW Government	12,760	8,370
Local government	56	177
Grants to external organisations	20,270	11,391
Miscellaneous grants approved by the Premier	1,500	1,500
Regional and Rural Miscellaneous Grants Fund	799	800
	37,777	25,238

	2016	2015
	\$000	\$000
(e) Finance costs		
Unwinding of discount rate	130	153
	130	153

Department of Premier and Cabinet

Notes to and forming part of the Financial Statements
for the year ended 30 June 2016

3 Revenue

	2016	2015
	\$000	\$000
(a) Appropriations		
Recurrent appropriations		
Total recurrent drawdowns from NSW Treasury (per Summary of compliance)	479,685	294,311
Less: Liability to Consolidated Fund (per Summary of compliance)	-----	-----
	479,685	294,311
Comprising:		
Recurrent appropriations (per Statement of comprehensive income)	219,447	174,448
Transfer payments (per Note 6)	260,238	119,864
	479,685	294,312
Capital appropriations		
Total capital drawdowns from NSW Treasury (per Summary of compliance)	9,004	4,495
Less: Liability to Consolidated Fund (per Summary of compliance)	(384)	-----
	8,620	4,495
Comprising:		
Capital appropriations (per Statement of comprehensive income)	8,620	4,495
	8,620	4,495

	2016	2015
	\$000	\$000
(b) Sale of goods and services		
Services in-kind	796	5,195
Functions & events	227	323
Other	2,786	1,637
Advertising	1,223	1,283
	5,032	8,438

	2016	2015
	\$000	\$000
(c) Investment revenue		
Interest revenue from financial assets not at fair value through profit and loss	1	418
	1	418

Department of Premier and Cabinet

Notes to and forming part of the Financial Statements
for the year ended 30 June 2016

3 Revenue

	2016	2015
	\$000	\$000
(d) Grants and contributions		
Commonwealth Government	77	2,784
NSW Government	600	3,325
Private sector contributions - events	7,401	1,579
	8,078	7,688

	2016	2015
	\$000	\$000
(e) Acceptance by the Crown Entity of employee benefits and other liabilities		
The following liabilities and/or expenses have been assumed by the Crown Entity or other government entities:		
Superannuation - defined benefit	468	496
Long service leave	3,134	2,189
Payroll tax on superannuation	23	25
	3,625	2,710

4 Gain / (loss) on disposal

	2016	2015
	\$000	\$000
Proceeds from disposal of property, plant and equipment		
Plant and equipment	----	----
Written down value of assets disposed	(25)	(17)
Net gain / (loss) on disposal of plant and equipment	(25)	(17)

5 Other gains / (losses)

	2016	2015
	\$000	\$000
Reduction in carrying value - Heritage and cultural assets	(1,469)	(741)
Other gains/(losses)	(287)	6,988
	(1,756)	6,247

Department of Premier and Cabinet

Notes to and forming part of the Financial Statements
for the year ended 30 June 2016

6 Transfer Payments

The funding for the following is included in the annual budget allocation for the Department. These funds are transferred to these agencies progressively during the year, in accordance with their projected cash requirements.

	2016	2015
	\$000	\$000
Parliamentary Counsel's Office	8,484	8,924
Infrastructure NSW	10,605	9,232
Natural Resources Commission	6,195	4,329
Office of Sport	87,628	63,713
Sydney Olympic Park Authority	81	33,666
Destination NSW *	147,245	-----
	260,238	119,864

* From 1 July 2015, the Administrative Arrangements (Administrative Changes—Public Service Agencies) Order (No. 2) 2015 transferred Destination NSW from the Trade and Investment, Regional Infrastructure and Services cluster to the Premier and Cabinet cluster.

7 Service Groups of the Department

a) Service Group 1: Policy Support

Purpose:

This service group covers the provision of integrated sector-wide policy advice, counsel and legislative support services. It comprises the following areas: Economic Policy, Social Policy, Strategic Communications, Regional Coordination and Office of General Counsel.

b) Service Group 2: Protocol and Special Events

Purpose:

This service group provides management and coordination services for the Premier and NSW Government in protocol and ceremonial matters, special events, honours and awards and community programs. It also provides administrative support to former Office Holders and supports the Governor in constitutional, ceremonial and community roles and houses the Office of Veterans' Affairs.

c) Service Group 3: Administrative Support for Government

Purpose:

This service group covers a range of administrative and coordination functions to support the Premier and Ministry, and the operations of the department. It includes human resources, governance, ICT and finance functions.

Department of Premier and Cabinet

Notes to and forming part of the Financial Statements
for the year ended 30 June 2016

8 Current Assets - Cash and Cash Equivalents

	2016	2015
	\$000	\$000
Cash at bank and on hand	18,909	5,242
Cash at Treasury Corporation	-----	-----
	18,909	5,242

For the purposes of the statement of cash flows, cash and cash equivalents include cash at bank and cash on hand.

Cash and cash equivalents assets recognised in the statement of financial position are reconciled at the end of the financial year to the statement of cash flows as follows:

	2016	2015
	\$000	\$000
Cash and cash equivalents (per statement of financial position)	18,909	5,242
Closing cash and cash equivalents (per statement of cash flows)	18,909	5,242

Refer Note 21 for details regarding credit risk, liquidity risk, and market risk arising from financial instruments.

9 Current / Non-Current Assets - Receivables

	2016	2015
	\$000	\$000
Current Receivables		
Sale of goods and services	1,984	1,108
less: Allowance for impairment	-----	-----
Goods and services tax recoverable from ATO	2,622	1,486
Prepayments	72	1,147
Accrued income	107	258
Other receivables	13	95
	4,798	4,094
Non-Current Receivables		
Security deposit	102	-----
	102	-----
Total Receivables	4,900	4,094
Movement in the allowance for impairment		
Balance at 1 July	-----	1
Amounts written off during the year	-----	(149)
Amounts recovered during the year	(2)	(1)
Amount transferred out due to administrative restructure	-----	-----
Increase / (decrease) in allowance recognised in profit or loss	2	149
Balance at 30 June	-----	-----

Details regarding credit risk, liquidity risk and market risk, including financial assets that are either past due or impaired, are disclosed in Note 21.

Department of Premier and Cabinet

Notes to and forming part of the Financial Statements
for the year ended 30 June 2016

10 Non-Current Assets - Property, Plant and Equipment

	Land and Buildings	Plant and Equipment	Leasehold Improvements	Heritage and Cultural Assets	Total
	\$000	\$000	\$000	\$000	\$000
At 1 July 2015 - fair value					
Gross carrying amount	100,737	13,051	43,233	9,183	166,204
Accumulated depreciation and impairment	(2,446)	(3,063)	(7,860)	-----	(13,369)
Net carrying amount	98,291	9,988	35,373	9,183	152,835
At 30 June 2016 - fair value					
Gross carrying amount	107,996	12,794	40,851	7,921	169,562
Accumulated depreciation and impairment	(2,596)	(3,736)	(6,596)	-----	(12,928)
Net carrying amount	105,400	9,058	34,255	7,921	156,634

Reconciliation

A reconciliation of the carrying amount of each class of property, plant & equipment at the beginning & end of the reporting period is set out below.

	Land and Buildings	Plant and Equipment	Leasehold Improvements	Heritage and Cultural Assets	Total
	\$000	\$000	\$000	\$000	\$000
Year ended 30 June 2016					
Net carrying amount at start of year	98,291	9,988	35,373	9,183	152,835
Additions	1,131	1,293	2,478	-----	4,902
Disposals	-----	(5)	(20)	-----	(25)
Administrative restructures - transfers in/(out)	-----	-----	32	-----	32
Net revaluation increment less revaluation decrements recognised in reserves	6,128	-----	-----	207	6,335
Reduction in carrying value (recognised in 'other gains/losses')	-----	-----	-----	(1,469)	(1,469)
Depreciation expense	(150)	(2,259)	(3,567)	-----	(5,976)
Reclassifications	-----	41	(41)	-----	-----
Net carrying amount at end of year	105,400	9,058	34,255	7,921	156,634

	Land and Buildings ¹	Plant and Equipment ²	Infrastructure Systems	Heritage and Cultural Assets	Total
	\$000	\$000	\$000	\$000	\$000
At 1 July 2014 - fair value					
Gross carrying amount	100,338	12,447	25,204	9,924	147,913
Accumulated depreciation and impairment	(2,291)	(5,560)	(13,797)	-----	(21,648)
Net carrying amount	98,047	6,887	11,407	9,924	126,265
At 30 June 2015 - fair value					
Gross carrying amount	100,737	13,051	43,233	9,183	166,204
Accumulated depreciation and impairment	(2,446)	(3,063)	(7,860)	-----	(13,369)
Net carrying amount	98,291	9,988	35,373	9,183	152,835

Reconciliation

A reconciliation of the carrying amount of each class of property, plant & equipment at the beginning & end of the reporting period is set out below.

	Land and Buildings	Plant and Equipment	Infrastructure Systems	Heritage and Cultural Assets	Total
	\$000	\$000	\$000	\$000	\$000
Year ended 30 June 2015					
Net carrying amount at start of year	98,047	6,887	11,407	9,924	126,265
Additions	277	5,117	5,096	-----	10,490
Reclassifications to Intangibles	-----	(151)	(31)	-----	(182)
Disposals	-----	(21)	-----	-----	(21)
Reduction in carrying value (recognised in 'other gains/losses')	-----	-----	-----	(741)	(741)
Depreciation expense	(155)	(1,844)	(3,165)	-----	(5,164)
Reclassifications	122	-----	(122)	-----	-----
Other movements free of cost	-----	-----	22,188	-----	22,188
Net carrying amount at end of year	98,291	9,988	35,373	9,183	152,835

Further details regarding the fair value measurements of property, plant and equipment are disclosed in Note 12. The Department also continues to derive service potential and economic benefit from some fully depreciated assets that have not been revalued this financial year. The impact of valuation is likely to be minimal as most fully depreciated assets are likely to be in poor condition and therefore may or may not have zero value.

Department of Premier and Cabinet

Notes to and forming part of the Financial Statements
for the year ended 30 June 2016

11 Intangible Assets

	Software at cost \$000	Total \$000
At 1 July 2015 - fair value		
Gross carrying amount	9,922	9,922
Accumulated amortisation and impairment	(5,104)	(5,104)
Net carrying amount	4,818	4,818
At 30 June 2016 - fair value		
Gross carrying amount	9,846	9,846
Accumulated amortisation and impairment	(2,560)	(2,560)
Net carrying amount	7,286	7,286
Year ended 30 June 2016		
Net carrying amount at start of year	4,818	4,818
Additions	3,718	3,718
Disposals	----	----
Transfers IN due to administrative restructures	208	208
Amortisation (recognised in "depreciation and amortisation")	(1,458)	(1,458)
Reclassification	----	----
Net carrying amount at end of year	7,286	7,286

	Software at cost \$000	Total \$000
At 1 July 2014 - fair value		
Gross carrying amount	9,128	9,128
Accumulated amortisation and impairment	(5,011)	(5,011)
Net carrying amount	4,117	4,117
At 30 June 2015 - fair value		
Gross carrying amount	9,922	9,922
Accumulated amortisation and impairment	(5,104)	(5,104)
Net carrying amount	4,818	4,818
Year ended 30 June 2015		
Net carrying amount at start of year	4,117	4,117
Additions	2,221	2,221
Disposals	----	----
Transfers out through administrative restructure	(445)	(445)
Amortisation (recognised in "depreciation and amortisation")	(1,257)	(1,257)
Reclassification	182	182
Net carrying amount at end of year	4,818	4,818

The Department also continues to derive service potential and economic benefit from some fully amortised assets that have not been revalued this financial year. The impact of valuation is likely to be minimal as most fully depreciated assets are likely to be obsolete and therefore may or may not have zero value.

Department of Premier and Cabinet

Notes to and forming part of the Financial Statements
for the year ended 30 June 2016

12 Fair value measurement of non-financial assets

(a) Fair value hierarchy

The following tables provide an analysis of assets that are measured at fair value:

The fair value hierarchy has the following levels:

Level 1: Quoted prices (unadjusted) in active markets for identical assets;

Level 2: Inputs other than quoted prices included within Level 1 that are observable for the asset, either directly (i.e. as prices) or indirectly (i.e. derived from prices); and

Level 3: Inputs for the asset that are not based on observable market data (unobservable inputs).

	Notes	Level 1	Level 2	Level 3	Total fair Value
2016		\$000	\$000	\$000	\$000
Property, plant and equipment					
Land and buildings	10	----	----	105,400	105,400
Heritage and cultural assets	10	----	7,921	----	7,921
		----	7,921	105,400	113,321

	Notes	Level 1	Level 2	Level 3	Total fair Value
2015		\$000	\$000	\$000	\$000
Property, plant and equipment					
Land and buildings	10	----	----	98,291	98,291
Heritage and cultural assets	10	----	9,183	----	9,183
		----	9,183	98,291	107,474

There were no transfers between the Levels during either period.

(b) Valuation techniques, inputs and processes

Land and Buildings

The Land and Buildings balance reflects the fair value of the land and buildings comprising the Government House Sydney Crown Reserve. The land and buildings values were reassessed as at 30 June 2016 using indexation factors provided by NSW Land and Property Information. Each class of physical non-current assets is revalued at least every 3 years.

The land and buildings were valued at fair value consistent with the NSW Treasury Accounting Policy *TPP14-1 Accounting Policy: Valuation of Non Current* and *Australian Accounting Standard AASB 116*. Fair value is measured having regard to the highest and best use of an asset. However where the asset has no feasible alternate use in the near future, the asset is valued to its existing use. Where current market buying prices cannot be observed, an assets fair value is best measured by its depreciated replacement cost. However when current market buying price can be observed the property would be valued having regard to the direct comparison method of valuation having reference to current market transactions of comparable properties in the surrounding locality.

Heritage and Cultural assets

The Government House Collection assets transferred to the control of the Department, when Government House moved from the Historical House Trust (HHT) on 20 December 2013. The assets have been valued by external and HHT internal experts to reflect the fair value. The collection assets have been reviewed for external revaluation at least every five years as part of a rolling revaluation schedule across HHT.

The Government House Collection assets were revalued in March 2015 by an independent valuer, Shapiro Auctioneers and Gallery. They were engaged to provide an updated valuation of any asset with a value greater than \$10,000. The items valued constituted 52% of the total value of assets transferred from HHT. In March 2016, management reviewed the carrying value of all the heritage and cultural assets and deemed assets with a carrying value below \$5,000 to have nil value. This resulted in a reduction in carrying value of \$1,469,000. This represents 16% of the total value of Collection assets. An additional valuation was carried out for the collection assets between \$5,000 & \$10,000, which resulted in an increment of \$207,000.

The independent valuer used indicative market rates as the basis for the values provided.

Department of Premier and Cabinet

Notes to and forming part of the Financial Statements
for the year ended 30 June 2016

12 Fair value measurement of non-financial assets

(c) Reconciliation of recurring level 3 fair value measurements

		Land and buildings (Government House)	Total Recurring level 3 Fair value
	Notes	\$000	\$000
2016			
Fair value as at 1 July 2015	10	98,291	98,291
Additions	10	1,131	1,131
Revaluation	10	6,128	6,128
Depreciation	10	(150)	(150)
		105,400	105,400

		Land and buildings (Government House)	Total Recurring level 3 Fair value
	Notes	\$000	\$000
2015			
Fair value as at 1 July 2014	10	98,047	98,047
Additions	10	277	277
Depreciation	10	(155)	(155)
Reclassification from plant & equipment	11	122	122
		98,291	98,291

13 Current Liability - Payables

	2016	2015
	\$000	\$000
Accrued salaries, wages and on-costs	1,201	3,055
Creditors	16,635	5,542
Unearned revenue	-----	-----
Redundancies	-----	1,694
	17,836	10,291

Details regarding credit risk, liquidity risk and market risk, including a maturity analysis of the above payables, are disclosed at Note 21.

Department of Premier and Cabinet

Notes to and forming part of the Financial Statements
for the year ended 30 June 2016

14 Current / Non-Current Liabilities - Provisions

	2016 \$000	2015 \$000
Current Provisions		
Annual leave including on-costs	9,406	7,378
Long service leave on-costs	1,158	998
Payroll tax	1,159	976
Current employee benefits and related on-cost provisions	11,723	9,352
Restoration costs	315	291
Total Current Provisions	12,038	9,643
Non-Current Provisions		
Long service leave on-costs	101	87
Payroll tax	61	52
Non-Current employee benefits and related on-cost provisions	162	139
Restoration costs	5,148	4,515
Total Non-Current Provisions	5,310	4,654
Employee benefits and related on-costs	11,885	9,491
Restoration costs	5,463	4,806
Total Provisions	17,348	14,297

	2016 \$000	2015 \$000
Aggregate employee benefits and related on-costs		
Provisions - current	11,723	9,352
Provisions - non-current	162	139
Accrued salaries, wages and on-costs (Note 13).	1,201	3,055
	13,086	12,546

The Department's liability for long service leave is assumed by the Crown Entity. However the Department has an obligation to meet the long service related on-cost.

Movements in provisions (other than employee benefits)

Movements in each class of provision during the financial year, other than employee benefits are set out below:

	2016 \$000	2015 \$000
Provision for Restoration Costs		
Carrying amount at the beginning of financial year	4,806	5,385
Unwinding /change in discount rate	419	(145)
Amount transferred out due to administrative restructure	56	----
Unused amount reversed	----	(1,101)
Additional provisions recognised	207	1,295
Amounts used	(25)	(628)
Carrying amount at the end of financial year	5,463	4,806

Restoration costs relate to office accommodation leases with the major lease due to expire in 2025.

15 Current / Non-Current Liabilities - Other

	2016 \$000	2015 \$000
Other - current		
Liability to consolidated fund	384	----
Unamortised leasehold incentive	3,053	3,053
Unearned revenue	502	200
Other liabilities	23	23
	3,962	3,276
Other - non-current		
Unamortised leasehold incentive	30,494	32,205
	30,494	32,205

Department of Premier and Cabinet

Notes to and forming part of the Financial Statements
for the year ended 30 June 2016

16 Increase / Decrease in Net Assets from Equity Transfers

Transfers - year ended 30 June 2016

	2016 \$000
Transfer in arising from <i>Administrative Arrangements (Administrative Changes—Public Service Agencies) Order 2015</i>	
Investment Attraction and Development Branch (from Department of Trade and Investment, Regional Infrastructure and Services)	
Assets	
Current assets	
Cash and cash equivalents	503
Receivables	38
Total current assets	541
Non-Current assets	
Property, plant and equipment	32
Intangible	208
Receivables	58
Total non-current assets	298
Total assets	839
Liabilities	
Current liabilities	
Payables	92
Provisions	410
Total current liabilities	502
Non-current liabilities	
Provisions	12
Total liabilities	514
Net assets	325

Transfers - year ended 30 June 2015

	2015 \$000
Transfer in arising from <i>Administrative Arrangements (Administrative Changes - Miscellaneous Agencies) Order 2014</i>	
Office of Veterans Affairs (from Department of Education & Communities)	
Assets	
Current assets	
Cash and cash equivalents	70
Receivables	55
Total current assets	125
Liabilities	
Current liabilities	
Payables	28
Provisions	96
Total current liabilities	124
Non-current liabilities	
Provisions	1
Total liabilities	125
Net assets	0

Department of Premier and Cabinet

Notes to and forming part of the Financial Statements
for the year ended 30 June 2016

16 Increase / Decrease in Net Assets from Equity Transfers

	2015
	\$000
Transfers In - Other	
Assets	
Current assets	
Cash and cash equivalents	11
Total current assets	11
Liabilities	
Current liabilities	
Payables	11
Total current liabilities	11
Total liabilities	11
Net assets	0
Transfers Out - Human Services Data Hub (to Office of Finance and Services)	
Assets	
Intangible assets	445
Total non-current assets	445
Total assets	445
Net assets	445
Increase/(Decrease) in Net Assets From Equity Transfers	(445)

17 Commitments for Expenditure

	2016	2015
	\$000	\$000
Operating Lease Commitments		
Future non-cancellable operating lease rentals not provided for and payable		
Not later than one year	17,792	16,974
Later than one year and not later than five years	67,977	62,015
Later than five years	80,348	90,335
Total (including GST)	166,117	169,324

The operating lease commitments relate to leasing of office space and motor vehicles. \$164.8m of the above expenditure is subject to GST (2015: \$169.3m), which includes input tax credits of \$14.9m (2015: \$15.4m) that are expected to be recoverable from the ATO. Leases not subject to GST are overseas leased offices of the Department.

18 Contingent Liabilities and Contingent Assets

Contingent Liabilities

The Department is not aware of any significant or material contingent liability in existence at 30 June 2016 or which has emerged subsequent to this date, which may materially impact on the financial position of the Department as shown in the financial statements.

Contingent Assets

There are no known contingent assets at balance date.

Department of Premier and Cabinet

Notes to and forming part of the Financial Statements
for the year ended 30 June 2016

19 Budget Review

Net Result

The net result was a \$4,509k surplus compared to a budgeted surplus of \$9,778k. This is an unfavourable variance of \$5,269k, arising from the following items.

Expenses

Total expenses excluding losses were \$238,513k compared to a budget of \$230,776k. This was \$7,737k over budget. The factors causing this were:

Employee related expenses were \$122,002k compared to a budget of \$117,173k. This was \$4,829k over budget, primarily due to an approved increase in project expenditure during the year. Other operating expenses were \$71,170k compared to a budget of \$77,537 (\$6,367k under budget). Grants and Subsidies were \$37,777k compared to a budget of \$28,274k. This was \$9,503k over budget, which reflects grants paid to other agencies by DPC to fund priorities.

Revenue

Capital Appropriations were \$8,620k compared to a budget of \$12,371k (\$3,751k under budget), which reflects that the funding for a number of capital projects were carried forward to future financial years.

Sale of Goods and Services were \$5,032k compared to a budget of \$1,492k (\$3,540k over budget), which reflects increased sponsorship income for Australia Day events.

Grants and Contributions were \$8,078k compared to a budget of \$2,659k (\$5,419k over budget), which mainly reflects funds returned from a project that was jointly funded with the Commonwealth.

Other Gains

Other gains / (losses) were \$1,756k compared to a budget of nil. This was a result of a reduction in the carrying value recognised for the collection of assets at Government House Sydney (\$1,469k).

Assets and Liabilities

Net assets were \$118,089k compared to a budget of \$114,091k. The major variances arising on the Statement of Financial Position are noted below:

Assets

Cash and Cash Equivalents were \$18,909k compared to a budget of \$7,191k. This is \$11,718k over budget, which is due to the timing differences in a number of accounts payables resulting in them being accrued to be paid next financial year.

Current receivables were \$4,798k compared to a budget of \$1,459k. This was \$3,339k over budget due to a higher than anticipated GST recoverable from the ATO in June.

Property Plant and Equipment – Land and Buildings were \$105,400k compared to a budget of \$100,164k. This is \$5,236k over budget, which reflects a revaluation of the land and buildings at Government House Sydney.

Liabilities

Payables were \$17,836k compared to a budget of \$9,721k. This is \$8,115k over budget, which is due to a timing difference resulting from a number of vendor payments being accrued to be paid next financial year.

Cash Flows

The closing Cash position was \$18,909k compared to a budget of \$7,191k. This is over budget by \$11,718k, which reflects timing differences in a number of accounts payables resulting in them being accrued to be paid next financial year. This also is a factor in Net cash flows from operating activities being \$21,784k compared to a budget \$13,339k

Department of Premier and Cabinet

Notes to and forming part of the Financial Statements
for the year ended 30 June 2016

20 Reconciliation of Cash Flows from Operating Activities to Net Result

	2016	2015
	\$000	\$000
Net cash used on operating activities	21,784	(29,418)
Net adjustments for non-cash equity transfers	178	81
Allowance for Impairment	----	(149)
Depreciation	(7,434)	(6,421)
Finance Costs	(130)	(153)
Contributed assets	----	22,188
Decrease / (increase) in provisions	(2,394)	(1,007)
Increase / (decrease) in receivables & prepayments	806	(24,833)
(Increase) / decrease in creditors	(7,545)	21,258
Net gain / (loss) on sale of plant and equipment	(25)	(19)
Other gain / (loss)	(1,756)	6,245
Decrease / (increase) in other liabilities	1,025	2,040
Net result	4,509	(10,188)

Department of Premier and Cabinet

Notes to and forming part of the Financial Statements
for the year ended 30 June 2016

21 Financial Instruments

The Department's principal financial instruments are outlined below. These financial instruments arise directly from the Department's operations or are required to finance the Department's operations. The Department does not enter into or trade financial instruments, including derivative financial instruments, for speculative purposes.

The Department's main risks arising from financial instruments are outlined below, together with the Department'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 the Department, to set risk limits and controls and to monitor risks. The Audit and Risk Committee and Internal Auditors assist in the review of compliance with policies.

(a) Financial instrument categories

Financial Assets	Note	Category	Carrying Amount	Carrying Amount
Class:			2016	2015
			\$000	\$000
Cash and cash equivalents	8	Not Applicable	18,909	5,242
Receivables ¹	9	Loans and receivables (at amortised cost)	2,208	1,800

Financial Liabilities	Note	Category	Carrying Amount	Carrying Amount
Class:			2016	2015
			\$000	\$000
Payables ²	13	Financial liabilities measured at amortised cost	17,314	9,786
Other	15	Financial liabilities measured at amortised cost	33,570	35,281

1. Excludes statutory receivables and prepayments (i.e. not within scope of AASB 7)

2. Excludes statutory payables and unearned revenue (i.e. not within scope of AASB 7)

Department of Premier and Cabinet

Notes to and forming part of the Financial Statements
for the year ended 30 June 2016

21 Financial Instruments

(b) Credit Risk

Credit risk arises when there is the possibility of the Department's debtors defaulting on their contractual obligations, resulting in a financial loss to the Department. 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 through the holding of financial assets, including cash, receivables and authority deposits. No collateral is held by the Department. No financial guarantees have been provided by the Department.

Credit risk associated with the Department's financial assets, other than receivables, is managed through the selection of counterparties and establishment of minimum credit rating standards.

Cash

Cash comprises cash on hand and bank balances within the NSW Treasury Banking System.

Receivables - trade debtors

All trade debtors are recognised as amounts receivable at balance sheet date. Collectability of trade debtors is reviewed on an ongoing basis. Procedures as established in the Treasurer's Directions are followed to recover outstanding amounts, including letters of demand. Debts which are known to be uncollectible are written off. An allowance for impairment is raised when there is objective evidence that the entity will not be able to collect all amounts due. This evidence includes past experience, and current and expected changes in economic conditions and debtor credit ratings. No interest is earned on trade debtors. Sales are made on 14 or 30 day terms.

The Department is not materially exposed to concentrations or credit risk to a single trade debtor or group of debtors. Based on past experience, debtors that are not past due (2016: \$1,260k; 2015: \$448k) and less than 3 months past due (2016: \$150k; 2015: \$407k) are not considered impaired and together these represent 70% (2015: 77%) of the total trade debtors. Most of the Department's debtors have a AAA credit rating.

The only financial assets that are past due or impaired are "sales of goods and services" in the "receivables" category of the Statement of Financial Position.

	\$'000		
	Total ^{1,2}	Past due but not impaired ^{1,2}	Considered impaired ^{1,2}
2016			
< 3 months overdue	150	150	----
3 months - 6 months overdue	158	158	----
> 6 months overdue	444	444	----
2015			
< 3 months overdue	407	407	----
3 months - 6 months overdue	128	128	----
> 6 months overdue	125	125	----

Notes

- Each column in the table reports "gross receivables".
- The ageing analysis excludes receivables that are not past due and not impaired. Therefore the "total" will not reconcile to the receivables total recognised in the statement of financial position.

Department of Premier and Cabinet

Notes to and forming part of the Financial Statements
for the year ended 30 June 2016

21 Financial Instruments

(c) Liquidity risk

Liquidity risk is the risk that the Department will be unable to meet its payment obligations when they fall due. The Department continuously manages risk through monitoring future cash flows and maturities planning to ensure adequate holding of high quality liquid assets.

During the current and prior years, there were no defaults or breaches on any loans payable. No assets have been pledged as collateral. The Department'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 NSW TC 11/12. For small business suppliers, where terms are not specified, payment is made not later than 30 days from date of receipt of a correctly rendered invoice. 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 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.

The table below summarises the maturity profile of the Department's financial liabilities, together with the interest rate exposure.

Maturity Analysis and interest rate exposure of financial liabilities

		\$'000						
	Weighted Average Effective Int. Rate	Nominal Amount	Fixed Interest Rate	Variable Interest Rate	Non-interest bearing	< 1 yr	1-5 years	> 5 yrs
2016								
Payables:								
Accrued salaries, wages and on-costs		687	----	----	687	687	----	----
Creditors		16,627	----	----	16,627	16,627	----	----
		17,314	----	----	17,314	17,314	----	----
Other Liabilities:								
Unamortised leasehold incentive		33,547	----	----	33,547	3,053	12,212	18,282
Other		23	----	----	23	23	----	----
		33,570	----	----	33,570	3,076	12,212	18,282
Total		50,884	----	----	50,884	20,390	12,212	18,282
2015								
Payables:								
Accrued salaries, wages and on-costs		4,250	----	----	4,250	4,250	----	----
Creditors		5,536	----	----	5,536	5,536	----	----
		9,786	----	----	9,786	9,786	----	----
Other Liabilities:								
Unamortised leasehold incentive		35,258	----	----	35,258	3,053	12,212	19,993
Other		23	----	----	23	23	----	----
		35,281	----	----	35,281	3,076	12,212	19,993
Total		45,067	----	----	45,067	12,862	12,212	19,993

Department of Premier and Cabinet

Notes to and forming part of the Financial Statements
for the year ended 30 June 2016

21 Financial Instruments

(d) 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. The Department's exposures to market risk are primarily through interest rate risk on the Department's borrowings and other price risks associated with the movement in the unit price of the Hour Glass Investment facilities.

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 the Department 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 2015. The analysis assumes that all other variables remain constant.

Interest rate risk

The Department does not account for any fixed rate financial instruments at fair value through profit or loss or as available for sale. Therefore, for these financial instruments, a change in interest rates would not affect net results or equity. A reasonably possible change of +/- 1% is used, consistent with current trends in interest rates. The basis will be reviewed annually and amended where there is a structural change in the level of interest rate volatility.

The Department's exposure to interest rate risk is set out below.

Consolidated	Carrying Amount	-1%		1%	
		Profit \$'000	Equity \$'000	Profit \$'000	Equity \$'000
2016					
<i>Financial assets</i>					
Cash and cash equivalents	18,909	(189)	(189)	189	189
Receivables	2,208	(22)	(22)	22	22
<i>Financial liabilities</i>					
Payables	17,314	173	173	(173)	(173)
Other liabilities	33,570	336	336	(336)	(336)
2015					
<i>Financial assets</i>					
Cash and cash equivalents	5,242	(52)	(52)	52	52
Receivables	1,800	(18)	(18)	18	18
<i>Financial liabilities</i>					
Payables	9,786	98	98	(98)	(98)
Other liabilities	35,281	353	353	(353)	(353)

(e) Fair value measurement

(i) Fair value compared to carrying amount

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.

22 Events After the Reporting Period

There is no matter or circumstance that have arisen since 30 June 2016 that have significantly affected, or may significantly affect the Department's operations, the result of those operations, or the state of affairs in future financial years.

End of audited financial statements

The image features a purple geometric background composed of various shades of purple triangles and polygons. A white banner with a slight shadow is positioned horizontally across the upper portion of the image. The word "APPENDICES" is written in a green, sans-serif font within this banner.

APPENDICES

ADMINISTRATION

Privacy Management Plan

Clause 6 of the Annual Reports (Departments) Regulation 2010 requires a statement of the action taken by DPC in complying with the requirements of the Privacy and Personal Information Protection Act 1998 (the PPIP Act), and statistical details of any review conducted by or on behalf of DPC under Part 5 of that Act.

In compliance with the provisions of the PPIP Act, DPC has a Privacy Management Plan (PMP) and has a designated Privacy Contact Officer. Mechanisms have been established to make staff aware of the PPIP Act and other privacy obligations. DPC's privacy policy is clearly set out at paragraphs 11.14 to 11.15 of its Code of Conduct. New staff members are briefed when joining DPC on their obligations under the code, including in relation to the handling of personal information and an e-learning module is provided on the intranet. The PMP was reviewed and amended in 2012 and updated in 2015 to reflect DPC's new structure. It is published on DPC's website www.dpc.nsw.gov.au.

DPC's Privacy Contact Officer can be contacted at:

Privacy Contact Officer

Information Access Unit
Cabinet and Legal
Department of Premier and Cabinet
PO Box 5341 SYDNEY NSW 2001
Phone: (02) 9228 5871

Internal reviews

No internal reviews were conducted by or on behalf of DPC under Part 5 of the PPIP Act or under the Health Records and Information Privacy Act 2002 (the HRIP Act) during 2015–2016.

Public Interest Disclosures (PID)

The Public Interest Disclosures Act 1994, section 31, requires each public authority to prepare an annual report on obligations under the Act. In accordance with 'Section 4' of the Public Interest Disclosures Regulation 2011, the following information is provided on public interest disclosures for the period 1 July 2015 to 30 June 2016:

(a) Number of public officials who made public interest disclosures	0
(b) Number of public interest disclosures relating to possible or alleged:	
(i) corrupt conduct	0
(ii) maladministration	0
(iii) serious and substantial waste of public money...	0
(iv) government information contraventions	0
(v) local government pecuniary interest contraventions	0
TOTAL number of public interest disclosures received ...	0

The public interest disclosure was received under Section 25 of the Public Interest Disclosures Act 1994.

- | | |
|---|---|
| (c) Number of public interest disclosures (received since 1 Jan 2012) that have been finalised in this reporting period | 0 |
| (d) An internal reporting policy has been established. | |
| (e) Actions taken to ensure staff awareness of the policy and the protections under the Act are: | |
| – training provided to new staff as part of the induction program | |
| – the new DPC Code of Conduct was approved by the Secretary and emailed to all staff | |
| – link on the intranet to the Public Interest Disclosures Policy and Procedures | |
| – links in other departmental policies to the Public Interest Disclosures Policy and Procedures | |
| – link on the internet to the Public Interest Disclosures Policy and Procedures | |
| – reference to the Public Interest Disclosures Act has been included in other departmental policies | |
| – a procedures manual on how to handle public interest disclosures issued to public interest | |
| – disclosures coordinators | |
| – the Ombudsman's PID e-News and PID related emails are received as a means of keeping aware of current PID developments. | |

Section 6CA of the Act requires each public authority to provide a report for each six month period to the Ombudsman on compliance with the obligations under the Act. In accordance with the Ombudsman's reporting system, information as shown above was provided within the statutory deadlines.

Controlled entities

DPC is a separate entity with no other entities under its control.

Government Information (GIPA)

Obligations under GIPA Act

1. Review of proactive release program — Clause 7(a)

Under section 7 of the GIPA Act, agencies must review their programs for the release of government information to identify the kinds of information that can be made publicly available. This review must be undertaken at least once every 12 months.

DPC's program for the proactive release of information involves reviewing the information sought and released pursuant to GIPA applications received over the financial year, considering the kinds of government information held by DPC that may be suitable for proactive release, and asking DPC groups and branches to submit information that is suitable for proactive release to DPC's IAU. Following this review, IAU 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 DPC.

During the reporting period, DPC continued this program by issuing a memorandum to groups and branches requiring them to report to IAU on any information that they hold, which may be suitable for authorised proactive release.

DPC continues to proactively release information concerning the costs of entitlements for former office holders, and details of Ministerial staff numbers. The information is available on DPC's website.

During this reporting period, DPC reviewed a number of key documents and memoranda relating to proactive release of government information and updated these documents on DPC's website. In particular, DPC released an updated Minister's Office Handbook, and a Premier's memoranda relating to the publication of Ministerial Diaries and overseas travel information. DPC

also released its report on the 12 month review of the publication of Ministerial diaries, which is available on DPC's website. DPC also made available on its website other updated DPC policies and procedures including its Code of Conduct, Privacy Management Plan and the Gifts, Benefits and Hospitality Policy.

OpenGov NSW contains information published by NSW Government agencies, including annual reports and open access information released under the GIPA Act. DPC's annual report is publicly available on the OpenGov NSW website at www.opengov.nsw.gov.au.

2. Number of access applications received — Clause 7(b)

During the reporting period, DPC received 97 formal access applications (including withdrawn applications but not invalid applications).

3. Number of refused applications for Schedule 1 information — Clause 7(c)

During the reporting period, DPC refused 44 formal access applications because the information requested was information referred to in Schedule 1 to the GIPA Act.

Of those applications, 5 decisions were made to refuse in full, and 40 decisions were made to refuse in part*.

*More than one decision was made for one of the applications.

Statistical information about access applications – clause 7(d) and Schedule 2

	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	3	8	0	1	2	0	0	0
Members of Parliament	15	16	2	6	6	3	0	0
Private sector business	0	1	1	0	1	0	0	0
Not for profit organisations or community groups	3	22	0	16	20	2	0	1
Members of the public (application by legal representative)	0	2	0	1	0	0	0	0
Members of the public (other)	3	3	3	3	0	1	0	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.

	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*	0	0	0	1	0	0	0	0
Access applications (other than personal information applications)	24	49	6	25	29	4	0	2
Access applications that are partly personal information applications and partly other	0	3	0	1	0	2	0	0

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

The total number of decisions in Table B should be the same as Table A.

Table C: Invalid applications	
Reason for invalidity	Number of applications
Application does not comply with formal requirements (section 41 of the Act)	6
Application is for excluded information of the agency (section 43 of the Act)	0
Application contravenes restraint order (section 110 of the Act)	0
Total number of invalid applications received	6
Invalid applications that subsequently became valid applications	3

Table D: Conclusive presumption of overriding public interest against disclosure: matters listed in Schedule 1 of the Act	
	Number of times consideration used*
Overriding secrecy laws	0
Cabinet information	35
Executive Council information	1
Contempt	4
Legal professional privilege	9
Excluded information	3
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

*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 the Act	
	Number of occasions when application not successful
Responsible and effective government	14
Law enforcement and security	0
Individual rights, judicial processes and natural justice	10
Business interests of agencies and other persons	6
Environment, culture, economy and general matters	0
Secrecy provisions	0
Exempt documents under interstate Freedom of Information legislation	3

Table F: Timeliness	
	Number of applications
Decided within the statutory timeframe (20 days plus any extensions)	71
Decided after 35 days (by agreement with applicant)	20
Not decided within time (deemed refusal)	4
Withdrawn applications	2
Total	97

Table G: Number of applications reviewed under Part 5 of the Act (by type of review and outcome)			
	Decision varied	Decision upheld	Total
Internal review	2	2	4
Review by Information Commissioner*	0	0	1**
Internal review following recommendation under section 93 of Act	0	0	0
Review by NCAT	0	2	2
Total	2	4	7

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

**The application for review by the Information Commissioner was withdrawn before determination.

Table H: Applications for review under Part 5 of the Act (by type of applicant)	
	Number of applications for review
Applications by access applicants	6
Applications by persons to whom information the subject of access application relates (see section 54 of the Act)	1

Table I: Applications transferred to other agencies under Division 2 of Part 4 of the Act (by type of transfer)	
	Number of applications for review
Agency-initiated transfers	20
Applicant-initiated transfers	7

Implementing performance audit recommendations

Following a performance audit in 2015 by the Audit Office of New South Wales on implementing performance audit recommendations, the AONSW recommended that agencies use the Audit Office's better practice checklist to implement performance audit recommendations and ensure that progress against performance audit recommendations is included in the agency's annual report. DPC fully supports the Auditor-General's recommendation and is using the Audit Office's Better Practice Checklist to maintain a sound practice in relation to the implementation and monitoring of performance audit recommendations. This includes monitoring by the Audit and Risk Committee. DPC's progress on implementing performance audit recommendations for the 2015–16 financial year is outlined in the table below.

Performance Audit Report Name	Date Tabled	Number of Recommendations	Number of Recommendations on Track	Number of Recommendations Closed	Number of Recommendations Delayed	Proposed Implementation Dates
Government Advertising	22 June 2015	8	1	7	0	September 2017
Managing Unsolicited Proposals in NSW	10 March 2016	4	4	0	0	March 2017
Implementing Performance Audit Recommendations	24 June 2015	1	0	1	0	N/A – Action Complete

Audit and risk management

The Secretary is required to provide an annual statement attesting to compliance with the eight core requirements of Treasury Policy TPP 15/03 Internal Audit and Risk Management Policy for the NSW Public Sector.

DPC has embedded an enterprise wide risk culture into its business and management practices through the provision to employees of a robust framework of risk related policies, plans and online training modules which include:

- » Risk Management Framework, Policy and training module
- » Fraud and Corruption Control Policy and Strategy and training module
- » Work Health and Safety Policy, Committee and training module
- » Security and Emergency Awareness Plan and training module
- » Business Continuity Plan
- » Public Interest Disclosures Policy and Procedures.

DPC conducts regular reviews of these policies and its Audit and Risk Committee and Internal Audit Charters which are endorsed by the Audit and Risk Committee. DPC also undertakes an annual enterprise wide corporate risk assessment which forms the foundation of its annual and three year internal audit plans.

Other activities that DPC undertakes to provide assurance to its Audit and Risk Committee and the Secretary of its enterprise wide risk framework and compliance with NSW Treasury Policy TPP 15–03 Internal Audit and Risk Management Policy for the NSW public sector include:

- » completing and issuing the annual report on legislative compliance
- » conducting internal audits as per DPC's Internal Audit Plan

- » issuing audit recommendations to managers to improve operations combined with following up to ensure implementation of recommendations has occurred in accordance with agreed timeframes
- » ensuring corporate risk management procedures are aligned with ISO 31000:2009's 11 best practice principles and incorporates control environment, risk assessment, analysis, evaluation and treatment, information and communication, monitoring as well as management and employee accountabilities.

Compliance with the policy is ensured through the operation of the DPC's Audit and Risk Committee. The committee also oversees implementation of the approved internal audit program conducted by Deloitte Touche Tohmatsu (Deloitte).

The 2015–16 plan consists of the following audits:

- » National Disability Insurance Scheme Program Assurance
- » Government Sector Employment Act Compliance
- » Shared Services Implementation
- » International Trade and Investment Branch Transition into DPC
- » Follow up of agreed actions from previous audits.

DPC implemented the one recommendation from the 2015 NSW Auditor-General's Performance Audit Report – Implementing Performance Audit Recommendations by using the Audit Office's better practice checklist to implement audit recommendations; this includes providing progress against performance audit recommendations in the department's annual report.

Internal Audit and Risk Management Attestation Statement for the 2015-2016 Financial Year for the Department of Premier and Cabinet

I, Blair Comley, Secretary of the Department of Premier and Cabinet am of the opinion that the Department of Premier and Cabinet has internal audit and risk management processes in operation that are, excluding the exceptions or transitional arrangements described below, compliant with the eight (8) core requirements set out in the *Internal Audit and Risk Management Policy for the NSW Public Sector*, specifically:

Core Requirements

Risk Management Framework

1.1	The agency head is ultimately responsible and accountable for risk management in the agency	Compliant
1.2	A risk management framework that is appropriate to the agency has been established and maintained and the framework is consistent with AS/NZS ISO 31000:2009	Compliant

Internal Audit Function

2.1	An internal audit function has been established and maintained	Compliant
2.2	The operation of the internal audit function is consistent with the International Standards for the Professional Practice of Internal Auditing	Compliant
2.3	The agency has an Internal Audit Charter that is consistent with the content of the 'model charter'	Compliant

Audit and Risk Committee

3.1	An independent Audit and Risk Committee with appropriate expertise has been established	In transition
3.2	The Audit and Risk Committee is an advisory committee providing assistance to the agency head on the agency's governance processes, risk management and control frameworks, and its external accountability obligations	Compliant
3.3	The Audit and Risk Committee has a Charter that is consistent with the content of the 'model charter'	Compliant

Membership

The chair and members of the Audit and Risk Committee are:

- Independent Chair, Arthur Butler (Jan. 2014 – Dec. 2017)
- Independent Member, Bruce Turner AM (Jan. 2014 – Dec. 2017)
- Independent Member, Gerardine Brus (Oct. 2013 – Oct. 2017)
- Non-independent Member, Phil Minns (Apr. 2014 – Oct. 2015)
- Non-independent Member, Mary-Ann O'Loughlin AM (Jun. 2015 – May. 2016)

Departures from Core Requirements

I, Blair Comley, Secretary of the Department of Premier and Cabinet advise that the internal audit and risk management processes for the Department of Premier and Cabinet depart from the following core requirements set out in the *Internal Audit and Risk Management Policy for the NSW Public Sector*:

1. The departure from the core requirements is due to the agency implementing measures to achieve compliance with new policy requirements consistent with the permitted transitional arrangements

Departure	Reason for departure and description of practicable alternative measures implemented/being implemented
In Transition	
<ul style="list-style-type: none"> ▪ Core Requirement 3.1 An independent Audit and Risk Committee with appropriate expertise has been established 	<ul style="list-style-type: none"> ▪ An ARC comprising a majority of independent members was established for the 2015 – 2016 financial year. Arrangements have been made to remove non-independent members from the ARC composition. The ARC comprises of independent members only effective May 2016.

These processes, including the practicable alternative measures implemented, demonstrate that the Department of Premier and Cabinet has established and maintained frameworks, including systems, processes and procedures for appropriately managing audit and risk within the Department of Premier and Cabinet



Blair Comley PSM

Secretary
Department of Premier and Cabinet
Date: 21 July 2016

Agency Contact Officer:

Tracy Piscopo
Principal Risk and Audit Officer
Telephone: 9228 5576

DPC Digital Information Security – Annual Attestation



Digital Information Security Annual Attestation Statement for the 2015/16 Financial Year for the Department of Premier and Cabinet (DPC)

I, Secretary of DPC, am of the opinion that DPC had an Information Security Management System (ISMS) in place during the 2015-2016 financial year that is consistent with the Core Requirements set out in the *NSW Government Digital Information Security Policy*.

The controls in place to mitigate identified risks to the digital information and digital information systems of DPC are adequate. During the year DPC transitioned IT services to a new shared services provider. Independent risk assessments performed during the year, as part of this transition, identified some areas requiring remediation. Actions to address these areas have largely been completed with remaining issues to be closed by 30 September 2016.

There is no agency under the control of the DPC which is required to develop an independent ISMS in accordance with the *NSW Government Digital Information Security Policy*.

A handwritten signature in blue ink, appearing to read 'Blair Comley'.

Blair Comley PSM
Secretary

Overseas visits

Date	Officer	Destination	Purpose
13–21 August 2015	Duncan Challen	Hong Kong and China	<ul style="list-style-type: none"> » Supported Trade Minister’s mission » Promote NSW food excellence and support 12 NSW food exporters participating in the HKTDC Food Expo and media conference » Reinforce support for the Kingold Group in Guangzhou » Position NSW as a leading education provider and Edutech hub, which NSW Government supports through the functions of StudyNSW » Strengthen the sister state relationship between NSW and Guangdong and to pursue opportunities for greater economic partnerships.
16–18 August 2015	Blair Comley Secretary	New Zealand	Support the Premier’s trade and investment mission to New Zealand.
3–8 November 2015	Blair Comley Secretary	China	Support the Premier’s trade and investment mission to China.
3–8 November 2015	Susan Calvert	China	<ul style="list-style-type: none"> » Supported the Premier’s mission » Promote Sydney’s financial services capability, including Sydney as a renminbi trading hub, at (1) the Australia–China Financial Services Forum in Beijing and (2) the 4th Sydney Shanghai Financial Services Symposium » Attract investment into NSW, particularly into infrastructure, tourism and commercial opportunities » Progress the 36 year NSW–Guangdong Sister State/Province relationship, including the next NSW–Guangdong Joint Economic Meeting to be held in Guangdong in 2016.
4–6 November 2015	Duncan Challen	China	<ul style="list-style-type: none"> » Supported business delegation » Advance Sydney’s brand as a leading regional financial services centre and promote financial service exports under the China–Australia Free Trade Agreement.
8–11 November 2015	Peter Mackey	Japan	» Promote NSW as a study destination at the Australia Future Unlimited Education Exhibition.
15–20 November 2015	Duncan Challen	Indonesia	<ul style="list-style-type: none"> » NSW Government Representative at the Indonesia Australia Business Week (IABW) » NSW Government Representative at the Indonesia Australian Business Conference (IABC).

Date	Officer	Destination	Purpose
17–25 February 2016	Duncan Challen	USA	<ul style="list-style-type: none"> » Supported Trade Minister’s mission » Participate in the inaugural AUSBW led by Austrade » Lead the MedTech program in Boston, demonstrating NSW’s expertise in the MedTech sector.
1–10 April 2016	Susan Calvert	Israel	<ul style="list-style-type: none"> » Supported the Premier’s mission » Promote NSW as Australia’s innovation hub » Promote collaboration on medicinal cannabis, as two forward thinking countries » Reinforce the strong cultural ties between NSW and Israel.
2–8 April 2016	Blair Comley Secretary	Israel	Support the Premier’s trade and investment mission to Israel.
18–22 April 2016	Duncan Challen	Germany, France, United Kingdom	<ul style="list-style-type: none"> » Advocate NSW’s global thought leadership and high value offering in the business events and meetings industry through the Minister’s participation at the IMEX conference in Frankfurt, Germany (19 April) » Visit the UK, a NSW priority market, and engage with high level UK government interlocutors and UK based investors to promote for NSW trade and investment interests there » Promote NSW investment opportunities in Germany and France through direct engagement with investors across a range of sectors such as infrastructure, finance, renewable and clean energy, innovation, sports and aerospace technology.
29 May – 1 June 2016	Na-aim Abdie	Japan	<ul style="list-style-type: none"> » Offshore post inspection » Review of Austrade Service Level Agreement » Senior business development manager recruitment.
1–4 June 2016	Na-aim Abdie	South Korea	Offshore post inspection.

FUNDING AND EXPENDITURE

Insurance

DPC has insurance cover for all major assets and significant risks through the NSW Government self insurance scheme (the NSW TMF). This includes full workers' compensation, motor vehicle, property, public liability and miscellaneous insurance cover.

DPC Insurance			
Area of Risk	Insurer	2014/15	2015/16
Workers' Compensation	Employers Mutual	463	255
Public liability	GIO	83	75
Property	GIO	64	51
Motor vehicles	GIO	50	92
Miscellaneous (other)	GIO	4	4
Total		664	477

Statement of responsibility (credit card use)

DPC's credit card policies and procedures outline conditions for eligibility, usage and management of corporate cards. These are consistent with NSW Government policy as outlined in relevant Treasury Circulars and Treasurer's Directions. The Secretary certifies that credit card use in DPC has been in accordance with government requirements.

Aged analysis at the end of each quarter					
All suppliers					
Quarter	Current (within due date)	< 30 days overdue	30–60 days overdue	61–90 days overdue	90 + days overdue
Sept	-\$1,157,814	\$350,895	-\$27,060	\$13,786	-\$20,180
Dec	-\$4,322,796	-\$314,916	-\$207,861	-\$516,173	\$363,441
March	-\$415,010	\$443,405	\$152,604	-\$100,711	-\$238,951
June	-\$2,150,225	\$2,260	-\$9,755	\$53,707	\$49,054

Account payment performance

Accounts due or paid within each quarter					
Measure	Total	Sept	Dec	March	June
All suppliers					
Number of accounts due for payment	10,878	2,193	2,417	2,616	3,652
Number of accounts paid on time	8,103	1,796	1,886	1,954	2,467
Actual percentage of accounts paid on time (based on number of accounts)	74.49%	81.90%	78.03%	74.69%	67.55%
Dollar amount of accounts due for payment	\$135,881,865	\$22,054,474	\$23,607,444	\$27,074,017	\$63,145,930
Dollar amount of accounts paid on time	\$94,101,050	\$18,268,845	\$17,532,132	\$17,218,424	\$41,081,649
Actual percentage of accounts paid on time (based on \$)	69.25%	82.84%	74.27%	63.60%	65.06%

Small Business Suppliers					
Number of accounts due for payment	8	2	3	1	2
Number of accounts paid on time	5	0	2	1	2
Actual percentage of accounts paid on time (based on number of accounts)	62.50%	0.00%	66.67%	100.00%	100.00%
Dollar amount of accounts due for payment	\$16,224.00	\$1,497.00	\$5,669.00	\$4,345.00	\$4,713.00
Dollar amount of accounts paid on time	\$14,158.00	\$-	\$5,100.00	\$4,345.00	\$4,713.00
Actual percentage of accounts paid on time (based on \$)	87.27%	0.00%	89.96%	100.00%	100.00%
Number of payments for interest on overdue accounts	0	0	0	0	0
Interest paid on overdue accounts	0	0	0	0	0

Land disposal

There were no land disposals for the period 1 July 2015 to 30 June 2016.

Consultancies

Consultancies of value less than \$50,000

There were 126 consultancies of value less than \$50,000 each with a total value of \$1,784,119.

Consultancies of value equal to or more than \$50,000

Name of consultant	The title/nature of the consultancy	Cost (\$)
Finance and accounting		
HoustonKemp	Professional services related to NDIS market analysis	75,000
KPMG Australia Pty Ltd	Stadium Australia	180,743
PriceWaterhouseCoopers	Economic and fiscal projections for all 8 states and territory economies to inform the COAG discussion on the fiscal challenge facing state and territory governments	118,000
Information technology		
KPMG Australia Pty Ltd	Local Government Reform Project	910,784
MIP (Aust) Pty Ltd	Premier's Priorities Dashboard - MIP Phase 1	74,321
Publicis Mojo Pty Ltd	NSW Government Website Planning	79,470
Service NSW	Local Government Reform Project	142,700
Management services		
Acil Allen Consulting Pty Ltd	Rebuilding NSW	129,250
Behavioural Insights (Australia)	Professional services related to behavioural economics	734,409
Boston Consulting Group	Establishment of the Premier's Implementation Unit Phase 1	125,000
Boston Consulting Group	Establishment of the Premier's Implementation Unit Phase 2	360,000
David John Tune AO PSM	Professional services related to a review of Out of Home Care in NSW	59,672
Delivery Associates	Premier's Priorities consultancy	184,000
Deloitte	NDIS implementation planning	120,113
Deloitte	NDIS transition planning	112,733
Deloitte	Professional services related to countering violent extremism	145,979
Deloitte Economic Analysis	Tourism Industry Planning	81,818
Elton Consulting Group Pty Ltd	Local Government Reform Project	560,090
Ernst & Young	Economic Appraisal Urban Renewal	136,000
HR Connections Pty Ltd	L&D Framework - Phase 1 Lake Ainsworth	80,000
INS Career Management	Professional services related to ADHC workforce strategy	151,817

Name of consultant	The title/nature of the consultancy	Cost (\$)
Jacobs Group (Australia) Pty Ltd	Tourism Industry Planning	119,879
JWS Research Pty Ltd	Visitor Economy Research	96,500
Korn/Ferry International Pty Ltd	Local Government Reform Project	136,362
KPMG	Professional services related to a review of Out of Home Care in NSW	340,093
L.E.K. Consulting	Visitor Economy Research	119,000
Newgate Australia	State Priority research on cultural attendance	86,765
Noetic Solutions Pty Ltd	Veterans' Employment Program	94,065
Prof Peter Shergold AC	Professional services related to refugee resettlement	135,632
Redbourne 7	Brand Sydney	67,305
Repucom Pty Ltd	Major Event Evaluation Framework Development	92,600
SGS Economics and Planning Pty Ltd	Housing research	54,556
TTF Deloitte Access Economics	Tourism Industry Planning	90,567
Turning Point	Professional services related to alcohol harm. monitoring using ambulance data	118,315
University of Technology Sydney	Far West Initiative	77,500
Vincent Chartered Accountants	Local Government Reform Project	133,200
Wolfpeak Pty Ltd	Land Use Conflict Taskforce	51,040
WSP - Parsons Brinkerhoff	Tourism Industry Planning	83,165
Zappian Diplomacy	Brand Sydney	
TOTAL number of individual consultancies with a value equal to or more than \$50,000 is: 39		6,539,504

Funds and Grants

Program Area 2.5 Administrative support to the government

Name of organisation	Nature and purpose of grant	Amount paid (\$)
Miscellaneous, rural and regional grants approved by the Premier*		
1st Huskisson Scout & Guide Hall Committee	Upgrade hall to comply with building requirements	4,000
1st Illaroo Scouts	Funding assistance to construct a garage to store canoes and kayaks	22,000
Agfair Broken Hill	Agfair 2016, a biannual event being held in May	6,600
Albion Park Men's Shed	Funding assistance to purchase a dust extraction system for the machinery shop	14,000
Asbestos and Mesothelioma Association of Australia	Memorial seat garden and flag pole	5,000
Australian Army Cadet Unit 222	Funding to travel to Norfolk Island to co-host the 2016 ANZAC Service with the local unit	5,000
Australian Medicinal Cannabis Symposium	Donation towards running event	50,000
Australian National Committee for UN Women	International Women's Day Breakfast 2016	25,000
Barnardos Australia	Mother of the Year Awards	15,000
Bathurst Thoroughbred Racing	Funding towards a computerised semaphore board and electronic timing equipment	20,000
Biaggio Signorelli Foundation	Donation to support the work of the Foundation	75,000
Blayney Health Service	Funding for four benches for the dementia garden at Blayney hospital	1,180
Braidwood Servicemen's Club	Solar panels and adjustments to the roof	20,000
Bundeena RSL Sub Branch	Gold leaf lettering to plaque	800
Camden Chamber of Commerce	Light up Camden	5,000
Camp Lionheart	Donation to fundraiser	3,000
CatholicCare Social Services	Funding towards a resilience resource online project	5,000
Central Coast Council	Funding assistance to sandblast the mast of the Ex-HMAS Adelaide and install it at Terrigal Haven as a memorial to those who served on it	1,300
Chinese Australian Services Society	Funding towards new technology systems, technical consultants and equipment	50,000
Commercial Fishermen's Co-op Ltd	Funding towards a campaign to bring confidence back to the local seafood brand after contamination	10,000
Como Preschool Kindergarten	Replace sunshade	10,000
Coogee Life Saving Club	Funding towards repairs following significant storm damage	35,000
Coolah Youth & Community Centre	Upgrade entrance door at Club	700
Country Women's Association	Funding towards a keynote speaker following a Domestic Violence Professional Development forum	5,000

* Note: the figures listed reflect the funding provided to the organisation and do not account for any funds returned by organisations through the reconciliation process.

Name of organisation	Nature and purpose of grant	Amount paid (\$)
Miscellaneous, rural and regional grants approved by the Premier*		
Croppa Creek Classic	Walk Back in Time event	2,000
DPC	Anzac projections at Challis House	30,000
Duck Dash	Fundraising for Shoalhaven Education Fund	600
Endeavour Sports High School	Funding to expand the current café	20,000
Family Drug Support (FDS)	Donation in support of the Inaugural National Family Drug Support Day on 24 February 2016	10,000
Fiji Girit Association of Australia	Funding towards planned celebrations to mark 100 years since the end of Girit	10,000
Forster Tuncurry RSL	Funding assistance for security lights at the Lone Pine Memorial Park Tuncurry	10,000
Giant Steps Sydney	Funding to replace a fence, purchase occupational therapy equipment and create a walkway that bypasses a classroom	50,000
Gosford City Model Railway Men's Shed	Funding for the purchase and installation of an air-conditioner	5,200
Greek Orthodox Parish of Newcastle	Repairs to Community Centre	32,000
Gurley Pony Club	Assistance to purchase a portable dressage arena	3,420
Hammondville Public School P&C	Supply and installation of an automatic gate	10,000
Hoc Mai	Funding towards AGM	4,000
Holsworthy Public School P&C	Funding assistance towards a 'quiet space' and repairs to the older sections of their playground	10,000
Holy Name of Mary Catholic Church	Funding towards maintenance to the Parish Hall to coincide with its 100th anniversary	25,000
Homicide Victims Support Group	Funding towards capital works associated with Graces Place	50,000
Hurstville Grove Infants School	Funding to upgrade school library	10,000
Illawarra Cancer Carers Network	Donation to support the network	5,000
Kaldor Public Art Projects	Funding towards a public art project which is part of the Botanical Garden's 200th anniversary	50,000
Karonga School	Funding assistance to build an access ramp and path to the school's oval	30,000
Kids and Carers Support Group in Kandos	Funding towards a purpose built house for people living with disabilities and their families	10,000
Kidzwish	Funding towards the 2015 Christmas Party and Charity Ball	15,000
Layne Beachley Aim for the Stars Foundation	Donation in support of Foundation	10,000
Lifeline Northern Beaches	Donation for counselling	20,000
Lions Club of Jindabyne	Funding towards a Niche Wall at cemetery	15,000
Lions Club of Lugarno	Lugarno Spring Festival	2,000
Lions Club of St. George	Purchase of a shipping container for equipment storage	5,000

* Note: the figures listed reflect the funding provided to the organisation and do not account for any funds returned by organisations through the reconciliation process.

Name of organisation	Nature and purpose of grant	Amount paid (\$)
Miscellaneous, rural and regional grants approved by the Premier*		
Lions Club of Wauchope	Refurbish canteen	25,000
Lions Club of Woonona Inc	World Festival of Magic 2015	1,100
Lismore Senior Citizens Social Club	Funding towards the cost of a new stove	8,000
Liverpool City Robins Football Club	Funding for an engineer's certificate for a bridge being built to join the two playing fields	2,970
Loftus Public School	Upgrade toilet facilities	30,000
Lord Howe Island Community Preschool Inc	Funding towards swimming aids for the children	1,500
Lugarno Girl Guides	Funding to sand and polish the hall floor	4,862
Macarthur Lions Club	Funding towards the Anzac Fun Run with funds raised going to Macarthur Lifeline	3,000
Macintyre Warriors Rugby League Football Club	Container for new rugby club	5,000
Macksville RSL	Funding assistance to relocate a War Memorial at Macksville Ex-Services Club	10,000
Macleay Valley Cricket Club Assoc	Funding assistance for a sight screen at South Kempsey Oval	11,425
Mingoola Progress Association	Funding for building materials to refurbish once abandoned homes for recently settled refugees	1,000
Miranda RSL	Funding towards a welfare bus	15,000
Moorebank High School Community Focus Group	Air conditioning for their library	10,000
Mortdale Public School	Funding towards an electric sign board	12,000
Mr Charles Wade	Funding to upgrade the gravestone of Sir Charles Wade, Premier of NSW between 1907 and 1910	10,350
Mr Paul and Mrs Helen Arkley	Donation in support of fundraising efforts	1,000
Narellan Chamber of Commerce	Light Up Narellan event 2015	5,000
Narellan Chamber of Commerce	Light Up Narellan event 2016	5,000
NCOSS	Funding to promote the economic empowerment of women in NSW throughout their life cycle	25,000
Newcastle Music Festival	Assist with inaugural event in August 2016	5,000
Nimmitabel Action Group	Funding towards a plinth for the new Nimmitabel Bell	10,000
NSW Health	NSW Women of the Year Awards 2016	4,000
NSW Police Legacy	Curtis Cheng Appeal	100,000
Oatley Senior Citizens Centre	Funding towards the installation of air-conditioning	5,000
Office of Veteran's Affairs	Anzac Community Grants and Discretionary Fund for Minister	75,000
Parramatta Northmead Community Men's Shed	Funding for TV and sets of chisels	2,949
PCYC Singleton	Funding assistance towards access improvements and drainage issues	10,500

* Note: the figures listed reflect the funding provided to the organisation and do not account for any funds returned by organisations through the reconciliation process.

Name of organisation	Nature and purpose of grant	Amount paid (\$)
Miscellaneous, rural and regional grants approved by the Premier*		
Peakhurst South Public School	Funding towards the upgrade of the front office and disability access	22,000
Penrith City Council	Floodlighting at Doug Rennie Fields, Kingswood	40,000
Picton District Show Society	Funding towards the 80th Annual Picton Show	2,500
Red Cross	Donation to organisation	200,000
Renew Newcastle	Funding to assist organisation	25,000
Reserve Forces Day Council	Funding towards Reserve Forces Day National Parade in July 2016	20,000
Returned and Services League of Australia (NSW branch)	Funding towards the Anzac Day Commemorations in 2016	25,000
Riverina Conservatorium of Music repairs	Funding for internal refurbishment of sections of the building	15,000
Ronald McDonald House Randwick	Donation in support of Ronald McDonald House	10,000
Rotary Club of Hills Kellyville	Equipment for volunteer work	2,069
Royal Humane Society	Funding to assist with annual Bravery Awards	5,000
Shoalhaven Business Chamber	Assistance towards the 2016 Shoalhaven Business Awards	2,500
Shoalhaven Eisteddfod Inc	Funding towards risers and trolleys for the Nowra School of Arts	10,000
Shoalhaven River Festival	Funding to assist with the 2015 Shoalhaven celebration	7,500
Special Olympics Australia	Donation towards a fundraising race day	10,000
Springfarm Public School	Air conditioning for five classrooms	15,000
St Pauls Anglican Church Wahroonga	Funding assistance to restore the roof of the historic church	30,000
Superheroes Events Ltd	Funding towards a new website for the Shoalhaven Superheroes Festival	10,653
Sydney Children's Hospital Foundation	Donation to Sydney Children's Hospital Gold Telethon 2016	25,000
Sydney Special Children's Christmas Party	Donation towards the 2015 Christmas Party	10,000
Ten FM Community Radio	Funding towards the cost of a radio relay tower at Drake	5,000
Tenterfield Presbyterian Church	Funding towards restoration to church	3,640
Terrigal Wamberal RSL	Update Community War Memorial	8,763
The Italian Community Festival	Funding support for the construction of a community hall	20,000
The Lysicrates Foundation	Funding towards the Lysicrates Prize 2016	15,000
The Primary Club of Australia	Marathon Cricket event at the SCG	25,000

* Note: the figures listed reflect the funding provided to the organisation and do not account for any funds returned by organisations through the reconciliation process.

Name of organisation	Nature and purpose of grant	Amount paid (\$)
Miscellaneous, rural and regional grants approved by the Premier*		
The Prince of Wales Hospital Foundation	Donation to The Louisa Hope Nurses Fund	25,000
The Rail Cricket Club	Funding for a new roller	13,500
The Returned Services League of Australia	2015 Anzac Day commemorations	50,000
The Rotary Club of Gerringong Sunrise	Funding towards Christmas parade and markets	4,000
The Salvation Army	Red Shield Appeal	200,000
The Smith Family	Funding to support The Smith Family's 2016 Winter Appeal	15,000
The Winsome and Lismore Soup Kitchen	Funding towards the cost of a portaloos and trailer	10,000
Tinonee Soccer Club	Funding to improve grounds by installing concrete pathways, seating and shelters	15,000
Tweed Heads Police Station	Funding to support Crime Prevention/Domestic Violence programs	4,000
Tweed Valley Neighbourhood Watch	Donation towards the organisation	4,579
Uki Sport and Rec Club	Funding towards a sheltered outdoor area	30,000
Ulladulla High School	Entry fee to First Robotics World Championships in April 2016	7,500
United Nations Association of Australia NSW	Funding towards celebrating UN day in October	7,500
United Nations Association of Australia NSW	Assistance with running costs	3,000
Vedanta Centre of Sydney Inc	Funding towards the cost of building a shelter and awnings	5,000
Wagga Wagga City Council	Funding towards a test bore at Lake Albert with the prospect of a permanent water source	15,000
Warialda Pastoral and Agricultural Association	National Shearing and Wool Handling Championships in October 2016	2,000
West Pennant Hills Public School	Funding assistance towards an irrigation system for the school oval	10,000
Western Sydney Community Forum	ZEST Awards 2016	5,000
Western Sydney Women	Funding assistance to run a one off free event	6,000
Whyrallah Rd Public School P&C	Funding towards the cost of a permanent shelter for the students	10,000
Woronora RSL Sub Branch	Funding towards drainage improvements and to re-concrete the area	10,000
YWCA	Donation to organisation	50,000
Total number of grants: 128 Total: \$2,299,160		

* Note: the figures listed reflect the funding provided to the organisation and do not account for any funds returned by organisations through the reconciliation process.

Other Grants

Name of organisation	Nature and purpose of grant	Amount paid (\$)
Australian Automotive Aftermarket Association	Performance Racing Industry Expo, USA	5,000
Department of Foreign Affairs and Trade	G'Day USA	50,000
English Australia	Co-funding to establish The Biggest English Lesson in the World – a Guinness world record size annual event to attract international students to NSW through marketing	55,000
Export Council of Australia	Premiers NSW export awards	82,500
Food Innovation Australia	Gulfood Food Expo, United Arab Emirates	8,250
International Education Association of Australia	Co-funding to develop a high impact government policy to improve the quality and cost of international student accommodation	31,900
Intersective	To deliver a work integrated learning program for international students in NSW	55,000
NSW National Association of Graduate Careers Advisory Service	Co-funding to deliver an international student employability forum to better prepare international students for the workplace and help them gain work experience in their field of study	27,500
One Mandate Group	Boundless Plains to Share	18,535
Redfern Legal Centre	Co-funding to provide legal service for all international students in NSW	110,000
Regional Development Australia Hunter	Co-funding to help attract international students to the Hunter region and enhance their experience and community integration by improving website content and marketing collateral, adding student ambassadors and creating new partnerships and events	11,000
Stone and Chalk	Sydney Fintech Project	105,500
University of Technology Sydney	Co-funding for a collaborative program to bring together at least 210 students from six or more institutions to boost their entrepreneurial skills and employment prospects	27,500

Name of organisation	Nature and purpose of grant	Amount paid (\$)
Community War Memorial Fund – Round 1		
Bangalow RSL Sub-Branch	Repair to the 'Lest We Forget' WWI memorial clock and repairs to various honour rolls	3,080
Ben Lomond War Memorial Hall Trust	Cleaning and maintenance of four marble panels; repair of the names on the marble; and repainting of the front features of the war memorial hall	9,998
Billimari Public Hall and Recreation Reserve Trust	Repair of a brass decorative plaque	550
Blue Mountains City Council	Application of lead weatherings on; desalinisation of; and cleaning the surfaces of the upper memorial structure	10,000
Canowindra Soldiers Memorial Hospital	Repair of marble plaque fastenings and cleaning of commemorative tiles	5,000
City of Lismore RSL Sub-Branch	Installation of wire barriers around each of the memorials to protect them from damage	2,630
Condobolin and District Historial Society	Treatment of dry rot and maintenance of the WWI memorial peppercorn trees planted on Digger's Avenue	4,400
Condobolin and District Historial Society	Repair of stonework; reconstruction of missing items; repair of lettering; and removal of inappropriate accretions to the war memorial	4,309
Glebe Combined Services RSL Sub-Branch	Conservation and cleaning of the memorial	6,615
Grafton RSL Sub-Branch	Conservation of the war memorial	2,448
Gunnedah Shire Council	Conservation works to commemorative plaques and honour boards in the Memorial Arch; and repairs to building façade	2,100
Homebush-Strathfield RSL Sub-Branch	Conservation work to preserve the lettering on the memorial	5,381
Inverell RSL Sub-Branch	Installation of a security camera to protect the memorial	3,731
Kangaroo Valley Anzac Day Committee	Replacement of memorial stones and repointing of pillars	5,500
Liverpool City Council	Cleaning of the Kirkpatrick Memorial; and relocation and conservation of the Boyland Memorial	6,750
Liverpool City Council	Conservation and relocation of the memorial	10,000
Mathoura RSL Sub-Branch	Cleaning of the memorial; and painting of the fencing and signage around the memorial	4,473
North Sydney Council	Assessment of corrosion and deterioration; cleaning work; application of protective coating; and repainting of the memorial gun	4,500
North Sydney RSL Sub-Branch	Conservation and cleaning of the war memorial	2,840
Rocky Hill War Memorial and Museum	Condition assessment; specialist conservation to minimise further deterioration and corrosion; and installation of protective shelters	3,500
South Grafton RSL Sub-Branch	Relocation of the memorial to provide improved access for older patrons and/or with accessible needs	8,250
Wingecarribee Shire Council	Conservation of a WWI Howitzer Gun memorial	10,000
Woodstock Memorial Hall Committee	Repairs to the roof and drainage of the war memorial hall	5,500
Woodstock Memorial Show Incorporated	Repairs to the roof, guttering, downpipes, steps and pier supports of the memorial hall	4,230

Name of organisation	Nature and purpose of grant	Amount paid (\$)
Community War Memorial Fund – Round 2		
Armidale RSL Sub-Branch	Conservation assessment for the memorial	3,135
Bellata War Memorial Hall Committee Incorporated	Repair and repainting of the interior and exterior of the war memorial hall	10,000
Berry RSL Sub-Branch	Repairs to the memorial lettering, cleaning of the memorial and landscaping work to the area surrounding the memorial	7,150
Broken Hill City Council	Conservation assessment for the memorial	3,000
Bulga Milbrodale Progress Association	Cleaning and repair to existing letters on the memorial pillars and addition of an inscription to the pillars	2,833
East Maitland War Memorial & Rest Park Trust	Cleaning of the bronze plaque; repainting of archway; and upgrade of the lights illuminating the memorial	2,534
Finley RSL Sub-Branch	Repairs to the WWI and Korean war memorials and upgrade of the fencing	8,898
Glen Innes Sub-Branch	Repaint the memorial garden WWI memorial gates; clean and add additional names to the honor rolls; and resurface the cenotaph	4,993
Howlong RSL Sub-Branch and Brocklesby Chapter	Repairs to chips on plinth; repointing of stone; removing stains from marble; and repair of lettering	9,091
Hunter's Hill Council	Creation of a cover to protect the WWI gun from deterioration	9,091
Kendall RSL Sub-Branch	Conservation, repair and cleaning of the war memorial	9,091
Laurieton RSL Sub-Branch	Repair of the broken finger of the memorial statue; repair of cracks in marble columns; repointing of all joints; cleaning of stonework; and covering of the steps	7,079
Lyndhurst Soldiers Memorial Hall and Village Committee Inc.	Cleaning, painting and minor repairs of the façade and gates	6,791
Maclean RSL Sub-Branch	Repair to the draining and retaining wall of the memorial	9,883
Maitland RSL Sub-Branch	Conservation assessment for the memorial	3,000
Mayrung Recreation Reserve Committee	Repainting of the memorial gates	1,100
Narrabri Shire Council	Landscaping and upgrades to the surrounds of the memorial	8,636
Northern Beaches Council	Repointing and cleaning of the cenotaph	4,911
Snowy Valleys Council	Conservation assessment for the memorial	3,000
Trundle War Memorial Hall Committee	Repainting of the interior and exterior of the memorial hall	10,000

Name of organisation	Nature and purpose of grant	Amount paid (\$)
Minister for Veterans' Affairs Miscellaneous Grant Fund		
Central Coast Council	Purchase of sandstone for the base of the Ex-HMAS Adelaide Monument, Terrigal	3,000
City of Albury RSL Sub-Branch	Replacement of two signs associated with the Albury and District War Memorial	350
ClubsNSW	Purchase of Blazers for students attending the Premier's Anzac Ambassador Program	1,091
Engadine RSL Sub-Branch	Cleaning, repair and creation of a cover for the Roll of Honour at Waterfall Train Station	1,500
Kempsey-Macleay RSL Sub-Branch	Replacement of aging timber fence with metal fence and gate. Removal of two trees which have invasive root systems in order to protect the memorial	8,786
Kiama Jamberoo RSL Sub-Branch	Commission of a conservation assessment for the repair and cleaning of the memorial	2,160
Pozieres Remembrance Association	Purchase of 50 commemorative bricks. The bricks are being sold as part of fundraising for the creation of a Memorial Park in Pozières	2,500
Taree RSL Sub-Branch	Addition of new memorial soldier statues next to the Taree War Memorial Clock	4,000
Tumut High P&C	Purchase of caps and jumpers for the 2016 Tumut High School Europe Excursion	1,600

Anzac Community Grants		
Aberdeen Anzac Day Committee	Purchase of a lockable display case for World War One artefacts in the local RSL	1,818
Albury Legacy	Installation of a projector and screen in the Albury Legacy building to help Legacy train Legatees and to host 'movie afternoons' for veterans	1,814
Australian Legion of Ex Servicemen and Women, Coogee Sub-Branch	Funding for breakfast for elderly veterans on Anzac Day, 2017	1,500
Balranald Inc.	Funding for the installation of four signs for the Balranald and District Military Heritage Trail	4,545
City of Liverpool RSL Sub-Branch	Event for local Vietnam War veterans to commemorate the 50th Anniversary of the Battle of Long Tan	1,818
East Maitland RSL NSW Sub-Branch	Excursion for 50 RSL members to visit the National Maritime Museum and RSL NSW State Branch	1,636
Glen Innes RSL Sub-Branch	Funding for an excursion of RSL members to the Australian Army Infantry Museum, Singleton, and RAAF Base, Williamtown	1,818
Lithgow City WWI Commemorative Plaque Project	Research project about local military service and presentation of findings on plaques	1,000
Lugarno Public School Parents & Citizens Association	Refurbishment of Lugarno Public School's Anzac commemorative garden	2,000
Maltese Ex Servicemen's Association (Bossley Park)	Production of a book detailing Maltese soldiers' experience in the Australian Imperial Force in Gallipoli and on the Western Front during World War One	2,000

Name of organisation	Nature and purpose of grant	Amount paid (\$)
Anzac Community Grants		
Monkey Baa Theatre Company	Funding to support the costs of production and funding to allow students' gratis attendance	3,636
Ms Deborah Beck (Lecturer, Archivist and Collections Manager of the National Art School – where Raynor Hoff's sculptures were produced)	Scanning and visually documenting the creation and installation of the sculptures in the Anzac Memorial, Sydney. The project will inform a public booklet	2,000
Mulwaree High School Remembrance Museum	Installation of a vandal proof flag pole in front of the high school's Remembrance Museum	939
Parkes Memorial Hill Rejuvenation Inc.	Development of interpretative Quick Response content to enhance visitors' experience at Parkes Memorial Hill	2,000
Reserve Forces Day Council Riverina	Funding for the Reserve Forces Day Council Riverina commemorative service	710
Sandakan Community Education Committee	Funding to help support the delivery of the Sandakan Remembrance Service in 2016	1,818
Scone and Upper Hunter Historical Society Inc.	Replacement of display case in the local museum and creation of a dedicated World War One display	2,000
Shoalhaven Heads RSL Sub-Branch	Funding for hall and equipment hire for a commemorative luncheon and lecture on the topic of the 'Western Front'	545
Soldier Settlers Memorial Walk Action Group at Wakool.	Research and production of nine interpretive signs for the Soldier Settlers Memorial Walk	2,000
Sydney University Graduate Choir Inc.	Performance of 'An Australian War Requiem' on the Centenary of the Armistice (11 November 2018)	5,000
Trunkey Creek Progress Association	Addition of originally omitted names onto existing war memorial	1,190
Upper Hunter Museum of Rural Life Inc. – Aberdeen Local Study Group	Research project of local veterans and presentation of findings through the installation of informational story boards	2,000
War Widows' Guild	Funding for a Vietnam War Commemorative Service at the Anzac Memorial, Sydney	4,171
Wyalong Public School Parents and Children Association	Establishment of a Reflection Garden commemorating military service	2,000
Anzac Community Grants – subtotal		49,960
Total number of other grants: 90		912,632

HUMAN RESOURCES

Human resource statistics

As at 30 June 2016

Public Sector Senior Executive

The following table relates to DPC Public Sector Senior Executive (PSSE) roles.

Band	2014–2015		2015–2016	
	Female	Male	Female	Male
Band 4 (Secretary)	0	1	0	1
Band 3 (Deputy Secretary)	1	5	2	3
Band 2 (Executive Director)	7	6	8	7
Band 1 (Director)	29	20	33	22
Totals	37	32	43	33
	69		76	

Please note: only executives occupying a role – excludes secondments/LWOP/Mat leave.
The department had additional executives in 2015-16 due to machinery of government changes and whole of government projects based in DPC.

Band	Range(\$)	Average Remuneration	
		2014–2015 (\$)	2015–2016 (\$)
Band 4 (Secretary)	441,201 – 509,750	569,965	621,724*
Band 3 (Deputy Secretary)	313,051 – 441,200	393,074	419,135
Band 2 (Executive Director)	248,851 – 313,050	267,312	279,025
Band 1 (Director)	174,500 – 248,850	193,593	200,522

Executive year-to-date represents 30.94 per cent of the overall salaries-related expenses for 2015–16.

* The Secretary's employment contract provides for a discretionary remuneration range of up to 12 per cent in addition to the base remuneration. Discretionary remuneration is included above in the year paid.

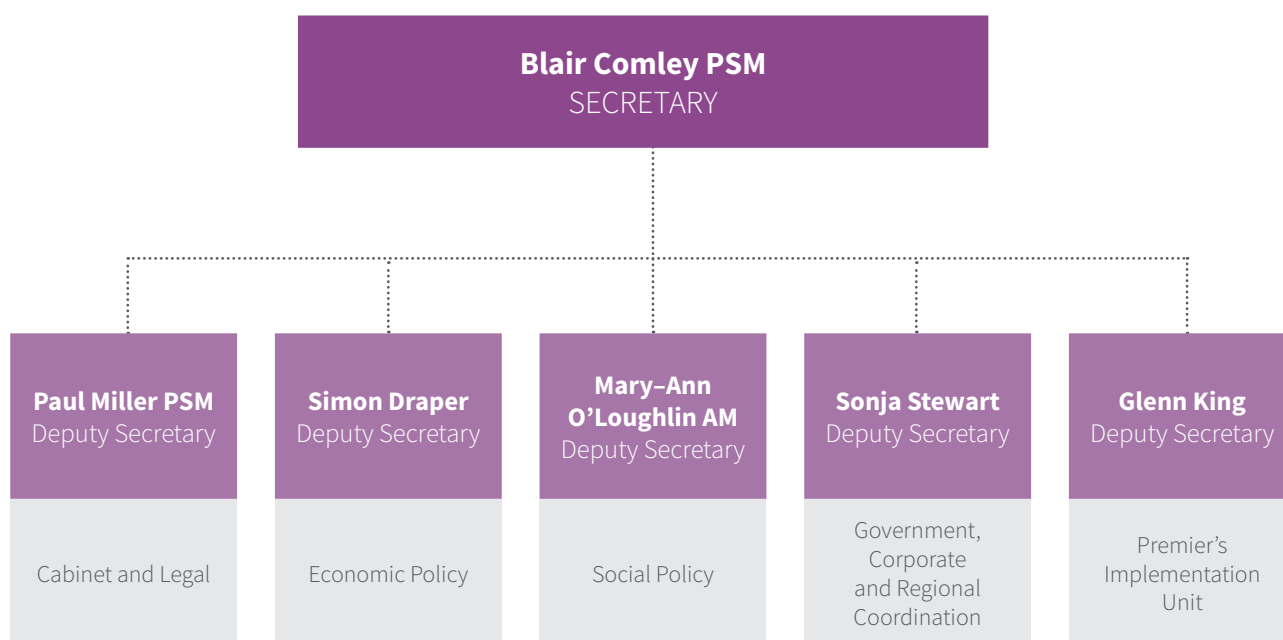
Female executive officers

The following table relates to DPC female executive officers

Total no. of females in DPC PSSE positions as at 30 June	
2015	2016
28	52

Source: Workforce Profile Report

DPC public sector senior executive organisation chart



Trends in the distribution of EEO groups

EEO group	Benchmark/ Target	2014	2015	2016
Women	100	105	107	104
Aboriginal People and Torres Strait Islanders	100	N/A	N/A	N/A
People whose first language spoken as a child was not English	100	89	90	92
People with a disability	100	89	87	81
People with a disability requiring work-related adjustment	100	N/A	N/A	N/A

Source: NSW DPC 2015–2016 Workforce Profile.

Note 1: A Distribution Index of 100 indicates that the centre of the distribution of the Workforce Diversity group across salary levels is equivalent to that of other staff. Values less than 100 mean that the Workforce Diversity group tends to be more concentrated at lower salary levels than is the case for other staff. The more pronounced this tendency is, the lower the index will be. In some cases the index may be more than 100, indicating that the Workforce Diversity group is less concentrated at lower salary levels.

Note 2: The Distribution Index is not calculated where Workforce Diversity group or non-Workforce Diversity group numbers are less than 20.

Staff profile by employment category

The following table shows the number of officers and employees DPC employed by category over four years (excluding casuals).

	2012-2013		2013-2014		2014-2015		2015-2016	
	Men	Women	Men	Women	Men	Women	Men	Women
Permanent full-time	156	200	128	188	133	191	143	256
Permanent part-time	7	68	1	40	1	46	3	40
Temporary full-time	19	45	14	26	11	29	11	27
Temporary part-time	4	3	0	10	0	4	0	6
Contract – public service senior executive	32	28	23	29	26	28	37	52
Contract – non public service senior executive	1	1	1	0	0	0	0	0
Training positions	0	0	0	0	0	1	0	0
Retained staff	0	0	0	0	0	0	0	0
Total	219	345	167	293	171	299	194	381

Source: Workforce Profile Report

Equal employment opportunity

Trends in the representation of EEO Groups

EEO group	Benchmark/Target	2014	2015	2016
Women	50%	63.6%	63.6%	66.3%
Aboriginal People and Torres Strait Islanders	2.6%	1.2%	1.6%	1.7%
People whose first language spoken as a child was not English	19.0%	13.3%	14.9%	14.4%
People with a disability	N/A	5.4%	4.4%	3.8%
People with a disability requiring work-related adjustment	1.5%	2.2%	1.9%	1.5%

Legislation and Legal Change

Acts allocated to the Premier

(as at 30 June 2015)

- » *Australia Acts (Request) Act 1985 No 109*
- » *Barangaroo Delivery Authority Act 2009 No 2*
- » *Competition Policy Reform (New South Wales) Act 1995 No 8*
- » *Constitution Act 1902 No 32*
- » *Constitution Further Amendment (Referendum) Act 1930 No 2*
- » *Constitution (Legislative Council Reconstitution) Savings Act 1993 No 19*
- » *Crown Lands Act 1989 No 6*, so far as it relates to the Crown Reserve known as Government House Sydney, reserve number 1037869 (remainder, parts, the Minister for Finance, Services and Property, parts, the Minister for Sport, and parts, the Minister for Lands and Water)
- » *Election Funding, Expenditure and Disclosures Act 1981 No 78*
- » *Essential Services Act 1988 No 41*, Parts 1 and 2 (remainder, the Minister for Industrial Relations)
- » *Government Advertising Act 2011 No 35*
- » *Government Sector Employment Act 2013 No 40* (except Part 4, Division 6, jointly with the Minister for Industrial Relations)
- » *Independent Commission Against Corruption Act 1988 No 35*
- » *Independent Commission Against Corruption (Commissioner) Act 1994 No 61*
- » *Independent Pricing and Regulatory Tribunal Act 1992 No 39*
- » *Infrastructure NSW Act 2011 No 23*
- » *Interpretation Act 1987 No 15*
- » *Legislation Review Act 1987 No 165*
- » *Licensing and Registration (Uniform Procedures) Act 2002 No 28*
- » *Lobbying of Government Officials Act 2011 No 5*
- » *Major Events Act 2009 No 73*
- » *Members of Parliament Staff Act 2013 No 41*
- » *Multicultural NSW Act 2000 No 77*, jointly with the Minister for Multiculturalism
- » *Mutual Recognition (New South Wales) Act 1992 No 61*
- » *Natural Resources Commission Act 2003 No 102*
- » *Ombudsman Act 1974 No 68*
- » *Parliamentary Electorates and Elections Act 1912 No 41*
- » *Parliamentary Evidence Act 1901 No 43*
- » *Parliamentary Precincts Act 1997 No 66*
- » *Parliamentary Remuneration Act 1989 No 160*
- » *Police Integrity Commission Act 1996 No 28*, Part 6 (remainder, the Minister for Justice and Police)
- » *Public Finance and Audit Act 1983 No 152*, sections 28, 28A, 29, 30, and Schedule 1 (remainder, the Treasurer)
- » *Public Interest Disclosures Act 1994 No 92*
- » *Royal Commission (Police Service) Act 1994 No 60*
- » *Royal Commissions Act 1923 No 29*
- » *Seat of Government Surrender Act 1909 No 14*
- » *Seat of Government Surrender Act 1915 No 9*
- » *Senators' Elections Act 1903 No 9*
- » *Special Commission of Inquiry (James Hardie Records) Act 2004 No 78*
- » *Special Commissions of Inquiry Act 1983 No 90*
- » *State Arms, Symbols and Emblems Act 2004 No 1*
- » *State Owned Corporations Act 1989 No 134* (except section 37B, the Minister for Finance, Services and Property)
- » *Statutory and Other Offices Remuneration Act 1975 (1976 No 4)*
- » *Subordinate Legislation Act 1989 No 146*
- » *Succession to the Crown (Request) Act 2013 No 53*
- » *Trans-Tasman Mutual Recognition (New South Wales) Act 1996 No 102*
- » *Transport Appeal Boards Act 1980 No 104*
- » *Water Industry Competition Act 2006 No 104*, Part 3 (remainder, the Minister for Lands and Water)

New and Amending Legislation

New and amending legislation in Premier's portfolio

(Acts assented to during 2014–15)

- » *Constitution Amendment (Parliamentary Presiding Officers) Act 2014 No 61*
- » *Election Funding, Expenditure and Disclosures Amendment Act 2014 No 63*
- » *Independent Commission Against Corruption Amendment (Validation) Act 2015 No 1*
- » *Independent Pricing and Regulatory Tribunal Amendment (Accredited State Water Regulator) Act 2015 No 8*
- » *Ombudsman and Public Interest Disclosures Legislation Amendment Act 2014 No 86*
- » *Statute Law (Miscellaneous Provisions) Act 2015 No 15*
- » *Statute Law (Miscellaneous Provisions) Act (No 2) 2014 No 88*

Premier's Portfolio Acts repealed during 2014–15*

- » *Constitution Amendment (Governor's Salary) Act 2003 No 66*
- » *Constitution Amendment (Parliamentary Presiding Officers) Act 2014 No 61*
- » *Statute Law (Miscellaneous Provisions) Act 2009 No 56*
- » *Statute Law (Miscellaneous Provisions) Act 2013 No 47*
- » *Statute Law (Miscellaneous Provisions) Act (No 2) 2008 No 114*
- » *Statute Law (Miscellaneous Provisions) Act (No 2) 2013 No 111*

*Excludes amendment Acts repealed under section 30C of the *Interpretation Act 1987*

New and amending regulations in the Premier's portfolio

(Regulations made during 2014–15)

- » *Government Advertising Amendment (Exemption from Advertising Restrictions) Regulation 2014*
- » *Government Sector Employment Amendment (Transitional Staff Arrangements) Regulation 2015*
- » *Government Sector Employment Rules 2014 (Amendment No 1)*
- » *Government Sector Employment Rules 2014 (Amendment No 2)*
- » *Government Sector Employment Rules (Amendment No 3—Secretaries) 2015*
- » *Government Sector Employment Rules (Amendment No 4—Model Contracts) 2015*
- » *Independent Commission Against Corruption Act 1988*
- » *Independent Commission Against Corruption Amendment (Ministerial Code of Conduct) Regulation 2014*
- » *Independent Commission Against Corruption Amendment (Public Authority) Regulation 2014*
- » *Lobbying of Government Officials Amendment (Lobbyists Code of Conduct) Regulation 2014*
- » *Lobbying of Government Officials (Lobbyists Code of Conduct) Regulation 2014*
- » *Major Events Amendment (AFC Asian Cup 2015 and ICC Cricket World Cup 2015) Regulation 2014*
- » *Major Events Amendment (Safety and Crowd Management) Regulation 2015*
- » *Parliamentary Remuneration Amendment (Leader of the Opposition) Regulation 2015*

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