

Department of Customer Service Annual Report 2020/2021



NSW Department of Customer Service Annual Report 2020/21

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Author

Department of Customer Service

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The Hon. Victor Dominello MP
Minister for Digital, Minister for Customer Service
GPO Box 5341
SYDNEY NSW 2001

The Hon. Kevin Anderson MP
Minister for Better Regulation and Innovation
GPO Box 5341
SYDNEY NSW 2001

Dear Ministers

I am pleased to submit the annual report for the NSW Department of Customer Service for the year ended 30 June 2021 for presentation to Parliament.

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

The report also includes annual reports for the:

- Registrar-General
- Surveyor-General
- Geographical Names Board.

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

Yours sincerely

Emma Hogan
Secretary

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About this report

This report covers the Department of Customer Service (DCS) and cluster agencies from 1 July 2020 to 30 June 2021.

Chapter 7 of this report, titled 'DCS-related entities' annual reports', contains annual reports for the:

- Registrar-General
- Surveyor-General
- Geographical Names Board.

The DCS annual report is available at <https://www.nsw.gov.au/customer-service/publications-and-reports> and www.opengov.nsw.gov.au/about.

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

- Board of Surveying and Spatial Information: <https://www.bossi.nsw.gov.au>
- Digital Restart Fund: <https://www.digital.nsw.gov.au/>
- Greyhound Racing NSW: <https://www.grnsw.com.au>
- Greyhound Welfare and Integrity Commission: <https://www.gwic.nsw.gov.au>
- Harness Racing NSW: <https://www.hrnsw.com.au>
- Independent Liquor and Gaming Authority: <https://www.liquorandgaming.nsw.gov.au/independent-liquor-and-gaming-authority/about-ilga>
- Independent Pricing and Regulatory Tribunal: <https://www.ipart.nsw.gov.au/Home/About-IPART/Governance/Annual-Reports/List-of-Annual-Reports>
- Independent Review Officer (from 1 March 2021 to 30 June 2021), including a report on the activities of the Workers Compensation Independent Review Officer (from 1 July 2020 to 28 February 2021): <https://iro.nsw.gov.au/publications/annual-report>
- Information and Privacy Commission: <https://www.ipc.nsw.gov.au/about-us/our-corporate-information/annual-and-quarterly-reports>
- Long Service Corporation: <https://www.longservice.nsw.gov.au/>
- NSW Architects Registration Board: <https://www.architects.nsw.gov.au/publications>
- NSW Telco Authority: <https://www.telco.nsw.gov.au>
- Personal Injury Commission (from 1 March 2021 to 30 June 2021): <https://pi.nsw.gov.au/resources/annual-review>
- Professional Standards Council: <https://www.psc.gov.au/news-and-publications/annual-reports>
- Racing NSW: <https://www.racingsw.com.au>
- Rental Bond Board: <https://www.nsw.gov.au/customer-service/publications-and-reports>
- Service NSW: <https://www.service.nsw.gov.au/about-us/annual-reports>
- State Insurance Regulatory Authority: <https://www.sira.nsw.gov.au/corporate-information/annual-reports>
- Workers Compensation Commission (from 1 July 2020 to 28 February 2021): <https://pi.nsw.gov.au/resources/archive/workers-compensation-division/annual-review>

The total external cost of producing this report was \$14,400 excluding GST.

About this report

Changes during the reporting period

- The Building Professionals Board was dissolved with the repeal of the *Building Professionals Act 2005*, with effect from 1 July 2020.
- The Personal Injury Commission was established and formally commenced operations on 1 March 2021, pursuant to the *Personal Injury Commission Act 2020*. The Commission has both workers compensation and motor accident jurisdiction. It replaced the former Workers Compensation Commission, and carries out the dispute resolution functions formerly carried out by the State Insurance Regulatory Authority's (SIRA) Motor Accident Claims Assessment and Resolution Service, Motor Accident Medical Assessment Service and Dispute Resolution Service.
- The Independent Review Officer was appointed from 1 March 2021 pursuant to the *Personal Injury Commission Act 2020*, and this role replaced the former Workers Compensation Independent Review Officer.

Changes after the reporting period

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

DCS related entities

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

Customer Service portfolio

- Board of Surveying and Spatial Information (BOSSI)
- Geographical Names Board of New South Wales (GNB)
- Independent Liquor and Gaming Authority (ILGA)
- Independent Pricing and Regulatory Tribunal (IPART)
- Independent Review Officer (IRO) (from 1 March 2021) and the Workers Compensation Independent Review Officer (WIRO) (from 1 July 2020 to 28 February 2021)
- Information and Privacy Commission (IPC)
- NSW Telco Authority
- Personal Injury Commission (from 1 March 2021) and the Workers Compensation Commission (1 July 2020 to 28 February 2021)
- Service NSW
- SIRA

Better Regulation and Innovation portfolio

- Greyhound Welfare and Integrity Commission
- Long Service Corporation
- NSW Architects Registration Board
- Professional Standards Council
- Rental Bond Board

Secretary's message



I'm pleased to provide the 2020/21 Annual Report for the Department of Customer Service.

Over the last year, we have continued to play a vital role in supporting the people of NSW. Our vision is simple and powerful – to be the world's most customer-centric government and serve 8 million customers, whether they're individuals or businesses, every single day. As a central agency, it's also our job to lead the sector to uplift skills and capabilities across the whole of Government and achieve shared outcomes for the people of NSW.

As I reflect on the past year, it's clear the COVID-19 pandemic has continued to have a tremendous impact; creating a health, social and economic crisis that has deeply affected many people across the state, country and indeed the world. My heart goes out to everyone who has been impacted.

At DCS, we have led a sector-wide, digital-first response to the pandemic – focused on limiting transmission and helping businesses and communities get back on their feet. We issued \$1.17 billion in grants and vouchers, led over 10,000 inspections for COVID-19 compliance and saw more than 460 million QR codes scanned on the Service NSW app. It's been an incredible team effort in partnership with numerous other government agencies and almost everyone across DCS has played a role in this.

Our inclusive culture remains central to how we operate and I was incredibly pleased to see our employee engagement score jump five percentage points to 72% – one of the highest in the sector. By placing our people at the heart of everything we do, we have been able to ensure our customers remain at the centre of every decision, achieve great collaborative outcomes with our sector partners, and continue to deliver on the Premier's and NSW Government priorities.

I'm immensely proud of how we've all responded to the ongoing challenges of COVID-19, while continuing to deliver exceptional outcomes for the people of NSW in collaboration across the whole of Government. You can read about our many highlights for 2020/21 on pages 21 to 68 of this Annual Report.

New South Wales continues to rank number one for trust in government services that we provide, both across service delivery and regulation, which is an incredible achievement. Your collective hard work, dedication and passion continues to help us achieve our goals, and you should all be very proud of what we have accomplished.

My sincere thanks once again to our people, partners and everyone who has contributed to our vision of delivering a world-leading, customer-focused, and digitally-centric Government, to serve our 8 million customers here in NSW.

A handwritten signature in black ink, appearing to read 'Emma Hogan', written in a cursive style.

Emma Hogan
Secretary

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About
Customer
Service



Who we are

Our purpose, vision and values

DCS was established on 1 July 2019 as the world's first integrated customer service government department.

The vision of DCS is for NSW to have the world's most customer-centric government. DCS's purpose is also clear. No matter who they are, where they are or what they need, our customers and communities can expect government services in NSW to be trustworthy, effective and easy.

DCS is a broad and diverse cluster. It provides services to and on behalf of the NSW Government so that our customers receive a consistently great experience. We are accountable for driving the State's digital, data and innovation agenda. We also administer a vast regulatory framework that delivers safety, consumer and business protections as well as insurance schemes that allow NSW to maintain fair, secure and efficient markets.

DCS's multi-dimensional role encompasses the following responsibilities:

- Central agency – setting whole of government strategy and standards, driving agency accountability against those standards, and influencing and steering service delivery improvements
- Network leader – providing unique services to support cluster delivery and the wider public sector in digital, data, behavioural insights and regulatory leadership
- Service delivery and reform – driving excellence in service delivery direct to customers and driving reform in the delivery of customer facing functions for the whole of government.

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

- 50% of senior leadership roles held by women
- 3% of roles at all levels held by Aboriginal people
- 5.6% of government sector roles held by people with a disability by 2025.

Our strategy and responsibilities

DCS takes its strategic and specific priorities from the NSW Government. It is responsible for delivering the Premier's *Government Made Easy* and *World Class Public Service* (jointly with the NSW Public Service Commission) priorities, as well as three State Outcomes:

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

The *DCS Connect Strategy 20–23* outlines DCS's vision, purpose and strategic direction in line with its three State Outcomes and the NSW Government Customer Commitments.

Who we are



VISION To be the world's most customer-centric government	PURPOSE Customers and communities can expect government services to be trustworthy, effective and easy no matter who they are, where they are or what they need	VALUES Service Integrity Trust Accountability
---	---	--

Our role

Central agency
Set whole of government customer and digital strategy, standards, investment prioritisation and ways of working

Network leader
Partnering with clusters to leverage our specialist services and unique expertise to support whole of sector customer priorities

Service delivery and reform
Service excellence in the delivery of customer facing functions both for DCS and whole of government

8+ million customers

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

Our accountability

Lighthouses
Signature whole of government projects that deliver significant customer value

Greenhouses
Signature division level projects that deliver significant customer value

Serving customers and community
Excellence and continuous improvement in our core delivery and regulatory functions

Corporate and support services
Whole of cluster enabling services to support delivery

CULTURE	Customers and community at the centre	People and inclusion at the heart	Partner collaboration at its best
----------------	---------------------------------------	-----------------------------------	-----------------------------------

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

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

- Success indicators**
1. Top Australian jurisdiction for customer satisfaction
 2. Top Australian jurisdiction for digital government readiness

3. Lighthouse and Greenhouse projects deliver measurable change
4. Enhanced trust in government services
5. People engagement >75%

The Strategy highlights how DCS will drive customer service excellence to help make NSW the most customer-centric government. DCS will provide leadership, policy and practice, transformation and capacity building across government, as well as a diverse range of customer service delivery and regulatory activities. Signature projects, known as Lighthouses and Greenhouses, are critical in delivering significant customer value.

DCS will also continue to work with other government agencies to embed the Customer Commitments into the delivery of all government services in NSW. In doing this, DCS is working to:

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

Who we are

Our structure

Customer Service Cluster							
Office of the Secretary							
People and Culture							
Better Regulation	Corporate Services	Customer Delivery & Transformation	Digital.NSW	Revenue NSW	Service NSW		
One stop shop for regulation	Cluster Finance and Procurement	Whole of Government customer, behavioural insights and data analytics	Government Chief Information and Digital Officer	Revenue collection	Customer service channels for all NSW Government agencies and transactions		
NSW Fair Trading	Legal			Debt recovery			
Liquor and Gaming NSW	Audit and Risk	Accelerating customer and digital transformation	Whole of Government ICT investment prioritisation, coordination and assurance processes	Grant administration	One stop shop for citizens and businesses across Service Centres, mobile, digital, contact centre		
Long Service Corporation	Governance	NSW Government brand, advertising communications, nsw.gov.au					
Office of Racing	Workplace and Facilities	Customer Service Cluster Delivery Unit	Government Technology Platforms			Transformation of customer service delivery channels	
Office of the Registrar-General	GovConnect		Cyber Security				
Office of Responsible Gambling	Corporate Planning & Performance	NSW Registry of Births Deaths and Marriages	NSW Telco Authority			MyServiceNSW	
Professional Standards Authority	Cluster ICT and CTO	Premier Priorities	Spatial Services and Surveyor-General				
SafeWork NSW							
Subsidence Advisory NSW							
Other Cluster Functions and Entities*							
Greyhound Welfare & Integrity Commission (GWIC)	Independent Liquor & Gaming Authority (ILGA)	Independent Pricing and Regulatory Tribunal (IPART)	Independent Review Office (IRO)	Information & Privacy Commission (IPC)	Office of the NSW Building Commissioner	Personal Injury Commission (PIC)	State Insurance Regulatory Authority (SIRA)

* Includes major DCS entities only

Who we are

The DCS cluster brings together transactional services, digital, data and design, regulatory and compliance activities, and a whole of government view of customer service across five broad functions:

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

Customer, Delivery and Transformation is responsible for leading transformation in customer-focused service delivery across NSW Government. It provides best practice insights, data-led analytics and advisory support to drive a customer-centred culture across sector services and improved user experience for customers. It is also home to the customer-facing side of the NSW Registry of Births, Deaths & Marriages, whose role it is to register NSW life events accurately and securely for all time.

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

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

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

What we do

Better Regulation Division

Better Regulation Division (BRD) protects the NSW community through innovative regulatory services. BRD contributes to the overarching goal of DCS in making NSW the world's most customer centric government. BRD is also responsible for delivering the NSW Government's State Outcome: Fair, secure and efficient markets. This means BRD is working to improve regulation and simplify service delivery in NSW to make it easier for businesses to comply with laws and transact with customers.

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

BRD is made up of several regulators and agencies:

- NSW Fair Trading (Fair Trading)
- SafeWork NSW (SafeWork)
- Liquor & Gaming NSW
- Office of Responsible Gambling
- Office of Racing
- Subsidence Advisory NSW.

The following BRD agencies report as individual entities to the Deputy Secretary Better Regulation:

- Office of the Registrar-General
- Long Service Corporation
- Professional Standards Authority.

Corporate Services

Corporate Services supports DCS in achieving its goals by providing strategic and operational policy, advisory, transaction and assurance services. Delivering centre-led customer and client focused support, Corporate Services binds together the divisions and business units of DCS to support and enable the work of the department across the cluster.

Corporate Services is comprised of six major business functions for the cluster:

- Legal Services
- Finance
- Procurement
- Workplace Services & Property
- Governance, Risk & Performance
- Information Communications and Technology.

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

Customer, Delivery and Transformation

Customer, Delivery and Transformation (CDT) leads transformation in customer-focused service delivery across government, with the expertise of the Customer Experience Unit (including the Life Journeys and Government Made Easy teams), the Customer Strategy and Delivery Unit, the Behavioural Insights Unit, the NSW Data Analytics Centre and the Customer Insights team.

CDT provides best practice insights and analytics support to transform customer outcomes across the cluster and the sector so that DCS can achieve its mission for NSW to have the world's most customer-centric government.

As custodian of the NSW Government brand, advertising, communications and digital online web and social channels, CDT's aim is to ensure seamless, high-quality engagement with customers on the things that matter to them.

CDT is also home to one customer facing unit – NSW Registry of Births, Deaths & Marriages.

What we do

Digital.NSW

Digital.NSW is central to driving the Premier's Priority of putting the customer at the centre of everything NSW does. Sitting within the centre of government, Digital.NSW sets and leads the strategic direction for the future of ideas, technology, procurement, planning, security, identity, investment and assurance. Digital.NSW operates critical infrastructure on behalf of the State and is committed to driving economic growth, delivering priorities and accelerating service outcomes for all the customers of NSW.

Office of the Building Commissioner

The Office of the Building Commissioner was established in 2019 to deliver a transformation of the NSW residential building and construction sector called 'Construct NSW'. The transformation strategy seeks to restore public confidence in the industry and enhance the capabilities of the building regulator. Delivery of the strategy also involves working closely with the Better Regulation Division to transform how it regulates buildings, so it is more proactive and delivers better outcomes for consumers.

People and Culture

People and Culture provides a range of people-related advice and services to support over 10,000 DCS employees as they deliver on DCS's cultural objectives of putting customer and community at the centre, people and inclusion at the heart, and partner collaboration at its best. This includes shaping world-class recruitment and onboarding, building on the strong culture of wellbeing, inclusion and care, and enhancing the experience across the employee lifecycle.

People and Culture helps DCS to attract and retain talented people, and it enables business units to deliver success and adopt new ways of working that improve customer outcomes and productivity. Services and advice provided by People and Culture relates to HR policies, industrial relations (including pay and conditions), recruitment, diversity and inclusion, safety and wellbeing, conduct and behaviour, learning and development, and workforce strategy.

Revenue NSW

Revenue NSW is NSW's principal revenue collection authority. Revenue NSW collected \$33.3 billion during 2020/21, providing over one-third of the State's budget to fund and deliver essential core services for NSW citizens. Revenue NSW provides grants, manages unclaimed money, and offers socially responsible ways for vulnerable customers to satisfy their debts. Revenue NSW's objectives are to collect revenue due to the State efficiently and provide the best possible experience for customers and staff.

Service NSW

Service NSW offers one-stop-shop access to NSW Government services for individuals and businesses via an omni-channel network made up of Service NSW centres, mobile service centres, contact centres, a website and the MyServiceNSW app. It also provides a business concierge service for metro and regional areas, and a dedicated business digital platform. Service NSW prides itself on delivering world-class customer service. It has a wide reach, covering 99% of NSW Local Government Areas and a customer satisfaction score of over 96% in 2020/21.

State Insurance Regulatory Authority

SIRA regulates three statutory insurance schemes in NSW – workers compensation, compulsory third party (CTP) and home building compensation. SIRA's role is to ensure that the schemes it regulates are fair, effective and affordable for policy holders, and for people that make a claim for compensation today, or in the future.

Office of the Secretary

The Office of the Secretary provides ministerial and executive support services, including strategic policy advice for the DCS cluster.

In 2020/21, the Office of the Secretary was comprised of the following business units:

- Aboriginal Outcomes Unit (from March 2021)
- Cabinet and Policy
- Ministerial Services
- Strategy and Policy.

Principal officers

Emma Hogan

Secretary, Department of Customer Service

Emma Hogan became the Secretary of the Department of Customer Service on 18 October 2019, after serving as the NSW Public Service Commissioner from May 2018. Prior to joining the NSW Public Service, Emma had an accomplished extensive c-suite career in the private sector, working with iconic Australian brands across hospitality, retail, aviation, media and entertainment.

Emma's career spans executive leadership roles in customer, digital, people, communications and transformation. Emma has worked in environments that have included start-up, growth, acquisition, disruption, maturation and divestment and has led teams both in Australia and overseas.

Emma holds postgraduate qualifications in HR & Business Management and is a graduate of the Stanford University Executive Program. Emma is on the Board of the NSW Telco Authority and is also a member of Chief Executive Women.

Rose Webb

Deputy Secretary, Better Regulation Commissioner for NSW Fair Trading

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

Rose holds a double degree in Economics and Law from the Australian National University and a Master of Law from the University of Sydney.

Stephen Brady

Chief Operating Officer

Stephen Brady was appointed as the Chief Operating Officer for the Department of Customer Service on 9 March 2020.

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

Stephen has also held Deputy Secretary roles in both the NSW Department of Premier and Cabinet and NSW Treasury. In addition to 19 years' experience in NSW Government, Stephen has 15 years' experience in investment banking and corporate management.

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

William Murphy

Deputy Secretary, Customer, Delivery and Transformation

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

Prior to joining DCS, William led the Premier's Implementation Unit at the NSW Department of Premier and Cabinet, where his focus was to improve outcomes for customers through the delivery of the 14 NSW Premier's Priorities, including improving customer satisfaction with government services, reducing domestic violence reoffending, improving education outcomes, reducing litter, and delivering better outcomes for children at risk of significant harm. William has previously held several senior roles in government focusing on transformation to digital government, better use of public sector data and driving better outcomes for customers.

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

Principal officers

Greg Wells

Government Chief Information and Digital Officer

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

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

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

David Chandler OAM

Building Commissioner

David Chandler OAM has over 50 years' experience in the building and construction industry. He has delivered several major infrastructure and urban renewal projects, including the new Parliament House in Canberra, and performed a leading role in inquiries into the performance of the building industry, including the Building Education Revolution Taskforce review. As Adjunct Professor at Western Sydney University (2017–2019, 2021–ongoing), David has helped to shape the next generation of construction professionals. He also helped establish the Centre for Smart Modern Construction to invest in new academic and research capabilities for the construction sector.

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

Jody Grima

Chief People Officer

(January 2021–current)

Jody Grima was appointed as the Chief People Officer for the Department of Customer Service in January 2021. Before this, Jody was the Executive Director, Service Delivery, Service NSW, having been deeply involved in the development of Service NSW from the initial business case to the present.

Jody is passionate about improving outcomes for NSW customers, improving the employee experience, delivering results through building staff capability, cultural transformation, and developing customer and stakeholder relationships.

Jody holds an Executive Master of Public Administration and a Bachelor of Arts (Social Welfare). In 2021, Jody received a NSW Public Service Medal for outstanding public service to the community through Service NSW.

Scott Johnston

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

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

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

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

Principal officers

Damon Rees

Chief Executive Officer, Service NSW

Damon Rees was appointed as the Chief Executive Officer of Service NSW in November 2017. Damon's current focus is on ensuring that Service NSW provides easy access to a broad range of services for individuals and businesses, and that it is a global leader in customer service excellence.

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

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

Adam Dent

Chief Executive, State Insurance Regulatory Authority

(July 2021–current)

Adam Dent joined SIRA as Chief Executive in July 2021. He is also a member of the SIRA Board in an ex-officio capacity.

Prior to joining SIRA, Adam was the Chief Executive Officer, NSW Trustee and Guardian since January 2018. He carried out the legislative functions of the NSW Trustee as well as being Commissioner of Dormant Funds. Adam's previous senior management roles include Director, Government and Public Sector Advisory at Ernst & Young, Commissioner at NSW State Emergency Service, and State Manager Emergency Services at Australian Red Cross (Victoria).

Adam holds a Master of Business Administration from the Australian Institute of Business and is a graduate of the Australian Institute of Company Directors. He also has a Graduate Certificate in Professional Legal Studies from Griffith University.

Lauryn Bae Brokate

Executive Director, Strategy, Office of the Secretary

(July 2021–current)

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

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

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

Belinda Lawn

Chief People Officer

(July 2020–January 2021)

Belinda Lawn was the Chief People Officer with the Department of Customer Service until January 2021, before moving to a new role in Corporate Services leading governance and risk. Belinda is a graduate of the Australian Institute of Company Directors and holds a Master of Economics and Bachelor of Economics (Hons) with a Diploma of Education from Macquarie University.

Principal officers

Carmel Donnelly

Chief Executive, State Insurance Regulatory Authority

(July 2020–June 2021)

Carmel Donnelly, the current Chair of the Independent Pricing and Regulatory Tribunal, was the Chief Executive of SIRA from March 2017 to June 2021.

Carmel has extensive experience as a senior executive in NSW Government including as an Executive Director in SIRA, General Manager of the Motor Accidents Authority of NSW, and Director of Strategy and Planning with Fire and Rescue NSW. She has also been a Review Director in the NSW Department of Premier and Cabinet and an Associate Director in NSW Health.

Carmel holds an Executive Master of Business Administration from the Australian Graduate School of Management and a Master of Public Health from the Faculty of Medicine at the University of Sydney. Carmel also holds a Bachelor of Arts (Honours Psychology) from the University of Sydney and is a graduate member of the Australian Institute of Company Directors.

Dawn Routledge

Executive Director, Office of the Secretary

(July 2020–April 2021)


Dawn Routledge was the Executive Director of the Office of the Secretary until April 2021, before moving to a new role at Resilience NSW. Dawn was the policy lead for the Department's customer, ICT and digital reform agenda, and led the provision of ministerial and executive support services. Dawn holds masters degrees in Arts and Law from University College London and the University of Northumbria. She is a graduate of the Australian Institute of Company Directors and a professional member of the Institute of Public Administration Australia.



WE'RE COVID SAFE

Please check in before entering our premises.

We're helping keep our community COVID safe by recording contact details.



NSW

2 COVID-19 response

WE'RE COVID SAFE

PLEASE WEAR YOUR MASK



PLEASE WEAR YOUR MASK

COVID-19 response

The COVID-19 pandemic has presented ever-changing, unprecedented and incredibly challenging circumstances that the people of NSW continue to work through today.

During 2020/21, DCS joined NSW Health (Health) to help lead the State's COVID-19 response. This has shaped the work DCS has delivered over the year and DCS continues to feel its impact on everything it does.

Community support

Service NSW Centres

Our 'front door' to government, Service NSW played a critical role supporting the NSW community during the COVID-19 pandemic. Service NSW received over 1.05 million calls to its dedicated 24/7 COVID hotline and over 19,000 enquiries through its COVID live chat tool during 2020/21.

Service NSW teams provided the latest information and advice to help the people of NSW understand applicable rules and restrictions as well as available support. In response to a new COVID-19 outbreak in June 2021 and new stay-at-home orders for Greater Sydney, Service NSW continued to provide essential services across its network of 110 Service Centres, its call centres and business concierge service.

QR Code check-in

To support the COVID-19 response, Service NSW has been instrumental in the development and implementation of COVID safe check-ins to record customer visits to premises. These details can be used by Health if contact tracing is required.

The COVID Safe Check-in tool was launched in September 2020 on the Service NSW app and allows customers, staff and visitors to check in at businesses and organisations by scanning a unique QR code using their phone camera or QR code reader. As at 30 June 2021, over 300 million check-ins have been registered, with customer satisfaction tracking at over 94%.

Grants and payment programs

As part of the economic recovery efforts, Service NSW has been involved in the delivery of a range of grants, payment programs and vouchers to support the people and businesses of NSW. Since the first payment program was launched in January 2020, Service NSW has paid over \$1.11 billion in outward payments. Some of the payments successfully delivered during 2020/21 included:

- Export Assistance Grant of up to \$10,000
- Southern Border Small Business Support Grant of \$5,000 or \$10,000
- Small Business COVID Support Grant of up to \$10,000.

Dine & Discover NSW

In March 2021, Service NSW launched Dine & Discover NSW. All NSW residents aged 18 and over can apply for four \$25 vouchers: two Dine NSW vouchers to be used for dining and two Discover NSW vouchers to be used for entertainment and recreation, at participating businesses.

As at 30 June 2021, 14,176 businesses had registered to participate in Dine & Discover NSW. Over 9.5 million vouchers have been redeemed, with a total value of over \$236 million. Customer satisfaction was at 97.6%.

Land Tax stimulus

During COVID-19, Revenue NSW placed a hold on all compliance work, ensuring customers were not being asked to supply additional information or complete questionnaires during a potentially vulnerable time.

Revenue NSW assessed more than 15,000 relief applications for over 20,000 properties providing more than \$145 million in relief to impacted tenants.

Payroll stimulus

After lodgement of the 2020 Annual Reconciliation, between 26 October 2020 and 29 November 2020, Revenue NSW supported customers by providing the option of entering a Stimulus Payment Arrangement for up to 24 months (with a 12-month interest free component). There were 2,387 customers that chose to establish a plan.

COVID-19 response

25,130 customers received the benefit of a 25% reduction to their payroll tax liability for the 2019/20 financial year. The total value of the reduction exceeded \$378 million.

Gaming and Lotteries stimulus

Revenue NSW implemented economic stimulus measures for gaming and lotteries customers where almost \$715 million in tax and duty payments were deferred for over 1,300 customers. A collaborative effort between Liquor & Gaming NSW and Revenue NSW was held to action proactive annual adjustments and provide refunds to the affected customers.

Quarantine fees

Revenue NSW facilitated cross-agency collaboration in response to COVID-19 with NSW Police, Health, NSW Department of Premier and Cabinet (DPC), and NSW Treasury (Treasury) for the collection of quarantine fees to the value of approximately \$107 million.

Border permits

During 2020/21, Spatial Services validated addressing data to assist in tracking *Border Zone Permits* through the evolving border closures between NSW, Victoria and Queensland. Using NSW Point and Service Point applications, Spatial Services provided valuable analytics, such as travellers' origin-destination data, to government agencies including Health and Service NSW.

Spatial Services' *Border Zone Permit Dashboard* provides user-friendly, colour coded and geo-located analytics and is delivered in real time. Using the visualisation platform and dashboard, government agencies are empowered and better equipped to respond to COVID-19 cases that may result from border crossings, including the ability to trace possible COVID-19 sources. The *Border Zone Address Check* enabled customers to clearly understand the geographical extent of the Border Zone.

Regulatory response

BRD has helped the business community understand their obligations under the Public Health Orders. BRD has also taken strong enforcement action against harmful offences and repeat offenders. Inspectors from across BRD have been routinely deployed throughout NSW to provide frontline education, advisory and compliance services. This very important work has contributed to the overall safety of the NSW community.

BRD's compliance approach was flexible and adaptive during 2020/21, balancing both education and compliance as COVID-19 case numbers fluctuated. BRD inspectors conducted over 10,000 visits to businesses to undertake inspections and provide advice to ensure compliance with Public Health Orders. Of these businesses, 87% were compliant with the Public Health Orders. Over 300 penalty notices and over 500 written warnings were issued.

	Liquor & Gaming NSW	Fair Trading	SafeWork	Total
Number of Authorised Inspectors	37	65	240	342
Total visits (businesses were open and closed)	4,932	2,608	3,149	10,689
Inspections completed (open businesses only)	4,176	1,615	3,645	9,436
Penalty issued	197	122	29	348
Written warning issued	157	260	86	503
Satisfactory outcome (number)	3,704	1,218	3,292	8,214
Satisfactory outcome (% of inspections completed)	88.7	75.4	90.3	87.0

COVID-19 response

BRD's other activities to support the NSW community during the COVID-19 pandemic included:

- the COVID-19 pandemic stimulus response program waived fees for eligible licence types from April 2020 to April 2021. During this period, Fair Trading, Liquor & Gaming NSW and SafeWork waived fees on over 200,000 licences, saving businesses more than \$65 million. Licence applications also increased as a result of the fee waivers.
- cancellations of travel arrangements and events saw an increase in the number of consumer requests for assistance. The cancellation provisions involved complex contractual laws, and Fair Trading worked with national regulators to secure better deals for affected consumers. For example, Fair Trading officers were successful in negotiating over \$270,000 in refunds from various cruise ship operators on behalf of NSW consumers.
- Fair Trading implemented the *Residential Tenancy Support Package* to assist tenants who were struggling to pay rent. The support package helped tenants and landlords to negotiate rent reductions where a tenant could not meet their rental payments in full because of the COVID-19 pandemic, and protected tenants from eviction if they kept to the arrangement.
- SafeWork was the first work health and safety regulator in Australia to publish guidance and support materials for businesses and workers in response to the COVID-19 pandemic.
- Liquor & Gaming NSW, along with other government agencies, drove a NSW Government taskforce to deliver safer outdoor dining spaces across NSW during the COVID-19 pandemic. There are now over 170 licensed venues with temporary outdoor dining spaces. Feedback from businesses has been positive, with very high levels of satisfaction, high turnover and more work shifts being offered to staff.

Citizen and business support

DCS implemented continuous COVID-19 campaigns and communications to both citizens and businesses across the State during 2020/21.

Campaigns

A fully integrated NSW Government COVID-19 campaign encouraged NSW citizens to help keep NSW COVID Safe. In addition, a business campaign supported efforts to promote COVID safe practices and support services available across NSW, with a focus on helping businesses stay open and stabilise the economy during the COVID-19 pandemic. The promotion of Dine & Discover NSW formed part of the economic strategy to encourage customers to spend with businesses. The campaigns were developed by listening to the voices of customers, with real-time customer insights and the best evidence available from behavioural science.

All campaign activity was supported by other communications services. Tailored stakeholder communications targeted to specific industries and regular electronic direct mail to four million NSW customers and 1.3 million NSW businesses provided the latest advice, guidance and regulations to help stay safe during the COVID-19 pandemic. With events regularly changing, the NSW Government Website was home to all the latest COVID-19 information for individuals and business owners.

Data

The NSW Data Analytics Centre played a key support role during 2020/21 by creating citizen-facing visualisations focused on infection and testing. These images gave customers the opportunity to see where infection was spreading and where testing was taking place. The NSW Data Analytics Centre also centralised data from Health, the NSW Department of Education (Education) and Transport for NSW (Transport) among others, to create a single insights portal. This has ensured the most up-to-date information and insights are available to the State Emergency Operations Centre to support key decisions and support Health.

Spatial Services also supported Service NSW with a map view service for the June 2021 COVID-19 outbreak. The map identifies the NSW local government areas affected by the resulting lockdown and stay-at-home orders. In four days, the service had over 30 million views by NSW citizens.

COVID-19 response

Behavioural insights

The Behavioural Insights Unit provided advice and assistance to Health and pathology organisations on key challenges in the COVID-19 response. These included:

- developing and trialling text message notifications to encourage re-testing after citizens received a negative result on a COVID-19 test. The most successful text message used a simple rule of thumb ('Come back as soon as you have symptoms again') and saw a 12% increase in likelihood to get tested again if required.
- supporting Health in encouraging people to self-isolate while waiting for their COVID-19 test results. In partnership with Health, the Behavioural Insights Unit developed and trialled a simplified post-card with a clear call to action on self-isolation to be distributed at testing sites, along with a new 'teach back' method where medical staff doing tests would ask customers to repeat back the information regarding self-isolation. Surveys indicated that this approach leads to 29% fewer people not complying with self-isolation.
- testing of social media messages aimed at encouraging mask wearing in young people. A DCS survey showed young people who saw the message were 10% more likely to say they would wear a mask on public transport than those that didn't.
- since the start of the COVID-19 pandemic, DCS has focused on understanding customer sentiment, needs and attitudes towards the COVID-19 situation in NSW. The COVID-19 insights work has informed how best to respond to the situation and enabled key communications and policy responses to be led by customer insights.

DCS workplace response

The DCS workplace response to the COVID-19 pandemic, led by Corporate Services and People and Culture, has ensured the safety of DCS's customers and staff. It included a swift transition to remote working, providing ongoing support and building a range of mechanisms to sustain an effective remote working environment.

The range of resources and support measures implemented by these teams has enabled DCS employees to navigate COVID-19, whilst continuing to deliver services to its customers. Activities included:

- providing safety equipment and advice for frontline employees
- encouraging a widely adopted move to remote working wherever possible, including equipping employees with the technology and hardware to enable them to work remotely and securely
- ensuring DCS premises are COVID Safe and operable
- providing a dedicated COVID-19 intranet page for employees to access key information on hygiene, travel and illness prevention, flexible working and leave arrangements, and IT support
- providing advice for frontline employees.

Whilst DCS remains in the 'response and action' stage of the COVID-19 response, a New Ways of Working (NWOW) project team has been put in place to plan the future approach for its people, processes, technology and workplace arrangements.

In June 2021, a DCS Flexible Working Leaders' Guide was launched to provide DCS's NWOW principles and guidelines. The guide is designed to foster a culture that allows all employees to work in an environment that suits them and continues to meet customer, team and business needs by rethinking where, when and how work can be done.







3

Our
Lighthouse
projects



Our Lighthouse projects

During 2020/21, DCS led six significant whole of government projects known as DCS Lighthouse projects. These include:

	Description	Customer impact
Government Made Easy (GME) Premier's Priority & Life Journeys 	Deliver the Premier's Priority to increase the number of 'Tell us Once' services; and streamline customer journeys.	Reduced time and effort for customers, increased engagement and trust for better customer outcomes.
Digital Restart Fund 	Fund and accelerate digital transformation to quickly deliver service improvements for all customers.	Funding digital transformation, ICT infrastructure and cyber capability uplift.
Licensing reform 	Deliver customer improvements along the whole journey and consolidating all licencing work under one program.	End-to-end digital licence journeys for individuals and business. Simpler compliance, easier applications, better experience.
Service NSW for Business 	Provide one front door for business across three levels of government.	Make NSW the easiest state for small business to start, run, adapt and prosper.
Critical Comms Enhancement Program (CCEP) 	Expand the Government Radio Network to build a Public Safety Network for emergency service officers and frontline responders.	Safer and better protected communities through an expanded and enhanced Public Safety Network.
Website consolidation 	Taking 500 websites across government down to just one, easy to use and navigate nsw.gov.au	One single source of government information that is timely, accurate and easy to navigate to find what I need.

Introduced as part of the *DCS Connect Strategy 20–23*, the Lighthouse projects have become a core part of the work DCS does. True collaboration is the hallmark of these projects, involving teams across the DCS cluster, whole of government delivery with multiple agencies and clusters, and partnering across state and federal government and industry.

A year on from their introduction, the role of these projects in delivering significant customer value has been recognised with all of them being fully funded.

The highlights and achievements of the six DCS Lighthouse projects during 2020/21 follow.

Government Made Easy Premier's Priority & Life Journeys

Project lead: Customer, Delivery and Transformation

Key collaborators: DPC, Treasury, Department of Planning, Industry and Environment (DPIE), Transport, Health, Education, Department of Communities and Justice (Stronger Communities), Department of Regional NSW (Regional NSW).

The Government Made Easy Premier's Priority & Life Journeys project aims to streamline customer journeys and deliver 'tell us once' customer access to at least 60 services by June 2023. DCS's ambition for this project is to reduce time and effort for customers and increase engagement and trust for better customer outcomes.

The Customer Experience Unit within CDT has delivered strong progress towards the Premier's Priority of *Government Made Easy*. As at 30 June 2021, 43 'tell us once' services have been delivered. Examples of these services include:

- streamlining everyday digital transactions, such as applying for Active Kids Vouchers where customers can choose to securely save and reuse their personal details
- letting multiple government agencies know when things change in one step, such as the Change of Address service which saves up to 45 minutes per customer
- supporting customers to tell their story once when they need help. For example, adult victims of serious crime can now access the benefits of the NSW Victims Register without having to submit an additional application and retell their story to another agency.

Digital Restart Fund

Project lead: Digital.NSW

Key collaborators: DPC, Treasury, DPIE, Transport, Health, Education, Stronger Communities, Regional NSW, IPC

The NSW Government has placed ICT and Digital 'front and centre' in stimulating the economy, driving productivity growth and supporting regional communities. The Digital Restart Fund (DRF) was established in 2020, with initial funding of \$100 million, to improve the planning, funding and delivery of digital services across government.

The DRF was approved with an additional \$1.6 billion over 3 years in 2020/21 to accelerate digital transformation and quickly deliver service improvements for all customers in an increasingly digital world. A further \$500 million will be invested in the DRF over three years from 2021/22, taking the total funding to \$2.1 billion. This additional investment will support job retention and growth, and assist the NSW economy to navigate the impacts of COVID-19 and recent natural disasters across the State.

As DRF accelerated investment in digital transformation during 2020/21, customers benefited from multiple new and innovative digital products and services. Among these, digital school enrolment applications now simplify the process for parents and school administrators, e-invoicing results in faster payments to suppliers, and a digital planning portal allows for increased volumes of Development Applications.

It is estimated that the digitisation of approximately 54,000 school enrolment documents and 29,000 tenant leases will save customers 2,900 working days each year.

The DRF's main achievements as at 30 June 2021 are:

- a total of 63 projects were funded through the DRF in 2020/21, and 136 projects have been funded since it was established.
- total funds invested by DRF to 30 June 2021 is \$1,324 million.
- \$211 million was allocated to Cyber Security to accelerate and uplift capability in NSW Government.
- \$367 million was committed for regional investment through NSW Education's Regional Access Gap program.

The DRF was established under the *Digital Restart Fund Act 2020*. A standalone annual report will be published on Digital.NSW in December 2021.

Project lead: Better Regulation Division

Key collaborators: DPIE, Stronger Communities

Every year more than one million licence applications are received, processed and approved by the NSW Government. The Licensing Program, which is funded by the DRF, consolidates all licensing work under one program and is transforming the way licensing services are delivered across the sector.

The Licensing Program aims to make applying, renewing and using licences faster and easier for customers. It will also make compliance simpler, with regulators able to use data to better monitor and enforce licensing requirements. There are over 130 licences to migrate from the existing Government Licensing System to the new platform over the next four years.

In total, the Licensing Program is expected to drive over \$540 million in external benefits and \$81 million in internal financial benefits over the next 10 years.

Highlights for 2020/21 include:

- Digitising the first paper-based permit licence in late 2020 has instantly reduced the processing time from four weeks to four minutes for paintball marker permits.
- The Digital Trade Licence (or 'White Card') has also been completed. Since the launch in mid-March 2021, there were already 85,000 Digital Trade Licence holders to 30 June 2021, highlighting a real demand for digital licences.
- Applying for asbestos and demolition licences in NSW is now easier and faster. The digital application reduces the number of steps and paperwork for individuals and businesses, and moves away from postal applications.
- The Liquor & Gaming Live Data Tool has made it easier to complete liquor licensing applications and submissions. The tool allows people to search the latest liquor licence information alongside demographic, alcohol-related crime and health data for every suburb and local government area in NSW.
- The Liquor Licence Manager has radically reduced liquor licence processing times. An annual liquor licence fee process that previously took three to four weeks has been replaced with a solution that can complete the task in 3 minutes.

Project lead: Service NSW

Key collaborators: DPC, Treasury, DPIE, Education, Stronger Communities, Regional NSW

Service NSW for Business makes it easier for businesses across NSW to start, run, adapt, recover and prosper by providing a single front door to access government information and services. This Lighthouse project is critical, particularly as NSW recovers from the economic impacts of the COVID-19 pandemic, bushfires, flood and drought.

Service NSW for Business is central to the way NSW will deliver on its ambition to be the easiest State to start and stay in business.

In 2020/21, Service NSW for Business has:

- grown its Business Concierge customers from 28,000 to over 126,000
- increased annual calls to the Business Concierge team from 84,000 to 124,000
- grown Business Profiles from 20,000 to over 140,000
- supported businesses in the early stages of the COVID-19 recovery.

During 2020/21, Service NSW for Business also supported businesses throughout the COVID-19 pandemic and natural disasters, including assistance with accessing NSW Government financial assistance programs.

The Service NSW for Business project is led by Service NSW. Further information on Service NSW's achievements can be found on page 62 of this report and in the 2020/21 Service NSW Annual Report.

Critical Communications Enhancement Program

Project lead: NSW Telco Authority

Key collaborators: DPIE, Stronger Communities

The Critical Communications Enhancement Program (CCEP) will significantly expand the Public Safety Network (PSN) for emergency service officers and frontline responders through the delivery of over 650 new sites across NSW by December 2024. Led by the NSW Telco Authority, this critical work will support safer and better protected communities in NSW.

An additional 101 PSN sites were added to the network during 2020/21, taking the total number of sites delivered under the CCEP to 167.

Under the CCEP, PSN coverage has increased from 31% to more than 41% of NSW, representing a land coverage increase of more than 80,000 km². Population coverage has also increased from 86% to 94%, covering more than 600,000 NSW residents.

An additional \$660 million in capital funding was announced as part of the 2021/22 Budget to complete the state-wide rollout of the CCEP. This additional investment will deliver PSN land coverage of 85% of NSW, reaching 99.7% of the NSW population.

One Customer Experience (nsw.gov.au)

Project lead: Customer, Delivery and Transformation

Key collaborators: DPC, Treasury, DPIE, Transport, Health, Education, Stronger Communities, Regional NSW

The One Customer Experience or OneCX program aims to improve the customer experience of NSW Government websites. Through the OneCX program, content will be consolidated and published in one single place. This will reduce 500 websites across government down to just one easy to use and navigate nsw.gov.au.

The whole of government website strategy is focused on creating a digital experience of NSW Government based on customer needs, rather than government structure. Our mission is to make it easy for customers to seek (find information), say (provide feedback) and do (complete a task).

In 2020/21:

- people visiting nsw.gov.au increased 280% to 36 million users compared with 9.4 million users the previous financial year
- nsw.gov.au had over 164 million page views across the website, with 68% (112 million) to COVID-19 related information
- the CDT team migrated more than 10 government websites and built multiple centralised digital experiences for customers.

4

Other highlights and achievements



Better Regulation Division

The Better Regulation Division (BRD) delivers regulatory leadership and activities to protect, innovate and regulate for fair, secure and efficient markets. This approach helps achieve the vision to protect the NSW community through innovative regulatory services. BRD works to:

- **Protect** the NSW community through preventative programs that drive safe behaviour
- **Innovate** to empower the NSW community through service solutions that are simple and easy to use
- **Regulate** to ensure NSW is secure through a world class service, legislation, and enforcement from trusted regulators.

In 2020/21, BRD delivered numerous planned programs aligned to these three outcome areas. This includes three significant Greenhouse projects as part of the *DCS Connect Strategy 20–23*, which are reported on where you see the Greenhouse icon below.

Due to the COVID-19 pandemic, BRD also focused on keeping the NSW community safe and productive with support programs, rebate schemes, and community engagement and education.

Protect

In 2020/21, BRD engaged in research and evaluation programs that offered insights and findings which support workplace harm prevention and better regulation for NSW. The outcomes and recommendations also informed business decisions for better programs, practices and policies. The research and evaluation programs include:

- **Evaluation of the NSW Tiered Industry Training Framework.** In order to work in the liquor and gaming industry in NSW, certain training is required. NSW has a tiered industry training framework (TITF) that defines relevant training requirements depending on the role (for example, responsible service of alcohol). The TITF has been evaluated with a focus on the uptake, efficiency and impact of the training. There were 1,278 course participants surveyed and more than 90% of the participants reported that they had improved knowledge, skills and understanding.
- **Evaluation of the Work Health and Safety Roadmap for NSW 2022** (the Roadmap). An independent evaluation of the Roadmap was completed in 2020/21. The Roadmap activities are intended to drive reductions in serious injuries

and fatalities occurring in the workplace. The evaluation found that good progress has been made in delivering on the vision and the programs of work outlined in the six sector plans and three strategies aligned to the Roadmap priority sectors, harms, high risk workers and workplaces. The evaluation also found that:

- stakeholders are becoming more aware of Work Health and Safety (WHS) and accountabilities, and are demonstrating an increased willingness to take action.
- stakeholders can identify ways to improve WHS in their industries and workplaces.
- businesses are aware of their return-to-work responsibilities and can identify ways to improve return-to-work outcomes in their workplaces.
- **BRD developed a number of frameworks** that help to engage and educate stakeholders and the community. The following frameworks outline evidence-based strategies which target ‘at risk’ communities:
 - BRD Stakeholder Engagement Framework provides BRD with a best practice process for engaging with stakeholders. Since launching the framework in September 2020, over 500 engagements have been recorded and over 1,200 stakeholders included in the system to assist planning engagements for new BRD initiatives.
 - BRD Sponsorship Framework was developed to increase consistency, transparency and governance in the management of BRD sponsorships.
 - Community & Aboriginal Engagement Strategies helps drive behavioural change and includes 11 tangible activities which target ‘at risk’ communities and empowers them to have a voice and help BRD to minimise harm.
- **‘People at Work’ risk assessment tool.** BRD worked with other regulators and researchers around Australia on changing a paper-based survey, which involved time-consuming manual data entry sheets, to a user-friendly digital platform. This free psychosocial risk assessment online tool enables organisations to administer the *People at Work* survey and receive results with a detailed report, including suggestions for improvements. Over 270 NSW organisations registered on the *People at Work* platform and over 900 surveys have been completed by individuals in 2020/21.

Better Regulation Division

- **Check for a Licence.** The 'Check for a Licence!' campaign, launched in August 2020, aims to educate homeowners about engaging licensed tradespeople. So far, about 13,000 consumers in NSW have received 'Check for a Licence!' letters directly to their mailboxes. Accompanying social media campaigns have also reached 119,734 users and served 154,554 impressions. Fair Trading intends to continue the 'Check for a Licence!' campaign.

Innovate



BRD has simplified requirements and processes for more streamlined services by using advanced technology and developing digital platforms and solutions and customer portals. The following changes were made in 2020/21, with improving customer experience as the priority:

- A new BRD complaints and incidents triage model was delivered in April 2021 across the Home Building and Consumer Services complaint handling streams to prioritise and streamline responses and improve the customer experience.
- An online risk rating intelligence dashboard, the first of its kind in Australia, makes it easier and quicker to access information and improves regulatory compliance by providing a holistic view of a building site. It brings together 15 data sources into a single interactive dashboard to assist with risk-based compliance and enforcement, and support the NSW Building Commissioner's building industry reforms.
- NSW Land Registry Services Connect portal supports digital survey plans, and the proportion of lodged plans examined using digital data has more than doubled over the last 12 months.
- the Long Service Corporation is rolling out new digital alternatives for workers and employers, starting with a new facility for building and construction workers to lodge simple claims for long service benefits online, saving time and effort. In addition, worker's claim payment details for income tax purposes are now available online on the myGov website.
- Thirteen SafeWork Inspectors were trained in using LiDAR technology for WHS inspections during 2020/21, improving incident site data collection to assist with WHS investigations.
- Traffic Control Training scheme transitioned in July 2020 from Transport for NSW to SafeWork under

the *Work Health and Safety Act 2011*. Traffic Control Work Training cards (formerly known as Traffic Control cards) are now a mandatory perpetual training card. This has improved the customer experience by removing the licence renewal process, reducing red tape and saving customers both time and money. Over 70,000 card holders were successfully migrated in a seamless solution.

Regulate



BRD has improved the ability of the NSW community and regulated sectors to operate safely, fairly and in compliance with regulations. This was achieved through legislative reforms and reviews, compliance programs and the streamlining of licencing and permit processes, including:

- *Retirement Villages Amendment Act 2020* delivered reforms to afford greater protections to consumers and ensure that retirement villages remain a viable accommodation option for seniors.
- Statutory Review of the *Greyhound Racing Act 2017* was undertaken in 2020 to ensure the legislation is appropriate to uphold high standards of animal welfare and support the economic sustainability of the greyhound racing industry and its governing bodies. The report on the outcome of the statutory review was tabled in Parliament in April 2021.
- *Community Land Management Act 2021* and the *Community Land Development Act 2021* received assent on 26 March 2021. The reforms are intended to improve consistency between community land and strata schemes laws.
- The *Liquor Amendment (Night-time Economy) Act 2020* and subsequent 24-hour economy (liquor) reforms delivered the NSW Government's response to the Joint Select Committee on Sydney's night-time economy and unlocked immediate benefits for the industry. These reforms included:
 - provisions aimed at encouraging live music and entertainment, arts and cultural events (removing outdated conditions, new incentives), supporting small bars offering more diverse and family-orientated services, and making licensee obligations clearer.
 - a new incentives and demerit point system, replacing the Three Strikes, Minors Sanctions and Violent Venues schemes.
 - new, easier to read and printable liquor signage.

- a new approach for managing the density of licensed premises in the Sydney CBD and Kings Cross precincts.
- streamlined approvals for small bars to start up and trade.
- key minimisation initiatives for same-day alcohol deliveries are being phased in, which will be the first comprehensive same-day delivery regulatory framework in Australia.
- facilitated a six-month trial in Newcastle which has allowed low-risk venues to trade later and serve a broader range of drinks. Venues have reported increased turnover and employment, and there has been no increase in violence or incidents of concern.
- The *Mutual Recognition (New South Wales) Amendment Act 2021* provides for the automatic mutual recognition of licences between NSW and Australian jurisdictions. This makes it easier for occupational licence holders to practice across jurisdictions without duplicate application obligations.
- The *NSW Code of Practice for Managing Psychosocial Hazards at Work* is the first Australian Code of Practice of its kind. It provides practical guidance for businesses and workers to prevent psychological and physical injuries at work, and it helps them comply with work health and safety laws.
- The Joint Taskforce for Food Delivery Rider Safety is jointly led by SafeWork and Transport for NSW to investigate and provide a report on the cause of injuries and incidents among food delivery riders following the death of four food delivery riders in late 2020. The taskforce also conducted stakeholder engagements, investigations, data analysis, field operations and compliance activities.
- *Casino Control Amendment (Inquiries) Act 2020* received assent on 7 September 2020. The Act is designed to ensure that the Bergin casino inquiry and any future casino inquiries have sufficient powers to ensure that the highest level of oversight is possible. The amendments were required due to legal proceedings arising from ILGA's inquiry into matters relating to various Crown Casino entities. The Inquiry Report was provided to ILGA on 1 February 2021.
- BRD took disciplinary action against 52 high risk traders, the majority of which were in the building industry, to reduce the regulatory burden on compliant traders and maximise operational and consumer outcomes.

Transforming the construction industry



BRD is helping transform the construction industry in NSW. BRD is improving safety standards and working closely with the Office of the NSW Building Commissioner to implement the NSW Government building industry reforms and restore confidence in the residential apartment building industry.

These reforms aim to improve the quality of construction and restore trust in the industry through supporting the delivery of the Construct NSW transformation strategy. The Embed Construct program was designed to ensure delivery of the legislative reforms and business readiness within BRD as well as the wider NSW construction sector. Key achievements in this area during 2020/21 were:

- Commencement of the *Design and Building Practitioners Act 2020* and the *Residential Apartment Buildings (Compliance and Enforcement Powers) Act 2020* were major milestones that support the building legislative reform program to address seriously defective and non-compliant building work in current and future building and construction work.
- Establishment of the Occupation Certificate Audit team, which undertakes audits of newly constructed apartment buildings across NSW to ensure compliance with standards and codes. Made up of builders, engineers, architects and other building professionals, the team has conducted 69 audits since September 2020, with 13 audits resulting in stop work, prohibition, and rectification orders.
- The data, intelligence and analytics area of BRD has developed a risk rating framework that leverages the extensive experience and training of Fair Trading and SafeWork inspectors. This framework has informed the development of a risk rating data analytics tool that is used to identify risky players in the construction industry. In 2020/21, more than 15,000 building sites, 200,000 organisations and over 2 million individuals have been assessed using the risk rating tool.
- Innovative inspection options, including remote inspections and desktop audits, have allowed BRD to carry out dispute resolution and compliance action despite the COVID-19 pandemic.

Better Regulation Division

- Building inspectors were proactive in responding to unfolding notification of serious defects in class 2 buildings in the lead up to the implementation of the new *Residential Apartment Buildings (Compliance and Enforcement Powers) Act 2020*. This included modification of the Home Building complaint form, including Class 2 Building and Construction issues to address residential industry reforms.

Within BRD there are a number of separate bodies or groups, and the highlights and achievements of those groups during 2020/21 follow.

Centre for Work Health and Safety achievements

The aim of the Centre for Work Health and Safety (the Centre) is to leverage cutting edge research and data to create awareness, suggest smarter approaches and bring about behavioural change in work health and safety in NSW. In 2020/21, the Centre delivered the following key initiatives aligned to the Centre's strategic plan:

- convened the annual National Work Health and Safety Colloquium, bringing together the WHS academic community to collaborate, share and network with experts in the field. The Colloquium enables the Centre to promote WHS research and provides an avenue for WHS research students to showcase their work.
- delivered the research findings from the first two phases of the *Gig economy roles and responsibilities in WHS* project in November 2020. The findings presented a balanced analysis of the current state of WHS from the perspectives of workers and food delivery platforms that are operating within this complex environment. The findings have contributed to the conversation concerning the improvement of WHS outcomes in this sector. This project will continue during the 2021/22 financial year.
- achieved a major milestone on the Centre's *Real-time crystalline silica (RCS) detection project*. The completion of phase one of this project has resulted in the development of new technology – the design and build of a RCS detection device that is able to accurately monitor silica dust exposure in real time. The commercialisation of the RCS detection device and the embedded technology will be fast-tracked during the 2021/22 financial year.

- released a crowdsourcing campaign which sought creative research proposals to aid the prevention of workplace harm in the ageing demographic. The campaign resulted in the award of two research partnerships.
- produced the following publications:
 - *A qualitative analysis of crane safety incident causation in the Australian construction industry*, in partnership with the RMIT University, and published in October 2020 in Safety Science.
 - *Musculoskeletal disorders in aged care workers: a systematic review of contributing factors and interventions*, in partnership with the University of NSW and University of Wollongong, and published in October 2020 in the International Journal of Nursing Studies.
 - *Suitability of Text-Based Communications for the Delivery of Psychological Therapeutic Services to Rural and Remote Communities: Scoping Review*, in partnership with The MARCS Institute for Brain, Behaviour and Development, and published in February 2021 in the JMIR Mental Health Publications.
 - *Mental health in rural and remote farming communities, case study for reaching rural farmers*, published in June 2021 in the book titled *Health Promotion: A Practical Guide to Effective Communication*.

Office of Responsible Gambling achievements

In 2020/21, the Office of Responsible Gambling delivered the following key initiatives, in support of the Responsible Gambling Fund's key priorities of research, partnerships, education and awareness, support services and technology:

- published commissioned research reports, including the inaugural *NSW Youth Gambling Study 2020* and *A Rapid Review and Research Gap Analysis: A 2020 update* to support the development of policy and programs, and supported the publication of four research reports from the Responsible Gambling Research Grants program.
- awarded two full PhD scholarships under the Gambling Research Capacity Grants program to build capability and capacity for academic gambling research by supporting early career researchers. This brings the number of researchers supported under the program to seven.

Better Regulation Division

- developed the new GambleAware website with information, resources and support for the NSW community. GambleAware, which replaced Gambling Help NSW, is a transformation of how gambling information, education, support and treatment are delivered in NSW, focused on supporting the entire community.
- established 10 GambleAware providers across NSW to support people experiencing gambling harm. This new model offers stepped care options and enhanced digital delivery of services to provide more options for clients and reach more people in NSW impacted by gambling.
- collaborated with a range of industry and community service partners to deliver GambleAware Week 2020 and develop a new three-year Strategic Plan.
- launched the *Reclaim the Game* program to challenge the normalisation of sports betting through partnerships with Cricket NSW (Sydney Sixers and Sydney Thunder), the Western Sydney Wanderers, the Sydney Swans and Macarthur FC.
- funded the development and delivery of new training for community workers to support screening and referral of people affected by gambling harm in community service settings and related sectors.
- launched a new awareness campaign, *The Number that Changed my Life*, for the Chinese, Vietnamese, Korean, Hindi and Arabic communities. The campaign aims to reduce the stigma associated with gambling problems in many culturally and linguistically diverse communities, educate about the signs of gambling-related harm, raise awareness of in-language support services and encourage help-seeking behaviour by individuals impacted by gambling.
- updated and expanded the successful *Betiquette* campaign, aimed at empowering young men to remain in control when betting on sports and racing. The campaign successfully supported behavioural change, with 83% of sports and race bettors taking some desirable action in response to the campaign and 94% recalling at least one key campaign message.
- continued to manage the current Gambling Help NSW services to provide counselling support (via telephone, face to face and online) to over 15,800 people experiencing gambling harm.

Subsidence Advisory NSW achievements

Subsidence Advisory NSW supports communities living in areas of NSW where there is the possibility of mine subsidence by helping keep communities safe, managing compensation claims for subsidence damage to improvements, and regulating development in mine subsidence districts to help reduce potential damage. In 2020/21, Subsidence Advisory NSW delivered the following key initiatives:

- Several critical research projects were undertaken to better inform subsidence risks caused by underground coal mining. These projects provide key information and data for Subsidence Advisory NSW to make informed decisions to support communities impacted by mine subsidence. The projects included:
 - digital mapping and analysis of previous subsidence sinkholes to develop an empirical risk model for predicting the likelihood and size of sinkholes occurring
 - analysis of previous subsidence events to determine common characteristics for predicting the risk and impacts of future coal pillar failure in historical mining areas, which typically result in widespread damage to buildings and infrastructure.
 - structural design mitigation measures for development in future mining areas to allow properties to better withstand mine subsidence and minimise the impact for homeowners.
- Subsidence Advisory NSW's development policies provide the framework for regulating development in mine subsidence districts. A review of the development policies commenced in 2020 and will be underpinned by the findings of the research projects. Proposed policy changes will be considered by an expert reference group.
- The *Early Claim Settlement Policy* was established to support the owners of properties that are located within the zone of influence of multiple longwalls, which may be predicted to be impacted by subsidence for significantly longer periods than typically expected. The policy ensures property owners are not waiting unreasonable periods of time for their claims to be resolved while minimising possible further subsidence impacts.
- The 24-Hour Subsidence Emergency response service was maintained across NSW to provide the community with a prompt response to reported subsidence emergencies.

Corporate Services

Corporate Services provides centre-led, client focused support across operational, transactional and corporate governance functions to support DCS. This work is essential to enable the delivery of frontline and customer-facing services in line with the cluster's vision and strategy.

In 2020/21, Corporate Services also led two significant Greenhouse projects as part of the *DCS Connect Strategy 20–23*. These are reported on where you see the Greenhouse icon below.

Key highlights for 2020/21 include:

Project Trust



Project Trust is an ambitious program of transformation work led by Corporate Services, which was established in response to major cyber security incidents and data breaches in 2020. It will establish DCS as a leader in cyber and privacy security management within the NSW public sector. It aims to reduce the risk of future security and privacy incidents, whilst uplifting capability and awareness of employees across DCS and improving our ability to respond to security and privacy incidents.

Project Trust is a multi-year program delivered across three core functions of Cyber Resilience, Business Process and Information Governance, and Privacy Uplift. It has already made significant progress across the project streams with key baseline initiatives delivered, including:

- strategic reviews of key systems and applications to identify security gaps and undertake remediations
- a refresh of the DCS Cluster Privacy Management Framework and Plan
- an Information Security Management System (ISMS) framework which will drive increased consistency and alignment across the DCS cluster
- multiple employee awareness and education programs to foster awareness and enhance skills in managing information safely and securely.

Project Evolve



2020/21 saw the delivery of Project Evolve, a complex transition program resulting in the modernisation and remediation of major ICT infrastructure for the agencies supported by GovConnect (a shared services arrangement utilised by multiple NSW Government agencies, including DCS, DPC and Treasury). The program introduced best practice service integration, improved governance and a rebalanced portfolio of services that resulted in better cyber security, improved customer service and significant cost savings.

The transition of IT operations from a single outsourced shared service provider to a hybrid model of in-house and outsourced provision will deliver a combined saving of approximately \$800,000 per annum to DCS and GovConnect client agencies, which is expected to be realised in the 2021/22 financial year. The project also oversaw the implementation of a Service Integration and Management model of service delivery, integrating interdependent services from internal and external service providers into a holistic customer-centred service provision.

Over 13,000 employees across the sector receive their ICT service from GovConnect. As a result of Project Evolve, the customer engagement score for GovConnect has increased from 3.8 out of 5 to 4.4 out of 5.

Supporting the legislative and regulatory reform agenda

Corporate Services continued to support the legislative and regulatory reform agenda of the Minister for Digital, Minister for Customer Service; the Minister for Better Regulation and Innovation; and the Minister for Finance and Small Business, including:

- supporting the NSW Building Commissioner in the implementation of the *Residential Apartment Buildings (Compliance and Enforcement Powers) Act 2020*. DCS Legal continued to support the administration of the legislation, delivered staff training and provided legal representation to the NSW Building Commissioner in legal challenges.
- developing a new ICT Purchasing Framework, in collaboration with Digital.NSW, which will replace Procure IT version 3.2 and establish a refreshed, simple, and modern baseline for high-value and high-risk procurement of ICT goods and services by the NSW Government.

Corporate Services

- assisting our regulatory and service delivery arms (led by Fair Trading, Liquor & Gaming NSW, SafeWork and Revenue NSW) to carry out large scale COVID-19 compliance, stimulus and enforcement measures. DCS Legal continued to support the implementation of compliance with Public Health Orders, delivered staff training, and provided legal representation on prosecutions and the administration of fines and other debt collection activities.
- leading several procurement initiatives that collectively resulted in more than \$1.5 million in savings benefits and an increase in contracts awarded to disability owned, regional, small and medium enterprises. Initiatives included:
 - implementing a new central warehouse arrangement to support the logistics for masks, hand sanitiser and other cleaning products for the whole of government in response to COVID-19
 - establishing a cluster-wide contract for commercial print services with whole of government benefits
 - establishing a payroll panel comprised of Aboriginal suppliers which support payroll services for contingent labour.

Office accommodation program

Led by the Workplace Services team, Corporate Services addressed the evolving accommodation needs of DCS by delivering fit-for-purpose workspaces for its businesses. Successes include:

- operational savings of \$1.8 million through the continued consolidation of multiple property leases and the transition of staff to activity-based workspaces with access to the latest office technology
- the relocation and refurbishment of workspaces in Newcastle and Lithgow in support of the NSW Government's Regional Workforce Principles
- the creation of NSW Telco Authority's Telecommunications Services Functional Area which coordinates the day-to-day and mission critical operational communications needs of government agencies and essential services.

NSW StateFleet disposal

StateFleet was a business unit of DCS (formerly the Department of Finance, Services and Innovation), delivering fleet management and leasing services to other NSW government agencies. On 1 July 2016, StateFleet was decommissioned due to cost efficiencies and replaced with a new fleet supply model, with service providers and lessors from the private sector.

The remaining fleet of 22,251 government owned passenger, light commercial and commercial vehicles has been disposed of over the past five years. The StateFleet wind-down is in its final stages with \$38.9 million realised in vehicle sales proceeds in 2020/21 and 21 vehicles remaining to be disposed.

Customer, Delivery and Transformation

CDT leads transformation in customer-focused service delivery across government and the DCS cluster.

In 2020/21, CDT also led four significant Greenhouse projects as part of the *DCS Connect Strategy 20–23*. These are reported on where you see the Greenhouse icon below.

Key highlights for CDT in 2020/21 include:

Listening to our customers

Annual customer satisfaction survey

The NSW Government's Customer Satisfaction Measurement Survey (CSMS) provides insight into customer satisfaction with NSW Government services at a whole-of-government level and reveals opportunities to drive service improvements. In 2020, customers' perception of NSW Government services continued to increase, with the Customer Satisfaction Index increasing to 82.0 (from 80.6), making it the highest it has ever been since the survey commenced in 2015.

2020 was the final year of the CSMS. The new Customer Experience Survey is currently being developed and aims to provide a view, for the first time, of how services are performing against the NSW Government Customer Commitments as well as providing new insights around our customers' wellbeing and other key sentiment areas.

Have your say – Digital community engagement



A new whole-of-government community engagement project has fundamentally shifted the way that NSW Government engages the community.

The digital engagement platform provides a modern, always open, way to generate an ongoing dialogue with the community. Use of the platform is transformative, with informal and conversational language, and a wide range of tools which are interactive and create real discussions between customers and government.

Since its launch in mid 2020, the platform has hosted 33 community engagement projects, with more than 150,000 visitors having their say by completing 26,000 surveys, sharing 3,500 ideas, and completing over 40,000 quick polls.

This new way of engaging customers is achieving an outstanding 40% engagement rate among unique visitors, while the government gold standard average is 10%.

Behavioural insights

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

- 16% fewer apprentice and trainee dropouts, with a 7 to 1 return on investment. More apprentices and trainees will complete their training due to six low-cost SMS prompts, which were developed using behavioural science.
- 73% reduction in customer time taken to redeem a free offer from the NSW Government, and 32% reduction in follow-up support requests for another application.
- the Behavioural Insights Unit has developed a tool to support government agencies to identify and reduce 'sludge' (or unnecessary customer effort and friction which stops them getting the support they need). The sludge tool assists agencies to identify where customer effort can be reduced. It also uses behavioural science to help achieve the NSW Government Customer Commitments.
- over 1,000 public sector participants have been trained in applying behavioural science to improve service delivery, with over 50,000 views of the Behavioural Insights Unit online resources and over 4,000 subscribers to the Behavioural Insights Unit monthly newsletter.

Customer, data and insights at the centre of decision making



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

This model for insights-led decision making is designed to achieve the goal of putting the customer at the centre of all significant policy, initiatives or service decisions. DCS has led the way by building

Customer, Delivery and Transformation

an ecosystem of insights, leveraging multiple data sources, and leveraging the expertise of CDT staff to act as stewards who will help guide the sector and embed the path to customer-centricity and improved outcomes for customers.

The NSW Data Analytics Centre has drawn on a wide range of data sources (from both inside and outside of government) to obtain insight into the impact of COVID-19 restrictions on customers and how this changes when the restrictions are lifted. These data sources have also informed insights into the economic and social impacts of COVID-19.

The NSW Data Analytics Centre is using data that tracks the volume of traffic on NSW roads to produce a Freight Economic Metric that offers unique new insights into the State's economic performance. It uses data science approaches to aligning road data with a key Australian Bureau of Statistics (ABS) metric (State Final Demand), to produce a rapid projection of what future ABS releases for the current period will be. This method produces a real-world indicator of economic activity, allowing more scope for timely economic advice due to its frequent availability.

Strategic and integrated data assets



The Business Insights Hub (BIH) was established in March 2021. It provides a deep understanding of the health and needs of NSW businesses to inform policy decision making. More specifically, the BIH draws together the latest business activity data available, providing visibility of small and medium businesses' confidence, performance and spend by overall State, industry and geography levels. Using these data assets, the BIH is able to provide key decision makers across Government access to unique insights, metrics and trends previously not possible.

The BIH provides the following outcomes to its customers and the people of NSW:

- use of data-driven insights to target government economic support for businesses
- timely delivery of richer business data and insights to assist policy decision making at a senior and ministerial level
- increased accessibility of business data and insights across the government sector.

The National Disability Dataset Asset is bringing together more data about people with disability than has been previously shared across different governments. It will provide a more complete picture of what it means to live with disability in Australia and enable improved outcomes for people with disability. Developing a de-identified person-centred and system-wide approach to understanding disability in Australia will facilitate better, more inclusive services and improved life outcomes without identifying individuals or being used for compliance purposes.

In 2021, CDT began development of the NSW Better Outcomes Lab (BOL) pilot, a cross-agency initiative to enhance the safe and secure access and use of strategic and integrated human services data assets. Leveraging de-identified data, the BOL pilot will prototype a total of 5 enabling and analytical tools. The overarching aim of the tools is to empower decision makers with data-driven insights about customer journeys, experiences and outcomes. Each of the tools will be shaped around current high priority policy, program and operational needs, with lessons learnt during the pilot phase informing the future direction of the BOL.

Setting the benchmark for NSW Government communication

NSW Government Brand and Campaigns team performance

During 2020/21, the NSW Government Brands and Campaigns team:

- reviewed over 53 advertising campaigns (\$178 million expenditure) to ensure they were efficient and effective
- developed a new NSW Government Brand Framework and visual identity underpinned by customer experience and best practice, brand, design and communications principles
- oversaw annual media rate negotiations for all of NSW Government, achieving an estimated \$3.78 million of savings and added value year on year
- completed the re-launch of the Advertising and Digital Communications Scheme to enable the selection of suppliers by 11 different capabilities, including the review of over 280 supplier applications
- drove customer-centricity connection and innovation through the whole of government Communications Framework.

Customer, Delivery and Transformation

Customer care and engagement on social media

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

The social media teams have monitored, reviewed and responded to more than 200,000 customer comments and enquiries, and all pages have seen significant growth in engagement. DCS is responsible for various social media pages, including:

- the NSW Government Facebook page
- Service NSW Facebook and Instagram pages
- SafeWork Facebook page
- Fair Trading Facebook page.

In 2020/21, the NSW Government Facebook page:

- had a 41% increase of Facebook followers
- reached 10.3 million people through engaging and informative content pieces
- attracted 6.2 million engagements (shares, comments, reactions)
- handled over 72,000 comments
- answered over 5,000 COVID-19 customer queries.

Delivered 624 departmental and community engagement events

External engagement activities have grown by over 92% in 2020/21 and DCS has responded to the COVID-19 landscape by building and delivering new event formats, including Auslan interpreters and live captioning for fully accessible engagements.

Sixty-two major events were also delivered in 2020/21, including internal DCS engagements and external stakeholder events that met NSW Government priorities. Highlights include:

- NSW Artificial Intelligence (AI) Summit: an online event with 899 participants across NSW Government, stakeholders, industry, and academia.
- NSW Government Parking Summit 2021: a hybrid event exploring improving customers' parking experiences in Greater Sydney that hosted more than 213 participants in-person and online, including the Minister for Digital, Minister for Customer Service; and the Minister for Transport and Roads.

- supporting 562 community engagement events on behalf of Service NSW through the supply of event support resources, branding and merchandise, fundraising initiatives, and coordination of major events. This included the Service NSW presence at the Royal Easter Show and Seniors Expo.

Helping people know where to find support after bushfires

CDT delivered a geo-targeted marketing campaign to drive awareness of the Bushfire Customer Care program for those impacted by the bushfires across NSW in January 2020. Personalised Bushfire Recovery eDMs were sent to customers registered for Bushfire Customer Care with information on clean up and support services available.

Raising awareness about work safety

CDT implemented various fully integrated SafeWork campaigns aimed at heightening awareness of critical workplace safety issues and preventing serious injury and fatalities. These included Falls From Heights in Construction, Quad Bike Roll Bar Safety, Side-by-Side Vehicles and the Speak Up Save Lives App. Mental Health at Work has also remained a significant campaign priority, with engagement scores reaching 7,124% above average during campaign periods.

Improved customer experiences

Online change of name and relationships

From 16 November 2020, the NSW Registry of Births, Deaths & Marriages (the Registry) provided new online services to apply for a Change of Name for an adult or child, and to Register a Relationship in NSW. These new online services remove the need for customers to fill out lengthy paper forms and instead allows customers to transact online and have their certificates mailed directly to them.

The online services allow customers to save their application as they go, giving them flexibility in the process. While the online application pages are in English, the Registry website has a language translation option that allows users to view the information pages in a language of their choice.

The changes to these services are in line with the NSW Government's commitment to put the customer at the heart of everything it does to ensure a world class customer service. With this increase in digital

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transactions, customers will save valuable time, money, and travel by reducing the need to visit a Service NSW Service Centre.

Integrated Birth Certificate

For many adopted people, their current birth certificate does not reflect their life story, who they are and where they came from.

From 16 November 2020, adopted people in NSW are now able to have both their birth and adopted families included on a birth certificate for the first time in the State's history following new legislative reforms. The Registry collaborated with the Department of Communities and Justice Adoptions Unit to incorporate this change in legislation and take the next step forward in modern open adoption practice. The new legislation modernises birth certificates for adopted people, allowing an adopted person's full life story and history to be acknowledged and reflected on their birth certificate.

Enabling Integrated Birth Certificates to be issued is consistent with the Premier's Priority to keep children safe by increasing permanency for children in out-of-home care. This demonstrates how the NSW Government is committed to implementing contemporary adoption policies in NSW, by changing how it does things to deliver better outcomes to the community.

Australian Death Notification Service

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

The service enables citizens to notify multiple organisations of a death of someone close to them through a single secure online environment. The service has over 32 major organisations from multiple high customer value market segments, including financial services, utilities, telecommunications and government services.

This service reduces a once 40-hour administration process to an approximately 10-minute streamlined online customer experience. With privacy front of mind and security by design, the service truly puts the customer at the centre by allowing them to conduct one transaction, linking to multiple private sector and government organisations, and eliminating the need to update them all separately and provide a death certificate every time.

Life Journeys

The Life Journeys Program connects government services, so customers don't have to. The program provides simple user journeys that span multiple government agencies and departments to get customers to an outcome associated with a major event in their life. The Customer Experience Unit (CEU) partners with agencies from across the sector and drives delivery of outcomes.

Priorities for the program in 2020/21 were the 'End of Life' and 'Brighter Beginnings (birth to school)' Life Journeys.

End of Life Planner service

The CEU and the NSW Trustee and Guardian, in partnership with Service NSW, have developed and launched a simple and trustworthy service that makes it easy for people to complete end of life planning tasks. It helps people prepare a Will and assists in appointing a Power of Attorney (financial affairs) and Enduring Guardian (health and lifestyle decisions). It also provides an option to seek professional advice by making an appointment with the NSW Trustee and Guardian or finding a professional through the Law Society of NSW.

Brighter Beginnings

Brighter Beginnings is a whole of NSW Government initiative with a mission to ensure all children in NSW have the best start in life. Improving the experience of parents and families when accessing services is a key focus for the CEU. It is partnering with agencies across government on a number of initiatives aimed at increasing the ease with which parents can access services, and providing new or improved digital capabilities to better streamline service provision.

Micro weddings

The Registry have revolutionised the Registry wedding concept by developing a new micro wedding service. This market leading initiative is a first for Registries in Australia and was developed with two key DCS strategic pillars, putting customer needs at the centre and government made easy.

Understanding the current challenges presented by COVID, a micro wedding provides couples with an opportunity to have a wedding of their dreams on a smaller scale and budget. The team focused on delivering the highest level of customer service, by evolving its wedding offering to customised,

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affordable, micro weddings at some of the best locations including Taronga Zoo, Sydney Opera House, BridgeClimb, Luna Park and Icebergs in Bondi.

In 2020/21, the Registry held its first micro wedding special event on Valentine's Day 2021. It was the Registry's largest Valentine's Day special event to date, marrying 40 couples at Taronga Zoo in one day. The premium venue coupled with the micro wedding offering drove demand, for the first time offered couples the option to choose from a curated list of add-on options to create their dream wedding. These additional options included reception packages, photography and flower packages.

Digital Birth Certificate



In November 2019, the former Australian Data and Digital Council, now the Data & Digital Ministers Meeting, requested that the Registry work together with Queensland Registry and the Commonwealth to investigate a national digital birth certificate. The Registry received \$2.45 million Digital Restart Fund seed funding in November 2020 to assess the desirability, feasibility and cost effectiveness of a digital birth certificate for the nation, providing citizens with access to their commencement of identity document in a digital format.

A clickable prototype has been developed. Based on the success of this prototype and its endorsement and acceptance nationally, the project will move into the next phase to develop a product that can be piloted in 2022.

Digital.NSW

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

Digital.NSW provides strategic governance, advisory, assurance functions and digital platforms to support NSW Government clusters and the citizens of NSW. This includes Government Data Centres (GovDC), Government Radio Network services, Digital Sourcing, Investment, Assurance and Cyber Security.

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

In 2020/21, Digital.NSW led five significant Greenhouse projects as part of the *DCS Connect Strategy 20–23*. These are reported on where you see the Greenhouse icon below.

Key highlights for Digital.NSW in 2020/21 include:

Spatial Services

Spatial Digital Twin



Since the release of the Spatial Digital Twin (SDT) proof of concept in 2020, which provided coverage of the Smart Western Sydney Deal area and the Greater Parramatta and Olympic Park precinct, Spatial Services has developed a full SDT Business Case. If approved, it will allow the development of a comprehensive 4D state-wide model of the NSW physical and built environment.

Spatial Services has also commenced building on the existing 2D Foundation Spatial Data Framework to develop 4D data and has been delivering spatial data in both Geocentric Datum of Australia 1994 (GDA94) and Geocentric Datum of Australia 2020 (GDA2020). The SDT will provide significant savings and efficiencies across government and industry to support infrastructure planning and delivery as well as emergency management, environmental management, natural resource management, data analytics and customer service.

The SDT was recognised and awarded the Chief Commissioner's Award at the Greater Sydney Commission Planning Awards, and was named a Merit recipient for the national Government and Public Sector Solution of the Year at the Australian Information Industry Association's 2020 iAwards. It was also a finalist in the 2021 ITnews Benchmark Awards and nominated in the Excellence in Digital Innovation category of the NSW Premier's Awards.

Support the State's response to natural disasters

Flood response

Spatial Services played a critical role in supporting NSW's emergency services and communities during the flooding disaster events in March 2021. The Environmental Spatial Programs (ESP) team captured flood imagery over the most heavily impacted areas of the State. The ESP team also assisted emergency services to capture LiDAR over various landslip areas in the Blue Mountains region.

The Emergency Information Coordination Unit (EICU) team delivered imagery and elevation data, flood extents for impacted properties and businesses, reports and damage assessments for all affected flood areas. Recovery services included providing analysis for Resilience NSW on impact to caravans, as well as riverbank erosion for DPIE. EICU also provided off-site support as required for State Emergency Operations Centre and support staff to help resource the recovery centres. This work was provided 24/7 as required during this difficult time.

Spatial Services also supported Service NSW with the Small Business Flood Recovery Grant program through the NSW Point address validation service. The service delivered 99,618 APIs during April and May 2021, which helped Service NSW to deliver this critical grant program.

NSW Telco Authority

NSW Telco Authority is responsible for the Public Safety Network (PSN) which delivers critical communications for NSW. Its purpose is to work together to keep people and places safe.

The Telco Authority manages the PSN to deliver mission critical and day-to-day operational communications for emergency services organisations, essential services and other government agencies.

Its major programs include the Critical Communications Enhancement Program (a DCS Lighthouse project), Public Safety Mobile Broadband, Connecting Country Communities and the Mobile Black Spot Program. These initiatives drive innovative and collaborative delivery of resilient communications for all of NSW.

Flood response

During the March 2021 flooding disaster events, six PSN sites were fast-tracked to support the emergency response and integrated into the network at the height of the crisis. The network saw an increase in calls of 42% during this time.



Mobile Black Spot Program

The Commonwealth's Mobile Black Spot Program (MBSP) is expanding coverage of high-quality voice and data services in regional and rural areas of Australia. The program targets areas with unique coverage challenges, small communities, and areas prone to natural disasters and along major transport routes.

The program is being rolled out in rounds co-funded by the Commonwealth, NSW Government and telecommunications carriers.

Commonwealth funded sites

NSW Telco Authority is leading the state-wide rollout of MBSP, in partnership with Regional NSW, which will significantly improve mobile coverage for around 28,000 households and businesses across NSW. To date, the overall program has delivered 178 of 201 planned towers.

NSW funded sites

The NSW Government has committed \$39 million under the Connecting Country Communities Fund to deliver 150 of the new or improved mobile base stations, including an additional NSW-funded round for 21 new towers in regional NSW.

More information on the NSW Telco Authority's role, functions and achievements is available in the NSW Telco Authority 2020/21 Annual Report.

Government Technology Platforms



Government Technology Platforms (GTP) provide digital platforms and capability that underpin many of the sector's core ICT services, including licensing, integration, payments, telephony and both on-premise and private cloud data hosting services in GovDC. GTP partners with agencies and industry to deliver value and efficiencies to its customers with simple, secure and scalable solutions.

During 2020/21, GTP remained certified to ISO/IEC 27001 standard and supported key initiatives across the sector, including the Australian Death Notification Service (DCS), Online Student Counselling Records (Education), and Legislative and Regulatory Application (Health). The Digital.NSW Accelerator supports the sector to redesign services, using agile human centred design principles to deliver high-impact digital solutions.

Consolidation of telephony

GTP's Virtual Contact Centre supports over 2,000 agents answering 8 million calls across multiple customer contact centres in Service NSW, Revenue NSW, BRD, Transport for NSW and Insurance and Care NSW (icare). GTP's Digital teams have partnered with the cluster agencies under the Customer Engagement Integration Program to migrate and consolidate multiple disparate platforms to a single cloud-based solution. Highly available and 'elastic', this solution accommodates spikes in demand without impacting platform availability.

Expansion of Park'nPay

DCS developed the Park'nPay app and launched it to trial locations in 2019/20, with the primary aim of improving the parking experience for NSW citizens. The app enables users to find, navigate and pay for metered parking from their smart device, reducing traffic congestion and increasing compliance while offering contactless payment and top up options. The Park'nPay App now has over 65,000 downloads and is available in 11 local councils, 10 commuter car parks, 57 electric vehicle charging stations and over 8,000 spots with real-time availability.

Payment services

As part of the Customer Payments Platform program delivery, GTP has re-platformed the solution, supporting over \$5.5 billion in transactions annually. The new solution is delivering greater stability and resilience, and is now underpinning payments made over the counter and digitally through Service NSW. Over the phone payments will be transitioned in 2021/22 to complete the delivery. Beyond this activity, the Customer Payments Platform is targeted to be the whole of government payment solution that will deliver significant benefits to the sector.

Cyber Security NSW



Cyber Security NSW provides an integrated approach to preventing and responding to cyber security threats across NSW Government, safeguarding our information, assets and services. Established in 2017 as the then Office of the Government Chief Information Security Officer, Cyber Security NSW has expanded to include functions and services that work to strengthen the resiliency of the NSW Government.

Cyber Security Policy

Whole of government reporting against the NSW Government Cyber Security Policy (the CS Policy) identified a need to uplift cyber security maturity across the sector. Cyber Security NSW has collaborated with clusters to strengthen whole of government cyber security as well as expanding the centralised function to address this uplift requirement. The CS Policy is updated annually based on feedback received from reporting entities as well as best practices outlined by the Commonwealth Government.

Cyber security awareness and capability has grown through the delivery of cyber security risk management training to executives, facilitating access to a training platform provided for cyber security and IT professionals, and in the creation and delivery of a program of awareness training, 'The Essentials'. The DCS Circular DCS-2020-05 *Cyber Security NSW directive*, published in October 2020, mandates compulsory annual cyber security training for all NSW public sector employees. Since the rollout of 'The Essentials' in March 2020, over 14,000 NSW Government and local council employees have been trained.

Governance, Risk and Compliance

The Governance, Risk and Compliance (GRC) function was established in early 2021 to assist NSW Government and local councils in implementing best practice cyber risk management frameworks and processes. The GRC facilitates cyber security capability uplift through implementing a whole of government assurance program and contributes to cyber risk awareness and education strategies across governance groups and forums.

The Vulnerability Management Centre

The Vulnerability Management Centre (VMC) was established on 24 June 2020 in Bathurst, NSW. The VMC is the first of its kind in NSW Government and promotes jobs growth in regional NSW through the delivery of innovative digital services. The VMC provides proactive and on request scanning and vulnerability detection services across NSW clusters, agencies and local councils. These services provide a significant uplift in the security of key government systems which store sensitive information for and about the citizens of NSW.

Infrastructure Security

Cyber Security NSW's Infrastructure Security team engages across the sector to organise vulnerability assessments in conjunction with the VMC. Working closely with the VMC, the Infrastructure Security team engages with stakeholders to ascertain their needs regarding specific network infrastructure and offer scanning, assessment and reporting services. The team also provides guidance on security reviews, product analysis and specific uplift strategies.

Capability and Development

Providing support and technical guidance, the Capability and Development function works with key stakeholders to research and propose technical solutions to improve processes and create efficiencies. This is accomplished by providing technical assessments, leading the development and implementation of custom code and platforms through industry best practices, and working with vendors to find and deliver specialised solutions to complex problems.

Intelligence & Response

Cyber Security NSW has a dedicated Intelligence & Response team that provides cyber threat analysis and technical expertise, as well as high-level coordination of cyber incidents for NSW clusters, agencies and local councils. The function identifies, monitors and responds to key cyber threats and vulnerabilities to NSW Government systems and information through national and international threat monitoring, stakeholder collaboration and incident response. Cyber Security NSW has issued in excess of 150 operational products across the sector, delivering vital actionable intelligence and information which is used to protect NSW Government digital systems and services.

ICT/Digital Sourcing

ICT Procurement Reform

The ICT Procurement Reform program redesigned the NSW Government high-risk/high-value contracting framework to align it to industry best practice, provide greater protections for customer data, security and privacy, and cater for the agile project delivery method which is now commonly used in ICT/Digital projects. The program ran for over 12 months and included extensive consultation with industry and agency stakeholders. The framework's governance regime was also revamped to provide agencies greater control and flexibility to manage the risk of each ICT procurement, minimise negotiation time and remove barriers to entry for small and medium enterprises (SMEs).

ICT/Digital Sovereign Procurement Taskforce

The ICT/Digital Sovereign Procurement Taskforce was established in September 2020 to make recommendations on how NSW Government can use the \$2.1 billion Digital Restart Fund investment, and ICT procurement more broadly, to drive economic growth, create jobs and support the growth of Australian businesses and SMEs. The Taskforce aims to cut red tape, facilitate opportunities for SMEs, and foster the growth and capability of Australian ICT and digital suppliers.

Members of the Taskforce include start-ups, Aboriginal-owned enterprises, not-for-profit organisations and industry peak bodies.

In April 2021, the NSW Government released ambitious targets for government spend with SMEs. These targets include:

- 30% of all NSW Government direct ICT spend with SMEs, where sufficient SMEs are present in the market.
- 25% of the SME eligible spend in large contracts (\$3 million and over) indirectly via subcontracting arrangements or supply chain.

The NSW Government will use these targets to drive economic growth through the use of SMEs in the technology sector and improve domestic capability in key ICT/digital domains, such as cyber security, smart places and artificial intelligence.

Procurement Savings program

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

The program has secured \$400.9 million in benefits over two years from 2019/20 to 2020/21, meeting its \$400 million benefits target over the forward estimates (2019/20 to 2022/23) ahead of time. Benefits secured to date include cash savings of \$210.5 million, exceeding the \$100 million cash savings target over the forward estimates also ahead of time.

Key contributors of this success include:

- implementation and adoption of the Telecommunications Purchasing Arrangements, which facilitated market competition across telecommunication service providers.
- execution of key whole of government contracts with major software partners including Microsoft, Salesforce, IBM and SAP, which greatly enhanced the value for money with agency investment.
- establishment of a number of Cloud Purchasing Arrangements, which generated immediate returns and future-proofed the Government's forecast rapid growth in the consumption of cloud services.

e-Invoicing

The whole of government e-Invoicing service was extended to the Stronger Communities cluster. From this cluster, 18 agencies were enabled for e-Invoicing in June 2021. An e-Invoicing mandate was approved at the Delivery and Performance Committee in April 2021. This mandate requires all NSW Government agencies to be enabled for receiving e-Invoices from their suppliers from 1 January 2022.

The electronic document exchange capability that underpins the e-Invoicing service was scaled up to facilitate electronic exchange of documents across the procure to pay transaction lifecycle. The resultant Transactions.Buy solution now facilitates electronic exchange of procure to pay transaction documents such as Purchase Order, Purchase Order Change, Invoice and Remittance Advice through a range of channels. Agencies (such Education, Corrective Services NSW and Health) which performed about 2 million transactions annually using an expensive legacy solution were migrated to Transactions.Buy and the legacy solution was decommissioned.

Digital Procurement Transformation Program



The buy.nsw platform is a digital service that delivers a simplified, secure and connected procurement experience for buyers and suppliers, and creates greater diversity of spend, particularly with SMEs, Aboriginal-owned enterprises and start-up businesses.

During 2020/21, buy.nsw continued to evolve and now supports almost 20,000 suppliers, 40,000 registered users and 3,000 government buyers. Since October 2020, buy.nsw has matched over 2,900 government supply opportunities to registered sellers through its Supplier Hub. In 2020/21, over 204,000 transactions (valued at more than \$158 million) were purchased through the buy.nsw click-and-buy solution, supporting the Government's Faster Payment initiative.

buy.nsw continues to support the diversification of its supplier network through the introduction of verified business identifiers for Aboriginal-owned enterprises, disability enterprises and social procurement businesses. These business identifiers enable buyers to quickly and easily target opportunities with these supplier groups.

Digital Strategy investment and assurance

Beyond Digital

The NSW Customer and Digital Strategy (Beyond Digital) explains NSW Government commitments to customers and sets the strategic direction and plans for delivering smart, simple and seamless personalised services for the people and businesses of NSW.

It reflects the reality that the biggest opportunities to improve customer service do not just better utilise technology, but go beyond: such as adopting a whole of government view of service delivery, driving a culture of continuous improvement, or setting the strong security and privacy foundations to allow effective use of emerging technologies like artificial intelligence.

The Beyond Digital strategy has been instrumental in setting the strategic direction of digital and customer services for NSW Government so that every NSW agency has a strategic focus on:

- putting the customers at the centre of everything it does. For example, where customers choose to do so, the NSW Government is making it easier for them to 'tell us once' by linking services across agencies so details and preferences can be shared safely and securely
- delivering better frontline technology for our doctors, nurses, teachers, police officers, fire fighters and case workers
- engaging and using data insights to make decisions such as using the NSW Spatial Digital Twin to better plan infrastructure such as roads, hospitals and schools
- investing for customer outcomes via the Digital Restart Fund
- developing capabilities for the future so that the NSW Government can attract and retain the digital talent needed to provide the best services.

Throughout 2020/21, the Beyond Digital strategy released updates on a quarterly basis to remain current with other central agency strategies and policies released during this period. The quarterly updates were supported by the publication of 80 digital success stories that focus on customer and digital priorities, resulting in 8,439 unique page views. This strategy continues to be central to shaping the NSW Government's investment in digital and the priorities invested in through the Digital Restart Fund.

NSW Digital Service Toolkit

The NSW Digital Service Toolkit was launched in 2019 with a mission to make it easy for the digital creators of NSW to deliver quality products and services to the customer. To support these outcomes, the toolkit encourages teams to work together to attract, recruit, develop and retain a responsive and capable workforce.

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

Achievements in 2020/21 include:

- forty-six new digital channels were delivered using the NSW Design System across Health, Education, Stronger Communities, DPIE and DCS.
- by using out of the box components that reduce the time and effort to deliver new digital initiatives, product teams saved over \$3.9 million in delivery costs across the sector.
- establishing a 360-member community for digital practitioners across 20 NSW Government agencies to enable teams to connect, collaborate, share and leverage learnings in order to work towards common goals using the same design language.

Digital and ICT Assurance Framework

Investment in digital projects across NSW Government is at record levels. With large amounts of money being invested and many complex projects underway, the need for a strong investment model has never been greater.

Since 2017, one of the Government's major tools has been the ICT Assurance Framework. This ensures investments deliver what they promise NSW citizens and communities. It provides a comprehensive, fit-for-purpose approach to monitoring and assessing the overall health and success of projects.

Over this time, the average project size has reduced by one third across the ICT and digital project portfolio in NSW, making projects less risky and easier to monitor and manage.

Successful project execution goes hand-in-hand with these positive outcomes. A catalyst for success has been a partnership with the University of Sydney's John Grill Institute, which has helped boost project sponsorship and governance capabilities for a range of senior NSW Government leaders.

So far, 42 project sponsors have participated in Sponsor Masterclasses, making sure agencies have the right capabilities and approaches to leading change for better service delivery and customer experiences across NSW Government.

Some successful rollouts of key programs across the clusters include the COVID-19 Mass Vaccination Solution, Single Digital Patient Record for Health and the Whole of Government Licensing program.

In 2020/21, a total of 50 projects, worth \$5 billion, were successfully assured by reviewers from the ICT Assurance Expert Reviewer panel. When taken as a whole, the overall delivery confidence has significantly improved – see Chart 1 below for number of reviews conducted during this period by cluster and specialist service department. Furthermore, analysis of recommendations from project reviews shows that governance, project management, risk management and business cases are the key areas for focus by Project Sponsors in the next financial year – see Chart 2 for emerging themes.

Chart 1: 2020/21 Digital and ICT project reviews conducted by cluster and specialist service department

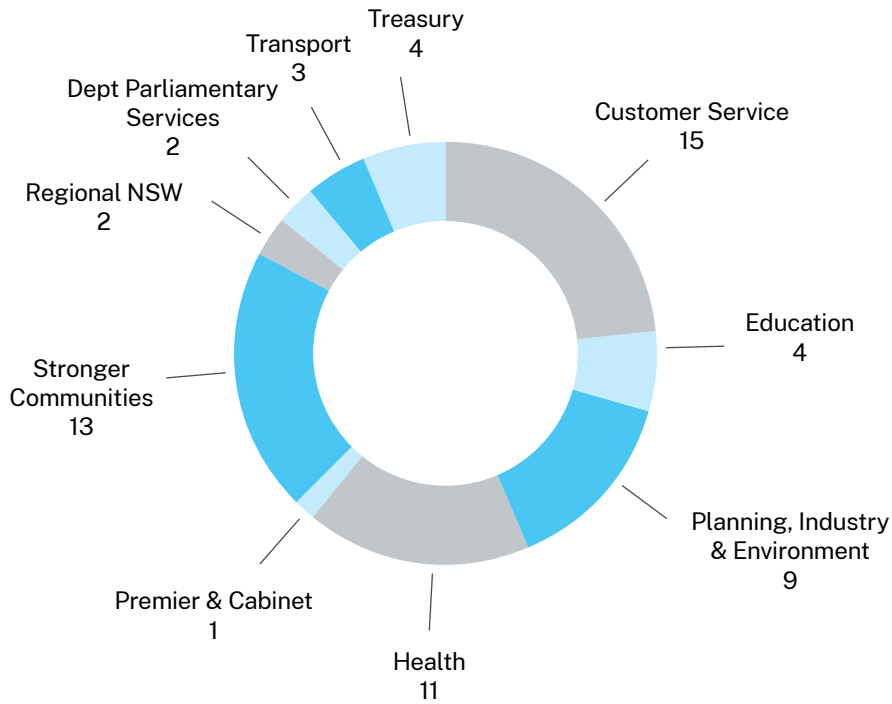
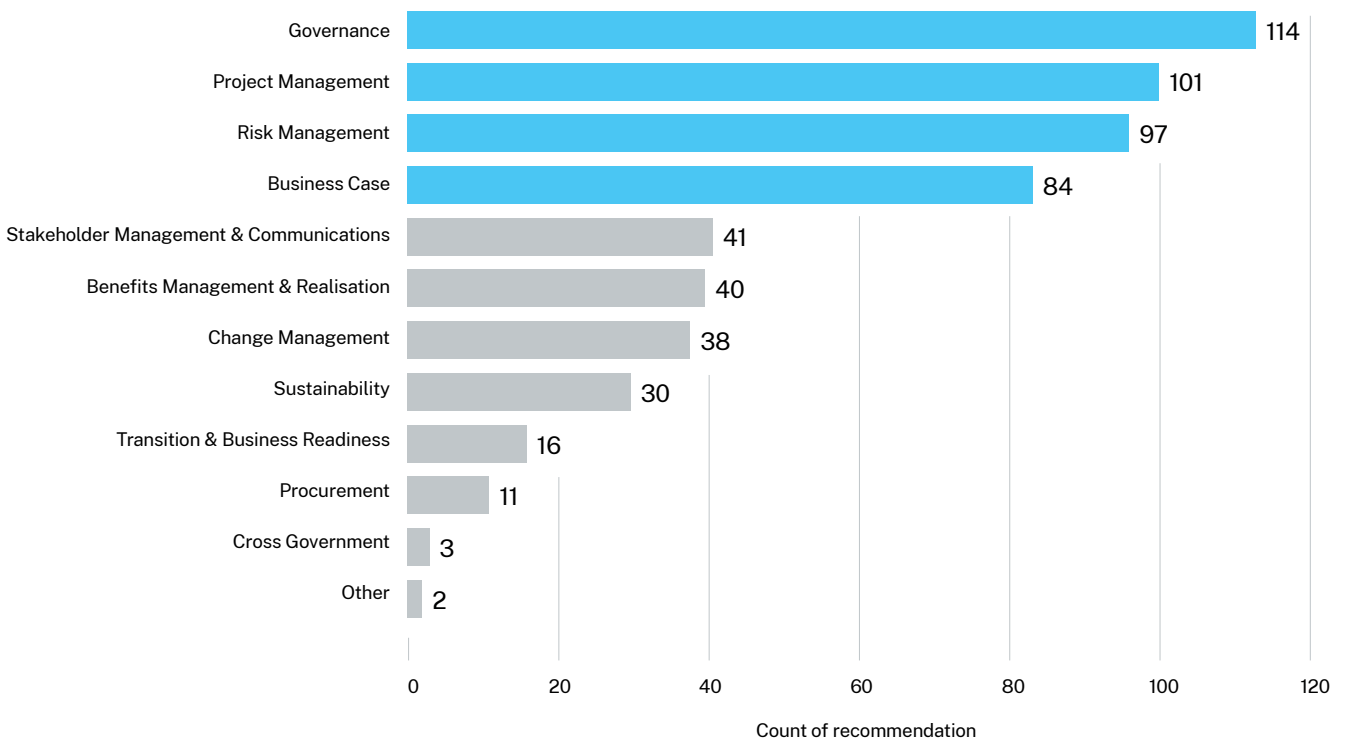


Chart 2: 2020/21 recommended focus areas for Digital and ICT project sponsors



Office of the Building Commissioner

The Office of the Building Commissioner (OBC) is leading the implementation of the Construct NSW strategy, which aims to restore consumer confidence in the NSW construction industry.

The Construct NSW strategy is centred around six intertwined pillars of reform:

- customer-focused regulatory framework
- risk profiles and rating systems
- lifting skills and capability
- strengthening contracts and standards
- using digital platforms to drive accountability
- data and research.

Delivery of the Construct NSW strategy is supported by working groups who share ownership. Each working group is made up of a broad representation of industry stakeholders (including consumers, builders, insurers, manufacturers and designers). These stakeholders bring knowledge, experience, customer-centricity and a genuine interest in the subject area. Students are also represented so that the strategy considers the perspectives of young constructors who will inherit the sector in the future.

In 2020/21, the OBC delivered numerous planned programs aligned to the reform pillars. This includes two significant Greenhouse projects as part of the *DCS Connect Strategy 20–23*, which are reported on where you see the Greenhouse icon below.

Key highlights for the OBC in 2020/21 include:

Pillar 1 – customer focused regulatory framework



The OBC collaborated with BRD to deliver and implement transformative legislation to reform the building and construction sector in 2020/21.

The first phase of this new regulatory framework began with the commencement of the *Residential Apartment Buildings (Compliance and Enforcement Powers) Act 2020* (RAB Act) on 1 September 2020, which introduced vital new powers for the regulator to identify and address non-compliant building work. The RAB Act provides the NSW Building Commissioner and other authorised officers with powers to enter and inspect worksites. In cases where serious defects are observed, the Building Commissioner can issue stop work orders, building work rectification orders and prohibition orders.

The OBC worked closely with the Consumer, Building & Property team to administer these statutory powers through the Occupation Certificate (OC) Audit inspection program. Between September 2020 and 30 June 2021, the new OC Audit team completed 26 OC Audits, with a further 43 OC Audits ongoing. Orders were issued to 13 sites as a result of OC Audit inspections. The OC Audit program is now starting to deliver tangible outcomes for consumers and enhance public confidence in the capabilities of the building regulator.

The OBC has also partnered with industry and Fair Trading to develop guidance material to support industry to adjust to these legislative changes. In September 2020, Fair Trading published the *Practice standard for registered certifiers* relating to new residential apartment buildings, being class 2 buildings under the Building Code of Australia. This statutory document supports certifiers to understand the requirements under the RAB Act and highlights practical requirements to fulfil their professional obligations to independently assess the safety and amenity of construction work.

Pillar 2 – ratings systems to provide greater information transparency

The OBC is working with insurers, financiers, risk rating agencies and building industry practitioners to help develop new products to evaluate the trustworthiness of developers and other industry practitioners. The objective is to ensure that trustworthy buildings, businesses and individuals can be recognised in financial, insurance and consumer markets.

In June 2020, an Expression of Interest was issued to the market seeking provision of multi-party risk ratings based on the information gathered relating to developers, builders and certifiers. The OBC held negotiations with a potential supplier, but a final agreement could not be reached. However, in May 2021, the first regulated ratings tool, known as iCIRT, was released onto the market by Equifax. The tool pulls together key data to demonstrate the character, capability and capital of developers and builders. It considers credit ratings, the relationships between development counterparties, the entity's history in corporate dealings and nominated directors. The OBC will work with developers and builders to encourage them to voluntarily apply the ratings tool and publicly display their scores. It will also seek

Office of the Building Commissioner

to foster the development of other rating services and ancillary innovations such as packaging ratings information with other property insights (such as market reports and pre-purchase inspections).

The OBC has been working with digital and compliance teams within BRD to develop an internal capacity to rate building projects and players. The rating platform was finalised in December 2020 and brings together over 1 billion data points, combining regulatory data from Fair Trading, SafeWork, Fire and Rescue NSW, and other NSW and federal regulatory agencies. The rating platform is used to determine the projects that are selected for audits.

Pillar 3 – lifting skills and capabilities

In September 2020, the OBC launched the Construct NSW Digital Learning Platform in partnership with TAFE NSW. The platform directly addresses industry gaps in capabilities and skills that affect the trustworthiness of buildings.

The OBC has launched eight online modules on the platform and registered 15,523 participants. The first learning module, Understanding Occupation Certificate Audits, enrolled over 2,000 industry stakeholders within eight weeks of its launch. Participant feedback continues to demonstrate the platform's ongoing success, maintaining ratings of 3.9 stars out of 5.

Each module has been developed by Construct NSW in partnership with TAFE NSW and subject matter experts. Topics have been identified through engagement with industry and the Pillar 3 working group, and include courses on the NSW Planning Portal, Australian Standards, communication, ethics and the *Design and Building Practitioners Act 2020* (DBP Act).

Pillar 4 – strengthening contracts and standards

The OBC regularly engages with legal and financial industry bodies to implement and provide guidance on the regulatory and legislative reforms introduced through the Construct NSW strategy.

Since the introduction of the RAB Act, the OBC has published two model clauses – a construct-only building contract and a design consultancy agreement – developed in collaboration with industry practitioners and the Pillar 4 working group. These

model clauses contain guidance notes to support industry understanding of, and adaption to, the DBP Act.

The OBC has been working closely with peak bodies to enhance the awareness and application of standards and specifications in residential building work. It provided support to Standards Australia to help produce a new way of delivering standards through 'Small Business Packs', which have made information more accessible and affordable for industry by bundling together information that is relevant to specific trades (such as waterproofing and fire).

In early 2021, the Pillar 4 working group collaborated with OBC to produce an information pack for legal industry practitioners and peak bodies to prepare for the commencement of the DBP Act. This information pack contains guidance material and directly addresses feedback raised by industry.

Pillar 5 – using digital platforms to drive enhanced accountability

The OBC is leading the development of digital platforms that will allow the building sector to move from analogue record keeping into a digitised quality assurance framework through the eConstruction program.

In collaboration with DPIE, the OBC has been evolving the NSW Planning Portal into a digital system that captures regulatory information throughout the entire building lifecycle in support of the regulatory reforms. The OBC designed and supported updates to the NSW Planning Portal to facilitate online lodgement of Expected Completion Notices, which is a new obligation for developers under the RAB Act. The OBC also partnered with DPIE to implement the DBP Act by facilitating online lodgement of declared documents through the NSW Planning Portal.

The OBC also partnered with Service NSW to develop online registration systems to administer the registration schemes under the DBP Act.

In 2020, the OBC commenced a procurement process to establish a building assurance solution (BAS) that creates a record of where a product was made, who made it, what standards it was made to, who installed it, when it was installed and when it was last maintained. Three vendors produced a Proof of Concept, and a contract was awarded to KPMG in

Office of the Building Commissioner

June 2021. The BAS will use advanced technologies (like blockchain) to provide a trusted and immutable source of data about a building from inception throughout its lifecycle. The end goal is to provide a transparent trustworthy index of buildings for regulators, insurers, financiers, purchasers and the industry.

Pillar 6 – using data and research to drive continual improvement



The Construct NSW reform strategy employs data and research to identify industry baselines and inform decision making.

Between December 2020 and May 2021, the OBC surveyed 500 strata managers to assess the incidence of defects in residential apartment buildings. The survey was developed in partnership with Strata Community Association NSW. Preliminary survey findings have identified valuable data, such as waterproofing as the most common cause of serious defects. These insights consolidate data on building defects uncovered through other sources such as the OC Audit inspection program. Data from the survey will be used to build the new NSW Strata Portal.

The OBC commissioned the Centre for Smart Modern Construction at Western Sydney University to undertake research on the digitalisation of design and construction of class 2 buildings in NSW. The research findings will establish an industry baseline of digital capability and support industry's implementation of the digital requirements under the DBP Act.

Over the course of the year, the OBC published various case studies from the findings of the OC Audit inspection program. The case studies translate the learnings and observations of inspections into content for Toolbox talks and internal training sessions to help raise industry practitioner awareness of defects and improve performance.

Project Remediate

Following the NSW Government's announcement in the 2021 budget of support for remediating combustible cladding on more than 220 high risk residential apartment buildings, the Office of Project Remediate was established to oversee the delivery of this three-year program. Strata building owners will have a choice in opting into Project Remediate.

Project Remediate will provide interest-free loans and program management and assurance services to assist residential apartment owners with the financial and technical challenges of replacing combustible cladding. The government will invest \$139 million to fund the assurance services to support owners of eligible buildings to remove high risk facades from their buildings.

The financial structure for the interest-free loan program was finalised in February 2021 in consultation with Treasury. DCS and Treasury have collaborated to bring their combined skills to procuring the financial services to support the program.

The Office of Project Remediate has collaborated with Fire and Rescue NSW and the Insurance Council of Australia to establish the underpinning principles for Project Remediate to ensure that safe and insurable building outcomes will be delivered to the affected Strata Communities. The Office has also engaged in extensive consultation with local government, industry, and the strata sector in order to refine and develop the framework for this customer-centric program. There is growing industry acknowledgement that the NSW Project Remediate Strategy is a best practice example of delivering remediation solutions of this type.

In March 2021, owners corporations of eligible buildings were invited to register interest in participating in the program by 30 September 2021. By the end of June 2021, 49 eligible buildings had registered interest for the program and 37 were under further assessment.

The Office of Project Remediate has arranged open market procurement processes to identify and appoint key providers including a managing contractor and financial services providers.

Office of the Building Commissioner

The Office of Project Remediate produced resources for strata managing agents and owners corporations to help them make an informed decision about joining the program, including videos, a comprehensive information guide and a two-hour online training course. The materials were published on the NSW Government website in May 2021.

From 1 July 2021, all cladding rectification work on class 2 buildings or buildings with a class 2 component must have documented and declared designs lodged on the NSW Planning Portal in accordance with the DBP Act.

This includes rectification work undertaken via a Fire Safety Order or Building Product Rectification Order issued under Division 9.3 of the *Environmental Planning and Assessment Act 1979*. Under Project Remediate, the managing contractor will ensure that the design and building practitioners engaged for each remediation project are suitably registered, and support them in meeting their obligations to declare and lodge the necessary declarations. This approach means that Project Remediate will provide an example of best practice compliance while also improving industry standards by upskilling small- and medium-tier practitioners for the future.

People and Culture

People and Culture provides people-related services and advice that helps DCS to attract and retain talented people, build a strong culture of wellbeing, inclusion and care across the employee lifecycle, and adopt new ways of working that improve customer outcomes and productivity.

In 2020/21, People and Culture led four significant Greenhouse projects as part of the *DCS Connect Strategy 20–23*. These are reported on where you see the Greenhouse icon below.

Key highlights for People and Culture in 2020/21 include:

Shaping world-class recruitment

People and Culture has placed significant focus on addressing immediate recruitment needs across DCS, recruiting more than 6,100 roles in the 2020/21 financial year (with more than 85% of these internal hires), reducing the time to hire from 75 to 59 days, and improving the overall candidate experience by 18%.

DCS aims to become the ‘world’s most customer-centric government’ from its very first interaction with applicants and candidates. The Recruitment Accelerator Project was set up in January 2021 to deliver world class recruitment experiences by redesigning how DCS delivers customer-centric services through the lens of the candidate experience.

Through human-centred design and agile delivery, the project team collaborated with all types of users across DCS to deliver a better recruitment experience for candidates. The focus was on communication, quality feedback, streamlined mobility and talent pool approaches, better offer and onboarding experiences for candidates, and enhanced digital technologies to engage talent seamlessly. The success measures in the first three months of the project contributed to the uplift in candidate satisfaction experience scores and reduction in time to hire.

Culture of wellbeing, inclusion and care

DCS is committed to a cluster-wide culture that embeds inclusion in its DNA. DCS is building a culture of belonging that is led and backed by its employees. A multi-faceted, cluster-wide approach to diversity and inclusion has focused on three key areas:

- delivery of Premier’s Priority 14
- uplift of Employee Resource Group activity
- embedding of key inclusion initiatives, namely the Aboriginal Employment Strategy and the Disability Inclusion Action Plan.

Key to the Diversity and Inclusion strategy was the launch of Inclusion Month in February 2021. Further information about Inclusion Month is contained in diversity and inclusion policies and services on page 111 of this report.

People and Culture has continued to build on its strong mental health and wellbeing focus. The #Helping you campaign, implemented to support employees during COVID-19, was developed due to staff feedback (captured via staff surveys and through Employee Assistance Provider data) and provided a clear focus on key health and wellbeing issues. As at June 2021, employee assistance support and utilisation increased to 10.3%, with an industry standard of 6.1% and all customers at 4.1%.

A culture of care has improved performance, with sick leave and workers compensation claims declining against a backdrop of ever-increasing output. Average sick leave per employee across DCS is now 6.8 days for the 2020/21 financial year, which decreased 32.7% from last year. The number of workers compensation cases has decreased by 86%, from 95 claims in the 2019/20 financial year down to 13 claims in the 2020/21 financial year.

The Safety and Wellbeing team in collaboration with the Workplace & Property, Internal Engagement, and ICT teams provided support to all staff working from home due to COVID-19. This support included providing staff with equipment to work safely, virtual ergonomic home assessments and working from home guides with a clear wellbeing focus. Social support was provided through the internal Yammer platform for COVID-19 related questions, advice, and connection with other staff members.

People and Culture

In 2020/21, People and Culture completed consultations on the DCS Respectful Workplace Behaviour statement, which will be finalised in 2021.

As part of DCS's NWO project, People and Culture identified 107 DCS roles for regionalisation in line with the NSW Government Regionalisation strategy. People and Culture developed a new leaders' guide, updated the NWO website, and developed comprehensive supporting information to prepare staff for a new way of working.

Integrated leadership expectations and development framework



People and Culture has placed a focus on reconnecting staff with DCS's most influential leaders and unifying them in the DCS Connect Vision. People and Culture are promoting leadership values with a renewed focus on bringing together the DCS Leadership team.

Customer and digital capabilities



In May 2019, the NSW Public Service Commission (PSC) partnered with Digital.NSW to develop a capability uplift program aligned to the NSW Beyond Digital Strategy. The initial discovery phase included a deep dive to assess the sector's digital maturity.

Building on this work, the PSC co-designed a Digital and Customer Capability Framework with sector stakeholders that identified six Digital and Customer Capabilities requiring immediate uplift across the sector.

In August 2020, the PSC received funding from the DRF to develop learning content based on the Digital and Customer Capability Framework to be delivered via a Learning Experience Platform (LXP). DCS led approximately 150 working group members across the cluster and the sector to shape the content and ensure it is fit for the NSW government environment. The LXP will enable learning to be available anywhere, anytime, in the flow of work. DCS will pilot the LXP with up to 5,000 of its staff during 2021/22. So far over 600 learning resources across 18 learning pathways have been developed and delivered via the LXP.

Revenue NSW

In 2020/21, Revenue NSW led four significant Greenhouse projects as part of the *DCS Connect Strategy 20–23*. These are reported on where you see the Greenhouse icon below.

Key highlights for Revenue NSW in 2020/21 include:

Towards 2022 strategy

After delivering successful transformative change over the past six years, Revenue NSW has created a unique opportunity to leverage this momentum; deploying its organisational capability, and in the current economic climate, demonstrating the value of its role is even more important in delivering its valuable services to the NSW citizens. There are five strategy outcomes to deliver:

- highly engaged, connected and aligned people with the right skills and capabilities
- world leaders in customer focused and easy to use services
- collecting optimal revenue for the State and increasing efficiencies and effectiveness
- highly trusted, secure and adaptive operations
- strong, well understood reputation that entices people, investment and engaged stakeholders.

Collecting optimal revenue for the State, with increased efficiency and effectiveness



Revenue NSW is a regionally diverse organisation with offices in five locations across the State. In 2020/21, it collected a record amount in State revenue. This is a crucial service for the prosperity of NSW and is even more so in these challenging times with the COVID-19 pandemic.

Continuing to drive efficiency and effectiveness, Revenue NSW implemented a step change in customer service and productivity by leveraging innovative digital scalable solutions. This included the Greenhouse project to uplift automation capability across DCS.

Revenue NSW is leading the sector in cutting edge automations, such as using supervised machine learning algorithms and robotic processes. The uplift in automation capability has produced significant benefits, including resolving complex customer problems, removing highly repetitive and manual tasks, and enabling staff members to spend more time on high value customer interactions that require human judgement and empathy.

These benefits have been realised through the following key achievements:

- between 1 July 2020 and 30 June 2021, conducted five bulk mail campaigns for Tax Debt targeting Land Tax & Parking Space Levy Clients. These campaigns sent out 8,292 emails which resulted in over \$21 million in debt recovered
- processed over 1.5 million transactions to 30 June 2021, of which over 1.1 million are in the Fines space
- in 2020/21, the automation team processed over 400,000 transactions, saved over 20,000 hours of effort, and on average, saved over 3 hours of human effort for every hour the automation ran.

Revenue NSW has also implemented a suite of digital technologies to optimise its business operations and the customer experience: from artificial intelligence to business process excellence, intelligent process automation and developing a digital twin of an organisation. Revenue NSW is one of the first to move core systems to the Cloud to ensure improved security and reliability.

In 2020/21, the achievements include:

- used artificial intelligence to divert vulnerable customers from debt enforcement actions to more appropriate options, enabling them to reduce their fine through participating in unpaid work, courses, counselling or treatment programs via a Work and Development Order
- evolved beyond manual data entry robotic process automations to more intelligent process capability, including intelligent optical recognition (reading documents) and developing complex processes to include a human-in-the-loop for executing final decisions
- redesigned new user-friendly knowledge management spaces with advanced features, providing easier access to reliable knowledge articles and work instructions
- provided business process modelling of the end-to-end journey for recruitment and onboarding, which informed opportunities for greater efficiency across DCS
- established business process architecture, enabling leaders to have an end-to-end view of the processes, roles and responsibilities, and usage of IT systems
- created process intelligence, enabling business units to monitor their performance and respond rapidly to issues with data-driven decision-making.

Revenue NSW

Measurable impacts:

Description	Impact
Total revenue collected	\$33.3 billion
Total number of customers serviced	3 million
Cost to collect \$100, compared to \$0.69 in 2018/19 financial year	\$0.48
Digitise Land Tax additional compliance program identified	\$125 million
Fine penalty notices identified	\$816 million (78.1% resolved)
Customer satisfaction	67.3%
Ease of customer effort	3.7 out of 5
Number of vulnerable customers diverted from debt enforcement action	15,000
Robotic process automation productivity activities	400,000 transactions 20,000 hours of manual effort
Number of knowledge management page visits by staff	1.2 million
Identified annual cost savings potential, once fully implemented	\$4.5 million from 70 continuous improvement opportunities
Process maturity assessment, increased average from across the six major revenue streams.	2.49 out of 5 – Target is 3.0* (from an average of 1.88 in 2019)
Revenue NSW system availability (uptime)	99.65%

* The target level definition: a proactive organisation with well-defined processes, standards, and procedures.

World leaders in customer focused and easy to use services

Revenue NSW is committed to delivering government priorities through customer-centric and easy to use support services for the people and businesses of NSW.

The Taxes and Grants business unit continues to support the NSW Government's priority for the continuing growth of the NSW housing market. Foreign owner surcharges were introduced to balance competitive property markets. A number of schemes also continue to support first home buyers, namely the First Home Owner's Grant Scheme (New Home) and First Home Buyers Assistance Scheme.

The Fines and Debt business unit collect all fines in NSW on behalf of other state and local government issuing authorities. In July 2020, with the introduction of the *Fines Amendment Act 2019*, Revenue NSW implemented the regulatory changes to deliver fairer, effective, and more efficient administration of the fines system. Customers have streamlined access to a greater range of options to resolve their fines or debt. This has contributed to the increased rate of positive finalisation of debt, which includes finalising or taking on payment options before enforcement sanction activities take place.

Revenue NSW is also committed to breaking the cycle of disadvantage for customers experiencing hardship. Research has shown that the fines system is effective for most of the population, however, it can have a disproportionate impact on vulnerable customers who may find it harder to pay their fines. The teams co-designed solutions by applying human-centred design and behavioural insight techniques. The aim was to change behaviour and avoid fines debt accumulating in these targeted communities by providing easily accessible self-service support tools to the community. For the most vulnerable customers, Revenue NSW is expanding its alternative method for resolving debts with socially responsible options under the NSW Premier's award-winning Work and Development Order program.

Revenue NSW

In 2020/21, together with community groups, customers, and our government partners, the Hardship Support Program delivered a range of initiatives for First Nation's people and vulnerable youth, including:

- implemented a specialised First Nations team to provide culturally safe services to First Nations customers with fines
- implemented policy change to allow social workers to become Work and Development Order sponsors, increasing access to medical and mental health treatment to customers in regional and remote areas
- developed tailored age and culturally appropriate communications to youth and regional/remote customers to encourage earlier engagement
- established strategic Community Action Plans for communities, including Walgett, Mt Druitt, and Taree, targeting fines prevention and debt reduction. Revenue NSW provided communities with safe and secure data, enabling them to address specific areas that are contributing to fines debt within their community
- Proactive contribution to the Premier's Priority of Government Made Easy of increasing the number of government services where NSW citizens only need to 'tell us once'. This included enabling resolution of enforced fines debt through Work and Development Orders and relying on mutual recognition of customer assessments from community partners, such as Legal Aid NSW.

Measurable impacts:

Description	Impact
State revenue identified from foreign owner surcharges	\$378 million (Duties \$111 million and Land Tax \$267 million)
Number of First Home Buyers Assistance Scheme concessions and exemption applications	48,211 valued at \$751 million
Number of approved new home First Home Owner Grant applications	7,751 valued at \$78 million
Percentage of stakeholders who consider Revenue NSW is doing more for its vulnerable customers	74%
Number of customers receiving a 50% reduction on their fine	540
Reduction in the number of complaints to the NSW Ombudsman following the establishment of a dedicated escalation team to deal with complaints	70%
Number of First Nations customers served by the specialist team	651
Number of regional/remote customers helped to access employment and other services, after lifting drivers licence sanctions	9,000
Number of lifted licence sanctions for customers without the need for a lump sum payment, benefitting low income and vulnerable customers	62,000
Number of tailored letters and SMS messages sent to youth and regional/remote customers to encourage earlier engagement	4,400
Value of debts satisfied through Work and Development Orders	\$44.3 million

Strong, well understood reputation



Revenue NSW strives towards building a reputation as the NSW Government's preferred debt collection agency and continues to partner with both State and local government authorities to provide better social and economic outcomes for NSW. The *State Debt Recovery Act 2018* provides additional debt collection powers to the Chief Commissioner of State Revenue, beyond those used for the collection of fines which enables the recovery of broader statutory fees, charges and other amounts on behalf of agencies.

This reputation was prominent during the response to COVID-19. Revenue NSW now leads the cost recovery collection activities for hotel quarantine accommodation fees from international travellers. Strong collaboration continues through a cross-agency response group with members from the NSW Police, Health, DPC, and Treasury.

In 2020/21, Revenue NSW started eight new state debt collection partnerships with:

- Transport for NSW Tolls
- Sydney Local Health District (Quarantine Fees)
- Point to Point Commissioner
- icare
- Fire and Rescue NSW
- Water NSW
- Georges River Council
- DPIE.

State Debt Recovery Services

With the number of partnerships steadily increasing over the past three years, Revenue NSW is harnessing this momentum to expand its State Debt Recovery Services and drive scalable growth across government. A project is underway to fully integrate Revenue NSW's services with Service NSW. This service expansion will improve the end-to-end customer journey, strengthen consistency of debt collection across government with ease of access to hardship support, and deliver greater digital service options through the customer's MyServiceNSW account.

Revenue NSW has also transformed its digital delivery by embedding agile methodology practices, continuing to drive forward with innovation and new ways of working, and delivering excellent service to its customers with modern digital solutions. These functions augment significant capital investment projects, in addition to providing significant recovery and stimulus support to the citizens of NSW.

These digital solutions are fundamental in positioning Revenue NSW to be funding the future of NSW, with easy-to-use online customer transactions integrated with Service NSW and a variety of continuous service improvement activities, including:

- implementing budget announcements to ensure business systems deliver on commitments
- designing tailored digital solutions based on customer evolving needs
- improving existing digital services with Service NSW
- removing paper-based forms following transition to new digital solutions
- building effective communication and maintaining customer confidence in Revenue NSW's secure processes, with digital system enhancements that protect customer data and private information.

Measurable impacts:

Description	Impact
Number of new State Debt Recovery Services partnerships established	8
Total number of State Debt Recovery Services partnerships	18
Number of debts referred	617,775
Value of debts referred	\$648 million
Percentage of debts favourably resolved*	67%
Fines notices available digitally and accessible online through Service NSW	Over 107,400
Percentage of Transfer Duty digital lodgements, transitioned from a completely paper-based lodgement system	100%

* Favourably resolved includes debts paid or withdrawn by the agency, due to a change in liability of debt owed by the customer

Assured Revenue



Revenue NSW's Assured Revenue project is delivering transformational improvements in customer experience with seamless integration with Service NSW for all taxes and fines. This has enabled a significant customer impact by making it easier for customers to comply with their obligations. The benefits have been realised through the following key achievements:

- delivered a new and improved eDuties Reassessment Application process (time reduction from 30 mins to 10-15 mins)
- designed Duties Compliance case management solution, enabling a move from tracking compliance in spreadsheets
- moved all environments to a Revenue Single App Mesh
- completed design and development for Payroll Tax Annual Return with testing underway
- completed design and development for Land Tax Individual Registration.

Fines Online Transformation



Revenue NSW's Fines Online Transformation project required consolidating multiple customer portals for fines customers, stakeholders and intermediaries while expanding integration with Service NSW. This resulted in a significant customer impact by providing a better online experience with intuitive, self-service functionality and easy access to services.

The benefits have been realised through the following key achievements:

- completed Police General Penalty notice reminder trial
- completed analysis and prototypes for Police General, Traffic and Client Parking notices. Developed prototypes for testing of the same notice types, co-designed with the Behavioural Insights champions
- commenced joint discovery between Fines Transformation online and Service NSW
- commenced issuing fines on behalf of six new councils
- maintained excellent results for Fairer Fines customers with over 79% of people now paying sooner.

Measurable impacts:

Description	Impact
Value of additional compliance revenue received through the enhanced digital delivery and improved customer compliance under the Assured Revenue Program	\$79 million
Number and value of approved HomeBuilder Grants	7,859 valued at \$196 million
Number of customers impacted by bushfires with deferred 2021 land tax assessments	4,000

Service NSW

In 2020/21, Service NSW led three significant Greenhouse projects as part of the *DCS Connect Strategy 20–23*. These are reported on where you see the Greenhouse icon below.

Further information on Service NSW's achievements can also be found in the 2020/21 Service NSW Annual Report.

Key highlights for Service NSW in 2020/21 include:

Supporting the response to natural disasters



In March 2021, communities across NSW were left devastated by catastrophic storms and floods. Service NSW quickly stepped in to help, deploying response teams to provide essential support and assistance to affected communities in approximately 80 local government areas. The teams worked with residents to deliver tailored services based on individual needs. They helped customers apply for available grants and relief payments, fee exemptions, and new identification and licences. Service NSW received approximately 4,300 registrations for flood assistance and 2,753 applications for small business grants. Over 38,000 call enquiries were received regarding the flood recovery program and approximately 300,000 visits were made to the Service NSW's dedicated Storms and Floods website page.

Service NSW also continued its work with communities ravaged by the 2019/20 bushfires, becoming the link between customers and all parts of government and non-government organisations to provide disaster relief assistance through a wrap-around case management service. The Service NSW Bushfire Customer Care program assisted more than 11,000 customers, and a further 32,000 customers received assistance through the bushfire clean-up program, volunteer firefighter payments, Disaster Assistance Finder tool and council rate relief. This support was instrumental in helping people get back on their feet and on the road to recovery.

Helping the people of NSW with their cost of living

Service NSW provides a Cost of Living program that brings together more than 60 NSW Government funded rebates and savings into one location, including Active Kids and Creative Kids vouchers, Toll Relief and the Regional Seniors Travel Card. Customers can navigate the rebates and savings relevant to them, via the Savings Finder tool on the Service NSW website or over the phone with a Cost of Living specialist.

From 1 July 2020 to 30 June 2021, over half a million customers accessed the Savings Finder tool and over 19,000 customers met with a Cost of Living specialist. The average customer saved approximately \$680 through using these services.

Digital licences

Digital Drivers Licence

Customers continue to support the adoption of the NSW Digital Drivers Licence, which was introduced in October 2019. As at 30 June 2020, 28% of drivers held a Digital Drivers Licence, which increased to 55% as at 30 June 2021. Over 3.1 million drivers in NSW now have a Digital Drivers Licence. Customer satisfaction has consistently tracked at over 94%.

NSW Photo Card

Following on from the success of the Digital Drivers Licence, Service NSW initiated a trial for a digital version of the NSW Photo Card in February 2021. The card can be used to prove a person's age, identity and address.

During the trial, existing NSW Photo Card holders within Blacktown, Penrith and surrounding suburbs can access their Digital Photo Card through the Service NSW app. Digital Photo Cards update in real time and are protected by the security within the Service NSW app and the smart phone.

As at 30 June 2021, over 5,900 customers had downloaded their Digital Photo Card. Customer satisfaction has consistently tracked at over 98%.

Customer Engagement Integration Program



Building strong partnerships across government allows Service NSW to deliver critical services and transactions to its customers and for NSW government agencies. In 2020, the Customer Engagement Integration Program migrated shop fronts from SafeWork and the NSW Registry of Births, Deaths & Marriages into the Service NSW Service Centre network. The program also saw 300 team members from Revenue NSW and BRD joining the Service NSW Contact Centre team and expanding Service NSW call centres into Maitland, Lithgow and Gosford.

1.9 million additional customers are now benefiting from being able to access their services via Service NSW. Overall in 2020/21, Service NSW increased the number of partner agencies to 70, delivering approximately 1,300 services on behalf of its partners. It also delivered savings of \$1.8 million through better efficiencies, with 13 entities migrating to Service NSW from DCS and Transport for NSW.

MyServiceNSW Account



Service NSW assisted more than 180 million customers during 2020/21 in its Service NSW Service Centres, contact centres and on its website. This is a 159% increase on the previous year which recorded 69.5 million interactions. In addition, Service NSW has seen 5.5 million interactions through the Service NSW app, mainly driven by the COVID-Safe Check In. Each month, the app has been downloaded by over 14 million unique devices. More than 3.4 million customers provided feedback on their experiences. Service NSW maintained a customer satisfaction score average of 96%.

There were also 1.69 million new MyServiceNSW accounts created during the year. As at 30 June 2021, there were 7.01 million users, (up from up from 5.32 million in June 2020), with 4.75 million active users of MyServiceNSW Account for June 2021.

As at 30 June 2021, 4.5 million customer accounts had been 'Identity-proofed' to level 2 (using two ID documents), resulting in higher assurance and fraud prevention, and for the first time approximately 600,000 accounts were created 'offline' or via assisted channels (such as service centres and contact centres).

State Insurance Regulatory Authority

Key highlights for SIRA in 2020/21 include:

Cheaper CTP premiums

In 2020/21, CTP premiums for most drivers in NSW hit a record low. Before the 2017 CTP scheme reforms, the average CTP premium reached a high of \$635 and would have continued to grow. In 2020/21, the average CTP premium reduced to \$486 under the new scheme, which is the cheapest that premiums have ever been. This provided an average saving of \$149 each year for NSW drivers.

New CTP insurer

A new insurer, Youi, entered the CTP market from 1 December 2020. Youi was the first new insurer in more than 20 years to be granted a licence to offer CTP insurance in NSW. Encouraging new entrants into the CTP market was a key objective of the 2017 CTP reforms. Increased competition between insurers promotes innovation and encourages greater premium affordability for NSW motorists.

Increased transparency

In 2020/21, SIRA published more scheme information than ever before through regular updates on the performance of the schemes, insurers, service providers and other regulated organisations. There was a particular focus on SIRA's open data portals, which provide self-service visual analytics tools to make it easy to view and compare scheme data and insurers' performance over time. SIRA continues to refine the way it measures and publicly reports on scheme and regulatory performance as part of its commitment to increasing transparency and accountability.

Customer experience research

In 2020/21, SIRA commissioned an independent benchmark study to measure how customers experience their compensation journey and the extent to which insurers deliver services in line with SIRA's *Customer Service Conduct Principles*. This research provided unique insights into the way injured people experience their interactions with the CTP and workers compensation schemes, and how that experience impacts their recovery. SIRA is continuing the research program and will use the results to inform its regulatory supervision activities.

Healthcare review

In 2020/21, SIRA continued its comprehensive *Review of Regulatory Requirements for Healthcare Arrangements in the workers compensation and CTP schemes*. The review was aimed at improving regulatory and fee setting approaches to ensure injured people have access to the right healthcare at the right time for optimal recovery and return to work.

Stronger supervision

SIRA continued its focus on the supervision and performance of regulated entities during the reporting year. SIRA took significant steps to drive improved performance in the workers compensation system, including continued regulatory focus on the Nominal Insurer managed by icare.

Regulatory approach principles

In 2020/21, SIRA developed 10 regulatory approach principles to guide its regulatory approach and inform stakeholders of SIRA's focus, how decisions are made, and how SIRA will engage on matters of scheme design and compliance. As a regulator, one of SIRA's core responsibilities is to ensure compliance with the law. These principles recognise that there are many other ways in which SIRA works to influence positive scheme outcomes as stewards of compensation schemes.

Further information on SIRA's achievements can be found in the 2020/21 SIRA Annual Report.

Office of the Secretary

In 2020/21, the Office of the Secretary led two significant Greenhouse projects as part of the *DCS Connect Strategy 20–23*. These are reported on where you see the Greenhouse icon below.

Key highlights for the Office of the Secretary in 2020/21 include:

AI Strategy



The Artificial Intelligence (AI) Strategy, Ethics Policy and User Guide were published in September 2020. The AI Strategy sets the vision for the use of AI in government and is supported by clear commitments that are helping build maturity and assurance in the use of this emerging technology. The Office of the Secretary established Australia's first AI Advisory Committee in April 2021. The AI Advisory Committee now provides expert advice on the ethical use of AI in the NSW Government to improve service delivery and government decision-making.

The second AI Summit was held in February 2021, which brought together experts in AI from academia, government, the private sector and non-government organisations to discuss how the NSW Government can best use AI and identify areas for future focus.

icare

The Office of the Secretary provided policy and project management support to the independent review of Insurance and Care NSW (icare) and the workers compensation system in NSW. The review was announced in August 2020 after a range of issues were raised about icare in the media and in NSW Parliament. The review was conducted by retired Supreme Court Judge Hon. Robert McDougall QC, and supported by the Office of the Secretary and NSW Treasury. The report on the *icare and State Insurance and Care Governance Act 2015 Independent Review* was published on 30 April 2021.

Personal Injury Commission



The Office of the Secretary, with the support of SIRA, developed the policy and legislation to establish NSW's first Personal Injury Commission. The *Personal Injury Commission Act 2020* creates a personal injury tribunal with separate workers compensation and CTP insurance divisions and establishes the role of the Independent Review Officer. The Personal Injury

Commission and the Independent Review Officer commenced on 1 March 2021.

Licensing and registration reforms

DCS reviewed the *Licensing and Registration (Uniform Procedures) Act 2002* (LRUPA) and is developing a reform package to improve, update and add to the statutory uniform licensing procedures. Reforms to LRUPA are intended to increase consistency in licensing processes, support the Licence.NSW program and facilitate the adoption of digital licences across the NSW Government.

Project Amplify

In September 2020, the Office of the Secretary established Project Amplify, which sets out DCS's three-year strategy for supporting small and medium businesses through the current recession and beyond. It brings together multiple strands of Government activity into a single program to monitor how Service NSW for Business, integrated regulatory approaches and data insights can enable NSW Government to better support business recovery.

Project Amplify is one of the 11 Economic Reform Priorities for NSW Government and is a key enabler for achieving the NSW Premier's Priorities of *Government Made Easy* and delivering *World Class Public Service*.

Established the Aboriginal Outcomes Unit

The Aboriginal Outcomes Unit was established in March 2021. It will develop and monitor the Aboriginal Customer Engagement Strategy and the Aboriginal Employment Strategy. These strategies will result in an uplift of Aboriginal cultural capability of employees and deliver better services for Aboriginal customers. The Aboriginal Outcomes Unit also facilitates the DCS contribution to Closing the Gap Priorities.

Aboriginal Employment Strategy

The DCS Aboriginal Employment Strategy was launched during NAIDOC Week in November 2020. The Strategy highlights DCS's strong commitment to growing and developing a talented and versatile Aboriginal workforce.

Financial highlights

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

Net result

DCS's net loss for 2020/21 was \$15.7 million compared to a budgeted net loss of \$221.6 million. The favourable variance of \$206 million is predominantly due to DCS's total expenses being \$943 million lower than budgeted, while DCS's total revenues (excluding Other Gains/Losses) were lower than budgeted by \$699 million.

Expenditure

As a service provider, most of DCS's expenditure budget is earmarked for grants programs and labour costs.

Expenditure for the year was lower than budgeted, primarily due to a favourable variance to budget in Grants & Subsidies (\$940 million) due to a change to accounting standard (AASB 1050). The majority of DCS's grants expenditure is excluded and associated appropriation funding is disclosed in Note 3.

During the year, DCS incurred \$1.8 million on improvement programs, collectively referred to as Project Reimagine. These programs are expected to result in customer and staff experience uplift and productivity benefits to DCS in future years through process improvements and better use of data and digital in its service delivery.

Investment has also been made into Project Trust which focuses on enhanced Privacy and Cyber Security (\$16.4 million).

In 2020/21, DCS also incurred unplanned staff costs that were required to deliver stimulus packages for COVID-19 and Natural Disaster relief payments.

Revenue

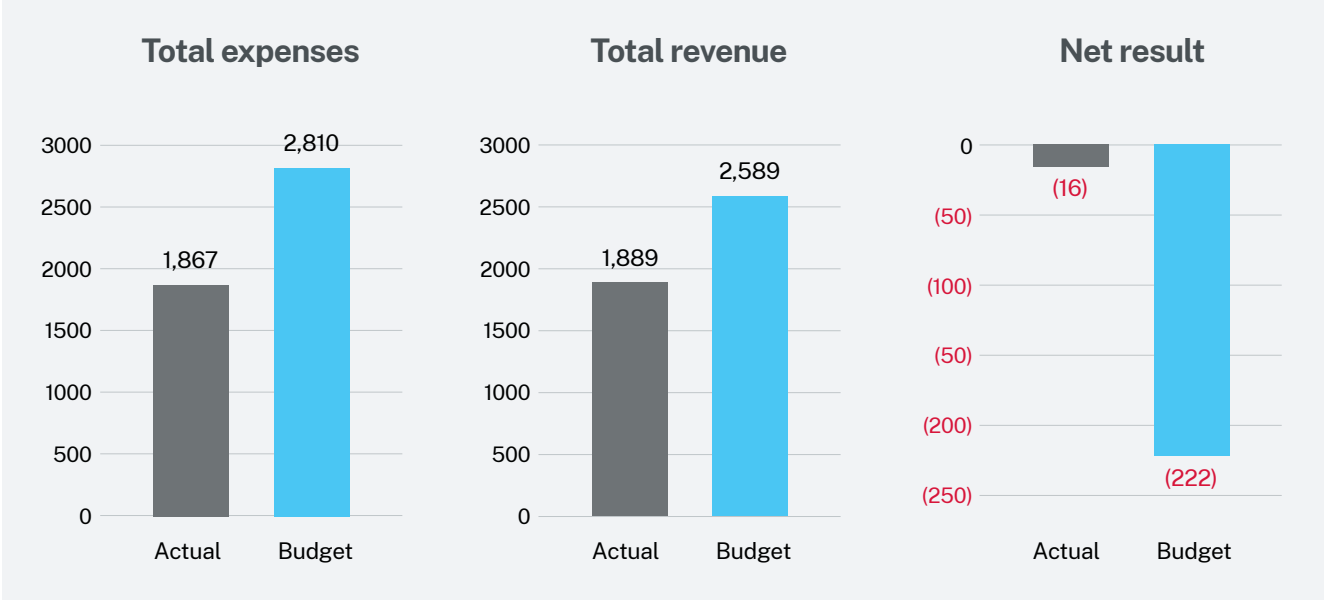
Revenue for the year was lower than budgeted, primarily due to:

- \$776 million reduction in Appropriations Revenue due to changes in accounting standard (AASB 1050). The majority of DCS's grants revenue is excluded and associated appropriation funding is disclosed in Note 3.
- \$63 million of licence fees were impacted as a result of COVID-19 offset by higher than anticipated revenue relating to building, real estate, and liquor licensing activities and Competency Card applications (\$43 million).

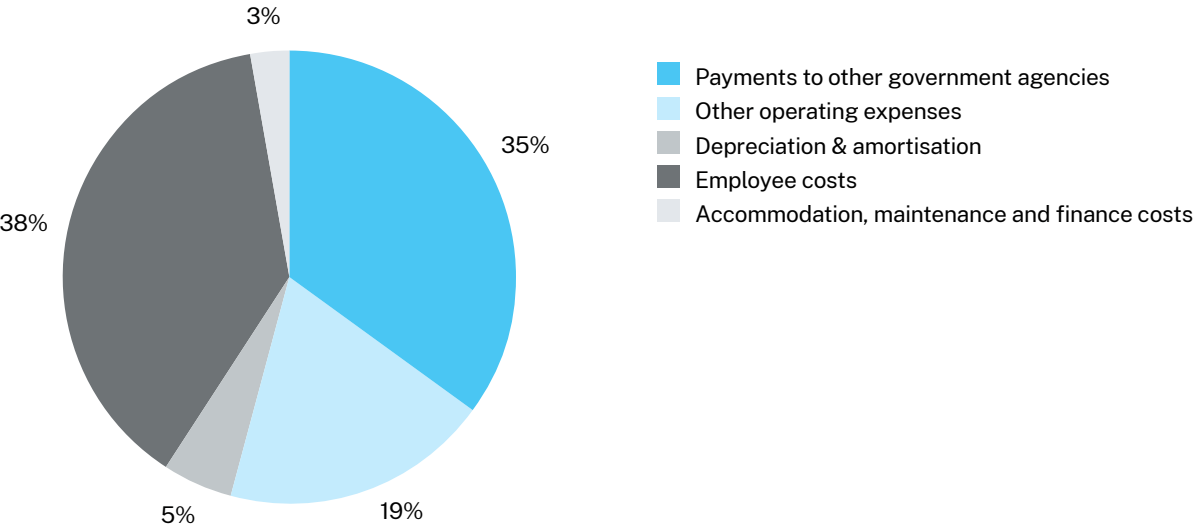
Other gains and losses were \$37.7 million unfavourable to budget primarily due to the following:

- \$35 million impairment loss on the right-of-use assets relating to a lower revaluation on DCS's leasing properties based on a lower market value impacted by COVID-19 and NSW lockdown.
- \$22 million impairment of an intangible asset due to complexities in delivering an Enterprise Resource Planning project that were not foreseen during the planning stage. The project strategy is now being re-assessed and alternative solutions are being considered.
- Offset by an upward revaluation of the titling and registry service concession asset (\$23 million).

Financial highlights

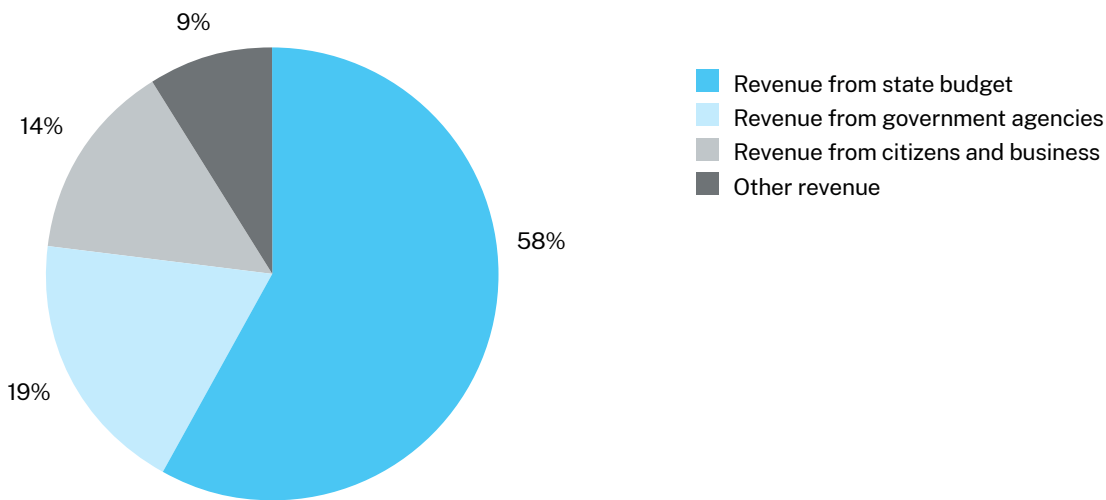


DCS expense by major categories

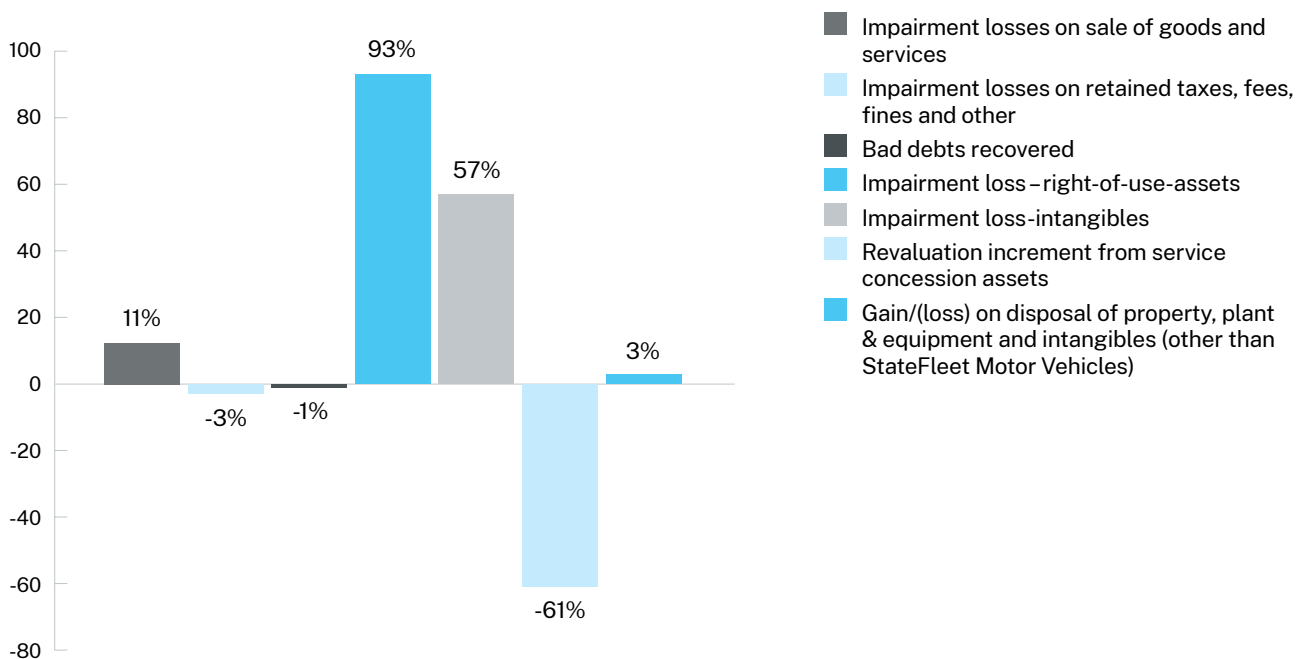


Financial highlights

DCS revenue by major categories



DCS other gains and losses by major categories



5

Corporate
performance



Strategic planning and performance framework

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

- DCS Connect Strategy 20–23
- divisional and business unit delivery plans
- strategic corporate functional plans to manage corporate service delivery
- individual performance and development plans.

DCS monitored and reported performance through the following mechanisms:

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

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

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

Performance review

DCS State Outcome Indicators

The Customer Service cluster is responsible for 8 Outcome Indicators (refer table below), which track the progress being made towards each State Outcome.

Outcome Indicator	Narrative	Measure	Prior year	Actual 2020/21	Target
Digital leadership and innovation in government services					
NSW digital government readiness	The measure reflects progress in end-to-end digital activities spanning strategy, planning, funding, design, delivery and sustainability. ICT is inherently an enabler of many customer facing services and therefore this metric broadly supports DCS's State Outcomes of digital leadership and innovation in government services, and excellence in customer service.	NSW digital government readiness indicator	9.7/10 #1 ranked State or Territory	9.8/10 #1 ranked State or Territory	≥ previous year's result, and NSW is the number one ranked jurisdiction for digital readiness
Public safety coverage and operations of the CCEP	The Government Radio Network is providing a critical communications network across the state for emergency services.	Geographic coverage	40%	41%	Maintain current levels
		Operational coverage	99.95%	99.95%	Maintain current levels
		Population coverage	93%	94%	Maintain current levels
Excellence in Customer Service					
Customer satisfaction with services across government	Tracking customer satisfaction with Government services provides insights that help the Government understand where it needs to improve customer service.	NSW Consumer Satisfaction Score	8.0 Ranked first among Australian jurisdictions	Data for 2020/21 is not available until early 2022 pending finalisation of the revised Customer Satisfaction Measurement tool	Maintain rank of top two Australian jurisdictions for customer satisfaction
Increase the number of government services where customers only have to 'Tell government once'	This outcome indicator is a Premier's Priority. Customer satisfaction and trust in Government is increased when unnecessary time and effort is avoided.	The number of government services where customers only have to 'Tell government once'	25	43	60 by December 2023
Percentage of transactions available digitally through Service NSW	This indicator measures the percentage of Service NSW services available via digital channels. It recognises that convenience and accessibility of services are key drivers underpinning customer satisfaction with government services and aligns to the NSW Government's commitment to digital service delivery.	Percentage of transactions available digitally through Service NSW	75.4%	79.3%	80% by 2023

Performance review

Outcome Indicator	Narrative	Measure	Prior year	Actual 2020/21	Target
Fair, secure and efficient markets					
Compliance rate of selected regulatory activities	This indicator measures the proportion of regulated entities found compliant with the laws and regulations which govern their operations in selected regulated activities.	Compliance rate of selected regulatory activities	91%	95%	> 92%*
*Covid-19 impacted industry activity throughout 2020-21, resulting in an atypically higher than usual compliance rate. The compliance target has been subsequently reviewed and increased to 92%					
Reduced rate of work-related traumatic injury fatalities (worker fatalities per 100,000 employees)	This indicator highlights how effective regulatory and legislative efforts are in reducing workplace fatalities caused by traumatic injuries. It measures the fatality rate per 100,000 employed persons caused by traumatic injuries (fatalities sustained in the course of a work activity and as a result of some else's work activity, i.e. bystander fatality).	Fatality rate per 100,000 employed persons - Traumatic worker fatalities	1.42	1.35	1.34 by 2022
Affordability of the Compulsory Third Party Insurance Scheme (Motor Vehicles)	Indicates the level of financial burden insurance schemes are placing on individuals and businesses, and therefore the extent to which premium levels may impact aggregate economic activity in terms of individual disposable income	Compulsory Third Party Insurance	24.4%	23.7%	Maintain or improve CTP affordability, as a percentage of the average NSW weekly wage

6

Corporate
governance



Governance principles and framework

DCS has a well-defined governance and accountability framework that provided broad corporate oversight across the cluster which reflected the following principles:

- clear roles and responsibilities
- transparent, accountable and ethical decision making
- respect for legal and regulatory requirements and high probity standards.

The DCS governance model includes:

- DCS Executive Team
- Independent Audit and Risk Committees for DCS and other cluster entities as appropriate
- Agency Boards and Committees
- decision-making Executive subcommittees for Finance, People and Management Assurance.

The model was further supported through a central team to provide strong capability and advice in governance, audit, risk, compliance, privacy, strategic planning, performance reporting and customer feedback, across the cluster.

The central team works to provide support services to DCS and its divisions according to a 'Three Lines Model', as defined by NSW Treasury. The Three Lines Model defines a model governance structure comprised of management functions; risk, control, and compliance oversight functions; and independent assurance functions.

The following units also provided additional oversight of corporate governance functions and support to divisions:

- Information Communications Technology

- Legal Services
- Corporate Finance
- People and Culture.

There were also several key governance support initiatives:

- DCS Risk Partners Community of Practice
- DCS Privacy Partners Community of Practice
- DCS Business Continuity Management Community of Practice
- DCS Information Governance Forum
- a network of project and program management offices.

Audit

DCS Audit and Risk Committee

During 2020/21, DCS had an Audit and Risk Committee (ARC) in place, compliant with the NSW Treasury Policy TPP 20-08 *Internal Audit and Risk Management Policy for the General Government Sector*. DCS's Internal Audit and Risk Management Attestation Statement is provided at page 151.

The objective of the ARC is to provide independent assistance to all participating entities by monitoring, reviewing and providing advice about their governance processes, risk management and control frameworks, and their external accountability requirements. The ARC also provided assurance to the Secretary.

Internal Audit

DCS Internal Audit (IA) provides independent and objective assurance services and consulting advice to management. The Chief Audit Executive reports to the Secretary and the ARC quarterly on the risk-based IA work plan, and progress towards completion of the plan, as well as implementation of audit issues and recommendations.

During 2020/21, IA undertook risk-based audits across the cluster covering a wide range of front-line services and back-office support functions.

Additionally, IA undertook investigations into complaints and public interest disclosures about alleged misconduct and provided advice to management on corruption prevention, risk and internal control improvements, and facilitated regulatory reporting to the Independent Commission Against Corruption and the NSW Ombudsman.

IA reviewed and updated, where necessary the following policies and frameworks:

- Conflicts of Interest Policy
- Fraud and Corruption Control Framework
- Fraud and Corruption Control Policy and Fraud and Corruption Control Plan
- Report Wrongdoing and Public Interest Disclosures (PID) Policy
- Gifts, Benefits and Bribes Policy.

IA conforms with the Institute of Internal Auditors International Standards for the Professional Practice of Internal Auditing and meets the requirements of the NSW Treasury Policy TPP 20-08 *Internal Audit and Risk Management Policy for the General Government Sector*.

External Audit

The Audit Office of NSW has audited DCS's financial statements as at 30 June 2021 and issued an Independent Audit Report with an unqualified audit opinion in October 2021. The audit report did not highlight any significant governance matters, but did highlight the following key audit matters which were identified by audit as having the most significance on the audit of the financial statements for the year ended 30 June 2021:

- recognition and measurement of service concession assets
- recognition and measurement of administered taxation revenue and receivables.

Both matters were audited as part of the overall DCS audit.

Accessing DCS information

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

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

Review of proactive release program

DCS's program for the proactive release of information involves reviewing the information sought and released pursuant to applications under the GIPA Act received over the financial year, considering the kinds of government information held by DCS that may be suitable for proactive release and asking DCS divisions and branches to consider the information that is suitable for proactive release and where necessary, discussing this with DCS's GIPA team. As part of this review, the GIPA team 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 DCS.

During the reporting period, DCS made a large amount of material available regarding the application and administration of the Public Health Orders prepared in response to the COVID-19 pandemic. The proactively released information included guidance material, webpages for nsw.gov.au and other collateral material. DCS worked with divisions such as Service NSW to ensure that government information was released proactively, regularly reviewed for accuracy and made accessible to the whole NSW community through a variety of traditional and online channels. The preparation and proactive release of this information improved the community's understanding of the unprecedented public health measures.

Several DCS divisions and business units maintained branded websites with targeted information for the people of NSW. These included Fair Trading, Revenue NSW, SafeWork, Liquor & Gaming NSW and the NSW Telco Authority. These branded websites are used to release information free of charge when considered to be in the public interest, such as codes, guides, policies, fact sheets, procedures, reports, open data and statistical information. Other

documents could be accessed by contacting the relevant area via the contact details on their website.

Revenue NSW proactively released a range of open data and statistics via its website for various taxes, duties, benefits, and penalty notices including the penalty notice dashboard.

The NSW Data Analytics Centre continued to build a strong data culture and promote the release, sharing and use of data to contribute to better customer outcomes. The NSW Data Analytics Centre also led the COVID-19 Data Program providing information to improve coordination of the NSW Government's COVID-19 response, drawing on data from across NSW, the Commonwealth and the private sector.

Fair Trading and SafeWork used social media outlets including Facebook and Twitter to release information about new publications, codes and campaigns.

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

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

DCS has established mechanisms in place to support staff to understand their privacy obligations. DCS has a Privacy Management Plan (the Plan) that outlines how it complies with the provisions of the PPIP Act and the HRIP Act.

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

- Risk and Opportunity Management Policy
- Information Security Policy
- Records Management Policy.

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

Accessing DCS information

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

Access request applications under section 14 of the PPIP Act

In 2020/21, DCS received 27 formal access applications by individuals requesting their personal information under the PPIP Act. DCS also dealt with numerous informal requests by individuals requesting their personal information. These informal requests are led by nominated Privacy Officers embedded within DCS business units with support and guidance from the central Governance, Risk and Performance team.

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

In 2020/21, DCS received five valid applications for internal reviews under the PPIP Act.

Government Information (Public Access) statistics

During 2020/21, DCS received 1,301 access applications, including withdrawn applications, but not including invalid applications. There were eight access applications refused, either wholly or in part, because the application was for disclosure of information for which there is conclusive presumption of overriding public interest against disclosure.

These figures are from the following DCS divisions:

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

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

Information in other annual reports

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

Accessing DCS information

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

Applicant type	Access granted in full	Access granted in part	Access refused in full	Information not held	Information already available	Refuse to deal with application	Refuse to confirm / deny whether information is held	Application withdrawn
Media	5	10	1	1	0	0	0	7
Members of Parliament	5	5	0	2	0	0	0	4
Private sector business	8	103	19	13	2	1	1	4
Not-for-profit organisations or community groups	3	14	5	2	0	0	0	2
Members of the public (application by legal representative)	16	373	48	102	5	3	0	43
Members of the public (other)	34	211	36	28	9	5	1	96

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

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

Applicant type	Access granted in full	Access granted in part	Access refused in full	Information not held	Information already available	Refuse to deal with application	Refuse to confirm / deny whether information is held	Application withdrawn
Personal information applications ²	3	3	0	1	1	0	0	18
Access applications (other than personal information applications)	21	71	8	14	9	2	2	54
Access applications that are partly personal information applications and partly other	47	642	101	133	6	7	0	84

2. 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).

Accessing DCS information

Table C: Invalid applications

Reason for invalidity	Number of applications
Application does not comply with formal requirements (section 41 of the GIPA Act)	61
Application is for excluded information of the agency (section 43 of the GIPA Act)	0
Application contravenes restraint order (section 110 of the GIPA Act)	0
Total number of invalid applications received	61
Invalid applications that subsequently became valid applications	31

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

Reason	Number of times consideration used ³
Overriding secrecy laws	1
Cabinet information	0
Executive Council information	0
Contempt	0
Legal professional privilege	6
Excluded information	2
Documents affecting law enforcement and public safety	0
Transport safety	0
Adoption	0
Care and protection of children	0
Ministerial code of conduct	0
Aboriginal and environmental heritage	0
Information about complaints to Judicial Commission	0
Information about authorised transactions under <i>Electricity Network Assets (Authorised Transactions) Act 2015</i>	0
Information about authorised transactions under <i>Land and Property Information NSW (Authorised Transactions) Act 2016</i>	0

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

Accessing DCS information

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

Reason	Number of occasions when application not successful
Responsible and effective government	224
Law enforcement and security	93
Individual rights, judicial processes and natural justice	853
Business interests of agencies and other persons	242
Environment, culture, economy and general matters	1
Secrecy provisions	105
Exempt documents under interstate Freedom of Information legislation	0

Table F: Timeliness

Timeframe	Number of applications
Decided within the statutory timeframe (20 days plus any extensions)	1155
Decided after 35 days (by agreement with applicant)	55
Not decided within time (deemed refusal)	0
Total	1210

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

Review type	Decision varied	Decision upheld	Total
Internal review	9	13	22
Review by Information Commissioner ⁴	10	3	13
Internal review following recommendation under section 93 of the GIPA Act	4	1	5
Review by NCAT (NSW Civil and Administrative Tribunal)	3	1	4
Total	26	18	44

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

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

Applicant	Number of applications for review
Applications by access applicants	37
Applications by persons to whom information the subject of access applications relates (see section 54 of the GIPA Act)	5

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

Type of transfer	Number of applications transferred
Agency-initiated transfers	101
Applicant-initiated transfers	9

An aerial photograph of a coastal town and harbor. The town is built on a hillside overlooking the water. The harbor is filled with boats and has a sandy beach. The water is a deep blue-green color. A dark blue text box is overlaid on the left side of the image.

7

DCS-related entities'
annual reports

Office of the Registrar-General

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

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

In addition, ORG advises the Government on relevant land title legislation, regulation and policy, and is an independent arbitrator of disputed title boundaries. ORG also administers the Torrens Assurance Fund (TAF).

Boundary determinations and survey audits

ORG's cadastral integrity surveyors investigated, determined and resolved boundary disputes between landowners on behalf of the Registrar-General in accordance with Part 14A of the *Real Property Act 1900* (RP Act). In 2020/21, 35 boundary determinations were lodged with the Registrar-General in Sydney metropolitan area and five in regional NSW.

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

In 2020/21, ORG conducted 178 audits across NSW, 113 of which were in the Sydney metropolitan area and 65 in regional NSW. All audits performed by ORG are on plans registered with NSW LRS.

ORG cadastral integrity surveyors also conducted 3 administrative reviews under section 121 of the RP Act.

Legislative reform projects

100% eConveyancing reform

The *Real Property Amendment (Certificates of Title) Act 2021* received assent on 24 May 2021, which enabled the NSW Government to implement the final changes needed to achieve a fully digital land titling system. A critical part of reaching 100% eConveyancing was abolishing the paper process, in particular, the paper certificates of title. The Registrar-General has declared that from 11 October 2021, existing certificates of title will be cancelled and certificates of title will no longer be issued. A major benefit of the reform is that stakeholders will no longer need to support dual electronic and paper conveyancing processes, bringing greater efficiencies.

Updating the eConveyancing regulatory framework

In 2020/21, Ministers and/or their representatives from all jurisdictions, along with the Chair of the Australian Competition and Consumer Commission (ACCC) met twice to review progress with a competitive market structure for eConveyancing. Ministers confirmed a competitive market structure should be supported by requiring interoperability between ELNOs. Ministers directed the Australian Registrars National Electronic Conveyancing Council (ARNECC) to work with industry to have the regulatory and technical regime in place to support the first interoperable transaction by the end of the 2021 calendar year, or the first quarter of 2022. ORG provided policy and secretariat support for the various government and industry governance arrangements.

Following recommendation from a working group comprising Reserve Bank of Australia, the Australian Securities and Investment Commission, ACCC, the Commonwealth Treasury and State registrars, the Council of Financial Regulators and the ACCC supported addressing financial regulation in eConveyancing through a self-regulatory regime. An industry code will be jointly developed by the eConveyancing platform providers and financial institutions under the governance of an industry steering committee facilitated by the Australian Payments Network. The Council of Financial Regulators expects the industry to have completed the code by September 2022, subject to any necessary authorisations by the ACCC.

Office of the Registrar-General

ORG provided secretariat support on behalf of ARNECC to the working group and contributed to the policy development.

Community Land Development Act 2021 and Community Land Management Act 2021

The *Community Land Development Act 2021* and the *Community Land Management Act 2021* received assent on 26 March 2021. The Acts will replace existing community schemes legislation and align with the major reforms that were incorporated into the strata schemes laws in 2015. The *Community Land Development Act 2021* modernises procedures, allows greater flexibility to deal with association property and updates the staged development process.

Statutory review of strata laws

In December 2020, ORG, together with DCS Strategy and Policy, published a discussion paper and survey seeking feedback on a range of issues affecting strata schemes in NSW. The consultation is part of a statutory review of the *Strata Schemes Development Act 2015* and the *Strata Schemes Management Act 2015*, which is required as soon as possible after five years from the date that the Acts received assent. The purpose of the review is to determine whether the policy objectives of the Acts remain valid and whether the terms of the Acts remain appropriate for securing those objectives. The Acts require a report on the statutory review to be tabled in NSW Parliament within one year of the commencement of the review (by 5 November 2021).

Transitioning from paper to digital survey plans

ORG, together with Spatial Services, has worked closely with NSW LRS and the Digital Survey Plans Consultative Committee (comprising representatives from key industry stakeholders) to identify reform proposals for a staged transition from paper to digital survey plans. In November 2020, the Minister for Digital, Minister for Customer Service launched an industry backed delivery plan which set out a timetable for the transition from paper to digital survey plans.

Highlights of actions delivered in 2020/21 are:

- **LandXML Channel** is allowing industry to access over 750,000 digital survey plans for no additional cost with the purchase of a corresponding registered Deposited Plan image. The service is now delivering over 2,000 digital survey plans to industry every week.
- **NSW LRS Connect** was launched, allowing surveyors to create plan workspaces and pre-populate plan documents with an online form builder. NSW LRS Connect provides the platform for future release of new and enhanced digital survey plan services.
- **A discussion paper** to facilitate further consultation with industry on the transition from paper to digital survey plans was prepared and is planned for release in August 2021.

In late 2019, ORG, NSW LRS and Spatial Services established an interim capture at lodgment collaboration project to increase the use of digital data for plan examination by NSW LRS. Deposited Plans that were examined under this project using digital data increased threefold from 10.8% in 2019/20 to 33.8% in 2020/21. To date this has resulted in a 50% reduction in the rate of significant plan errors being identified by Spatial Services and returned to NSW LRS for amendment following plan registration.

COVID-19 emergency provisions



In response to the evolving needs of the community during the COVID-19 pandemic, ORG extended amendments to the Conveyancing Rules that temporarily allow paper land dealings, plans and instruments to be signed electronically. These changes currently apply until the end of 2021 and allow witnessing obligations to be satisfied electronically using an audio-visual link under the Division 1 of Part 2B of the *Electronic Transactions Act 2000*.

Office of the Registrar-General

Powers of Attorney

ORG continues to work with relevant State, Territory and Commonwealth agencies to review ways to strengthen protections for vulnerable people against misuse of enduring powers of attorney. Most recently, this involved developing a consultation paper identifying proposals for a potential national registration scheme for enduring powers of attorney for financial matters, which was released by the Commonwealth Attorney-General's Department in May 2021. This review arises from the National Plan to Respond to the Abuse of Older Australians and considers improved outcomes for attorneys and the third parties with whom they interact.

Strategic scanning project

In 2020/21, ORG, Spatial Services and NSW LRS completed the digitising of all important land titling records reaching back to the first land grants in NSW (and Australia) in the late 1780s. Customers can now access an additional 3 million images remotely without the need to visit NSW LRS offices in Sydney CBD to get a copy. Originals of the digitised records sets have been transferred to the State Archives and Records Authority. The free records can be viewed and downloaded from NSW LRS' Historical Land Records Viewer, <https://hlrv.nswlrs.com.au/>. Chargeable records are accessed via information brokers, <https://www.nswlrs.com.au/Information-Brokers>.

Titling and Registry Services business during 2020/21

The property market in NSW continued to experience high levels of activity in 2020/21. A total of 974,894 dealings were lodged for registration which was a 15.3% increase from 2019/20. Discharges of Mortgage continued to dominate with 304,998 lodged in 2020/21.

Deposited plan lodgments fell by 10% to 9,862 and strata plan lodgments fell 6.7% to 1,668. There were 56,702 new lots created, 32,630 from deposited plans and 24,072 from strata plans. Strata plans represented 16.4% of all plans lodged and 42.5% of all lots.

Torrens Assurance Fund claims

The TAF is a statutory compensation scheme designed to compensate people who, through no fault of their own, suffer loss or damage as a result of the operation of the RP Act.

During 2020/21, 18 compensation claims were submitted to the Registrar-General, and the Office of the Registrar-General reviewed 19 TAF claims valued at around \$13.43 million (as at 30 June 2021). This estimate of liability is based on the scenario of all fraud and error claims being paid. Actual payments are generally much lower.

The TAF has paid out a total of \$171,950.40 in compensation for the 2020/21 financial year.

Office of the Surveyor-General

The Office of the Surveyor-General (OSG) is part of Spatial Services and operates pursuant to the *Surveying and Spatial Information Act 2002* (S&SI Act) and its regulation, *Surveying and Spatial Information Regulation 2017* (S&SI Regulation). The S&SI Act provides for the:

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

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

In 2020/21, staff within the OSG:

- revised and published the following Surveyor-General's Directions (SGD) to ensure consistency and quality of practice across the surveying industry:
 - SGD5 Calibration of Electronic Distance Measuring (EDM) Equipment
 - SGD12 Control Surveys and Survey Control Information Management System (SCIMS)
 - SGD11 Preservation of Survey Infrastructure
- commenced reviews of the following SGD to ensure that the content and procedures are up-to-date and best practice:
 - SGD6 Water as a boundary
 - SGD8 Mining Tenure Surveys
 - SGD11 Preservation of Survey Infrastructure
 - SGD13 Aquaculture Lease Surveys
- maintained 12 regional Electronic Distance Measuring baselines to enable surveyors to calibrate their surveying instruments and ensure compliance with legislation
- maintained National Association of Testing Authorities accreditation and National Measurement Institute appointment as a verifying authority under the provisions of the *National Measurements Act 1960*

- created an online workflow between OSG and industry allowing for digital submission and 'real time' tracking of submissions for Surveyor-General Approvals (such as exemptions, Preservation Of Survey Infrastructure (POSI) submissions and Trig approval submissions)
- evaluated applications for survey mark removal under clause 90 of the S&SI Regulation (section 24 of the S&SI Act)
- evaluated applications for exemption from the provisions of the S&SI Regulation
- evaluated applications for proposed development at Trigonometrical Station sites
- chaired the *Preservation of Survey Infrastructure Collaborative Working Group* with Transport for NSW to maintain the integrity of the State control survey and the State Cadastre
- ensured the State control survey is authoritative, accurate, current and complete. Supported the propagation, sourcing and improvement of the State control survey
- provided survey control for government aerial imagery and LiDAR capture programs
- provided survey control for the upgrade and update of the Digital Cadastral DataBase (DCDB)
- presented at over 25 industry events, seminars and webinars on a wide range of topics to contribute to the ongoing development of skills and knowledge of surveyors and the community.

Geocentric Datum of Australia 2020 (GDA2020)

In 2020/21, achievements included:

- research and design of the new 'multi-datum' web services, supporting GDA94, GDA2020 and the World Geodetic System 1984 (WGS84) requests by using transformations applied on the server-side. These services automatically support users regardless of the datum of their application software
- research and design improved Spatial Services Collaboration Portal export capabilities supporting GDA94, GDA2020 and WGS84 requests, including GDA2020 internal and third-party data
- review of Incremental Feed and other Service Delivery workflows to identify requirements for GDA2020 data supply

Office of the Surveyor-General

- successful lobbying for new European Petroleum Survey Group (EPSG) codes for GDA94 <non-NULL> WGS84 and GDA2020 <non-NULL> WGS84 transformations which provide clients with significantly improved control over WGS84 datum issues
 - Australian Standard AS 5488 Subsurface Utility Standard proposal for revision accepted by Standards Australia, with ongoing contribution to address new 'multi-datum' environment in this standard
 - ongoing coordination of adoption of GDA2020 across government, industry and academia through the work of state and national level working groups.
 - CORSnet-NSW network control software transfer to an Amazon Web Service cloud environment has been tested successfully within a development environment and is currently being built into a production environment. The project will limit the susceptibility of disruption to the CORSnet-NSW network caused by an outage of one or both servers that the network software is hosted on
 - full refurbishment of three Geoscience Australia operated CORS Tier 2 sites in rural NSW, including replacement of all GNSS equipment (under contract to Geoscience Australia).
- CORSnet-NSW continues to work closely with Geoscience Australia to refurbish every Geoscience Australia owned CORS Tier 2 site in NSW.

CORSnet-NSW

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

In 2020/21, achievements included:

- installation of 45 high performance industrial modems as part of the telecommunications program to upgrade every modem and duplicate communications across the CORSnet-NSW network
- replacement of GNSS receivers at 13 CORSnet-NSW sites across NSW as part of the GNSS receiver replacement program (upgrading every CORS receiver in the network older than seven years)

Survey Control Information Management System (SCIMS)

In 2020/21, achievements included:

- adding 3,144 new survey marks to SCIMS
- updating coordinates for a further 1,259 marks in SCIMS
- receiving and processing more than 2,693 locality sketch plans.

Number and type of Survey Marks issued during 2020/21:

SSM Type 1	SSM Type 2	SSM Type 15	SSM Type 16	PM Cover Box	PM Stainless Steel Pin	Brass Screws	Brass Number Plate	SSM Type 15 Pin Only
164	190	1,475	304	930	101	1052	544	60

Office of the Surveyor-General

Digital Survey Plans

In November 2020, the Minister for Digital, Minister for Customer Service launched a delivery plan to transition from paper to digital survey plans in NSW. The delivery plan sets out the outcomes and associated actions required to move to 100% digital survey plans over the next three years.

NSW LRS has launched its new portal, NSW LRS Connect, to support the implementation of new digital survey plans services. The initial launch included new features for surveyors to create online plan workspaces and an online form builder for administration sheets and section 88B instruments. Further releases will include the migration of existing lodgment services from their old portal, as well as further enhanced digital survey plan services, such as a CAD to LandXML automatic translator. In preparation for this, a CAD layering standard has been developed for NSW and is currently undergoing industry review.

To improve the quality of registered plans while the transition to digital survey plans progresses, a new capture-on-demand service has been made available to NSW LRS by Spatial Services. The proportion of lodged deposited plans being examined using digital survey plan data continues to increase and currently sits at 45%, more than double the rate 12 months ago. Of the 2,500 plans captured at lodgment to date, 16% were found to contain a misclose that may not have otherwise been identified until after registration.

A discussion paper will be released shortly providing further details about the transition from paper to digital survey plans in NSW. The discussion paper will help facilitate further industry consultation in the lead up to moving to 100% online lodgment of plans and the introduction of various mandates and restrictions to support uptake of digital survey plans.

Promotion of surveying and spatial industry

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

- offering the Surveyor-General's Undergraduate Scholarship in Surveying which supported students entering their final year of the surveying degree program at the University of Newcastle and the University of NSW

- chairing the NSW Surveying Taskforce, tasked with promoting the surveying and spatial information profession to future generations of professionals. The taskforce has seen a significant number of students commencing university surveying degree programs and an increase in the number of candidate surveyors enrolled for registration
- supporting the promotion of surveying as a profession through the provision of resources to NSW Surveying Taskforce initiatives, including careers expos, in-school presentations, 'Maths in Surveying' days, a 'Diversity in Surveying' event, as well as hosting both school and university students to complete their industry-based work experience.

Leadership and strategic direction

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

- presiding over the Board of Surveying and Spatial Information
- representing NSW on the Intergovernmental Committee on Surveying and Mapping
- acting as the secretary/treasurer of the Surveying and Mapping Industry Council of NSW
- representing surveying on the University of NSW School of Civil and Environmental Engineering Industry Advisory Committee
- Representing surveying on the University of Newcastle Surveying Liaison and Program Advisory Committee
- chairing the Geographical Names Board
- focusing on increasing the diversity and inclusivity of the surveying profession.

As the first female Surveyor-General, Mrs Underwood is committed to promoting women in STEM (Science Technology Engineering Maths) and women in leadership. This includes:

- delivering presentations to raise the profile and diversity of the surveying profession
- participating in Science & Technology Australia's Superstars of the STEM program
- delivering presentations on women in leadership, mentoring and professional development
- mentoring young professionals across NSW, Australia and internationally.

Geographical Names Board

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

- assigning and determining place names, and maintaining the State gazetteer of place names
 - approving that a recorded name of a place shall be its geographical name
 - determining address locality (suburb) boundaries
 - investigating and determining the form, spelling, pronunciation, origin and history of place names
 - evaluating road name proposals and maintaining a list road names for the State
 - supporting the production, aggregation, publication and usage of standardised address data across NSW.
- revised the NSW Addressing Policy and User Manual
 - continued to spatially enable the Geographic Names Register
 - evaluated 643 road names through its online road naming system
 - advertised 76 place names and address locality boundaries
 - assigned 39 place names and seven recorded names
 - responded to over 2,300 enquiries
 - continued to create address localities, align datasets and review dual naming opportunities with NSW National Parks and Wildlife Service
 - continued to adapt to changes in working environment due to COVID-19.

GNB's role

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

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

Key achievements

GNB's focus during 2020/21 has been on completing its digital transformation journey, Aboriginal place naming, stakeholder engagement, policy and process improvement, and ongoing management of place name applications.

Specifically, GNB has:

- completed enhancements to the NSW Place and Road Naming Proposal System – streamlining processes and improving customer experience
- published a GNB Place Naming video to explain the role of the GNB
- published an Offensive Place Names video and fact sheet to support community in reporting names perceived to be offensive

GNB Strategic intent

A GNB strategic road map for 2018–2021 defines GNB's strategic purpose as delivering and enabling fit-for-purpose place naming for the people of NSW. It identifies the following four high-level strategic challenges:

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

Report on operations

Consultation

Consultation with stakeholders is central to the creation of appropriate and consistent place names in NSW. As part of GNB's stakeholder management program, it actively participated in a wide variety of forums in 2020/21. These included:

- active participation in the Australian New Zealand Working Group on Place Names (ANZWGPN) through attendance at several online forums. ANSWGPN is a sub-committee of the Intergovernmental Committee on Surveying and Mapping and provides a coordinating role in Australian place naming activities

Geographical Names Board

- engagement with DPIE, NSW National Parks and Wildlife Service, Education, Western Parkland City Authority, Aboriginal Languages Trust and NSW Telco Authority, as well as other government agencies and local councils
- participation in Local Government Addressing Working Group Meetings and Placenames Australia meetings
- completion of a storymap for the Real Secret River Dyarubbin Project with Professor Grace Karskens to map 180 known Aboriginal sites on the Hawkesbury and Macdonald Rivers
- delivery of presentations to local government stakeholders
- media relations, including proactive media releases for all new naming proposals and interviews ranging from general interest stories on radio to print coverage in a variety of publications.

Aboriginal place naming

GNB continues to encourage and support Aboriginal place naming in NSW. Through place naming, the GNB aims to reawaken, promote and grow Aboriginal Languages in NSW. An Aboriginal identified position has been created in the GNB Secretariat team to enhance the cultural capability in the team and to support better outcomes for Aboriginal communities.

GNB is working closely with the NSW Telco Authority on the Aboriginal Place Names Program. The program aims to identify traditional Aboriginal names for natural features where Telco infrastructure is located and to have these names officially assigned in the Geographical Names Register.

GNB, with support from DCS's Spatial Services– Digital Services team, has created a storymap for the Real Secret River Dyarubbin Project with Professor Grace Karskens to map 180 known Aboriginal sites on the Hawkesbury and Macdonald Rivers. GNB is working with Professor Karskens to review names that are eligible for consideration for inclusion in the Geographical Names Register.

GNB is committed to engaging with community and a wide range of stakeholders.

Offensive names

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

In 2021, GNB published a fact sheet and video to support community members in reporting place names which are thought to be offensive.

Digital transformation

GNB has automated its workflows and updated its ICT platforms. The NSW Place and Road Naming Proposal System was launched in February 2020 and an enhancement project to improve the system was delivered in June 2021. Feedback from users has been overwhelmingly positive.

GNB's role supporting NSW development

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

Place naming work undertaken during 2020/21 resulting from major developments in NSW included:

- continued working with the DPIE to provide guidance on the naming of reserves and other features within the Western Sydney Aerotropolis area, with a focus on Aboriginal place naming
- continued working with the NSW National Parks and Wildlife Service on dual naming four existing geographical features; Montague Island, Mount Dromedary, Little Dromedary and Mumbulla Mountain
- working with Blacktown City Council to finalise six new suburbs and seven suburb boundary amendments in the Blacktown Local Government Area
- supporting Wollongong City Council in the preliminary stages of creating three new suburbs.

Geographical Names Board

Production figures

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

Designation	2013/14	2014/15	2015/16	2016/17	2017/18	2018/19	2019/20	2020/21
Address locality (suburb) names and boundaries	24	11	92	64	36	32	10	16
Road names (evaluated)	1,687	792	2,547	1,563	1,762	1,634	1,135	643
Dual names	0	2	8	0	0	0	1	0
Place names	133	202	55	75	110	84	92	46

Governance

Board members, meetings and attendance

Members are appointed to the Board in accordance with the provisions set out in section 3 of the *Geographical Names Act 1966*. The Board met formally on five occasions during 2020/21. The Board also convened on three additional occasions to deal with matters out of session.

The table below shows the Board members during 2020/21 and the number of meetings attended by each member:

Members of the Board	Board meetings	Members of the Board	Board meetings
Mrs Narelle Underwood Surveyor-General of NSW. Ex-officio position. Chair of the Board	5	Dr Alanna Kamp Nominee of the Geographical Society of NSW. Term expires September 2022	5
Ms Dawn Routledge Nominee of the Department of Customer Service. Ex-officio position	5	Mr Peter Gibbs Nominee of the NSW Aboriginal Land Council. Until May 2021	2
Mr Richard Neville Nominee of the State Librarian. Ex-officio position	5	Cr Dallas Donnolly Nominee of the NSW Aboriginal Land Council. Appointed June 2021	0
Ms Monica Gibson Nominee of the Department of Planning, Industry and Environment. Ex-officio position	4	Mr Felice Montrone Nominee of Multicultural NSW. Term expired December 2020	3
Mr Terry Kass Nominee of the Royal Australian Historical Society. Term expires May 2022	5	Mr Simon Chan Nominee of Multicultural NSW. Appointed March 2021. Term expires March 2026	1
Cr Lesley Furneaux-Cook Nominee of the Local Government and Shires Association of NSW. Term expires May 2022	5		

Geographical Names Board

Counsellors and attendance

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

The table below shows the counsellors that were appointed during 2020/21 and the number of meetings attended by each counsellor:

Counsellors	Board meetings
Dr Peter Orlovich, Historical Advisor	5
Dr Jakelin Troy, Linguistic Advisor	5
Ms Julie Christie, Australia Post Addressing Advisor	3
Ms Marina DeGabriele, NSW Fire & Rescue Advisor	2
Mr Sam Stone, Urban Development Institute of Australia (until November 2020)	2
Mr Angus Man, Urban Development Institute of Australia (commenced November 2020)	2

Administration

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

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Appendices



Accounts payable performance

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

Under the FPT policy, DCS aims to pay 100% of registered small businesses within 5 business days of a correctly rendered invoice. During COVID-19, DCS has further extended its implementation of this policy, aiming to pay 100% of all invoices within 5 days of receiving a correctly rendered invoice. DCS has

also increasingly adopted the use of purchase cards for the payment of low dollar-value transactions in several expense categories, where the transaction was \$10,000 or less in value, and not subject to a contractual requirement for a Purchase Order.

During 2020/21, there were no instances where penalty interest was paid for the late payment of invoices, although not all payments were made on time. Factors affecting the timing of payments are largely due to manual error or process missteps and include errors in tax invoice information, and part delivery of goods and services where it is necessary to wait for full delivery before payment can be made.

Aged analysis at the end of each quarter:

Quarter	Current \$'000	Less than 30 days overdue \$'000	Between 30 and 60 days overdue \$'000	Between 61 and 90 days overdue \$'000	More than 90 days overdue \$'000	Total \$'000
All suppliers						
Sep-20	235	8,556	210	163	61	9,225
Dec-20	1,482	2,900	248	40	(283)	4,387
Mar-21	459	1,610	96	18	(340)	1,843
Jun-21	4,073	3,718	59	76	(192)	7,734
Small business suppliers						
Sep-20	13	-	8	-	-	21
Dec-20	192	-	-	-	4	196
Mar-21	167	-	8	-	-	175
Jun-21	136	1	55	-	-	192

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

Accounts payable performance

Accounts due or paid within each quarter:

Measure	Sep-20	Dec-20	Mar-21	Jun-21
All suppliers				
Invoices due for payment (#)	6,805	5,986	6,243	7,208
Invoices paid on time (#)	5,880	5,147	5,376	6,545
Actual percentage of invoices paid on time (based on number of invoices)	86.4%	86.0%	86.1%	90.8%
Amount due for payment (\$'000)	\$200,852	\$158,508	\$176,300	\$206,549
Amount paid on time (\$'000)	\$194,923	\$149,219	\$169,584	\$196,108
Actual percentage of accounts paid on time (based on \$)	97.0%	94.1%	96.2%	94.9%
Number of payments for interest on overdue accounts (#)	-	-	-	-
Interest paid on late accounts (\$)	-	-	-	-
Small business suppliers				
Invoices due for payment received from small businesses (#)	321	316	311	379
Invoices from small businesses paid on time (#)	314	303	288	358
Actual percentage of small business invoices paid on time (based on number of invoices)	97.8%	95.9%	92.6%	94.5%
Amount due for payment to small businesses (\$'000)	\$5,337	\$5,010	\$4,777	\$11,082
Amount due to small businesses paid on time (\$'000)	\$5,270	\$4,741	\$4,207	\$10,418
Actual percentage of small business accounts paid on time (based on \$)	98.7%	94.6%	88.1%	94.0%
Number of payments to small business for interest on overdue accounts (#)	-	-	-	-
Interest paid to small businesses on late accounts (\$)	-	-	-	-

Note: The report does not include payments made to employees, payments related to payroll and superannuation. Small business registration began in January 2012. A small business is defined as a NSW business with less than 20 employees that supply to participating NSW Government agencies (www.smallbusiness.nsw.gov.au/what-we-do/our-work/faster-payment-terms). All numbers are reported from 30 days from receipt of a correctly rendered invoice.

Consultants

Engagements costing \$50,000 and above

Consultant	Business unit	Category	Purpose	Amount (\$)
Deloitte Touche Tohmatsu	Corporate Services	Management Service	Strategic review of DCS operations as part of Project Reimagine, to optimise outcomes and deliver services to its customers in the most efficient and effective way possible.	1,361,467
Deloitte Touche Tohmatsu	Office of the Secretary	Management Service	Scoping paper to develop a Roadmap to deliver 'Project Amplify', supporting businesses through post COVID recovery.	150,000
Deloitte Touche Tohmatsu	Customer Delivery & Transformation	Management Service	Undertake best practice review of customer feedback solutions and provide recommendations for a future state framework for DCS.	60,000
Ernst & Young	Spatial Services	Management Service	Discovery assessment and cost benefit analysis for four technical work streams as a critical input to the NSW Spatial Digital Twin Project.	462,450
Golder Associates Pty Ltd	SafeWork NSW	Management Service	Silicosis case study & professional assessment and advice on crystalline silicosis exposure.	59,000
KPMG	Revenue NSW	Management Service	Strategic Review of Duties and Grants operations and development of business case outlining opportunities to streamline to streamline processes, improve efficiency and enhance delivery of service.	502,489
KPMG	Corporate Services	Management Service	Strategic review of Customer Delivery & Transformation division (CDT) operations as part of Project Reimagine, to optimise outcomes and deliver services to its customers in the most efficient and effective way possible.	147,050
Trustee for Strategic Project Partners	Digital NSW	Business Case Development	To develop a business case for the Licence.NSW project, bringing together initiatives and projects from across the cluster into a coordinated, single view program	199,260
Subtotal engagements costing \$50,000 and above				2,941,716

Engagements under \$50,000

Category	Number of engagements	Amount (\$)
External consultants	13	258,181
Subtotal engagements under \$50,000		258,181
Total expenditure on consultants		\$3,199,897

Consumer response

Better Regulation Division

BRD works hard to understand customer experiences and to deliver services that better meet their needs. As well as customer insights, BRD uses evidence such as data, research and evaluation to better understand its customers and inform improvements to services.

The following outlines the key data gathered by the regulators and agencies of BRD. Brief descriptions of the key initiatives implemented by BRD to improve its customer service and experiences are also included.

Community and customer engagements

During 2020/21, across BRD there were approximately 19 million contacts with the NSW community including face to face, online and telephone engagement including:

- over 90,000 enquiries
- over 51,000 complaints
- over 19 million unique webpage views across all the BRD agency related websites.

Enquiries and complaints

Fair Trading provides consumers and traders information about their rights and responsibilities and helps resolve consumer complaints and disputes. In 2020/21, Fair Trading received 45,622 enquiries and 38,841 complaints from consumers and traders.

SafeWork provides advice to workers, workplaces and the general community about workplace safety. In 2020/21, SafeWork received 36,140 enquiries and 12,586 complaints.

Liquor & Gaming NSW received 8,479 enquiries in 2020/21 (note: Liquor & Gaming NSW does not handle regulatory complaints).

In 2020/21, BRD implemented a Complaints Assessment Program to improve the customer and staff experience with complaint handling. This program included a review of the complaints made to Fair Trading about trader conduct in building, general consumer, automotive and property industries. The review identified the nature of complaints in high volume industries and sought to understand the impact of major events through analysis of complaints data including drought, bushfires and the COVID-19 pandemic. Over 400 Fair Trading related complaints were reviewed, 31 consultations with customers who had made a complaint were held and 20 recommendations informed an insights report.

BRD improved the quality of correspondence with Fair Trading and Liquor & Gaming NSW customers by using plain English to explain issues regarding property, home building, motor, and liquor and gaming matters. This made it simple and easy for customers to understand the correspondence. This had an impact on approximately 50,000 customers and reduced calls from home building customers by 32%. There was also a 65% reduction in the amount of correspondence received by staff in relation to motor and property issues.

To support workers and improve reporting mechanisms, SafeWork developed the Speak Up, Save Lives app, a digital progressive, web-based and mobile application that allows individuals to take photographs of unsafe situations and anonymously report them directly to the regulator. In 2020/21, over 3,900 submissions were sent to SafeWork via the Speak Up app. Since the launch of the Speak Up app, there have been over 6,500 submissions, resulting in over 464 improvement notices and 101 prohibition notices being issued.

Community engagements and events

In 2020/21, over 548 community engagement events were held by BRD, including webinars, workshops and information sessions.

Number of engagements by agency*

Fair Trading	217
SafeWork	206
Liquor & Gaming NSW	106
Agency not recorded	32
Subsidence Advisory NSW	15
Office of Responsible Gambling	14
Executive/Ministerial	11
Professional Standards Authority	10
Office of Racing	6
Office of the Registrar-General	2
Long Service Corporation	8
Office of the Building Commissioner	1

*Figures are based on engagements entered in the BRD Stakeholder Engagement Calendar from September 2020 to June 2021.

+ figures do not add up to the total number of engagements for the period reported because some engagements have multiple agencies/sectors selected and others have none selected.

Note: The COVID-19 pandemic dramatically impacted the ability to hold face to face events, and this impacted numbers compared to previous years.

Consumer response

BRD initiatives for people from culturally and linguistically diverse (CALD) backgrounds

- The Fair Trading website has a dedicated section with translated information in 21 languages (including both established and new and emerging community languages). The section features over 40 topics to help provide relevant information online to consumers and traders from diverse backgrounds.
- Fair Trading's YouTube channel features educational video resources in 17 languages covering topics such as buying a car, consumer rights, renting a home, help with tenancy problems, and how to lodge a complaint with Fair Trading.
- A fact sheet on *Electrical safety switch FAQs (Frequently Asked Questions)* was published and translated in five languages (Arabic, Assyrian, Chinese, Korean and Vietnamese), and is available on the Fair Trading website. The fact sheet was circulated to over 400 CALD service providers and key stakeholders. Also, the fact sheet was part of the Electrical Safety Switch campaign conducted in November 2020 under the BRD Strong and Safe Together co-design banner.
- Social media posts in Chinese were conducted as part of the Electrical Safety Switch campaign.
- Translated articles about the review of the *Motor Dealers and Repairers Act 2013* were placed in Arabic, Chinese and Indian newspapers to encourage the target language groups to provide feedback as part of the consultation process conducted in August 2020.
- A recorded webinar on tenancy reforms was circulated to CALD community workers and organisations to help them and their clients understand recent tenancy reforms.
- Fair Trading's website features digital story videos in seven languages (including English) to help educate people with disabilities about their consumer rights under the National Disability Insurance Scheme.
- Bilingual staff regularly participate in monthly community radio programs such as SBS Mandarin and Hope Global Chinese radio.
- Fair Trading staff participated in regular meetings with Multicultural NSW, Multicultural Coordinator's Forum, the Refugee Support Network and other migrant inter-agency networks online during COVID-19.

In 2020/21, the following translated information was included on the SafeWork website:

- a translated 'Coronavirus advice and guidance for NSW workplaces' information sheet in eight languages (Arabic, Chinese, Farsi, Hindi, Korean, Thai, Turkish and Vietnamese) to help employers and businesses manage the risk of COVID-19 under the work health and safety laws
- a translated 'COVID-19 and Mental health at work' fact sheet in eight languages (Arabic, Chinese, Farsi, Hindi, Korean, Thai, Turkish and Vietnamese) for businesses to provide a mentally healthy work environment during COVID-19
- translated information on Crystalline silica and Formaldehyde in Arabic, simplified Chinese and Vietnamese to help businesses and workers learn to protect themselves and reduce exposure to hazardous chemicals.

In 2020/21, the Office of Responsible Gambling had the following customer interactions:

- Gambling Help NSW services saw 5,286 clients over 29,406 sessions, with 31% delivered face to face, 21% online and 48% by telephone
- the Gambling Help NSW helpline provided 8,903 NSW residents with telephone crisis support and the national Gambling Help Online service delivered 2,745 online counselling sessions to NSW residents
- the Gambling Help NSW and Office of Responsible Gambling websites had over 100,000 unique users and 264,731 page views.

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

- 359,604 rental bonds were lodged and receipted, 79% of which were lodged fully online using the Rental Bonds Online portal
- 300,953 rental bond refunds were processed, 87.55% of which were processed fully online.

Rebates

In 2020/21, SafeWork supported small businesses and farmers through the Small Business Rebate Program and the Quad Bike Rebate Program.

Consumer response

Small Business Rebate Program

The Small Business Rebate Program received 2,694 small business rebate applications and paid 2,400 totalling \$1,026,796. The contributing financial investment by small businesses was \$715,854.

The Small Business Rebate Program rapidly increased support initiatives in response to the COVID-19 pandemic. In June 2020, a number of hygiene safety items were introduced as eligible items. Demand was immediate and the program budget increased from \$350,000 per annum to over \$1.2 million. The 2019/20 demand (1,255 applications) doubled and successful applications tripled (from 733 to 2,400). The program was able to pivot successfully to offer online eligible engagements. This is a great example of a program supporting small businesses when they needed it most during the COVID-19 pandemic.

NSW Quad Bike Safety Improvement Program

In 2020/21, the NSW Quad Bike Safety Improvement Program continued to engage with the farming community to improve safety, reducing fatalities and serious injuries associated with quad bikes and side-by-side vehicles. The program's rebate, training, communication and engagement initiatives were well received by the farming community and key stakeholders.

There has been a 66% increase in the uptake of the rebate program from 2019/20, with 1,307 applications approved and over \$2.3 million in rebates paid by SafeWork to farmers, who also invested over \$22 million in safety solutions.

In June 2021, an additional \$3.7 million in funding was approved to continue the program up to June 2023. In November 2020, in partnership with the NSW Farmers Association, a \$2 million Farm Safety Advisory Program was announced to further support safer farming. The pilot program was redesigned, increasing its reach and impact in the farming community over a four-year delivery period.

It is hoped that the revised program will see more participants in the training program and generate a larger impact through regional campaigns and an overall focus on safety in the NSW farming community.

Industry training

Liquor & Gaming NSW provided mandatory training courses to ensure that people working in licenced venues are properly trained, for example in the responsible service of alcohol (RSA). These courses are delivered by approved training providers, and over 124,000 people undertook these courses in 2020/21.

Training course	Number of participants
RSA Classroom	32,982
RSA Online	31,864
RCG Classroom	23,465
Licensee Classroom	1,492
Licensee Online	1,832
Advanced Licensee Classroom	347
Advanced Licensee Online	231
Privacy Training Online	63
Liquor & Gaming NSW delivered online training	
RSA Refresher	22,459
RCG Refresher	8,810
RSA Bridging Course	947

Consumer response

Website engagement

In 2020/21, there were over 19 million unique webpage views across all the BRD agency related websites.

This data indicates the importance website information plays in BRD's regulatory role to engage with, raise awareness and influence the behaviours of the community to reduce harms.

Webpage	Number of views
https://www.fairtrading.nsw.gov.au/	11,568,578
https://www.safework.nsw.gov.au/	5,661,251
https://www.liquorandgaming.nsw.gov.au/	2,042,239
https://www.fairtrading.nsw.gov.au/housing-and-property/renting/rental-bonds-online	280,468
https://www.responsiblegambling.nsw.gov.au/	100,000
https://www.subsidenceadvisory.nsw.gov.au/	75,211
https://www.registrargeneral.nsw.gov.au/	144,408
Total	19,872,155

Licensing

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

Fair Trading administers licensing of operators and registration of organisations across a range of commercial activities and industries vital to the NSW community, including home building, motor, real estate, retirement villages and residential parks.

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

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

Consumer response

	Fair Trading	SafeWork	Liquor & Gaming NSW
Total licences / authorisations (all current) *	903,417	2,040,492	37,706
Finalised new licences / authorisations (2020/21)**	60,926	138,756	11,559
Finalised renewed licences (2020/21)**	137,771	119,164	19,319
Total refused licences (2020/21)*	2,719	21	110

* Total number of current licences/authorisations for Fair Trading, SafeWork (licences, certificates, registrations, permits, notifications) and Liquor & Gaming NSW (licences/authorisations)

** **Fair Trading and SafeWork finalised new and renewed licences includes:**

Total number of licences, certificates and registrations finalised (including approved, refused, withdrawn and variations)

** **Liquor & Gaming NSW finalised new and renewed licences includes:**

Total number of new licence applications, all amendments to licences, all authorisations, change of boundaries, change of conditions and hours, change of business type, transfers of licence, exemptions. Including refusals, approvals, provisional approvals

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

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

Fair Trading registers and accredits a range of organisations and not-for-profit activities to assure the NSW community that the requirements of the law are being met. These include cooperatives, associations, incorporated limited partnerships, limited partnerships, charitable fundraising authority holders and building certifiers, as well as Registered Training Organisations (RTOs), Approved Third Party Providers (ATPs) and Assessors under legislation administered by Fair Trading and SafeWork.

Registry and accreditation data	2020/21 total
Total entities registered	41,590
Total RTOs/ATPs/Assessors	672
Total number of registered certifiers	1,992
New registrations – building certifiers	447
New registrations – entities/organisations	1,664
New authorities – charitable fundraising	356
New accreditations – RTOs/ATPs/Assessors	68
Applications/documents processed – entities/organisations	29,580
Applications processed – building certifiers	2,134
Applications processed – RTOs/ATPs/Assessors	133
Applications processed – charitable fundraising	1,147

Consumer response

Enforcement of regulatory obligations

Compliance activities

BRD's compliance approach aims to create a safer and more confident NSW community supported by better regulation. This approach includes both proactive and responsive activities such as providing advice, information and education on how to comply, and issuing warnings and notices based on the seriousness of the risk and/or offence and the potential for harm to workers, consumers and the wider community.

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

As at June 2021, there were total of 598 inspectors and investigator roles within BRD:

- 331 SafeWork inspectors
- 109 Fair Trading inspector roles
- 89 Fair Trading investigator roles
- 69 Liquor & Gaming NSW inspectors.

Driving an evidence-based approach to regulatory compliance

Data, intelligence and analytics are used to provide innovative and tailored information, data and intelligence products to inform best practice policy and program development and regulatory decision making.

BRD combines police and military intelligence analytical methodologies with intelligence and information, data analytics and systems proficiency, data science and stakeholder engagement expertise to enable an uplift in sophisticated regulatory and business intelligence capability.

This has substantially increased BRD's ability to assess risk, and helps licensing assessors, investigators and executive-level decision makers through access to relevant data and insights.

In 2020/21, there were:

- 1,140 intelligence products provided
- 30,093 entity information requests processed
- 943 data requests processed.

Compliance activities

In 2020/21, BRD inspectors and investigators undertook over 155,000 compliance related activities, including COVID-19 related inspections to ensure compliance with Public Health Orders.

Fair Trading

In 2020/21, 79,812 Fair Trading inspector compliance related activities were undertaken, including desktop inspections.

Fair Trading inspector activities and notices	Total
Property inspections – onsite	264
Property e-audit inspections – desktop inspections	793
Plumbing inspections – onsite and desktop audits	76,550
Building specialist compliance inspections	1,506
OC Audit inspections	73
Building	626
Total	79,812
PINS/ROs/Orders (and penalties \$ value)	
PINs issued	404
Non-Compliances issued	3,154
Total Written Directions	99
Cautions issued	506
Rectification Orders (ROs)	403
OC orders	23
\$ value of penalties	\$549,450

Consumer response

Liquor & Gaming NSW compliance activity

General Inspector compliance activity	
Desk Audits	1,279
Engagements	353
Inspections	599
Probity Investigations	60
Gaming machine tax assurance reviews	11,195
Subtotal	13,486
Complaints and applications	
Complaints received and addressed (incl. 1659 triaged for formal assessment)	2,770
Regulatory reviews, applications and approvals	105
Subtotal	2,875
General Notices issued	
Compliance Notices (warnings)	427
Penalty Notices	15
Court Attendance Notices (Direct Prosecutions)	55
Disciplinary Complaints	8
Subtotal	505
COVID-19 related relief measures compliance activity	
Proactive gaming machine tax adjustments totalling \$27.9 million (in lieu of annual adjustments for the 2019/20 tax year)	1,223
Dine & Discover NSW program compliance activity	
Inspections	970
Non-Compliances	517
Other key data for 2020/21	
Government revenue overseen as part of L&GNSW's Assurance Program* (approximate)	\$2 billion
Dine & Discover NSW+ industry compliance rate	47%
Industry compliance rates relating to L&GNSW BAU inspections undertaken	77%
Satisfactory outcome rates relating to L&GNSW Covid inspections undertaken	89%

*Holders of the major NSW Gaming licences are required to pay certain duties, taxes and levies depending on the gaming revenue received. The Assurance Program focuses on ensuring effective management systems and controls for exclusive licensed operators while auditing operator compliance with regulatory and financial obligations (including in excess of \$2 billion in gaming duties) under the regulatory frameworks. The Duty and Data Reconciliation process verifies the licensees' calculations, ensuring that the integrity of those calculations and the associated payments are maintained.

In collaboration with NSW Treasury and Revenue NSW, Liquor & Gaming NSW also facilitated COVID-19 relief measures. The team implemented an amended operational approach to proactively adjust the 2019–2020 gaming taxes. The approach used another legislative mechanism to recalculate a venue's tax liability, which Revenue NSW offset as a tax credit against a venue's deferred tax repayment plan.

Liquor & Gaming NSW and Revenue NSW worked to minimise resourcing and customer impacts resulting in tax credits of \$14.5 million for clubs (n = 398) and \$13.4 million for hotels (n = 825) which helped help retain staff and improve business liquidity.

+The NSW Government launched the Dine & Discover NSW program to encourage the community to support dining, arts and recreation businesses. All NSW residents aged 18 and over are eligible for two \$25 Dine NSW vouchers to be used for dining and two \$25 Discover NSW vouchers to be used for entertainment and recreation, at participating businesses.

Liquor & Gaming NSW compliance officers conducted 'mystery shopper' style compliance checks across NSW. The mystery shopper program identified the largest area of non-compliance was that many venues permitted 'Dine' vouchers to be used for takeaway purchases (note: takeaway purchases were subsequently included in the eligibility criteria). Also, a number of venues did not comply with the Public Health Orders, which was a condition of participating in the program. In particular, patrons dining-in also sign-in using the Service NSW QR code. Authorised officers from Liquor & Gaming NSW, who were appointed under the *Public Health Act 2010*, used this intelligence to follow-up with venues and undertook appropriate enforcement action, where required.

Consumer response

SafeWork inspector interactions

In 2020/21, SafeWork delivered over 52,000 inspector interactions and issued over 15,000 notices.

WHS compliance action	Number
Proactive workplace visits	27,202
Workshops, presentations, seminars and forums	579
Reactive workplace visits	12,300
Other reactive interventions	12,451
Total interactions	52,532 (includes COVID-19 inspections)

Notices issued	Number
Improvement	9,984
Prohibition	2,363
Penalty	520
Other – S&C, explosives	2,943
Total notices	15,810

Data Disclaimer

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

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

Consumer response

Investigation activities

BRD investigates alleged breaches of legislation that is administered by Fair Trading, Liquor & Gaming NSW and SafeWork. During 2020/21, 5,100 investigations (including reviews and assessments) were undertaken.

Enforcement actions

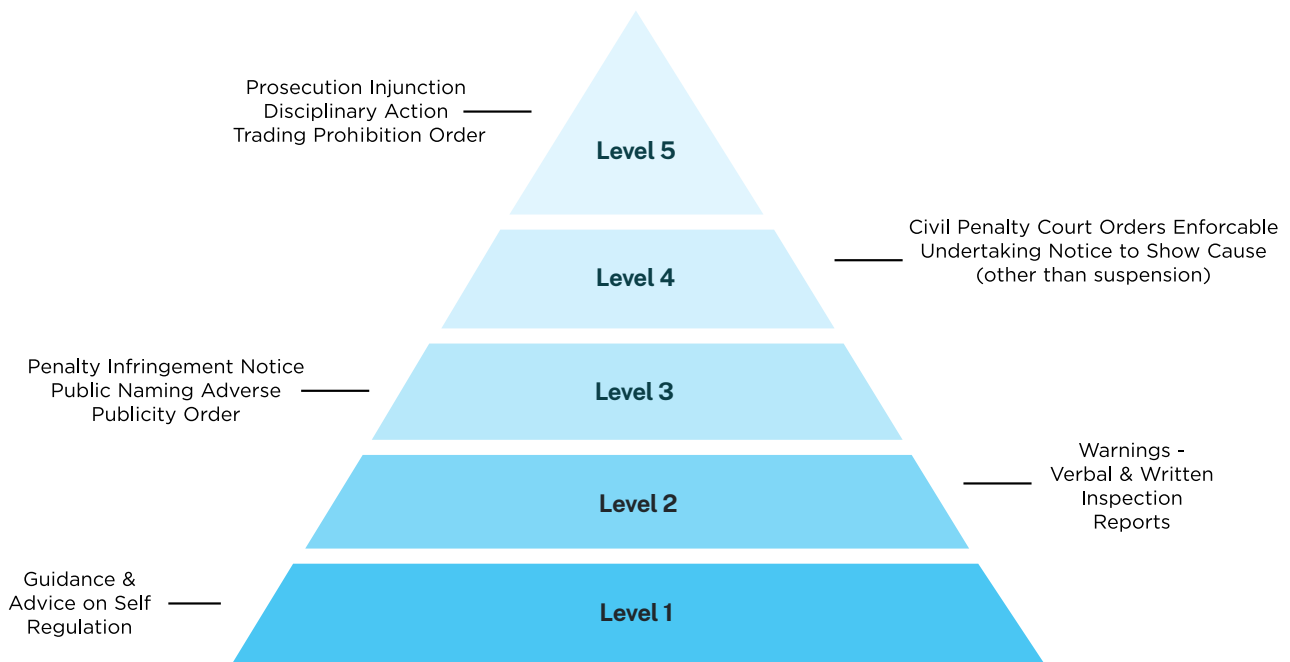
A variety of compliance and enforcement outcomes and actions are available to BRD. There are a range of administrative, civil, disciplinary and criminal actions available in conjunction with other measures to address non-compliant behaviour. The diagram below shows the pyramid of enforcement measures available. In 2020/21, BRD investigators and inspectors completed over 3,000 enforcement actions across all levels of the enforcement pyramid.

In 2020/21, as an alternative to prosecution, there were nine enforceable undertakings accepted by SafeWork under the *Work Health and Safety Act 2011*, which totalled \$5.5 million. The money was subsequently invested in work health and safety improvements in workplaces, industry and the community by those organisations implementing the enforceable undertakings.

Proactive regulatory engagement

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

In 2020/21, over 25,000 proactive regulatory engagements were undertaken.



Consumer response

Office of the Registrar-General

During 2020/21, the Office of the Registrar-General:

- reviewed 19 TAF claims valued at around \$13.43 million
- reviewed 35 boundary disputes between adjoining property owners and carried out 178 audits across NSW, 113 of which were in the Sydney metropolitan area and 65 in regional NSW.

Subsidence Advisory NSW activity

During 2020/21, Subsidence Advisory NSW:

- approved development with an estimated total cost of over \$2 billion in Mine Subsidence Districts, assessing 4,541 individual development applications
- responded to 245 emergency mine subsidence reports, including sinkholes, through its 24-Hour Subsidence Emergency response service
- received 211 claims and paid \$10.5 million in compensation for properties and infrastructure damaged by subsidence.

Prosecutions and other actions undertaken in 2020/21

SafeWork

- 101 legal proceedings resulting in a conviction, order or agreement in 2020/21
- 144 legal proceedings commenced in 2020/21 (proceedings commenced may not conclude until subsequent year/s)
- Approximately \$12.7 million in fines ordered by the Courts

(Note: The above figures include all prosecutions under the *Work Health and Safety Act 2011*, the *Explosives Act 2003* and the regulations under those Acts.)

Liquor & Gaming NSW

- 155 charges commenced
- 7 prosecutions and/or other legal actions completed successfully
- Fines totalling \$54,800 issued by the Court.

(Note: The above figures exclude offences in relation to Public Health matters and matters before ILGA).

Fair Trading

- 392 Court Attendance Notices
- 1,964 Penalty Infringement Notices issued, with fines totalling \$2,953,550
- 223 prosecutions against 52 defendants with fines and penalties totalling \$572,172.89

BRD enquiries and complaints

In 2020/21, a total of 1,983 compliments, complaints and enquiries were received about the services provided by BRD.

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

Type	Fair Trading	SafeWork	Liquor & Gaming NSW
Complaint	1,033	75	38
Compliment	171	61	46
Enquiry	318	14	34
Suggestion	141	30	22
Total	1,663	180	140

Consumer response

Customer, Delivery and Transformation

NSW Registry of Births Deaths & Marriages

The Registry participated in 18 community events during the 2020/21 financial year. These face-to-face events occurred across regional NSW and metropolitan Sydney in Kempsey, Grafton, Casino, Tabulam, Bourke, Brewarrina, Dubbo, Port Macquarie, Forster, Forbes, Potts Point and Mt Druitt.

Seven events were the result of the Pathfinders National Aboriginal Birth Certificate (NABC) program. Through the Pathfinders NABC, the Registry is providing over 1,700 free birth certificates to Aboriginal and Torres Strait Islander families. Discussions are currently underway for the Registry to provide certificates for a further 12 months to the Pathfinders NABC program.

The Registry has also played a key role in an Identity Enhancement project with Corrective Services NSW since March 2020. The project was introduced to address the Premier's Priority on reducing recidivism in the prison population by 5% by 2023.

The focus of the Identity Enhancement project is to improve release planning for inmates leaving custody by providing identification documents to identified vulnerable inmates. The project was implemented to help identify barriers and policy issues, as well as the demand for identification services for vulnerable inmates in custody.

The Registry committed to providing a total of 2,600 free birth certificates for the Identity Enhancements project. The Registry will continue working with Corrective Services NSW to achieve outcomes for eligible inmates, ensuring they receive a birth certificate through this initiative over the next 12 months.

In addition, 400 free birth certificates are also available for youth on release from Youth Justice Centres throughout NSW.

Revenue NSW

Customer experience surveys

Revenue NSW's quarterly Customer Satisfaction Survey seeks to understand its customers' experience and to identify their pain points and greater opportunities for improvement. The survey results for April 2021 show an overall customer satisfaction of 67.3%, up by 1.9% from January 2021. Customers provided a rating of 3.7 out of 5 on the customer effort score, which remains stable from rating in January.

Dedicated Customer Experience team

Revenue NSW has a dedicated team of professionals focused on improving the customer experience, providing customer research and insights, and developing capabilities in our people across the business.

In 2020/21, the achievements included:

- collaborating on policy development as members of various government working groups, including:
 - DCS's complaints handling policy and procedures
 - NSW Government Research Operations policy
- managing Revenue NSW's MyCustomer database to capture customer and staff, complaints, compliments and ideas
- developing the Customer Commitments video in collaboration with the DCS media team
- designing and implementing the annual Fines and Debt Business Partner and Duties Electronic Duties Returns experience surveys
- jointly facilitating with Service NSW ways of working workshops, with a vision to set the gold standard of partnering with Service NSW across government
- establishing a Behavioural Insights Champions Network (in collaboration with the Behavioural Insights Unit) to help build knowledge in how to drive behaviour change and encourage compliance
- assisting in the planning, design and delivery of the NSW Government CX Community of Practice program and holding 10 virtual events to assist with capability uplift and networking across the public sector

Consumer response

- hosting ideation sessions and workshops for the Fines Hardship program which were aimed at reducing fines in vulnerable cohorts of the community, including:
 - age and culturally appropriate communications
 - school education program aimed to educate youth
 - learner driver education
- developing customer journeys and personas to derive pain point insights across a variety of products, including:
 - Hotel Quarantine, in collaboration with the CEU
 - Land Tax surcharge compliance
 - debt resolution for First Nations people
 - fines online transformation
 - Property Tax calculator and opportunity canvas
 - end-to-end property buyer, including representatives from Property NSW, Service NSW, NSW Land Registry Services and Office of the Valuer General
 - Parking Space Levy.

Disclosure of controlled entities and subsidiaries

For the purposes of financial reporting, DCS had no controlled entities or subsidiaries for the 2020/21 financial year.

Diversity and inclusion policies and services

Diversity and inclusion at DCS

A multi-faceted, cluster-wide approach to diversity and inclusion has focused on three key areas during 2020/21:

- delivery of NSW Premier's Priority 14 (PP14)
- uplift of Employee Resource Group activity
- embedding of key inclusion initiatives, namely the Aboriginal Employment Strategy (AES) and the Disability Inclusion Action Plan (DIAP).

In 2021/22, DCS will continue to work on employment programs that will increase diversity representation at DCS, including aligning these programs to the AES and the DIAP.

Delivery of PP14 NSW Premier's Priorities

DCS has implemented initiatives to support the PP14 NSW Premier's Priorities of:

- increasing the proportion of women in senior leadership roles to 50% by 2025
- increasing the number of Aboriginal people in senior leadership roles
- increasing representation of people with disability from 2.7% to 5.6% by 2025.

Increasing women in senior leadership

DCS is focused on ensuring continued equality while furthering the advancement and representation of women across various role types, pay classes and regional divides.

From establishing DCS's Women in Tech network to engaging women in regional NSW through deepening talent pipelines and raising awareness through targeted networking events, DCS has seen more than 2.8 percentage points growth in Women in Senior Leadership roles over the past year. Seeing DCS reach 49.8% Women in Senior Leadership, DCS almost reached the PP14 target of 50%, with women holding 128 of senior leadership roles in DCS as at 24 June 2021.

Increasing Aboriginal people in senior leadership

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

Initiatives to date include the establishment of an Aboriginal Outcomes Unit within the Office of the Secretary, the development of an Aboriginal Customer Engagement Strategy, and advanced work to build greater cultural capability across DCS.

Building a culture of awareness and understanding has been the first step towards deepening Aboriginal employment outcomes. In 2020/21, DCS has grown by employing an additional 22 Aboriginal staff, taking the total Aboriginal workforce to 217 full time employees (FTE). Aboriginal staff now make up 2.5% of the DCS workforce with 3 DCS senior leaders identifying as Aboriginal. As such, DCS is on track to meet the stretch target of 4.0% by 2025.

Increasing representation of people with disability

A total of 4.9% of DCS staff identify as having a disability. DCS is implementing the actions of its DIAP to increase the representation of people with disability within DCS, as well as the spread across grade levels and the experience of candidates and employees with disability. The DIAP is governed by the Disability Inclusion Steering Committee with representatives from across the cluster and supported from Ability DCS, the Employee Resource Group (ERG) for people with disability.

In 2020/21, the People Matter Employee Survey indicated a significant increase in the engagement of employees with disability, as well as an increase in the numbers of employees with disability.

Diversity Inclusion Advisory Council

The Diversity Inclusion Advisory Council provides advice and support to the DCS Executive to develop and oversee the activities around diversity and inclusion at DCS. The Council also proactively demonstrates visible and active leadership of diversity and inclusion across the cluster. The Council is chaired by the Secretary, with membership including ERG chairs and executive sponsors. Council meetings were held every 12 weeks in 2020/21.

Diversity and inclusion policies and services

Employee Resource Groups

In conjunction with the Diversity Inclusion Advisory Council, ten ERGs continued to increase awareness and make a positive contribution to DCS's culture. The 10 ERGs are focused on the following diversity characteristics:

- Ability DCS (people with disability)
- Aboriginal
- Culturally and Linguistically Diverse
- Carers
- Generations (for people aged 45+)
- Pride DCS (lesbian, gay, bisexual, transgender, intersex, queer, asexual and aromantic)
- Leading Women
- Young Professionals Network
- MENergy
- Regional.

Members of Ability DCS and the Disability Inclusion Manager are also active members of the NSW Public Service Commission's sector-wide DENConnect, which links members of disability employee networks to share resources, experiences and innovations.

Members of PRIDE DCS are also active members of the NSW Government's whole-of-sector PRIDE in NSW network, an initiative to connect public servants in NSW who have an interest in the LGBTQIA+ community and support.

The work of DCS's ERGs ranges from employee support to strategic advising. The ERGs host several inclusive events each year to celebrate their respective diversity characteristics within DCS and the wider external community. The ERGs represent the staff of DCS and help embed and develop a stronger culture of inclusion.

In June 2021, the ERGs co-designed the DCS ERG Playbook, a resource designed as a universal guide for DCS employees who want to learn more about the landscape of ERGs at DCS and why they exist. It also includes information for current ERG chairs and members on how they can create an impactful difference in building a diverse and inclusive culture.

Inclusion month

In February 2021, DCS's ERGs co-designed Inclusion Month (a month of online events) to acknowledge and celebrate the diverse community of people within DCS, as well as the customers and communities that DCS serves. Inclusion Month comprised 11 events, with

each ERG owning an event themed specifically around issues prevalent to their community.

Disability Inclusion Action Plan

DCS launched its DIAP 2020–25 on International Day of People with Disability 2020.

Mapped to the State's Disability Inclusion Plan, the DIAP uses 10 key areas of access and inclusion to ensure that DCS includes all its customers, people and suppliers with disability. DCS has published the DIAP and it has also provided public summaries in Auslan and Easy English. DCS is looking forward to publishing highlights of the first six months shortly.

Key actions to date have included:

- incorporating DIAP Key Performance Indicators in the performance plans of senior leaders
- implementing a centralised funding model for workplace adjustments
- forming an Accessibility Working Group which resolves accessibility issues as they arise, and supports and promotes user testing of new products and services with people with disability
- increasing take-up in disability confident manager and disability confident workforce training
- hosting (in partnership with the Australian Network on Disability) 29 interns with disability, many of which have gone on to extended contracts or ongoing roles
- hosting (in partnership with the Australian Network on Disability) 9 mentees in 2020 and a total of 11 mentees in 2021
- updating DCS's internal mentoring program to allow prospective mentors to specify that they wish to mentor a person with disability, and promoting this to our people with disability
- increasing targeted recruitment activities across a number of our divisions and agencies
- including hearing loops in the DCS meeting room standard, with loops in 16 meeting rooms at DCS offices at 4 Parramatta Square, 10 meeting rooms in the McKell Building and 2 meeting rooms in the Newcastle office. Also, all meeting rooms have been updated to provide automated captioning features
- promoting NSW guidelines of accessible content (NSW Design Standard) and digital accessibility training as part of DCS's annual Global Accessibility Awareness Day activities.

Diversity and inclusion policies and services

Many of the DIAP actions support DCS's aim of a 0.5% annual increase in the employment of people with disability at all levels of seniority. DCS has already seen benefits from this work, including:

- In January 2021, DCS employment of people with disability was 3.1%, with 62.9% of these people at grades 5/6 or below and 37.1% at grades 7/8 or above, including 6 individuals at senior executive levels.
- As at June 2021, employment of people with disability is 3.3%, with 59.5% of these people at grades 5/6 or below and 41.5% at grades 7/8 or above, including 9 individuals at senior executive levels.
- The change from January 2021 to June 2021 represents an increase of 0.2% in percentage of workforce, with a 4.4% increase at the more senior grade levels.

DCS recognises the importance of intersectionality and both its DIAP and AES have actions for Aboriginal people with disability. The DIAP also has actions for people with disability of CALD and other diversity backgrounds.

Aboriginal Employment Strategy

In November 2020, DCS developed and launched its AES 2020–2025. The AES is designed to move Aboriginal employment forward in a meaningful and holistic way, growing and developing career paths for Aboriginal employees. The strategy is committed to the following programs of work to uplift Aboriginal employment over five years:

- achieve a minimum target of 10 Aboriginal people in senior leadership roles
- achieve a minimum target of 4% of all Aboriginal staff in non-executive salary classes
- recruit Aboriginal people to all agencies within the DCS cluster and under all available programs including:
 - school-based traineeships
 - graduate and entry level programs
 - Elsa Dixon Aboriginal Employment Program
 - Aboriginal Development Training & Leadership Program
 - secondments
 - role swapping with non-government organisations
 - utilising talent/recruitment pools.

The AES will also support and nurture Aboriginal staff and provide a sense of belonging to Aboriginal employees. The strategy will achieve this by:

- providing career paths and promotion opportunities
- establishing robust support mechanisms including:
 - mentoring and shadowing
 - buddy systems
 - Aboriginal Employee Assistance Program
- strengthening the DCS induction process so that new staff are aware of support services and can connect with other Aboriginal staff, including the Aboriginal ERG
- developing an exit interview process to gain honest and open data so that DCS can continually improve its retention and staff satisfaction rates
- encouraging participation in community development programs such as Jawun and explore options for DCS to develop similar programs.

To achieve these targets, DCS is developing the necessary frameworks and programs, and forming strong partnerships across DCS and NSW government agencies by participating in the relevant forums and committees. In addition:

- DCS has an Aboriginal Procurement policy which supports Aboriginal-owned businesses. Agencies may negotiate directly with an Aboriginal business for all procurements up to \$250,000, even if there is a mandated prequalification scheme or panel in place.
- DCS engages Orana as its commercial supplier for all relocations. Orana is the first national Indigenous commercial relocation company in Australia, and acknowledges Traditional Owners, their heritage, customs, culture and connection to the land. Meaning 'welcome' in the Wiradjuri language, the relocation teams at Orana will do everything possible to make their clients feel welcome in their new space. Orana uses an Indigenous agency for additional workers when required, 'closing the gap' between Indigenous and non-Indigenous communities and helping break the cycle of unemployment for Aboriginal and Torres Strait Islander people in the communities in which we operate.
- DCS held a Town Hall event for all staff showcasing the work of the NSW Telco Authority and the Geographical Names Board on the Aboriginal Place Names Program.

Diversity and inclusion policies and services

Revenue NSW – embedding diversity and inclusion

- Revenue NSW specialised First Nations team is providing culturally appropriate services to Revenue NSW customers.
- Implementation of the AES as an ongoing initiative is providing career opportunities within Revenue NSW for Aboriginal and Torres Strait Islander people. As at May 2021, Revenue NSW employed 38 Aboriginal and Torres Strait Islander staff (2.94% of staff).
- Cultural inclusion and awareness are present in the day-to-day business of Revenue NSW, including:
 - acknowledgement of Country at the beginning of meetings
 - the Waterhole Connections Group for Aboriginal and Torres Strait Islander staff
 - cultural awareness online training available for all staff
 - acknowledgement of culturally significant dates throughout the year.
- Revenue NSW conducted workshops to formulate a Revenue NSW diversity and inclusion strategy, including:
 - designing targeted talent recruitment
 - incorporating diversity and inclusion principles into the sourcing partner research.
- Revenue NSW established an open-doors sponsorship program with Executive sponsorship designed for:
 - reciprocal partnering with high performing, high potential individuals for advancement and equality, particularly targeting women, Aboriginal and Torres Strait Islander people, people whose first language is not English, and people with a disability
 - surfacing and accelerating career aspirations, and driving positive career outcomes
 - supporting diverse talent in overcoming systemic barriers and promoting equal opportunities for career advancement.

Multicultural Policies and Services

DCS, as part of its commitment to multiculturalism, has:

- used external interpreting and translation services, including Service NSW's online Auslan-English interpreting service, to provide access to services, programs and opportunities across the State, with the Diversity and Inclusion team working across the cluster to enhance awareness and usage of these services
- developed the Community Voice framework, a BRD initiative, to facilitate two-way engagement between regulators and stakeholders in its priority communities including Aboriginal, CALD, youth and people with disability. Through the Community Voice framework, BRD will work collaboratively with stakeholders to educate, reduce harms and create opportunities for communities to have a voice in the regulatory process
- ensured that Revenue NSW's Hardship Support Program includes culturally appropriate communications for vulnerable people who receive fines
- developed a model to embed diversity and inclusion in the Revenue NSW workforce planning, recruitment, onboarding and capability development to drive sustainable outcomes in diversity and inclusion
- embedded a dedicated CALD strategy within its COVID-19 Business Safety campaign, with an average spend of 16.7% of total campaign media spend:
 - In total, the CALD Business Safety campaign has been developed across six languages (Simplified Chinese, Traditional Chinese, Vietnamese, Korean, Thai and Arabic) with 134 unique social posts, 30 press advertisements, 50 radio advertisements, 54 Digital Display banners and seven WeChat Sponsored Articles.
 - The top three Business Safety Plans were translated to allow CALD businesses to better understand the requirements for becoming a COVID-19 Safe Business. The Hospitality, General and Beauty and Other Services Plans were translated into five languages (Simplified Chinese, Arabic, Vietnamese, Korean and Thai). As at 30 June, 3,777 translated Safety Plans have been downloaded.

Diversity and inclusion policies and services

- The QR Code Check-in Poster is also available for businesses to download from the Business Hub, with their unique NSW Government QR Code for customer check-ins in five languages (Simplified Chinese, Arabic, Vietnamese, Korean and Thai)
- ensured the COVID-19 safety campaign included CALD communities:
 - Advertising was translated into more than 18 languages, communicating COVID-19 safe behaviours and the latest rules and restrictions.
 - More than 691 social-live advertisements were translated into 12 languages, which resulted in more than 19 million impressions.
 - COVID-19 information was published in 24 different CALD publications.
 - The campaign was advertised during cultural festivals to remind the community to celebrate in a COVID-19 safe way.
 - Through a partnership with SBS Radio, DCS produced a tailor-made script on contact tracers, which was recorded by medical professionals in four languages
- promoted the Dine & Discover NSW campaign to CALD businesses and consumers, with a media spend of 12.9% of total campaign spend. Languages covered in the campaign include Simplified Chinese, Traditional Chinese, Vietnamese, Korean, Thai and Arabic, with over 135 creative variations across Radio, Social, Digital and Print
- in partnership with Multicultural NSW, developed the Multicultural Youth Linker Pilot connecting refugee and migrant youth (located within the Fairfield Local Government Area) to government and non-government services:
 - During the eight-month trial period of the Multicultural Youth Linker Pilot program, Service NSW connected with over 20 local service providers and engaged with more than 3000 youth.
 - The engagement included Warrakirri College, a school for students aged between 15 to 22 who have disconnected from mainstream education, and Fairfield High School where Service NSW attended on a weekly basis during school lunch to inform students about Service NSW and the services it offers
- The success of the program has been highly acknowledged by local community groups. The program will continue for another 3 years as a result, with funding secured from Multicultural NSW.
- continued to provide outreach services to CALD communities via the Service NSW Cost of Living program. This included a community event in Fairfield hosted by Settlement Services International, which was attended by recently arrived refugee families as part of the Humanitarian Settlement Program. Attended by over 500 people, the community event enabled Service NSW to provide information about its services and help NSW's newest local community members settle in NSW
- continued to engage refugee interns into the Service NSW Refugee Internship Employment Program. In 2020/21, Service NSW engaged 33 refugees to support its frontline teams and culturally diverse communities in the Greater Sydney region. Some 96% of its refugee interns remain in temporary and ongoing roles across the NSW public sector. Since its introduction in 2017, Service NSW have now employed 72 refugees through this program
- supported the Office of Responsible Gambling with a project supporting people with a CALD background in regional NSW. The project outcome is to increase awareness about identifying gambling addiction and preventive measures to support the family and friends from the impact. The core requirement is to provide counselling support (online/phone/text/email) to CALD people in regional NSW who need assistance dealing with gamble addiction. While this has been an ongoing initiative, the business model has now changed to being more targeted, recognising the differences between smaller communities to enable DCS to provide a better service to the community
- introduced a CALD calendar in November 2021 for the CALD ERG to build awareness of different cultural events that occur in the year, with a focus on a cultural highlight and spotlighting an employee's 'story' to connect people with different cultures
- continued to participate in the Community Language Allowance Scheme (CLAS) scheme, leveraging the language skills of employees to help assist customers in simple enquiries to communicate and connect with DCS

Diversity and inclusion policies and services

- reviewed the CLAS scheme (led by the CALD ERG) which will drive improvement in this area in the next financial year
- introduced the anti-racism discussion series, a 3-part collaborative event series led by the CALD and Aboriginal ERGs to raise awareness about racism in the workplace and provide employees with the opportunity to discuss key issues, challenges and best practice for addressing racism in the workplace
- celebrated Harmony Week with a number of internal online events for staff.

In 2020/21, DCS did not enter into an agreement with Multicultural NSW under the *Multicultural NSW Act 2000*. In 2021/22, DCS will be developing and implementing a cluster-wide Multicultural Plan, including language policy.

Diversity and inclusion statistics

The Diversity and Inclusion Premier's Priority statistics for DCS, including Service NSW, for 2020/21 are outlined below. It should be noted that completion of Equal Employment Opportunity (EEO) employee data is voluntary and as such under-reporting is likely. 78% of staff chose to respond to diversity data in 2020/21.

Women in Leadership

Women in Leadership currently stands at 49%.

Female executive appointments

2020/21	Total
Number of appointments (ongoing)	28
Number of women (ongoing)	17
Ratio of women (ongoing)	61%

- As at 24 June 2021 (PSC census date), there were 206 substantive senior executive leaders in the cluster, of which 101 (49%) were female.
- The ratio of women in leadership remained steady from the previous year.
- The cluster is on target to meet the Premier's Priority of 50% women in leadership roles by 2025.
- Of the 101 female senior leaders, 1% identified as Aboriginal, 2% identified as having disability, and 10% identified as belonging to a racial, ethnic or ethno-religious minority group.

Aboriginal staff

As at 24 June 2021:

- 2.5% of DCS employees identified as Aboriginal.
- the employment rate for Aboriginal new starters was 5.3 percentage points higher than those exiting the organization.
- 54% of Aboriginal new starters were Clerk Grade 3/4 equivalent.
- 54% of Aboriginal new starters were placed in ongoing roles.
- the separation rate for Aboriginal staff was 17.7% compared to 12.7% for all employees.
- the commencement rate for Aboriginal staff sat at 23.0% compared to 18.6% for all employees.
- two SEB1 staff members identified as Aboriginal.

People with disability

As with other EEO data, the identification of staff with a disability remains a challenge. The below data reflects the demographic information voluntarily provided by individuals; however, the number of employees with a disability is likely to be higher than that reported.

- No employees who identified as having a disability were appointed to a Senior Leader role in DCS in 2020/21
- Twenty-nine people with a disability commenced in 2020/21, with 32 staff with a disability exiting the department.
- People with disabilities were recruited to roles in BRD, Corporate Services, Liquor & Gaming NSW, SIRA, SafeWork, Long Service Corporation, NSW Telco Authority, Revenue NSW, Office of the Secretary and Digital.NSW.
- The separation rate for people with disabilities was 14.4%, which was lower than the rate for all employees of 12.7%.
- The ratio of cluster commencements for people with disabilities was 2.7%.
- The voluntary separation of people with a disability leaving within the first 12 months as a percentage of total voluntary separations of people with a disability was 38%.
- Of new starters who identified as having a disability:
 - 14% were at grade 11/12 or equivalent
 - 10% were at grade 9/10 or equivalent
 - 14% were at grade 7/8 or equivalent
 - 10% were at grade 5/6 or equivalent
 - 52% were at grade 3/4 or equivalent.

Diversity and inclusion policies and services

Workforce diversity statistics

Workforce Diversity Group	Benchmark	2019 ¹	2020 ¹	2021 ¹
Women ²	50%	60.7%	60.0%	57.9%
Aboriginal people and/or Torres Strait Islander people ³	3.3%	2.7%	2.7%	2.5%
People whose first language spoken as a child was not English ⁴	23.2%	21.5%	22.2%	24.5%
People with disability ⁵	5.6%	5.5%	5.0%	4.9%
People with disability requiring work-related adjustment ⁵	N/A	1.5%	1.4%	1.7%

Note 1: Statistics are based on Workforce Profile census data as at 27 June 2019, 25 June 2020 and 24 June 2021.

Note 2: The benchmark of 50% for representation of women across the sector is intended to reflect the gender composition of the NSW community.

Note 3: The NSW Public Sector Aboriginal Employment Strategy 2014-17 introduced an aspirational target of 1.8% by 2021 for each of the sector's salary bands. If the aspirational target of 1.8% is achieved in salary bands not currently at or above 1.8%, the cumulative representation of Aboriginal employees in the sector is expected to reach 3.3%.

Note 4: A benchmark from the Australian Bureau of Statistics (ABS) Census of Population and Housing has been included for People whose First Language Spoken as a Child was not English. The ABS Census does not provide information about first language but does provide information about country of birth. The benchmark of 23.2% is the percentage of the NSW general population born in a country where English is not the predominant language.

Note 5: In December 2017, the NSW Government announced the target of doubling the representation of people with disability in the NSW public sector from an estimated 2.7% to 5.6% by 2027. More information can be found at: *Jobs for People with Disability: A plan for the NSW public sector*. The benchmark for 'People with Disability Requiring Work-Related Adjustment' was not updated.

Workforce Diversity Group	Benchmark	2019	2020	2021
Women	100	93	93	94
Aboriginal people and/or Torres Strait Islander people	100	95	93	94
People whose first language spoken as a child was not English	100	98	99	100
People with disability	100	96	96	96
People with disability requiring work-related adjustment	100	90	91	91

Note 1: A Distribution Index score of 100 indicates that the distribution of members of the Workforce Diversity group across salary bands is equivalent to that of the rest of the workforce. A score less than 100 means that members of the Workforce Diversity group tend to be more concentrated at lower salary bands than is the case for other staff. The more pronounced this tendency is, the lower the score will be. In some cases, the index may be more than 100, indicating that members of the Workforce Diversity group tend to be more concentrated at higher salary bands than is the case for other staff.

Note 2: The Distribution Index is not calculated when the number of employees in the Workforce Diversity group is less than 20 or when the number of other employees is less than 20.

Employment and senior executive statistics

There have been no exceptional movements in wages, salaries or allowances for DCS during 2020/21.

Employment statistics

Division	Full Time Equivalent (FTE) Headcount over time ¹⁹				
	2017 ¹	2018 ¹	2019 ¹	2020 ¹	2021
Better Regulation Division ^{2,7,9}	1,022.9	1,551.6	1,578.3	1,725.2	1,781.2
Customer, Delivery and Transformation ¹²				411.1	436.3
Digital NSW ^{3,11}	512.7	411.9	472.9	551.7	701.4
Corporate Services ^{5,10,11}	609.6	858.3	721.6	603.1	663.4
Greyhound Welfare and Integrity Commission ¹³				58.6	66.9
Information and Privacy Commission ¹⁴				26.3	27.2
NSW Fair Trading ²	559.8				
Office of the Secretary ^{4,5,10}	116.9	83.8	50.0	40.5	61.2
Office of the Independent Review Officer ¹⁷					56.4
Personal Injury Commission ¹⁶					154.2
Property & Advisory Group ¹⁵	663.9	659.2	728.6		
Revenue NSW ⁸	1,335.7	1,383.3	1,317.6	1,214.2	1,218.0
State Insurance Regulatory Authority ^{7,18}		296.2	313.3	360.6	283.3
Titling & Registry Services ⁶	334.2				
Workers Compensation Independent Review Office ¹⁷	27.0	27.4	37.35	49.5	
Workers' Compensation Commission ¹⁸	56.1	58.8	68.7	67.1	
Total	5,238.8	5,330.5	5,288.35	5,107.9	5,449.5

Notes:

- Full time equivalent staff (excludes chairpersons, casuals, contractor/agency staff, statutory appointments, trustees, council committee members, staff on secondment to other agencies and staff on long term leave without pay). Statistics are based on Workforce Profile census data as at 29 June 2017, 28 June 2018, 27 June 2019, 25 June 2020 and 24 June 2021.
- NSW Fair Trading Division was abolished in July 2017 and all of NSW Fair Trading transferred to Better Regulation Division.
- Digital.NSW was renamed from ICT & Digital Government in 2020.
- In 2017, Mine Subsidence Board numbers were reported under the Office of the Secretary.
- Government & Corporate Services was renamed Corporate Services in July 2019. Ministerial Services staff transferred from Government & Corporate Services to the Office of the Secretary in March 2017.
- Titling & Registry Services privatised on 30 June 2017.
- State Insurance Regulatory Authority (SIRA) created as its own division on 1 July 2017, transferred from Better Regulation Division.
- Revenue NSW was renamed from Office of State Revenue in July 2017.
- From 2018, Subsidence Advisory NSW employees reported under Better Regulation Division.
- Change Management Office transferred from Office of the Secretary to Government & Corporate Services in October 2017.
- State Archives and Records Authority transferred from ICT & Digital Government to Government & Corporate Services in February 2018.
- Customer, Delivery and Transformation (CDT) was created in July 2019, which included the transfer of NSW Births Deaths & Marriages, the Customer Service Commission, the Data Analytics Centre, and the Behavioural Insights Unit into the cluster. CDT Strategy, CDT Delivery Unit, and Brand Digital and Communications were newly formed in July 2019 when the division was created.
- Greyhound Welfare and Integrity Commission transferred to the DCS in July 2019.
- Information and Privacy Commission transferred to the DCS in July 2019.
- Property & Advisory Group transferred out of the DCS in June 2019.
- Workers Compensation Commission was abolished February 2021 and transferred to Personal Injury Commission which was established on 1 March 2021.
- Workers Compensation Independent Review Office was abolished February 2021 and transferred to the Office of Independent Review Officer which was established on 1 March 2021.
- Dispute Resolution Services division of the State Insurance Regulatory Authority transferred to the Personal Injury Commission on 1 March 2021
- The FTE equivalent headcount is the total employee headcount based on the number of hours a person works where a full-time employee is equal to 1 FTE.

Employment and senior executive statistics

Senior executive statistics

Senior Executive Band	2020 ^{1, 2, 3}				2021 ^{1, 2, 3}			
	Female	Male	Total	% Representation by women	Female	Male	Total	% Representation by women
Band 4 (Secretary)	1	0	1	100%	1	0	1	100%
Band 3 (Deputy Secretary)	2	5	7	28.6%	2	5	7	28.6%
Band 2 (Executive Director)	15	19	34	44.1%	15	21	36	41.7%
Band 1 (Director)	78	80	158	49.4%	83	79	162	51.2%
Total	96	104	200	48.0%	101	105	206	49.0%

Senior Executive Band	2020 ⁴		2021 ⁴	
	Range \$	Average remuneration \$	Range \$	Average remuneration \$
Band 4 (Secretary)	487,051 – 562,650	599,000	487,051 – 562,650	599,000
Band 3 (Deputy Secretary)	345,551 – 487,050	426,562	345,551 – 487,050	426,562
Band 2 (Executive Director)	274,701 – 345,550	312,326	274,701 – 345,550	314,656
Band 1 (Director)	192,600 – 274,700	234,844	192,600 – 274,700	234,056

Notes:

1. Senior executive statistics exclude casuals, contractor/agency staff, statutory appointments, staff on secondment to other agencies and staff on long term leave without pay.
2. Statistics are based on Workforce Profile census data as at 25 June 2020 and 24 June 2021.
3. All employees reported in 2020 and 2021 are appointed under the *Government Sector Employment Act 2013*. Salary band based on current assignment including those on a temporary above level assignment for more than two months.
4. Salary ranges effective at the Workforce Profile census dates of 25 June 2020 and 24 June 2021.

In 2020/21, 6.53% of the Department's employee-related expenditure was for senior executives compared to 9.58% in 2019/20.

Employee relations policies and practices

Positive and Productive Workplace policy

DCS has a Positive and Productive Workplace policy to assist employees in managing conflicts and grievances in the workplace. The policy focuses on maintaining a harmonious workplace by addressing conflicts as quickly and as close to the source as possible. This is done by utilising three separate pathways (Pathway 1 – Direct Resolution at a local level, Pathway 2 – Facilitated resolution, Pathway 3 – External Resolution) from informal through to formal processes.

Employee recognition – DCS Secretary’s Awards

The annual DCS Secretary’s Awards provide an opportunity to recognise excellence in outcome, approach or behaviour by employees across the cluster. They align with the DCS key objectives and Customer Commitments and highlight the public sector values of integrity, trust, service and accountability.

The 2020 DCS Secretary’s Awards highlighted employee achievements in categories such as demonstrating public sector values, outstanding customer service, excellence in collaboration and/or innovation, and making a contribution to the cluster.

Some agencies within DCS also hold their own Awards programs, which may feed into the DCS Secretary’s Awards.

DCS also participates in the NSW Premier’s Awards, which celebrate excellence in the delivery of public services to the NSW community.

Managing for Improvement Framework

DCS aims to ensure that all managers and employees are equipped with the appropriate support and resources to enable them to work together and improve issues of performance. The Managing for Improvement Framework provides managers and employees with proper resources and is a two-step process (Step 1 – Informal work plan, Step 2 – Formal Performance Improvement Plan) that improves issues of unsatisfactory performance.

COVID-19 related policy

DCS has adopted the Public Sector Policy and Principles to apply Pandemic Special Leave during the COVID-19 response.

The DCS Flexible Working Hours Agreement was varied in March 2020 to provide for extended bandwidth and suspension of core working hours. This change allows for staff to work their hours in a more flexible pattern over a longer band of time to help balance career and other responsibilities.

Employee relations investigation matters

A total of 250 (50 of which are still open) employee relations matters were actioned in the 2020/21 financial year, encompassing conduct, performance, probationary performance, bullying, harassment, discrimination, abandonment of employment and medical retirements.

Industrial Relations matters

The following types of matters were dealt with at the NSW Industrial Relations Commission:

Type of Matter	Quantity
Award matters	2
Unfair dismissal	5
General disputes	2
Government Sector Appeal	0

There were no employment matters dealt with at the Australian Human Rights Commission or NSW Anti-Discrimination Board.

Funds granted to non-government organisations

NSW Fair Trading

During the 2020/21 financial year, Fair Trading administered grants to:

- Aged Care Supported Accommodation Service
- Home Building Advocacy Service
- Strata (Collective Sales) Advocacy Service
- Tenants' Advice and Advocacy Program
- Financial Counselling Services Program
- No Interest Loans Scheme.

The Aged Care Supported Accommodation Service

The Seniors Rights Service, funded under the Aged Care Supported Accommodation Program, provides advocacy, information and education services for older residents in supported accommodation, such as retirement villages, nursing homes, hostels and boarding houses.

Funding for 2020/21 was \$592,803 (plus GST).

Funding is sourced from the Rental Bond Board Interest Account (100%).

Home Building Advice and Advocacy Service

Fair Trading funds the Western Sydney Legal Centre to provide advice and assistance to NSW residential home building consumers. This includes consumer rights and responsibilities, advocacy services, disputes negotiation between consumers and builders, and assistance with case preparation and representation for NSW Civil and Administrative Tribunal hearings.

Funding for 2020/21 was \$308,337 (plus GST).

Funding is sourced from Fair Trading revenue (100%).

Auspice/Funded Organisation	Purpose/Service	Annual Funding (\$)	LGA
Western Sydney Community Legal Centre	Home Building Advocacy Service	308,337	Statewide
Total		308,337	

Strata (Collective Sales) Advocacy Service

The Strata (Collective Sales) Advocacy Service is funded to provide legal advice and advocacy services and to assist or represent targeted NSW strata residential consumers before the NSW Civil and Administrative Tribunal and the NSW Land and Environment Court regarding the strata schemes collective sales and renewals scheme in the *Strata Schemes Development Act 2015*.

Funding for 2020/21 was \$487,922 (plus GST).

Funding is sourced from Fair Trading (100%).

Auspice/Funded Organisation	Purpose/Service	Annual Funding (\$)	LGA
Seniors Rights Service Inc	Seniors Rights Service	243,961	Statewide
Marrickville Legal Centre	Marrickville Legal Centre	243,961	Statewide
Total		487,922	

Tenants Advice and Advocacy Program

This Tenants Advice and Advocacy Program is fully funded by Fair Trading. The Program delivers advocacy, information and education services for tenants.

Funding for 2020/21 was \$13,454,311.70 (plus GST).

Funding is sourced from the Rental Bond Board Interest Account (100%). See the 2020/21 Rental Bond Board Annual Report for a list of service payments.

Funds granted to non-government organisations

Tenants Advice and Advocacy Program – Special Purpose Fund

The Special Purpose Fund provides funding for ad hoc projects, which assist services to meet the aims and objectives of the service funded under the Tenants Advice and Advocacy Program.

Funding for 2020/21 was \$155,385.27 (plus GST).

Funding is sourced from Fair Trading (100%).

Auspice/Funded Organisation	Purpose/Service	Annual Funding (\$)	LGA
Community Data Solutions	Community Data Solutions	2,000.00	
Western & North Western Tenants Service	Western Sydney Community Legal Centre	274.91	Western & North Western Sydney
Western & North Western Tenants Service	Western Sydney Community Legal Centre	255.27	Western & North Western Sydney
New England and Western Tenants Advice and Advocacy Service (NEWTAAS)	New England and Western Tenants Advice and Advocacy Service	810.00	North Western Sydney
Western & North Western Tenants Service	Western Sydney Community Legal Centre	137.45	Western & North Western Sydney
Community Data Solutions	Community Data Solutions	2,000.00	
Western & North Western Tenants Service	Western Sydney Community Legal Centre	127.64	Western & North Western Sydney
Western & North Western Tenants Service	Western Sydney Community Legal Centre	166.91	Western & North Western Sydney
Northern Rivers Tenants Advice and Advocacy Service (NORTAAS)	Northern Rivers Community Legal Centre Inc	9,780.90	Far North Coast
Community Data Solutions	Community Data Solutions	2,000.00	
Inner Sydney Tenants Advice & Advocacy	Redfern Legal Centre Ltd	175.00	Inner Sydney
Western & North Western Tenants Service	Western Sydney Community Legal Centre	58.91	Western & North Western Sydney
Western & North Western Tenants Service	Western Sydney Community Legal Centre	98.18	Western & North Western Sydney
New England and Western Tenants Advice and Advocacy Service (NEWTAAS)	New England and Western Tenants Advice and Advocacy Service	68.10	North Western Sydney
Community Data Solutions	Community Data Solutions	2,000.00	
Western & North Western Tenants Service	Western Sydney Community Legal Centre	49.09	Western & North Western Sydney
Statewide Tenants Advice & Advocacy	Tenants Union of NSW Co-operative	135,000.00	State-wide
Western & North Western Tenants Service	Western Sydney Community Legal Centre	117.82	Western & North Western Sydney
Western & North Western Tenants Service	Western Sydney Community Legal Centre	216.00	Western & North Western Sydney
Western & North Western Tenants Service	Western Sydney Community Legal Centre	49.09	Western & North Western Sydney
Total		155,385.27	

Funds granted to non-government organisations

Financial Counselling Special Purpose Fund

The Financial Counselling Special Purpose Fund provides funding for ad hoc projects that fall outside existing service budgets and service delivery such as moving costs and technology upgrades. Annual budget allocation is \$27,374.

Funding for 2020/21 was \$1,436.15 (plus GST).

Funding is sourced from the Rental Bond Board Interest Account (77%) and Fair Trading (23%). Funding details can be found in the 2020/21 Rental Bond Board Annual Report.

Auspice/Funded Organisation	Purpose/Service	Annual Funding (\$)	LGA
Hunter Valley Financial Counselling	Hunter Valley	1,436.15	Newcastle, Upper Hunter
Total		1,436.15	

Funds granted to non-government organisations

Financial Counselling Services Program

The Financial Counselling Services Program provides free-of-charge financial counselling by accredited counsellors.

Funding for 2020/21 was \$8,223,286 (plus GST).

Funding is sourced from the Rental Bond Board Interest Account (77%) and Fair Trading (23%). Funding details can be found in the 2020/21 Rental Bond Board Annual Report.

Auspice/Funded Organisation	Purpose/Service	Annual Funding (\$)	LGA
Financial Rights Legal Centre Inc.	Financial Rights Legal Centre – Legal Service	90,633.96	North Western
Wesley Mission – Wesley Credit Line Financial Counselling	Wesley Mission Credit Line Financial Counselling Services North Western Sydney	74,275.40	Illawarra
Illawarra Legal Centre Inc	Illawarra Region Financial Counselling Service	135,080.11	Far North Coast
Lismore & District Financial Counselling	Far North Coast Region Financial Counselling Network	29,457.31	Mid North Coast
Kempsey Neighbourhood Centre	Mid North Coast Region Financial Counselling Service	107,927.44	Inner Western Sydney
Metro Assist Limited	Inner Western Sydney Financial Counselling Service	33,912.53	Central Coast
Gosford City & Community Information Service Ltd	Central Coast Region Financial Counselling Service	105,599.20	Statewide
Financial Rights Legal Centre Inc.	Financial Rights Legal Centre – Hotline 1800 007 007	111,383.57	All NSW
Financial Counsellors Association	Financial Counsellors Association	36,224.72	Goulburn
The Salvation Army (New South Wales) Property Trust	The Salvation Army Moneycare Region Financial Counselling Service	536,099.64	Lower South/Western
Anglicare NSW South, NSW West & ACT	Anglicare Riverina Lower South Western Regional Financial Counselling Service	43,400.49	Campbelltown
Muru Mittigar Ltd	Muru Mittigar Community Finance Hub Penrith Aboriginal and Torres Strait Islander Financial Counselling Service	56,598.41	Northern Sydney
The Trustee of the Roman Catholic Church for the Diocese of Broken Bay	CatholicCare Diocese of Broken Bay Northern Sydney Financial Counselling	30,109.31	Far South Coast
Eurobodalla Family Support Service Inc	Far South Coast Region Financial Counselling Service	18,166.92	Newcastle Hunter
Financial Counselling Hunter Valley Project Inc	Financial Counselling Hunter Valley Project Inc	273,276.38	Dubbo-Mid-west
Lifeline Central West Inc	Lifeline Central West Region Financial Counselling Service	110,412.00	Broken Hill
Lifeline Broken Hill Inc	Lifeline Broken Hill Region Financial Counselling Service	43,430.22	Far West
CatholicCare Wilcannia-Forbes Limited Trading as CatholicCare Wilcannia-Forbes	CatholicCare Wilcannia Forbes Limited	55,368.20	Dubbo-Mid-west
Total		1,891,355.81	

Funds granted to non-government organisations

No Interest Loan Scheme (NILS)

The NILS is a nationally-operated, community-based program to help low-income earners buy essential household items and services, such as washing machines, refrigerators or dental services.

Good Shepherd Microfinance Victoria operates the scheme, with capital provided by the National Australia Bank.

Fair Trading provides funding toward salaries and salary-related on-costs associated with the operation of NILS in NSW.

Fair Trading also funds the salary and operational costs of a 1800 phone number and a NSW Coordinator to assist in setup, supporting and expanding new and existing NILS services.

Funding for 2020/21 was \$300,059.30 (plus GST). Funding is sourced from the Rental Bond Board Interest Account (90%) and Fair Trading revenue (10%). Funding details can be found in the 2020/21 Rental Bond Board Annual Report.

Auspice/Funded Organisation	Purpose/Service	Annual Funding (\$)	LGA
Anglicare Western Sydney NILS	Anglican Community Services (t/as Anglicare)	3,502.46	Blacktown, Penrith & Hawkesbury
Muru Mittigar NILS Loans Scheme	Muru Mittigar Ltd	9,631.77	Penrith
Bridging the Gap Sydney West Inc NILS Loans Scheme	Bridging the Gap Sydney West Inc	1,751.23	St Marys
St Vincent De Paul Society	St Vincent De Paul Society NSW	25,313.18	Campbelltown, Camden & Wollondilly
North West NILS	The Hills Community Aid and Information Service Inc	7,880.54	Hornsby, Parramatta Blacktown, Baulkham Hills, Hawkesbury
Fairfield NILS	The Parks Community Network Inc.	6,129.31	Fairfield, Holroyd, Bankstown
Hope Connect NILS	Hope Connect Incorporated	2,626.85	Parramatta LGA & part Holroyd (East Merrylands & East Guildford)
Break the Cycle NILS	Break the Cycle No Interest Loans Scheme Inc.	3,502.46	Glenfield, Macquarie Fields
C3CS Ltd	C 3 Community Services Ltd – C3CS NILS	5,253.69	Campbelltown, Camden & Wollondilly
Macarthur Diversity Services NILS	Macarthur Diversity Services Initiative Ltd	5,253.69	Campbelltown, Camden & Wollondilly
Metro Assist NILS	Metro Assist Limited	7,004.93	Canterbury, Strathfield, Burwood
Marrickville NILS	MTC Australia Limited	4,730.58	Marrickville (South & North), Dulwich Hill, Lewisham, Petersham, St Peters, Stanmore, Sydenham, Tempe, Enmore, Rockdale, parts of Newtown and Camperdown
The Kogarah Storehouse	The Uniting Church in Australia – The Kogarah Storehouse	3,502.46	
Interreach Limited	Interreach Limited	2,626.85	
Hunter Region NILS	Hunter Region No Interest Loans Scheme Inc.	13,134.23	Newcastle, Lake Macquarie, Maitland, Cessnock, Singleton, Muswellbrook, Gloucester, Upper Hunter, Port Stephens, Greater Taree, Great Lakes, Dungog
Manning NILS (Taree and Gloucester) & Hasting NILS	Manning Support Services Inc.	12,258.61	Greater Taree, Great Lakes, Gloucester
Great Lakes NILS	Forster Neighbourhood Centre Inc.	5,253.69	Great Lakes

Funds granted to non-government organisations

Auspice/Funded Organisation	Purpose/Service	Annual Funding (\$)	LGA
The Bellingen Neighbourhood Centre NILS	Bellingen Neighbourhood Centre Inc.	3,502.46	Bellingen
Macleay Valley NILS	Kempsey Neighbourhood Centre Inc.	5,253.69	Kempsey
Nambucca Valley NILS	Lifetime Connect Limited	7,004.92	Nambucca Shire & Coffs Harbour
Anglicare Shoalhaven NILS	Anglican Community Services (t/as Anglicare)	3,502.46	Shoalhaven
BaptistCare NILS	BaptistCare NSW & ACT	24,517.22	Newcastle, Lake Macquarie, Port Stephens and Maitland, Warilla, Broken Hill, Wilcannia & Sutherland
Community Loan Scheme – Southern NILS Program	Our Community Project Inc. (Previously Port Kembla Community Project Inc.)	8,756.15	Wollongong
NICCI NILS	Northern Illawarra Community Connection Inc	7,004.92	Wollongong and Sutherland
Highlands Community Centre NILS	Highlands Community Centres Inc.	4,378.08	Wingecarribee, Mulwaree
Northern Rivers NILS	Northern Rivers Community Gateway Incorporated	8,756.15	Richmond Valley, Lismore, Kyogle, Tweed, Ballina
Wyong Shire NILS	Toukley Neighbourhood Centre Inc.	6,129.31	Wyong
Winmalee Neighbourhood Centre NILS	Winmalee Neighbourhood Centre Inc	2,626.85	Blue Mountains City (2776 & 2777)
Belong Blue Mountains Community & Neighbourhood NILS	Katoomba Neighbourhood Centre Inc.	2,626.85	Blue Mountains
Blackheath Area Neighbourhood Centre NILS	Blackheath Area Neighbourhood Centre Inc.	5,253.69	Blue Mountains & Greater Lithgow
Gosford City NILS	Gosford City Community Information Service Ltd	5,253.69	Outer Gosford & Surrounds
Coast Shelter NILS	Central Coast Emergency Accommodation Services Ltd (Coast Shelter)	4,378.08	Gosford City
Armidale Neighbourhood Centre NILS	Armidale Neighbourhood Centre Inc	3,502.46	Armidale, Dumaresq, Uralla, Guyra, Walcha
Anglicare NILS	Anglicare NSW South, NSW West & ACT	11,383.00	Goulburn, Eurobodalla, Bega Valley & Orange
Lithgow NILS	The Mary Mackillop Foundation Limited	21,890.38	Lithgow, Bathurst, Cowra & Young
Global Care NILS – Dubbo	Local Global Care – Dubbo	8,756.15	Dubbo, Walgett, Lightning Ridge, Bourke, Brewarrina, Collarenebri
Wiradjuri NILS	Wiradjuri Aboriginal Corporation	576.90	Wagga Wagga
Salvos NILS	The Salvation Army (NSW) Property Trust	10,507.39	Inverell, Tamworth & Gunnedah & Moree
NILS NSW Financial Inclusion Coordinator	Northern Rivers Community Gateway	13,967.23	Statewide
NSW NILS 1800 Freecall Service – 1800 50 9994	Winmalee Neighbourhood Centre Inc. (1800 Freecall Service)	11,174.74	Statewide
Total		\$300,059.30	

Funds granted to non-government organisations

Office of Responsible Gambling

During the 2020/21 financial year, the Office of Responsible Gambling administered the following grant programs:

- Clubgrants Category 3 Fund
- Community Development Fund
- Responsible Fund Open Grant Programs
- Gambling Help Services
- GambleAware Providers
- Community Benefit Payment Scheme.

Infrastructure Grants, Clubgrants Category 3 Fund

The Clubgrants Category 3 Fund is established under the *Gaming Machine Tax Act 2001*, and supports infrastructure projects for sport and recreation, arts and culture, and emergency preparedness.

The Office of Responsible Gambling manages the Fund. More information is available from the Office of Responsible Gambling website.

Funds granted for Infrastructure Grants from Clubgrants Category 3 are set out below (note: this is not the full grant amount, only the amount paid out in 2020/21).

Auspice/Funded organisation	Purpose/Service	2020/21 funding (\$)	LGA
107 Projects Incorporated	Arts and Culture Round	14,775.00	City of Sydney
2nd Gynea (St Catherine's Own) Scouts	Arts and Culture Round	20,000.00	Sutherland Shire
AFL (NSW/Act) Commission Limited	Sport & Recreation	19,324.00	Bega Valley Shire
Ballina Golf and Sports Club Limited	Sport & Recreation	10,645.80	Ballina Shire
Ballina Rugby Club Inc	Sport & Recreation	16,239.00	Ballina Shire
Beechwood Tennis Club Inc	Sport & Recreation	8,000.00	Port Macquarie Hastings
Bega Showground Land Manager	Community Infrastructure	45,000.00	Bega Shire
Belisi Wellbeing & Equestrian Centre	Sport & Recreation	30,000.00	City of Wagga Wagga
Black Head Surf Life Saving Club	Disaster Readiness (Emergency) Round	179,887.00	Greater Taree
Black Head Surf Life Saving Club	Sport & Recreation	10,158.00	Greater Taree
Bungendore Park Tennis Club	Sport & Recreation	221,603.00	Queanbeyan Palerang Regional Council
Burrawang School of Arts Incorporated	Community Infrastructure	148,500.00	Wingecarribee Shire
Byron Bay Soccer Club Inc	Sport & Recreation	198,000.00	Byron Shire
Byron Youth Service Inc	Community Infrastructure	10,107.00	Byron Shire
Careflight Limited	Community Infrastructure	180,000.00	City of Parramatta
Cessnock Tennis Club Inc	Sport & Recreation	125,793.00	City of Cessnock
Clarence Valley BMX Club Incorporated	Sport & Recreation	1,390.00	Clarence Valley
Clarence Valley Conservatorium Inc	Arts and Culture Round	5,198.00	Clarence Valley
Cobar Sound Chapel Ltd.	Arts and Culture Round	21,363.64	Cobar Shire
Community Activities Lake Macquarie	Disaster Readiness (Emergency) Round	2,433.00	Lake Macquarie
Coogee Surf Life Saving Club Inc	Sport & Recreation	30,000.00	City of Randwick

Funds granted to non-government organisations

Auspice/Funded organisation	Purpose/Service	2020/21 funding (\$)	LGA
Cooma Golf Club Ltd	Sport & Recreation	97,238.00	Cooma-Monaro
Coonamble Arts Alive Society Inc	Arts and Culture Round	8,709.00	Coonamble Shire
Cootamundra A P H and Industrial Assoc	Sport & Recreation	15,767.00	Cootamundra Gundagai Council
Cowra Rugby Club Inc	Sport & Recreation	154,185.60	Cowra Shire
Dorrigo Dramatic Club Inc	Arts and Culture Round	180,000.00	Bellingen Shire
Dubbo Netball Association Inc	Sport & Recreation	205,290.00	Dubbo Shire
Dungog Information & Neighbourhood	Disaster Readiness (Emergency) Round	3,388.00	Dungog Shire
Dungog Pony Club Inc	Disaster Readiness (Emergency) Round	68,557.00	Dungog Shire
Foodbank NSW & Act Limited	Disaster Readiness (Emergency) Round	18,445.00	City of Blacktown
Forster Tuncurry Men's Shed	Disaster Readiness (Emergency) Round	79,611.00	Mid Coast Council
Glendore Public School P&C Assoc	Sport & Recreation	270,000.00	City of Newcastle
Gloucester Soccer Club Inc	Sport & Recreation	144,475.00	Gloucester Shire
Gosford And District Tennis Association	Sport & Recreation	119,317.00	Central Coast Council
Grafton Cycle Club Inc	Sport & Recreation	115,380.00	Clarence Valley
Guyra Neighbourhood Centre	Community Infrastructure	99,058.00	Guyra Shire
Hanwood Rural Fire Brigade	Disaster Readiness (Emergency) Round	7,992.30	Griffith City
Housing Plus	Disaster Readiness (Emergency) Round	20,000.00	Orange City Council
Housing Plus	Community Infrastructure	180,000.00	Mid Coast Council
Ingleburn RSL Tigers Junior Rugby League	Sport & Recreation	1,410.00	City of Campbelltown
Jerrabomberra Tennis Club Inc	Sport & Recreation	10,000.00	Queanbeyan
Killarney Vale Australian Football	Sport & Recreation	270,000.00	Central Coast Council
Lady Denman Heritage Complex Huskisson	Arts and Culture Round	121,770.00	City of Shoalhaven
Lake Cowal Foundation Limited	Arts and Culture Round	45,000.00	Bland Shire
Leeton District Cricket Association	Sport & Recreation	11,800.00	Leeton Shire
Leeton Rugby League Football Club	Sport & Recreation	12,500.00	Leeton Shire
Lithgow Small Arms Factory Museum Inc	Arts and Culture Round	1,500.00	Lithgow City
Malachi Gilmore Hall	Arts and Culture Round	156,087.00	Oberon Council
Matcham Valley Pony Club Inc	Sport & Recreation	11,000.00	Central Coast Council
Milparinka Heritage and Tourism	Disaster Readiness (Emergency) Round	4,689.00	Far West Region
Milperra Colts Junior Rugby League	Sport & Recreation	17,005.00	Canterbury Bankstown
Murringo Sports Ground Recreation	Community Infrastructure	30,150.00	Hilltops Council
Nambucca Valley Youth Services Inc	Community Infrastructure	18,000.00	Nambucca Valley
Narrandera Ex-Servicemen's Club Ltd	Disaster Readiness (Emergency) Round	7,255.00	Narrandera Shire
Nepean Hockey Association	Sport & Recreation	14,000.00	City of Penrith
New England Regional Art Museum	Arts and Culture Round	9,500.00	Armidale Regional Council
Newcastle Historic (R98160) Reserve	Arts and Culture Round	48,150.00	City of Newcastle

Funds granted to non-government organisations

Auspice/Funded organisation	Purpose/Service	2020/21 funding (\$)	LGA
Newcastle Meals on Wheels Inc	Disaster Readiness (Emergency) Round	108,000.00	City of Newcastle
Newcastle Olympic Soccer Football Club	Sport & Recreation	270,000.00	City of Newcastle
North Arm Cove Residents Association	Community Infrastructure	51,188.00	Mid Coast Council
North Haven Bowling & Recreation Club	Sport & Recreation	252,792.00	Port Macquarie Hastings
Northern Rivers Community Gateway	Disaster Readiness (Emergency) Round	6,516.00	Lismore City Council
Nymboida Canoeing Ltd	Disaster Readiness (Emergency) Round	180,000.00	Clarence Valley
Ournie Rural Fire Brigade	Disaster Readiness (Emergency) Round	180,000.00	Snowy Valley Council
Police Citizens Youth Clubs NSW Ltd	Sport & Recreation	12,812.00	Mid Coast Council
Port Macquarie Tennis Club Inc	Sport & Recreation	11,498.00	Port Macquarie Hastings
Regional Youth Support Services Inc	Disaster Readiness (Emergency) Round	200,000.00	Central Coast Council
Richmond River Gun Club Incorporate	Sport & Recreation	17,000.00	City of Hawkesbury
Royal Botanic Garden and Domain Trust (RBGDT)	Community Infrastructure	180,000.00	City of Sydney
Royal Far West	Disaster Readiness (Emergency) Round	8,277.00	Northern Beaches Council
Royal Life Saving Society of Australia	Sport & Recreation	30,000.00	City of Ryde
Scone Race Club Ltd	Sport & Recreation	135,000.00	Upper Hunter Shire
Shopfront Arts Co-Op Ltd	Arts and Culture Round	20,000.00	Georges River Council
Snowy Mountains BMX Club Inc	Sport & Recreation	25,055.00	Snowy Valleys Council
Southcoast Health and Sustainability	Disaster Readiness (Emergency) Round	5,350.00	Eurobodalla Shire
St George Randwick Hockey Club	Sport & Recreation	270,000.00	The City of Randwick
St Vincent De Paul Society NSW	Disaster Readiness (Emergency) Round	79,785.00	Ballina Shire
Sunnyfield	Disaster Readiness (Emergency) Round	8,314.00	Tamworth Regional Council
Sylvania Heights Community and Youth	Disaster Readiness (Emergency) Round	171,000.00	Sutherland Shire
Tacking Point Surf Lifesaving Club	Disaster Readiness (Emergency) Round	1,891.82	Port Macquarie Hastings
Tathra Surf Life Saving Club Inc	Disaster Readiness (Emergency) Round	130,176.00	Bega Valley
Tathra Volunteer Rural Fire Brigade	Disaster Readiness (Emergency) Round	16,640.00	Bega Valley
Terrigal Rugby Club Inc	Sport & Recreation	13,481.00	Central Coast Council
The Bingara Sporting Club Ltd	Sport & Recreation	201,222.00	Bingara Shire
The Collaroy Tennis Club Inc	Sport & Recreation	10,187.00	Northern Beaches Council
The Eleanor Dark Foundation Limited	Arts and Culture Round	5,000.00	City of Blue Mountains
The Robertson Shed Inc	Disaster Readiness (Emergency) Round	1,375.00	Wingecarribee Shire
The Yamba Golf & Country Club Ltd	Sport & Recreation	225,000.00	Clarence Valley
Think & Do Tank Foundation Ltd	Arts and Culture Round	13,829.00	Fairfield City Council
Tinonee Rural Fire Brigade	Disaster Readiness (Emergency) Round	2,610.00	Greater Taree
Tumut Minor Rugby League Association	Sport & Recreation	240,255.00	Tumut Shire
Wagga And District Pony Club Inc	Sport & Recreation	142,263.00	Wagga Wagga
Walgett Aboriginal Medical Service	Community Infrastructure	180,000.00	Walgett Shire

Funds granted to non-government organisations

Auspice/Funded organisation	Purpose/Service	2020/21 funding (\$)	LGA
Westlakes Wildcats Football Club Inc	Sport & Recreation	18,919.00	City of Lake Macquarie
Winmalee Neighbourhood Centre Inc	Disaster Readiness (Emergency) Round	1,210.00	City of Blue Mountains
Woolgoolga Seniors Centre Inc	Arts and Culture Round	52,560.00	Coffs Harbour City
Woolgoolga Surf Life Saving Club Inc	Sport & Recreation	30,000.00	City of Coffs Harbour
Woolgoolga United Soccer Club	Sport & Recreation	112,500.00	City of Coffs Harbour
Total		7,497,351.16	

Community Development Fund

The Community Development Fund is established under section 204A of the *Gaming Machines Act 2001* and is funded from unclaimed jackpot prizes, gaming machine tickets and income from the transfer of poker machine entitlements and permits.

The Office of Responsible Gambling manages the Fund with a range of open grant rounds offered. More information is available from the Office of Responsible Gambling website.

Funds granted under the Community Development Fund are set out below (note: this is not the full grant amount, only the amount paid out in 2020/21).

Auspice/Funded Organisation	Purpose/Service	Annual Funding (\$)	LGA
Bondi Association of Arts	Activate Sydney @ Night Grant	2,900.00	Waverley Council
Broken Hill Greyhound Racing Club	Back to the Track Grant	2,000.00	Broken Hill City
Carrathool Jockey Club	Back to the Track Grant	2,000.00	Carrathool Shire
Coffs Harbour Racing Club Limited	Back to the Track Grant	1,950.00	Coffs Harbour City
Council of Social Service of NSW	Community Development Fund Grant	63,000.00	City of Sydney
Electronic Music Conference P/L	Activate Sydney @ Night Grant	6,000.00	City of Willoughby
Lismore Turf Club Limited	Back to the Track Grant	1,500.00	Lismore City
Shoalhaven City Turf Club Ltd	Back to the Track Grant	1,117.00	City of Shoalhaven
Temora Trotting Club Ltd	Back to the Track Grant	2,000.00	Temora Shire
The Bower Re-Use & Repair Centre	Activate Sydney @ Night Grant	7,500.00	City of Parramatta
Tuncurry Forster Jockey Club Inc	Back to the Track Grant	1,702.00	Mid Coast Council
Total		91,669.00	

Funds granted to non-government organisations

Responsible Gambling Fund open grants programs

The Responsible Gambling Fund, established under the *Casino Control Act 1992*, funds initiatives and programs that support responsible gambling and help reduce gambling-related harms. The Office of Responsible Gambling manages programs that are supported by the Fund. More information is available from the Office of Responsible Gambling website.

Funds granted under the Responsible Gambling Fund open grants programs are set out below.

Auspice/Funded Organisation	Purpose/Service	2020/2021 funding (\$)	LGA/Region
Central Queensland University	2019 Responsible Gambling Grants – Research	106,415.60	N/A
Deakin University	2018 Responsible Gambling Grants	87,385.60	N/A
Deakin University	2019 Responsible Gambling Grants – Research	3,000.00	N/A
Gambling Impact Society NSW	2018 Responsible Gambling Grants	15,180.00	Shoalhaven City Council
Granville Multicultural Community Centre	Local Prevention Grants	89,056.80	City of Parramatta
Lifeline Broken Hill Inc	Local Prevention Grants	174,600.00	Broken Hill City
Lifeline Harbour to Hawkesbury	Local Prevention Grants	9,517.50	Hawkesbury Shire
Lifeline North Coast (NSW)	Local Prevention Grants	25,000.00	Mid North Coast
Macedonian-Australian Welfare	Local Prevention Grants	52,312.50	Georges River Council
Mudyala Aboriginal Corporation	Local Prevention Grants	90,000.00	Federation Council
Northern United Rugby League Football	Local Prevention Grants	18,000.00	Lismore City Council
Schizophrenia Fellowship of NSW	Odds on Youth	24,000.00	Campbelltown City Council
The Trustee for The Roman Catholic Church for The Diocese of Parramatta	Local Prevention Grants	18,338.00	Blue Mountains & Western Sydney
University of Sydney	Local Prevention Grants	179,080.20	Western/South-Western Sydney
University of Sydney	2019 Responsible Gambling Grants – Research	55,500.00	Statewide
University of Sydney	2019 Responsible Gambling Grants – Prevention, Innovation & Technology	123,524.80	Statewide
University of Technology Sydney	Local Prevention Grants	106,020.00	Statewide
University of Technology Sydney	2019 Responsible Gambling Grants – Prevention, Innovation & Technology	9,931.50	Statewide
Walgett Aboriginal Medical Centre	Local Prevention Grants	84,600.00	Walgett Shire
Wesley 121	Local Prevention Grants	180,000.00	Greater Hume, Snowy Valley Council, Federation Council Berrigan, Edwards River Council, and Murray River Council
Wesley Mission	Local Prevention Grants	174,600.00	Penrith City Council & Inner West Council

Funds granted to non-government organisations

Auspice/Funded Organisation	Purpose/Service	2020/2021 funding (\$)	LGA/Region
Western Sydney Community Forum	2019 Responsible Gambling Grants – Research	93,600.00	City of Parramatta
Woodville Alliance Limited	Odds on Youth	22,400.00	Fairfield City Council
Total		1,742,062.50	

Gambling Research Capacity Grants

In 2020/21, the Responsible Gambling Fund provided funding for PhD scholarships, post-doctoral fellowships and study grants to build capability and capacity for gambling research.

Funds granted under the Gambling Research Capacity Grants program are set out below.

Auspice/Funded Organisation	Purpose/Service	2020/2021 funding (\$)	LGA/Region
Australian National University	Gambling Research Capacity Grant (PHD/Fellowship)	175,000	N/A
Deakin University	Gambling Research Capacity Grant (PHD/Fellowship)	224,463.50	N/A
Monash University	Gambling Research Capacity Grant (PHD/Fellowship)	22,000.00	N/A
Queensland University of Technology	Gambling Research Capacity Grant (PHD/Fellowship)	29,700.00	N/A
University of Sydney	Gambling Research Capacity Grant (PHD/Fellowship)	53,000.00	City of Sydney
Central Queensland University	Gambling Research Capacity Grant (PHD/Fellowship)	13,101.00	N/A
University of Adelaide	Gambling Research Capacity Grant (PHD/Fellowship)	27,500.00	N/A
Total		544,765	

Funds granted to non-government organisations

Funding to Gambling Help services

The Responsible Gambling Fund, established under the *Casino Control Act 1992*, funds specialist financial and therapeutic Gambling Help services across NSW. The Office of Responsible Gambling manages the programs that are supported by the Fund. From 1 July 2021, Gambling Help services were replaced by GambleAware services. More information is available from the Office of Responsible Gambling website.

Funds granted under the Responsible Gambling Fund are set out below.

Auspice/Funded Organisation	Purpose/Service	2020/2021 funding (\$)	LGA/Region
Anglican Community Services	Counselling and Support Services	161,494.00	New England/North West
Anglicare NSW South NSW West & ACT	Counselling and Support Services	257,824.00	South East NSW
Arab Council Australia Inc –Coastal Sydney	Counselling and Support Services	70,187.00	Sydney
Arab Council Australia Inc –South Western Sydney	Counselling and Support Services	165,852.00	South West Sydney
Arab Council Australia Inc –Western Sydney	Counselling and Support Services	69,871.00	Sydney
Baptistcare NSW & ACT	Counselling and Support Services	446,034.00	Sydney
Centacare New England North West	Counselling and Support Services	87,620.00	New England/North West
Co As It Italian Assoc of Assistance	Counselling and Support Services	107,838.00	Sydney
Coast Community Connections Ltd	Counselling and Support Services	475,542.00	Central Coast
Lifeline Broken Hill Inc	Counselling and Support Services	181,972.00	Far Western NSW
Lifeline Central West Incorporated	Counselling and Support Services	420,768.00	Western NSW
Lifeline Harbour to Hawkesbury	Counselling and Support Services	124,460.00	Sydney
Lifeline North Coast (NSW)	Counselling and Support Services	199,078.00	North Coast
Mission Australia –Coastal Sydney	Counselling and Support Services	276,762.00	Sydney
Mission Australia –Hunter & Hunter Aboriginal Service	Counselling and Support Services	269,100.00	Hunter
Mission Australia –Illawarra	Counselling and Support Services	403,502.00	Illawarra
Mission Australia –North Coast Aboriginal Service	Counselling and Support Services	85,084.00	North Coast
Mission Australia –South West Sydney	Counselling and Support Services	153,030.00	South West Sydney
Mission Australia –Riverina	Counselling and Support Services	161,247.00	Riverina
Northern Rivers Community Gateway	Counselling and Support Services	173,482.00	North Coast
Northern Sydney Local Health District	Counselling and Support Services	335,022.00	Sydney
Northern Sydney Local Health District –Chinese	Counselling and Support Services	89,939.00	Sydney
NSW Aboriginal Safe Gambling Service P/L	Counselling and Support Services	404,778.00	Statewide
Samaritans Foundation –Hunter	Counselling and Support Services	115,926.00	Hunter
Samaritans Foundation –North Coast	Counselling and Support Services	139,670.00	North Coast
South Western Sydney Local Health District	Counselling and Support Services	144,398.00	South West Sydney
Southern Sydney Women's Therapy	Counselling and Support Services	122,358.00	Sydney
St. Vincent's hospital Sydney Limited	Counselling and Support Services	484,524.00	Sydney
The Buttery Ltd	Counselling and Support Services	334,338.91	North Coast
The Trustee For The Catholicare Sydney Trust	Counselling and Support Services	143,296.00	Sydney

Funds granted to non-government organisations

Auspice/Funded Organisation	Purpose/Service	2020/2021 funding (\$)	LGA/Region
The Trustee For The Roman Catholic Church For The Diocese Of Parramatta	Counselling and Support Services	501,986.00	Western Sydney
UCA – Parramatta Mission (Uniting Care Mental Health – Central Coast)	Counselling and Support Services	103,106.00	Central Coast
UCA – Parramatta Mission (Uniting Care Mental Health – Coastal Sydney)	Counselling and Support Services	105,978.00	Sydney
UCA – Parramatta Mission (Uniting Care Mental Health – South West Sydney)	Counselling and Support Services	175,316.00	South West Sydney
UCA – Parramatta Mission (Uniting Care Mental Health – Western Sydney)	Counselling and Support Services	216,274.00	Western Sydney
Uniting (NSW.ACT) Unitingcare Unifam – Illawarra	Counselling and Support Services	128,642.00	Illawarra
Uniting (NSW.ACT) Unitingcare Unifam – South West Sydney	Counselling and Support Services	178,444.00	South West Sydney
University of Sydney – Campbelltown	Counselling and Support Services	236,806.00	South West Sydney
University of Sydney – Darlington	Counselling and Support Services	505,332.00	Sydney
University of Sydney – Lidcombe	Counselling and Support Services	413,568.00	Western Sydney
University of Sydney – Lidcombe Aboriginal Specific Service	Counselling and Support Services	134,880.00	Western Sydney
Vietnamese Community in Australia	Counselling and Support Services	173,224.00	South West Sydney
Wagga Wagga Family Support Service	Counselling and Support Services	276,530.00	Riverina
Wesley 121	Counselling and Support Services	378,306.00	Riverina
Wesley Mission – Central Coast	Counselling and Support Services	161,728.00	Central Coast
Wesley Mission – Coastal Sydney	Counselling and Support Services	715,304.00	Sydney
Wesley Mission – Hunter	Counselling and Support Services	257,924.00	Hunter
Wesley Mission – Illawarra	Counselling and Support Services	79,090.00	Illawarra
Wesley Mission – Legal Service	Counselling and Support Services	953,802.00	Statewide
Wesley Mission – South West Sydney	Counselling and Support Services	52,966.00	South West Sydney
Wesley Mission – Western Sydney	Counselling and Support Services	344,870.00	Western Sydney
Western Sydney Local Health District – Multicultural Problem Gambling Service	Counselling and Support Services	597,652.00	Statewide (some exclusions)
Western Sydney Local Health District – Multicultural Problem Gambling Service – Chinese specific service	Counselling and Support Services	230,577.00	Western Sydney
Woodrising Neighbourhood Centre Inc	Counselling and Support Services	111,228.00	Hunter
Total		13,638,529.91	

Funds granted to non-government organisations

Funding to GambleAware providers

In 2021/22, GambleAware replaces Gambling Help services and is a redesigned model of how gambling information, education, support and treatment services are delivered in NSW. Transitional funding was provided to GambleAware providers from April to June 2021 to establish the GambleAware service within their region and to assist with the transition of clients from Gambling Help.

Transitional funding to GambleAware providers for the period 1 April to 30 June 2021 is set out below.

Auspice/Funded Organisation	Purpose/Service	Funding (\$)	Region
Centacare New England North West	Community engagement, support and counselling services	373,545.00	Hunter New England
Lifeline North Coast	Community engagement, support and counselling services	772,000.00	Mid & Northern NSW
Mission Australia	Community engagement, support and counselling services	333,567.00	Illawarra & Southern NSW
Regional Community Care Limited	Community engagement, support and counselling services	223,777.00	Far & Western NSW
St. Vincent's Hospital Sydney Limited	Community engagement, support and counselling services	800,000.00	South Eastern Sydney
Uniting (Victoria and Tasmania) Limited	Community engagement, support and counselling services	155,000.00	Murrumbidgee
University of Sydney	Community engagement, support and counselling services	25,634.00	South Western Sydney
University of Sydney	Community engagement, support and counselling services	24,242.00	Blue Mountains & Western Sydney
University of Sydney	Community engagement, support and counselling services	24,242.00	Central Sydney
Wesley Community Services Limited	Community engagement, support and counselling services	423,727.00	Northern Sydney & Central Coast
Total		3,155,734	

Funds granted to non-government organisations

Community Benefit Payment Scheme

Community benefit payments are made to the Responsible Gambling Fund (RGF) when a venue is approved by the Independent Liquor & Gaming Authority for an increase to its number of gaming machines entitlements. As part of the approval, a condition is that the venue contributes a calculated, set monetary community benefit payment to the Responsible Gambling Fund as a one-off or annual payment for up to five years.

The RGF then determines the recipients of the community benefit payments, which are generally made to not-for-profit organisations and registered charities that support the social wellbeing of the local community.

More information on the Scheme is available on the Office of Responsible Gambling website.

Funds granted under the Community Benefit Payment Scheme in 2020/21 are set out below.

Auspice/Funded Organisation	Purpose/Service	2020/2021 funding (\$)	LGA/Region
Bankstown Women's Health Centre	Community Benefit Payment Scheme	91,462.62	Canterbury Bankstown Council
Belmont Neighbourhood Centre	Community Benefit Payment Scheme	44,834.79	City of Lake Macquarie
Burwood Community Welfare Services	Community Benefit Payment Scheme	44,466.00	Municipality of Burwood
Campbelltown Family Support Service	Community Benefit Payment Scheme	55,242.00	City of Campbelltown
Canterbury Earlwood Caring Association	Community Benefit Payment Scheme	91,426.62	Canterbury Bankstown Council
Community & Cultural Connections	Community Benefit Payment Scheme	31,500.00	Inner West Council
Macarthur Diversity Services	Community Benefit Payment Scheme	28,204.20	City of Campbelltown
Macarthur Gateway Resource Services	Community Benefit Payment Scheme	55,242.00	City of Campbelltown
Marrickville Legal Centre	Community Benefit Payment Scheme	58,500.00	Inner West Council
Marrickville Youth Resource Limited	Community Benefit Payment Scheme	40,500.00	Inner West Council
Molonglo Support Services Limited	Community Benefit Payment Scheme	33,712.20	Queanbeyan Palerang Regional Council
Nepean Community & Neighbourhood	Community Benefit Payment Scheme	64,643.27	City of Blacktown
Newtown Neighbourhood Centre	Community Benefit Payment Scheme	37,500.00	Inner West Council
Relationships Australia	Community Benefit Payment Scheme	78,791.58	City of Newcastle
Riverstone Neighbourhood Centre	Community Benefit Payment Scheme	118,367.33	City of Blacktown
Robinvale District Health Service	Community Benefit Payment Scheme	228,863.00	Euston
Southern Youth & Family Service	Community Benefit Payment Scheme	57,749.96	Wollongong City
The Burdekin Association	Community Benefit Payment Scheme	40,000.00	Northern Beaches Council
Warrina Domestic & Family Violence	Community Benefit Payment Scheme	63,273.96	Coffs Harbour City
Women's Activities & Self-Help House	Community Benefit Payment Scheme	118,367.32	City of Blacktown
Total		\$1,382,610.85	

Land disposal

No properties with a value greater than \$5 million were disposed of during 2020/21.

No properties were disposed of where there was a business or family connection between the purchaser and the approving person.

An application for access to documents concerning details of properties disposed of during the reporting year may be made in accordance with the *Government Information (Public Access) Act 2009*.

Legislation administered

The **Minister for Better Regulation and Innovation** was responsible for the administration of the following Acts during the 2020/21 financial year:

- *Agricultural Tenancies Act 1990* No 64
- *Architects Act 2003* No 89
- *Associations Incorporation Act 2009* No 7
- *Australian Jockey and Sydney Turf Clubs Merger Act 2010* No 93
- *Betting and Racing Act 1998* No 114, Part 2 (and the remaining provisions of the Act jointly with the Minister for Customer Service)
- *Biofuels Act 2007* No 23
- *Boarding Houses Act 2012* No 74 (except Parts 1 and 5 and Part 1 of Schedule 2, jointly with the Minister for Families, Communities and Disability Services, and parts, the Minister for Families, Communities and Disability Services)
- *Building and Construction Industry Long Service Payments Act 1986* No 19
- *Building and Construction Industry Security of Payment Act 1999* No 46
- *Building and Development Certifiers Act 2018* No 63
- *Building Products (Safety) Act 2017* No 69
- *Building Professionals Act 2005* No 115 (repealed with effect from 1 July 2020)
- *Business Names (Commonwealth Powers) Act 2011* No 44
- *Charitable Fundraising Act 1991* No 69
- *Coal Mine Subsidence Compensation Act 2017* No 37
- *Community Gaming Act 2018* No 60
- *Community Land Management Act 1989* No 202
- *Community Land Management Act 2021* No 7
- *Contract Cleaning Industry (Portable Long Service Leave Scheme) Act 2010* No 122
- *Contracts Review Act 1980* No 16
- *Conveyancers Licensing Act 2003* No 3
- *Co-operative Housing and Starr-Bowkett Societies Act 1998* No 11
- *Co-operatives (Adoption of National Law) Act 2012* No 29
- *Credit (Commonwealth Powers) Act 2010* No 6
- *Dangerous Goods (Road and Rail Transport) Act 2008* No 95 (except parts, the Minister for Energy and Environment)
- *Design and Building Practitioners Act 2020* No 7
- *Entertainment Industry Act 2013* No 73
- *Environmental Planning and Assessment Act 1979* No 203, Part 6, jointly with the Minister for Planning and Public Spaces
- *Explosives Act 2003* No 39
- *Fair Trading Act 1987* No 68
- *Funeral Funds Act 1979* No 106
- *Gas and Electricity (Consumer Safety) Act 2017* No 15
- *Greyhound Racing Act 2017* No 13
- *Hairdressers Act 2003* No 62
- *Harness Racing Act 2009* No 20
- *Hawkesbury Racecourse Act 1996* No 74
- *Holiday Parks (Long-term Casual Occupation) Act 2002* No 88

Legislation administered

- *Home Building Act 1989* No 147 (except parts, the Treasurer and the Minister for Customer Service)
- *Long Service Corporation Act 2010* No 123
- *Lotteries and Art Unions Act 1901* No 34 (repealed with effect from 1 July 2020)
- *Motor Dealers and Repairers Act 2013* No 107
- *Mutual Recognition (Automatic Licensed Occupations Recognition) Act 2014* No 51
- *Paintball Act 2018* No 44
- *Partnership Act 1892* 55 Vic No 12, in so far as it relates to the functions of the Registrar of the register of limited partnerships and incorporated limited partnerships and to the setting of fees to be charged for maintaining that register, jointly with the Attorney General, and Minister for Prevention of Domestic and Sexual Violence
- *Pawnbrokers and Second-hand Dealers Act 1996* No 13
- *Personal Property Securities (Commonwealth Powers) Act 2009* No 35, Division 2 of Part 2 of Schedule 1 and clause 24 of Schedule 1, jointly with the Attorney General, and Minister for Prevention of Domestic and Sexual Violence
- *Plumbing and Drainage Act 2011* No 59
- *Professional Standards Act 1994* No 81
- *Property and Stock Agents Act 2002* No 66
- *Racing Appeals Tribunal Act 1983* No 199
- *Residential Apartment Buildings (Compliance and Enforcement Powers) Act 2020* No 9
- *Residential (Land Lease) Communities Act 2013* No 97
- *Residential Tenancies Act 2010* No 42 (except Part 7, jointly with the Minister for Water, Property and Housing and the Minister for Families, Communities and Disability Services)
- *Retail Trading Act 2008* No 49
- *Retirement Villages Act 1999* No 81
- *Storage Liens Act 1935* No 19
- *Strata Schemes Management Act 2015* No 50
- *Swimming Pools Act 1992* No 49
- *Thoroughbred Racing Act 1996* No 37
- *Tow Truck Industry Act 1998* No 111
- *Uncollected Goods Act 1995* No 68
- *Wagga Wagga Racecourse Act 1993* No 109 (except parts, the Minister for Water, Property and Housing)
- *Work Health and Safety Act 2011* No 10

The **Minister for Customer Service** was responsible for the administration of the following Acts during the 2020/2021 financial year:

- *Access to Neighbouring Land Act 2000* No 2
- *Associated General Contractors Insurance Company Limited Act 1980* No 38
- *Betting and Racing Act 1998* No 114, jointly with the Minister for Better Regulation and Innovation (except Part 2, the Minister for Better Regulation and Innovation)
- *Betting Tax Act 2001* No 43, jointly with the Treasurer and the Minister for Finance and Small Business
- *Births, Deaths and Marriages Registration Act 1995* No 62, jointly with the Attorney General, and Minister for Prevention of Domestic and Sexual Violence
- *Bishopsgate Insurance Australia Limited Act 1983* No 81
- *Casino Control Act 1992* No 15
- *City Tattersall's Club Act of 1912*
- *Community Land Development Act 1989* No 201

Legislation administered

- *Community Land Development Act 2021* No 6
- *Conveyancing Act 1919* No 6
- *Conveyancing and Law of Property Act 1898* No 17
- *Data Sharing (Government Sector) Act 2015* No 60 (from 23 July 2021, administered jointly with the Minister for Digital)
- *Digital Restart Fund Act 2020* No 15 (from 23 July 2021, administered jointly with the Minister for Digital)
- *Duties Act 1997* No 123, jointly with the Treasurer and the Minister for Finance and Small Business
- *Electronic Conveyancing (Adoption of National Law) Act 2012* No 88
- *Encroachment of Buildings Act 1922* No 23
- *Fines Act 1996* No 99, jointly with the Treasurer and the Minister for Finance and Small Business (except parts, the Attorney General, and Minister for Prevention of Domestic and Sexual Violence)
- *First Home Owner Grant (New Homes) Act 2000* No 21, jointly with the Minister for Finance and Small Business
- *Gambling (Two-up) Act 1998* No 115
- *Gaming and Liquor Administration Act 2007* No 91
- *Gaming Machine Tax Act 2001* No 72, Part 4 and Schedule 1 (and the remaining provisions of the Act jointly with the Treasurer and the Minister for Finance and Small Business)
- *Gaming Machines Act 2001* No 127
- *Geographical Names Act 1966* No 13
- *Government Advertising Act 2011* No 35, jointly with the Premier and the Special Minister of State, Minister for the Public Service and Employee Relations, Aboriginal Affairs, and the Arts
- *Government Information (Information Commissioner) Act 2009* No 53, jointly with the Attorney General, and Minister for Prevention of Domestic and Sexual Violence
- *Government Information (Public Access) Act 2009* No 52, jointly with the Attorney General, and Minister for Prevention of Domestic and Sexual Violence
- *Government Insurance Office (Privatisation) Act 1991* No 38, sections 26 and 27, jointly with the Treasurer
- *Government Telecommunications Act 2018* No 67
- *Health Insurance Levies Act 1982* No 159, jointly with the Treasurer and the Minister for Finance and Small Business
- *Home Building Act 1989* No 147, Parts 6, 6B and 6C
- *Independent Pricing and Regulatory Tribunal Act 1992* No 39 (except section 9, the Premier)
- *Insurance Protection Tax Act 2001* No 40, jointly with the Treasurer and the Minister for Finance and Small Business
- *Land Sales Act 1964* No 12
- *Land Tax Act 1956* No 27, jointly with the Treasurer and the Minister for Finance and Small Business
- *Land Tax Management Act 1956* No 26, jointly with the Treasurer and the Minister for Finance and Small Business
- *Licensing and Registration (Uniform Procedures) Act 2002* No 28
- *Liquor Act 2007* No 90
- *Motor Accident Injuries Act 2017* No 10
- *Motor Accidents Act 1988* No 102
- *Motor Accidents Compensation Act 1999* No 41
- *Motor Vehicles (Third Party Insurance) Act 1942* No 15
- *Music Festivals Act 2019* No 17
- *Payroll Tax Act 2007* No 21, jointly with the Treasurer and the Minister for Finance and Small Business

Legislation administered

- *Payroll Tax Deferral (BlueScope Steel) Act 2015* No 68, jointly with the Treasurer and the Minister for Finance and Small Business
- *Payroll Tax Rebate Scheme (Jobs Action Plan) Act 2011* No 19, jointly with the Minister for Jobs, Investment, Tourism and Western Sydney
- *Perpetuities Act 1984* No 43
- *Personal Injury Commission Act 2020* No 18 (except parts, the Attorney General, and Minister for Prevention of Domestic and Sexual Violence; sections 7(1), (2), (6) and (7) and 16 and Schedule 2, clause 15, jointly with the Attorney General, and Minister for Prevention of Domestic and Sexual Violence)
- *Powers of Attorney Act 2003* No 53
- *Privacy and Personal Information Protection Act 1998* No 133, jointly with the Attorney General, and Minister for Prevention of Domestic and Sexual Violence
- *Public Lotteries Act 1996* No 86
- *Real Property Act 1900* No 25
- *Registered Clubs Act 1976* No 31
- *Relationships Register Act 2010* No 19, jointly with the Attorney General, and Minister for Prevention of Domestic and Sexual Violence
- *Service NSW (One-stop Access to Government Services) Act 2013* No 39
- *Small Business Grants (Employment Incentive) Act 2015* No 14, jointly with the Minister for Finance and Small Business
- *State Debt Recovery Act 2018* No 11, jointly with the Treasurer and the Minister for Finance and Small Business
- *State Insurance and Care Governance Act 2015* No 19 (except parts, the Treasurer)
- *Strata Schemes Development Act 2015* No 51
- *Surveying and Spatial Information Act 2002* No 83
- *Taxation Administration Act 1996* No 97, jointly with the Treasurer and the Minister for Finance and Small Business
- *Totalizator Act 1997* No 45 (except section 76, the Treasurer)
- *Unclaimed Money Act 1995* No 75, jointly with the Treasurer and the Minister for Finance and Small Business
- *Unlawful Gambling Act 1998* No 113
- *Workers Compensation Act 1987* No 70 (except parts, the Treasurer)
- *Workplace Injury Management and Workers Compensation Act 1998* No 86 (except parts, the Attorney General, and Minister for Prevention of Domestic and Sexual Violence, and parts jointly with the Attorney General, and Minister for Prevention of Domestic and Sexual Violence).

The **Minister for Digital** was responsible for the administration of the following Acts:

- *Data Sharing (Government Sector) Act 2015* No 60 (from 23 July 2021, administered jointly with the Minister for Customer Service)
- *Digital Restart Fund Act 2020* No 15 (from 23 July 2021, administered jointly with the Minister for Customer Service).

Legislative changes

The following legislative changes were made on behalf of the Minister for Better Regulation and Innovation or the Minister for Digital, Minister for Customer Service during the 2020/21 financial year.

New legislation (Acts assented to during 2020/21)

Community Land Development Act 2021
Community Land Management Act 2021
Digital Restart Fund Act 2020
Personal Injury Commission Act 2020

Amending legislation (Acts assented to during 2020/21)

Adoption Legislation Amendment (Integrated Birth Certificates) Act 2020
Better Regulation Legislation Amendment Act 2020
Casino Control Amendment (Inquiries) Act 2020
COVID-19 Recovery Act 2021
Gas Legislation Amendment (Medical Gas Systems) Act 2020
Health Legislation (Miscellaneous Amendments) Act 2020
Liquor Amendment (Night-time Economy) Act 2020
Payroll Tax Amendment Act 2020
Payroll Tax Amendment (Jobs Plus) Act 2021
Real Property Amendment (Certificates of Title) Act 2021
Retirement Villages Amendment Act 2020
Road Transport Amendment (Digital Licensing) Act 2020
Road Transport Legislation Amendment Act 2020
Sporting Venues Authorities Amendment (Venues NSW) Act 2020
State Revenue Legislation Amendment (COVID-19 Housing Response) Act 2020
Statute Law (Miscellaneous Provisions) Act 2020
Strata Schemes Management Amendment (Sustainability Infrastructure) Act 2021
Stronger Communities Legislation Amendment (Miscellaneous) Act 2020
Work Health and Safety Amendment (Information Exchange) Act 2020

Repealed legislation (Acts repealed during 2020/21)

COVID-19 Legislation Amendment (Emergency Measures – Miscellaneous) Act 2020

New regulations (regulations made during 2020/21)

Charitable Fundraising Regulation 2021
Co-operative Housing and Starr-Bowkett Societies Regulation 2020
Co-operatives (New South Wales) Regulation 2020
Design and Building Practitioners Regulation 2021
Entertainment Industry Regulation 2020
Fines Regulation 2020
Motor Accidents Compensation Regulation 2020
Pawnbrokers and Second-hand Dealers Regulation 2021
Personal Injury Commission Regulation 2020
Relationships Register Regulation 2020
Residential Apartment Buildings (Compliance and Enforcement Powers) Regulation 2020
State Insurance and Care Governance Regulation 2021
Unlawful Gambling Regulation 2021

Amending regulations (regulations made during 2020/21)

Associations Incorporation Amendment (COVID-19 Prescribed Period) Regulation 2020
Biofuels Regulation (No 2) Amendment Regulation 2021
Building and Construction Industry Security of Payment Amendment (Trust Account Annual Report) Regulation 2020
Building and Development Certifiers Amendment (Cladding) Regulation 2021

Legislative changes

Building and Development Certifiers Amendment (Miscellaneous) Regulation 2020
Coal Mine Subsidence Compensation Amendment (Contributions) Regulation 2021
Community Land Management Amendment (COVID-19) Regulation (No 2) 2020
Community Land Management Amendment (COVID-19) Regulation 2021
Conveyancing (General) Amendment (Australian Industrial Energy Pty Ltd) Regulation 2020
Dangerous Goods (Road and Rail Transport) Amendment (Model Law) Regulation 2020
Design and Building Practitioners Amendment (Miscellaneous) Regulation 2021
Environmental Planning and Assessment Amendment (Construction Certificate Applications) Regulation 2020
Fair Trading Amendment (Code of Conduct for Short-term Rental Accommodation Industry) Regulation (No 2) 2020
Fair Trading Amendment (Code of Conduct for Short-term Rental Accommodation Industry) Regulation 2021
Gambling Legislation Amendment Regulation 2021
Gas and Electricity (Consumer Safety) Amendment (Medical Gas Work) Regulation (No 2) 2020
Gas and Electricity (Consumer Safety) Amendment (Remote De-energisation and Re-energisation) Regulation 2020
Gas and Electricity (Consumer Safety) Amendment (Standards) Regulation 2021
Greyhound Racing Amendment (Miscellaneous) Regulation 2020
Home Building Amendment (Digital Authorities) Regulation 2021
Home Building Amendment (Information) Regulation 2021
Home Building Amendment (Medical Gas) Regulation 2021
Home Building Amendment (Medical Gas Work) Regulation 2020
Liquor Amendment (COVID-19 and Managed Alcohol Program) Regulation 2020
Liquor Amendment (Kings Cross Special Licence Conditions) Regulation 2021
Liquor Amendment (Liquor Licence Freeze) Regulation 2020
Liquor Amendment (Miscellaneous) Regulation 2021
Liquor Amendment (Miscellaneous) Regulation (No 2) 2021
Motor Accidents and Workers Compensation Legislation Amendment Regulation 2020
Paintball Amendment Regulation 2020
Personal Injury Commission Amendment (Independent Review Officer Remuneration) Regulation 2021
Residential Apartment Buildings (Compliance and Enforcement Powers) Amendment Regulation 2021
Residential (Land Lease) Communities Amendment Regulation 2020
Residential Tenancies Amendment (COVID-19) (No 2) Regulation 2020
Residential Tenancies Amendment (Declaration by Competent Person) Regulation 2020
Residential Tenancies Amendment (Miscellaneous) Regulation 2020
Retail and Other Commercial Leases (COVID-19) Regulation 2020
Retail and Other Commercial Leases (COVID-19) Regulation (No 2) 2020
Retail and Other Commercial Leases (COVID-19) Regulation (No 3) 2020
Retirement Villages Amendment (Asset Management Plans) Regulation 2021
Retirement Villages Amendment (COVID-19 Prescribed Period) Regulation 2020
Retirement Villages Amendment (Exit Entitlement) Regulation 2021
Retirement Villages (Asset Management Plans and Exit Entitlements) Amendment Regulation 2021
Strata Schemes Management Amendment (COVID-19) Regulation 2021
Strata Schemes Management Amendment (COVID-19) Regulation (No 2) 2020
Strata Schemes Management Amendment (Professional Associations) Regulation 2021
Work Health and Safety Amendment (Digital Induction Training Cards) Regulation 2020
Work Health and Safety Amendment (GHS Labelling) Regulation 2020
Work Health and Safety Amendment (Miscellaneous) Regulation 2020
Workers Compensation Amendment (Certificates of Capacity) Regulation 2021
Workers Compensation Amendment (Consequential COVID-19 Matters) Regulation 2020
Workers Compensation Amendment (COVID-19 Weekly Payment Compensation) Regulation 2020

Major works

New major works in 2020/21

Project name and location	Total expenditure to 30 June 2021 (\$'000 excl GST)	Estimated total cost (\$'000 excl GST)	Start (year)	Completion date (actual or estimated)	Details of any significant:
Digital Restart Fund – Modernise Licensing and Compliance Program	8,530	104,270	2020	2023	<ul style="list-style-type: none"> • Cost overruns • Delays • Amendments • Deferrals • cancellations
Digital Restart Fund – Whole of Government Enterprise Resource Planning Modernisation	21,574	30,300	2021	2022	Project suspended while alternative strategic options are considered
Digital Restart Fund – eConstruction	2,881	17,920	2021	2023	
Digital Restart Fund – Whole of Government Web Consolidation	1,880	13,974	2020	2022	
Digital Restart Fund – Australian Death Notification Service	460	2,010	2021	2022	
Total new major works	35,325	168,474			

Major works

Continuing major works

Project name and location	Total expenditure to 30 June 2021 (\$'000 excl GST)	Estimated total cost (\$'000 excl GST)	Start (year)	Completion date (actual or estimated)	Details of any significant:
Corsnet Sustaining Capital	70	8,500	2019	2029	
Digital Restart Fund – Land Tax Customer Journey	1,782	1,782	2019	2021	Completion date revised from 2020 to 2021
Land Tax Compliance and Customer Service	1,244	1,600	2019	2021	
Digital Restart Fund – Assured Revenue	5,196	8,000	2020	2022	
Revenue NSW – Critical System Maintenance	3,184	69,828	2017	2028	
TRS LPI Concession Operator	10,278	22,652	2018	2052	
Data Centre Consolidation Acceleration Program	12,389	24,958	2013	2031	Program extended
Data Conversion and Cleansing	10,377	12,432	2013	2031	Program extended
ICT Development Program	19,279	48,325	2014	2031	
ICT Projects	81,576	123,394	2004	2028	
Information System Enhancements	166,770	175,033	2001	2031	
Office Refurbishment and Rationalisation	149,813	187,682	2005	2031	
OneGov Digital Services Gateway	7,603	14,719	2013	2028	
Spatial Data Infrastructure Program	25,326	52,431	2014	2028	
Technology Asset Replacement Program	16,748	35,502	2014	2031	
Total continuing major works	511,635	786,838			

Overseas travel

No overseas travel was undertaken by the employees of DCS in the 2020/21 financial year.

Public interest disclosures

The DCS Report Wrongdoing and Public Interest Disclosures Policy outlines the support and protections available under the *Public Interest Disclosures Act 1994* for an employee making a public interest disclosure (PID). The policy is widely available on the DCS intranet and includes details of the nominated officers who are authorised to receive a PID.

PID training and resources are available to staff on the DCS intranet and is highlighted during induction training.

	Public interest disclosures made by public officials in performing day to day functions	Public interest disclosures not covered by (1) that are made under a statutory or other legal obligation	All other public Interest disclosures
Number of public officials who made PIDs	0	0	4
Number of PID received	0	0	4
Corrupt conduct	0	0	3
Maladministration	0	0	1
Serious and substantial waste	0	0	0
Government information contravention	0	0	0
Local government pecuniary interest contravention	0	0	0
Numbers of PIDs finalised	0	0	4

Research and development

Centre for Work Health and Safety

Flexible work and psychological safety: best practice to advance psychologically safe work from alternate locations

The *Flexible work and psychological safety: best practice to advance psychologically safe work from alternate locations* research project examined the psychosocial risks associated with undertaking flexible, remote and telecommuting work as increasingly prevalent 'new ways of working'. The study utilised a co-design process, working collaboratively with key stakeholders to develop a model of best practice for flexible working arrangements that promotes participation in work health and safety by flexible workers, and psychologically safe flexible work environments.

A key outcome of the study is a conceptual model for work health and safety engagement for flexible workers which incorporates the emergent themes from the focus groups and their relationship to each other from the systems perspective. The study, conducted in partnership with Edith Cowan University, commenced in June 2020 at a total cost of \$135,143.

Mental health in remote and rural farming communities

The *Mental health in remote and rural farming communities* research project investigated whether text-based counselling is an effective way to support rural mental health. It used computational linguistic techniques to analyse text-based communications with the goal of identifying a client's mental health status. This was conducted in the context of e-mental health services delivered primarily via SMS in rural and remote farming communities.

The results confirmed that text-based counselling is an effective tool to support mental health in rural and regional areas. It also showed that word use patterns could be used to differentiate whether a client had one of the top three presenting problems (depression, anxiety or stress), as well as prospectively to predict their self-rated mental health after counselling had concluded. These findings have potential applications in both screening and targeted interventions. The study, conducted in partnership with Western Sydney University and Virtual Psychologist, and supported by the NSW Government's Mentally Healthy Workplaces Strategy to 2022, concluded in September 2020 at a total cost of \$484,890.

Work health and safety harms affecting Aboriginal workers and businesses

The *Work health and safety harms affecting Aboriginal workers and businesses* research project investigated the current work health and safety harms or risks facing Aboriginal workers and businesses in NSW. The research involved the development of, and consultation with, an advisory group of Aboriginal community representatives and/or workers regarding work health and safety issues. The research highlighted the following issues:

- mechanisms for reporting and handling racism and bullying in the workplace
- the individual, organisational and community effects of lateral violence
- the importance and effects of community obligations
- the Aboriginal and Torres Strait Islander experience of work-related stress and burnout.

These findings have fed into BRD's *Aboriginal Engagement and Education Strategy*. The study, conducted in partnership with Monaghan Dreaming and the Behavioural Insights Unit, concluded in September 2020 at a total cost of \$90,954.

Office of Responsible Gambling research

The Office of Responsible Gambling initiates and funds research that provides the evidence base for responsible gambling policy, interventions and programs. The research program aligns with, and progresses, the Responsible Gambling Fund Research Agenda 2018-2021. Included in the program are commissioned and grant funded projects, as well as national research projects receiving funding support from the Responsible Gambling Fund through Gambling Research Australia.

Research and development

There were two commissioned research projects receiving funding in 2020/21.

Research organisation	Cost (\$)	Purpose
Central Queensland University	180,346.00	Youth Gambling Study \$180,346 was paid in 2020/21, the total value of the contracted work was \$358,042.
The University of Auckland	30,000.00	A Rapid Review and Research Gap Analysis: A 2020 update \$30,000 was paid in 2020/21, the total value of the contracted work was \$30,000

There were also five research projects in progress in 2020/21, supported through grants awarded under the 2019 Responsible Gambling Fund Grants programs.

Research organisation	Cost (\$)	Purpose
Central Queensland University	76,424.00	Development and randomised-control-trial of safe gambling guidelines for EGM play. \$76,424 was paid in 2020/21 the total value of the grant is \$191,063.
Central Queensland University	29,990.00	Exploring the changing landscape of gambling in adolescence. \$29,990 was paid in 2020/21; the total value of the grant is \$99,968.
Deakin University	3,000.00	Family member treatments: systematic review and content analysis across addictions. \$3,000 was paid in 2020/21; the total value of the grant was \$30,000.
University of Sydney -Gambling Treatment and Research Clinic	55,500.00	Randomised control trial comparing face -to face with online problem gambling treatment. \$55,500 was paid in 2020/21; the total value of the grant is \$277,500.
Western Sydney Community Forum	93,600.00	Culturally Responsive Framework to Address Problem Gambling Behaviours. \$93,600 was paid in 2020/21; the total value of the grant was \$156,000.

*All amounts are GST exclusive

Research and development

Customer, Delivery and Transformation

The NSW Data Tools were developed by the NSW Data Analytics Centre in partnership with Servian as a Proof-of-Concept and consist of three distinct products (GovProtect, GovLink and PIF).

GovProtect

GovProtect is a Data Scanning Tool that allows users to quickly clean, standardise and irreversibly hash any field contained within a CSV formatted data file. GovProtect achieves this by providing a GUI interface, allowing users to select both PII and non-PII in addition to categorising them into specific data types (such as ABN, Date of Birth, First Name). Once the columns in the dataset are categorised and PII data appropriately flagged, the tool will then break down each field, and cleanse, repair and standardise the data. PII categorised fields will be irreversibly hashed using a hashing algorithm.

GovProtect's built-in cryptographic hashing functions which by design are irreversible. The unique combination of features contained within GovProtect provides government departments and agencies with a way to safely share data by heavily reducing the risk of jeopardising a person's personal information. GovProtect is the NSW Data Analytics Centre's first line of defence as part of a suite of data tools available through the Advanced Analytics Service that help protect privacy, support leveraging data to solve complex problems, and make timely data-driven decisions for the people of NSW.

GovLink

GovProtect can also be used for combining and sharing other useful datasets in conjunction with GovLink. GovLink is the NSW Data Analytics Centre's Data Linkage tool which can take the cleaned, standardised and hashed values in the output files produced by GovProtect and use them in combination with GovLink's advanced data linkage engine to link multiple datasets together. Using this approach ensures that a person's personal information is never revealed by only ever matching on the hashed values which are irreversible.

Personal Identification Factor

Separately, the Personal identification Factor (PIF) tool helps to protect customer privacy by providing data custodians with a mechanism through which to comparatively measure the potential risk of re-identification from one dataset to another. This functionality allows government departments and agencies to define and manage their own risk tolerances and apply these on a contextual basis.

These NSW Data Tools (GovProtect, GovLink and PIF) are continuing to be tested, assessed and developed for eventual integration with the NSW Data Analytics Centre's Advanced Analytics Service.

Risk management, attestation and insurance activities

During the 2020/21 financial year, the maturity of DCS's risk position continued to evolve with a wide range of activities underway and planned to strengthen risk management and improve insights into the cluster's risk position. These activities include:

- implementing an online risk management system, replacing excel-based risk registers, and providing aggregation and reporting functionalities
- implementing a Risk Appetite Statement that articulates the nature and extent of risk DCS is willing or unwilling to take
- reviewing the integrated Risk and Opportunity Management Policy and Risk and Resilience Framework that operated in accordance with the NSW Treasury Policy TPP 15-03 *Internal Audit and Risk Management Policy for the NSW Public Sector*, and refreshing the policy and framework to ensure it operates in accordance with the updated NSW Treasury Policy TPP 20-08 *Internal Audit and Risk Management Policy for the General Government Sector*
- conducting a Risk Maturity Assessment across the cluster and identifying actions to close the gap between the current state of risk maturity and the target state of risk maturity. Targeted capability and training will be developed in line with agreed actions to uplift risk maturity.

During 2020/21, DCS had an integrated Risk and Opportunity Management (ROM) Policy in place, which was supported by a Risk and Resilience Framework that adopted a unified approach to risk, compliance, and business continuity management.

The Policy and Framework applied the principles of *ISO 31000:2018 Risk management – Guidelines* and operated in accordance with TPP15-03.

The aim of the Risk and Resilience Framework was to ensure that:

- the Secretary, the DCS Executive and all managers could confidently make business decisions informed by risk management
- change opportunities and initiatives could be pursued with greater speed, robustness, and confidence for the benefit of DCS and its stakeholders
- daily decisions at the operating level were made within the context of DCS's capacity to accept risk
- the organisation managed the risk of intangible assets – reputation, regulatory, intellectual and knowledge capital, processes, and systems – just as fully as it managed physical and financial assets.

All DCS employees (including contractors) were responsible for the identification, assessment, monitoring, control and ongoing management of risks and compliance obligations (including business disruption risk).

Internal audit and risk management attestation statement for the 2020/2021 financial year for Department of Customer Service

Internal Audit and Risk Management Attestation Statement for the 2020-2021 Financial Year for Department of Customer Service

I, Emma Hogan, Secretary, am of the opinion that the Department of Customer Service has internal audit and risk management processes in operation that are, excluding the exemptions or transitional arrangements described below, compliant with the seven (7) Core Requirements set out in the *Internal Audit and Risk Management Policy for the General Government Sector*, specifically:

Core Requirements		For each requirement, please specify whether compliant, non-compliant, or in transition
Risk Management Framework		
1.1	The Accountable Authority shall accept ultimate responsibility and accountability for risk management in the agency.	Compliant
1.2	The Accountable Authority shall establish and maintain a risk management framework that is appropriate for the agency. The Accountable Authority shall ensure the framework is consistent with AS ISO 31000:2018.	In transition
Internal Audit Function		
2.1	The Accountable Authority shall establish and maintain an internal audit function that is appropriate for the agency and fit for purpose.	Compliant
2.2	The Accountable Authority shall ensure the internal audit function operates consistent with the International Standards for Professional Practice for Internal Auditing.	Compliant
2.3	The Accountable Authority shall ensure the agency has an Internal Audit Charter that is consistent with the content of the 'model charter'.	Compliant - except re 2.3.1 & 2.3.2: In transition from 1 January 2021
Audit and Risk Committee		
3.1	The Accountable Authority shall establish and maintain efficient and effective arrangements for independent Audit and Risk Committee oversight to provide advice and guidance to the Accountable Authority on the agency's governance processes, risk management and control frameworks, and its external accountability obligations.	Compliant
3.2	The Accountable Authority shall ensure the Audit and Risk Committee has a Charter that is consistent with the content of the 'model charter'.	Compliant - except re 3.2.1 & 3.2.3: In transition from 1 January 2021

Membership

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

- Independent Chair, Carol Holley, 1 November 2019 – 31 October 2022
- Independent Member, Bruce Turner AM, 1 November 2019 – 31 October 2022
- Independent Member, Nancy Milne OAM, 1 November 2019 – 31 October 2022

Shared Arrangements

I, Emma Hogan, Secretary, advise that Department of Customer Service has entered into an approved shared arrangement with the following agencies:

- Rental Bond Board
- New South Wales Government Telecommunications Authority
- Independent Liquor and Gaming Authority
- Greyhound Welfare and Integrity Commission

Departures from Core Requirements

I, Emma Hogan, Secretary, advise that the internal audit and risk management processes for the Department of Customer Service depart from the Core Requirements set out in the *Internal Audit and Risk Management Policy for the General Government 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 arrangement.

Departure	Reason for departure and description of practicable alternatives measures implemented/being implemented
Non-Compliance	
Nil	
In Transition	
1.2	<p>DCS Risk Management Policy and Framework have been updated and the risk management approach aligns with Australian Standard AS ISO31000:2018 – Risk Management – Guidelines, however process documents are currently being updated.</p> <p>Further integration will be applied in line with the refreshed risk management policy documents.</p> <p>Climate related risks including bushfires, flood and drought have been identified and captured for some agencies. In addition to standard risk management processes, the climate risk management process will also include:</p> <ul style="list-style-type: none"> • Assessing risk based on a plausible future and climate trends rather than historical experience. • Accessing and understanding climate change projections. • Building skills and knowledge to use climate change projections and information. • Communicating potential uncertainty to decision makers. • Enabling adaptive management of risks in response to potential uncertainty <p>Further integration of cyber security risk is occurring when identifying agency risks and will be embedded into the risk management practices and assurance processes. Regular reporting is provided to senior executives and the recent appointment of a Cluster CISO will strengthen consideration of cyber security risks.</p>

2.3.1	A draft IA Charter consistent with the model charter has been endorsed by the ARC and is awaiting final sign-off.
2.3.2	The predecessor Charter based on TPP 15-03 is largely consistent with the model charter and remains in force in the interim.
3.2.1	A draft ARC Charter has been endorsed by Committee and is in the process of gaining final approval.
3.2.3	The predecessor ARC Charter based on TPP 15-03 is largely consistent with the model charter and remains in force in the interim.

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



Emma Hogan
Secretary
Department of Customer Service

Date: 28/09/21

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Cyber security annual attestation statement



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Cyber security Annual Attestation Statement for the 2020-2021 Financial Year for the Department of Customer Service (Secretary – NSW Department of Customer Service)

I, Emma Hogan, am committed to ensuring that the cyber security defences of the Department of Customer Service will continue to be strengthened.

Governance is in place to manage the cyber security maturity and initiatives of the Department of Customer Service. The Department of Customer Service has completed independent audits of cyber security controls in place during the 2020-2021 financial year, and the department's maturity against the NSW Cyber Security Policy mandatory requirements. These audits have identified opportunities for improvement, which we are now focussed on addressing.

The Department of Customer Service has a cyber security response plan that has been exercised during the 2020-2021 financial year. The plan will continue to be reviewed to maintain its currency and effectiveness.

The Department of Customer Service is implementing an expanded information security management system (ISMS) to ensure that cyber security risks are managed consistently and effectively across all areas of the department. This improvement has resulted in DCS adopting a more consolidated approach not only to our attestation, but also toward our cyber capability and maturity uplift. A range of improvements have been implemented to deliver a strong foundation from which to successfully execute 'Project Trust' which will accelerate the organisation's cyber security capability and effectiveness year on year. Whilst the Department of Customer Service currently governs cyber security via various governance forums up to and including the Audit and Risk Committee, increased focus will be applied to expanding and maturing cyber security governance.

The Department will continue to harden its technology environments and increase awareness of cyber security and privacy risks for all staff. Through an aggressive and comprehensive cyber security resilience programme, the department will ensure that the security of citizen information and trust in the services of government are maintained to the best of its abilities against increasingly complex and prevalent threats.

This attestation covers the following agencies in addition to the DCS core agencies:

- Independent Review Office
- Greyhound Welfare and Integrity Commission

Yours sincerely

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

Emma Hogan
Secretary, NSW Department of Customer Service

Date: 02/09/21

Risk management, attestation and insurance activities

Business risk insurance

DCS had insurance arrangements in place for all its assets and major risks. Insurable risk cover was primarily provided through participation in the NSW Treasury Managed Fund (TMF), the NSW Government self-insurance scheme. Insurable risk exposures covered through the TMF included cyber, property, liability, motor vehicle, workers compensation, travel, and personal accident.

Cluster claims performance

The claims performance data outlined below is inclusive of all DCS cluster agencies. Some agencies within DCS also publish their own annual reports which contain further information regarding their insurance activities.

Number of Claims

Line of business	2020/21
Workers Compensation	130
Motor Vehicle	126
Property	74
Liability	34
Other	2
Total	366

Net incurred claims cost (\$)

Line of business	2020/21
Workers Compensation	\$5,636,422
Motor Vehicle	\$346,114
Property	\$1,846,328
Liability	\$532,545
Other	\$1,280,000
Total	\$9,641,409

Data regarding incurred claims and relevant costs was sourced from TMF. It is based on the claims lodged and relevant assessment as at September 2021. The final costs and claim numbers may vary due to the timing of loss incurred, claims reported, and the outcome of the negotiated settlement.

Significant judicial decisions

Better Regulation Division – Fair Trading

Decision	Brief explanation of decision
NSW Fair Trading matter of James Christopher Cochineas	<p>On 14 July 2020, the Local Court convicted Mr James Christopher Cochineas of five offences under section 211(2) of the <i>Property and Stock Agents Act 2002</i>. Mr Cochineas was sentenced to 3 years full time custody with a non-parole period of 18 months, to serve 350 hours of community service and ordered to pay \$365,700 in compensation.</p> <p>Mr Cochineas was the sole director of Tome Bros Pty Ltd, which traded as Tome Bros Real Estate. In 2009, 2012 and 2013, Mr Cochineas was knowingly concerned in the fraudulent conversion of \$448,200 by the Corporation from the Corporation's trust account.</p> <p>On 7 October 2020, Mr Cochineas appealed to the District Court on severity of Local Court's sentence. The District Court varied the Local Court's penalty by varying the period of imprisonment to be served by way of an Intensive Corrections Order.</p>
NSW Fair Trading matter of Ryan Robert Charlton	<p>On 13 August 2020, the Local Court convicted Mr Ryan Robert Charlton of an offence under sections 9/218 and an offence under section 211(2) of the <i>Property and Stock Agents Act 2002</i>. Mr Charlton was sentenced to 15 months imprisonment to be served by way of an Intensive Corrections Order, subject to additional conditions to serve 220 hours of community service, to abstain from illegal and non-prescribed drugs, and ordered to pay \$52,980 in compensation.</p> <p>Mr Charlton, a licensed real estate agent, was the sole director of Condor Real Estate Pty Ltd that carried on the business of a real estate agent without holding a licence to do so for part of 2017. In 2017 to 2018, Mr Charlton also fraudulently converted \$78,244.66 from his business's statutory trust account.</p>
NSW Fair Trading matter of Christopher Monahan	<p>On 18 September 2020, Mr Christopher Monahan was convicted of one offence under section 192E(1)(b) of the <i>Crimes Act 1900</i>. Mr Monahan was sentenced to two years imprisonment, with a non-parole period of 16 months. Mr Monahan was ordered to pay \$30,050 in compensation to two consumers.</p> <p>An investigation revealed that in 2019 and 2020, Mr Monahan obtained a financial advantage totalling \$30,050 from two consumers by impersonating a person licensed to do residential building work in order to deceive them into contracting with him.</p> <p>On appeal to the District Court, the non-parole period was reduced to 12 months.</p>
Jonval Builders Pty Ltd v Commissioner for Fair Trading [2020] NSWCA 233	<p>On 25 September 2020, the Court of Appeal dismissed an appeal by Jonval Builders Pty Ltd, Hacienda Caravan Park Pty Ltd and John Allan Willmott ("Jonval and others") against a decision of the Supreme Court in which they were found to have engaged in misleading or deceptive conduct and unconscionable conduct, though Mr Wilmot was found to have engaged in unconscionable conduct only. The Supreme Court had ordered Jonval and others to pay compensation and interest totalling \$2,353,926, as well as costs. A further special leave application to appeal to the High Court was refused.</p> <p>Jonval and others operated a caravan park business in the Tweed River area. In 2009, 2010 and 2012, Jonval and others sold movable dwellings or "Villas" located at the Park to seven consumers. The Villas were sold as "permanent residences", when in fact the Villas were not permanent residences under local council laws.</p>
NSW Fair Trading matter of Toni Gereige	<p>On 18 November 2020, the Local Court convicted Mr Tony Gereige of two offences under section 192E(1)(b) of the <i>Crimes Act 1900</i>. Mr Gereige was sentenced to 15 months imprisonment to be served by way of an Intensive Corrections Order, with a condition that he serve 120 hours of community service and abstain from gambling and not attend any premises operating any form of gambling/gambling machines.</p> <p>An investigation revealed that in the period from January 2016 to November 2016, Mr Gereige had, by deception, obtained a financial advantage of \$90,666.33 by claiming bonds lodged with the Rental Bond Board to which he was not entitled whilst he was employed as a real estate agent at Strathfield Partners Pty Ltd.</p>

Significant judicial decisions

Decision	Brief explanation of decision
NSW Fair Trading matter of Arvind Pillay	<p>On 4 December 2020, the Local Court convicted Mr Arvind Pillay of nine offences under sections 211(2)/218(2) of the <i>Property and Stock Agents Act 2002</i>. Mr Pillay was sentenced to an aggregate of 10 months imprisonment to be served by way of an Intensive Corrections Order in home detention with an ankle bracelet to be worn, as well as 120 hours of community service.</p> <p>Mr Pillay was the principal and licensee in charge of Arvind Pillay Realty Pty Ltd trading as Raine & Horne Quakers Hill. An investigation revealed that in 2017 and 2018, Mr Pillay was knowingly concerned in the fraudulent conversion of \$865,035 from the company's sales trust account, by the company.</p> <p>The District Court dismissed Mr Pillay's appeal against severity of the sentence.</p>
NSW Fair Trading matter of Alice Gaye Gunning	<p>On 10 December 2020, the District Court dismissed Ms Gunning's appeal against conviction by the Local Court for four offences under the <i>Property and Stock Agents Act 2002</i> (being offences under sections 211(2)/218, 32(2), 37(2) and 111(1)/218). The District Court upheld Ms Gunning's appeal against the severity of the sentence imposed by the Local Court, reducing it to a period of imprisonment for 12 months to be served by way of an Intensive Corrections Order. Ms Gunning was ordered to pay \$6,500 in costs.</p> <p>Ms Gunning was the director of Guncom Pty Ltd. Ms Gunning held a real estate agent licence and was the nominated licensee in charge of Guncom's Surry Hills branch. The investigation arose during an inspection when it was discovered that Ms Gunning was knowingly concerned, as a director, in the fraudulent conversion of \$98,800 in trust funds by Guncom Pty Ltd. Ms Gunning also failed to cause trust account audits as required and failed to provide adequate supervision of the business.</p>
NSW Fair Trading matter of Brett Mitten	<p>On 22 January 2021, the Local Court convicted Mr Brett Mitten of three offences under sections 211(2)/218(2) of the <i>Property and Stock Agents Act 2002</i>. Mr Mitten was sentenced to an aggregate term of imprisonment of 24 months to be served by way of an Intensive Correction Order with a condition that he complete 350 hours of community service work. Mr Mitten was also ordered to pay \$126,880.50 in compensation.</p> <p>Mr Mitten was the sole director and licensee in charge of Kazmot Pty Ltd trading as Raine & Horne Belmont. An investigation revealed that in 2018 and 2019, Mr Mitten did aid or abet Kazmot Pty Ltd in fraudulently converting \$126,880.50 from its trust account.</p>
NSW Fair Trading matter of Derrick John MacRae	<p>On 19 February 2021, the Local Court convicted Mr Derrick John MacRae under sections 211(2)/218 of the <i>Property and Stock Agents Act 2002</i>. Mr MacRae was placed on a Community Corrections Order for 3 years, including a further condition requiring 150 hours of community service.</p> <p>Mr MacRae was the sole director of MacRae & Latty Pty Ltd operating under the business name Derrick MacRae Real Estate Agents. In 2017, Mr MacRae was knowingly involved in the fraudulent conversion by the company of \$73,243.21 in trust money.</p>
NSW Fair Trading matter of Katie Lea Klerck and Andrew Klerck	<p>On 5 March 2021, the Local Court convicted Ms Katie Lea Klerck of 17 offences under section 158(7) of the <i>Australian Consumer Law</i>. Ms Klerck was fined a total of \$27,200 and ordered to pay costs of \$16,671.90.</p> <p>The Local Court also convicted Mr Andrew Klerck of 16 offences under section 158(7) of the <i>Australian Consumer Law</i>. Mr Klerck was fined a total of \$25,600 and ordered to pay \$15,836.40, as well as \$25,470 in compensation to affected consumers.</p> <p>The Klercks conducted a wedding videography/photography business under the trading names "Switch Multimedia Films" and "Switch Multimedia". From 2016 to 2019, the Klercks received money as payment for wedding videography/photography services, including to supply film to 17 different consumers of their respective wedding days. The Klercks accepted the payments but did not supply all the goods for which they were paid.</p>

Significant judicial decisions

Decision	Brief explanation of decision
<p>HSL Group Pty Ltd v Commissioner for Fair Trading, Department of Customer Service [2021] NSWCATAP 112</p>	<p>HSL Group Pty Ltd and Hanna Ibrahim appealed an earlier decision of the NSW Civil and Administrative Tribunal (NCAT), which was handed down on 30 October 2020. In that decision, NCAT affirmed the Commissioner's decision to cancel HSL Group's contractor licence and Mr Ibrahim's supervisor certificate. NCAT agreed with the Commissioner's decision to disqualify HSL Group and Mr Ibrahim from holding an authority under the <i>Home Building Act 1989</i> (Act), however, NCAT reduced the disqualification period from 24 months to six months. Mr Ibrahim was also disqualified from being a member of partnership, or an officer of a corporation that is a member of a partnership, that is the holder of an authority under the Act; and from being an officer of a corporation that is the holder of an authority under the Act.</p> <p>NCAT found that HSL Group and Mr Ibrahim made a series of false or misleading statements to the insurer and, in addition, undertook residential building work at three different building sites without a contract of insurance as required by the Act.</p> <p>On 4 May 2021, the NCAT Appeal Panel affirmed the Commissioner's decision to cancel HSL Group's contractor licence and Mr Ibrahim's supervisor certificate. The earlier NCAT decision in relation to the disqualification of both HSL Group and Mr Ibrahim, was also affirmed.</p>
<p>Eunomia Developments Pty Ltd v Secretary of the Department of Customer Service [2021] NSWLEC 1279</p>	<p>On 20 May 2021, the Land and Environment Court upheld, in part, an appeal by Eunomia Developments Pty Ltd against a building works rectification order issued by the Department of Customer Service under the <i>Residential Apartment Buildings (Compliance and Enforcement Powers) Act 2020</i>.</p> <p>The order required rectification works that primarily addressed waterproofing at a residential apartment building at 2 Mitchell Road, Alexandria. The parties resolved the proceedings by agreeing on an amended order that required Eunomia Developments Pty Ltd to carry out works.</p>
<p>NSW Fair Trading matter of Yvonne Mary Hall</p>	<p>On 31 May 2021, the Local Court convicted Ms Yvonne Mary Hall of two offences under section 192E(1)(b) and one offence under section 253(b)(iii) of the <i>Crimes Act 1900</i>. Ms Hall was sentenced to 16 months imprisonment to be served by way of an Intensive Corrections Order, including 100 hours of community service. Ms Hall was also ordered to repay \$8,052.35 to the Pozieres Remembrance Association.</p> <p>Ms Hall was the Secretary of the Pozieres Remembrance Association, which was authorised to fundraise pursuant to the <i>Charitable Fundraising Act 1991</i>. Between 2012 and 2019, Ms Hall fraudulently obtained a total of \$148,966.01 from the Association. In 2018, Ms Hall used a false document to misrepresent the financial records of the Association.</p>
<p>NSW Fair Trading matter of Tevita Tiliti Ungounga</p>	<p>On 11 June 2021, Mr Tevita Tiliti Ungounga was convicted of two offences under section 8(2)(a) of the <i>Home Building Act 1989</i> (the HBA), three offences under section 12 of the HBA, one offence under section 92(1) of the HBA and fined a total of \$36,000. He was also convicted of four offences under section 4(1)(a) of the HBA, one offence under section 92(2) of the HBA and sentenced to 14 months imprisonment to be served by way of an Intensive Corrections Order, with a condition that he serve 200 hours of community service.</p> <p>An investigation revealed that in 2018, Mr Ungounga contracted with four consumers for residential building work totalling about \$260,000 without holding a licence to perform that work. Deposits in excess of 10% of the contract price were demanded from two of the consumers and work was performed for three consumers without being licensed to perform that work. From one of the consumers, Mr Ungounga received payments totalling \$216,505 and performed residential building work in circumstances where Mr Ungounga had not taken out any insurance under the Home Building Compensation Fund. None of the work contracted was completed.</p>

Significant judicial decisions

Better Regulation Division – Liquor & Gaming NSW

Decision	Brief explanation of decision
Liquor & Gaming NSW v TAB Ltd	<p>In December 2019, TAB Ltd (TAB) ran an advertising campaign via Instagram Stories to its betting account holders offering them the opportunity to obtain bonus bets. In providing the details of account holders who were to receive the advertisement to Facebook, TAB also included the details of 900 NSW residents who had closed their TAB accounts and should not have received the advertisement.</p> <p>Following an investigation by Liquor & Gaming NSW, TAB pleaded guilty to one offence contrary to section 33H(1) of the <i>Betting and Racing Act 1998</i> in relation to the publication of a gambling advertisement that included a prohibited inducement to participate, or to participate frequently, in a gambling activity.</p> <p>On 25 November 2020, the Local Court fined TAB \$18,000 in relation to the offence. In sentencing, the Local Court noted that there had been the potential for 900 former account holders to have viewed the advertisement (which may have included persons who had closed their accounts because they had a gambling problem) and should not have been exposed to the advertisement.</p>
Liquor & Gaming NSW v Sportsbet Pty Ltd	<p>On 13 June 2020, a full-page prohibited gambling advertisement was published by Sportsbet Pty Ltd (Sportsbet) in the Daily Telegraph newspaper. The advertisement included a prohibited inducement, stating 'up to \$50 back in bonus bets'.</p> <p>Following an investigation by Liquor & Gaming NSW, Sportsbet pleaded guilty to one offence contrary to section 33H(1) of the <i>Betting and Racing Act 1998</i>, in relation to the publication of a gambling advertisement that included a prohibited inducement to participate, or to participate frequently, in a gambling activity.</p> <p>On 15 March 2021, the Local Court fined Sportsbet \$22,000.</p>
Liquor & Gaming NSW v BlueBet Pty Ltd	<p>In July and August 2020, BlueBet Pty Ltd (BlueBet) published advertisements (on the Apple App Store and the BlueBet Twitter account respectively), promoting the availability of a gambling product that provided increased odds.</p> <p>Following an investigation by Liquor & Gaming NSW, BlueBet pleaded guilty to two offences contrary to section 33H(1) of the <i>Betting and Racing Act 1998</i> in relation to the publication of a gambling advertisement that included a prohibited inducement to participate, or to participate frequently, in a gambling activity.</p> <p>On 31 March 2021, the Local Court fined BlueBet \$5,500 in relation to each offence.</p>
Complaint to Independent Liquor and Gaming Authority (ILGA) concerning Mr James Hughes and Feros Hotel Group Pty Ltd	<p>Liquor & Gaming NSW conducted an investigation into an incident that took place in February 2019 at the Taren Point Hotel-Motel in which hotel staff gave a customer 10 complimentary schooners of beer whilst playing the hotel's gaming machine. The customer lost around \$3,000 gambling.</p> <p>Liquor & Gaming NSW submitted a complaint to the ILGA specifying grounds for compliance action.</p> <p>In May 2021, ILGA found that the grounds of the complaint were established. ILGA issued a monetary penalty to Mr James Hughes, the licensee of Taren Point Hotel-Motel, totalling \$4,400 and suspended the Taren Point Hotel-Motel's authorisation to keep approved gaming machines for a period of seven days. In its decision, ILGA noted that the conduct was serious and intensified the potential for harm associated with the misuse and abuse of gambling activities to the community.</p>

Significant judicial decisions

Better Regulation Division – Registrar-General

Decision	Brief explanation of decision
Ippin Textiles Pty Ltd v Winau Aust Pty Ltd [2021] NSWCA 9	<p>A fraudster lodged a fraudulent application with ASIC to be recorded as the sole director and secretary of a company. The company owned three properties in Sydney in its capacity as trustee of a unit trust. The fraudster used his company director status to apply for and obtain new certificates of title for the properties. The fraudster then obtained registered mortgages over the properties as security for repayment of a principal amount of \$4 million. That amount was subsequently increased. The unit holder sued the Registrar-General seeking compensation from the Torrens Assurance Fund. The Court of Appeal unanimously upheld the decision of the Supreme Court in agreeing that because there was in fact no advance by the lender to the company, there was no obligation on the company to repay the loan. Therefore, the mortgages secured nothing.</p> <p>As the company and the unit holder did not suffer any loss due to the registration of the mortgages, the claim against the Torrens Assurance Fund was dismissed.</p>
CEG Direct Securities Pty Ltd v Wang [2021] NSWCA 76	<p>A fraudster created fraudulent powers of attorney which he used to obtain fraudulent mortgages over his parents' home and investment properties. He defaulted on the loans so the lender commenced possession proceedings. The defrauded parents in turn sued the Registrar-General seeking compensation from the Torrens Assurance Fund.</p> <p>Following Ippin Textiles Pty Ltd v Winau Aust Pty Ltd [2021] NSWCA 9, the Court of Appeal unanimously held that on the proper interpretation of the terms of the mortgages, the mortgages did not secure the payment of a debt as there was no actual advance to the parents by or at their request. As the mortgages did not secure the payment of a debt, the value of the sums allegedly advanced under the mortgages was not recoverable from the Torrens Assurance Fund.</p>

Significant judicial decisions

Better Regulation Division – SafeWork

Decision	Brief explanation of decision
SafeWork NSW v Norske Skog Paper Mills (Australia) Ltd	<p>On 24 May 2018, two workers suffered fatal injuries and a third worker suffered injury when they were overcome by hydrogen sulphide gas at a paper mill at Ettamogah.</p> <p>Following a SafeWork NSW investigation, Norske Skog Paper Mills (Australia) Ltd pleaded guilty to one offence contrary to sections 32/19(1) of the <i>Work Health and Safety Act 2011</i>.</p> <p>On 25 September 2020, the defendant was convicted by the District Court, fined \$1,012,500 and ordered to undertake a project to develop a safety video under section 238 of the Act. In sentencing, the Court noted that the likelihood of the risk occurring was high and the steps to eliminate or minimise the risk were well known and readily available.</p>
SafeWork NSW v Lendlease Engineering Pty Ltd; SafeWork NSW v Bouygues Construction Australia Pty Ltd	<p>On 23 May 2017, a worker sustained fatal crush injuries when he was undertaking activities associated with desludging a flow balance tank at a construction site for the NorthConnex Project.</p> <p>Following a SafeWork NSW investigation, Lendlease Engineering Pty Ltd and Bouygues Construction Australia Pty Ltd both pleaded guilty to one offence contrary to sections 32/19(1) of the <i>Work Health and Safety Act 2011</i>.</p> <p>On 2 October 2020, both defendants were convicted by the District Court. Each defendant was fined \$375,000. In sentencing, the Court noted the risk associated with the uncontrolled release of stored energy in the pressurised piping system to be a foreseeable risk. The likelihood of the risk occurring was high if appropriate precautions were not taken to eliminate or minimise it.</p>
SafeWork NSW v GN Residential Construction Pty Ltd	<p>On 1 April 2019, multiple levels of scaffolding at a construction site managed by GN Residential Construction Pty Ltd (GN Residential) collapsed, causing fatal injuries to one worker and serious injury to another.</p> <p>Following a SafeWork NSW investigation, GN Residential pleaded guilty to one offence contrary to sections 32/19(1) of the <i>Work Health and Safety Act 2011</i>.</p> <p>On 17 December 2020, GN Residential was convicted by the District Court, fined \$900,000 and a project order was imposed. In sentencing, the Court noted the offence was of the utmost objective gravity and the likelihood of the risk occurring was so high that it was almost certain.</p>
SafeWork NSW v Sky High Rigging Services Pty Ltd	<p>On 19 March 2018, a 28 year old rigger sustained fatal injuries when his chest and neck were trapped between the barrier of a material hoist and a steel mast tie that was secured to a partially constructed building in Liverpool.</p> <p>Following a SafeWork NSW investigation, Sky High Rigging Services Pty Ltd pleaded guilty to one offence contrary to sections 32/19(1) of the <i>Work Health and Safety Act 2011</i>.</p> <p>On 18 December 2020, the defendant was convicted by the District Court and fined \$450,000. In sentencing, the Court noted that the risk was known to the defendant, and that its director and leading hand acknowledged there was an ever-present risk of crushing.</p>
SafeWork NSW v Brady Marine & Civil Pty Ltd	<p>On 1 March 2017, a worker sustained fatal injuries when he was struck by a “headstock” which was standing upright and unrestrained on the deck of a barge at the Barangaroo Ferry Hub, Sydney.</p> <p>Following a SafeWork NSW investigation, Brady Marine & Civil Pty Ltd pleaded guilty to one offence contrary to sections 32/19(1) of the <i>Work Health and Safety Act 2011</i>.</p> <p>On 18 December 2020, the defendant was convicted by the District Court and fined \$450,000. In sentencing, the Court noted that the defendant’s culpability was high due to the obvious risk, the straightforward measures that could have been taken, the grave risk of injury and resulting tragic death.</p>
SafeWork NSW v McConnell Dowell Constructors (Aust) Pty Ltd	<p>On 1 March 2017, a worker sustained fatal injuries when he was struck by a “headstock” which was standing upright and unrestrained on the deck of a barge at the Barangaroo Ferry Hub, Sydney.</p> <p>Following a SafeWork NSW investigation, McConnell Dowell Constructors (Aust) Pty Ltd was charged with one offence contrary to sections 32/19(1) of the <i>Work Health and Safety Act 2011</i>.</p> <p>Following a defended hearing, on 8 April 2021, the defendant was convicted by the District Court and fined \$500,000. In sentencing, the Court noted that the offending was at the upper end of the mid-range of culpability due to the obvious risk, the straightforward measures that could have been taken, the serious and tragic resulting harm, and the need to reflect parity with the co-defendant Brady Marine & Civil Pty Ltd.</p>

Significant judicial decisions

Decision	Brief explanation of decision
SafeWork NSW v Elgas Ltd	<p>On 10 December 2015, a worker suffered serious burn injuries when LPG gas ignited after it leaked from a gas cylinder during in-situ filling. The resident of the property also suffered serious burns as she was in the vicinity of the cylinders when the gas ignited.</p> <p>Following a SafeWork NSW investigation, Elgas Ltd pleaded guilty to two offences contrary to sections 32/19(1) and 32/19(2) respectively of the <i>Work Health and Safety Act 2011</i>.</p> <p>On 24 March 2021, the defendant was convicted on both charges and fined by the District Court. Elgas was fined \$425,000 in relation to the section 19(2) offence and \$100,000 in relation to the section 19(1) offence. In sentencing, the Court noted that the risk of leaking LPG during re-filling was obvious and well known, however the training and supervision of the tanker drivers was inadequate.</p>
SafeWork NSW v S&T Services Pty Ltd	<p>On 6 August 2017, three workers were injured when a crane partially erected on top of a corbel grillage collapsed at a construction site in Wollli Creek.</p> <p>Following a SafeWork NSW investigation, engineering firm S&T Services Pty Ltd pleaded guilty to one offence contrary to sections 32/22(2) of the <i>Work Health and Safety Act 2011</i> with respect to the design of the grillage.</p> <p>On 29 April 2021, the defendant was convicted by the District Court and fined \$225,000. In sentencing, the Court noted that the defendant's culpability fell within the high range of offending. There were several steps readily available that could have minimised or eliminated the risk. These steps were not hard or burdensome.</p>
SafeWork NSW v DIC Australia Pty Ltd	<p>On 7 December 2017, a 42-year-old worker sustained fatal injuries when he became trapped inside an industrial ink holding tank located in Auburn NSW, which he was contracted to clean.</p> <p>Following a SafeWork NSW investigation, DIC Australia Pty Ltd pleaded guilty to one offence contrary to sections 32/19(1) of the <i>Work Health and Safety Act 2011</i>.</p> <p>On 30 April 2021, the defendant was convicted by the District Court and fined \$450,000. In sentencing, the Court noted that the defendant's culpability fell within the high range of offending and that the risk of death or injury was obvious and foreseeable.</p>

Revenue NSW

Decision	Brief explanation of decision
Chief Commissioner of State Revenue v Downer EDI Engineering Pty Ltd [2020] NSWCA 126	<p>The respondent, Downer EDI Engineering Pty Ltd, had an agreement with Foxtel, under which the respondent engaged subcontractors to deliver and install Foxtel equipment to Foxtel customers.</p> <p>The appellant, the Chief Commissioner of State Revenue, assessed the payments made by the respondent to the subcontractors under the subcontracts, on the basis that the payments were made under "relevant contracts" (section 32(1) of the <i>Payroll Tax Act 2007</i> ("PTA"), and thus were subject to payroll tax.</p> <p>The Primary Judge found that the subcontracts were excluded from the definition of a "relevant contract" under section 32(2)(a) (ancillary to the supply of goods) and section 32(2)(d) (ancillary to the conveyance of goods) of the PTA, and set aside the assessments of payroll tax in relation to the payments.</p> <p>The Court of Appeal dismissed the appeal and held that the respondent was not subject to payroll tax on the payments to the subcontractors as the services provided were ancillary to the supply or use of the goods.</p> <p>The Court of Appeal also expressed the view that the powers of remission under sections 25 and 33 of the <i>Taxation Administration Act 1996</i> are not limited.</p>

Significant judicial decisions

Decision	Brief explanation of decision
<p>Chief Commissioner of State Revenue v Benidorm Pty Ltd [2020] NSWCA 285</p>	<p>On 31 May 2007, Benidorm (as trustee) and Mr. Robinson (as sole beneficiary) entered into a deed of trust (the First Declaration of Trust) whereby Benidorm declared that it would hold title to an apartment (the Apartment) as trustee for Mr. Robinson. On 27 June 2007, the sale of the Apartment was completed. On 13 September 2013, Mr. Robinson died. By his last will and testament dated 11 September 2013 (the Will), Mr. Robinson appointed Mr. Stubbs as his sole executor and beneficiary. On 29 January 2015, Benidorm and Mr. Stubbs executed the Second Declaration of Trust, whereby Benidorm declared it would hold title to the Apartment as trustee for Mr. Stubbs. On 8 March 2019, the Chief Commissioner issued the Assessment. Benidorm sought a review of the Assessment.</p> <p>The Supreme Court held that the Second Declaration of Trust did not constitute a “declaration of trust” within the definition of that term in section 8(3) of the <i>Duties Act 1997</i>, finding that upon Mr. Robinson’s death the relevant provisions of the <i>Probate and Administration Act 1898</i> were engaged. Those provisions operated to vest, in accordance with his Will, the beneficial interest in the Apartment under that trust in Mr. Stubbs. That had the consequence of effecting a change in the beneficiary and, in effect, created a new and different trust. The Second Declaration of Trust did no more than acknowledge that fact.</p> <p>The Court of Appeal unanimously held that a document which does not effect a transaction, but merely acknowledges an existing legal position, is not liable to duty under the <i>Duties Act 1997</i>.</p> <p>The Court held that duty is now broadly speaking imposed on transactions, rather than instruments. This means that at the outset it is necessary, when considering whether a document is said to be subject to duty, to interpret it in order to identify whether it amounts to a transaction within the meaning of section 8(1)(b) of the <i>Duties Act 1997</i>. If it does not amount to a transaction, then it is not subject to duty.</p> <p>The Court further found that the Second Declaration of Trust had limited effect. The Court agreed with the Primary Judge that the Second Declaration of Trust merely acknowledged the existing position between Benidorm and Mr Stubbs following the grant of probate and resealing of the Will, and was correct to conclude that it was not a dutiable transaction.</p>
<p>YWCA Australia v Chief Commissioner of State Revenue [2020] NSWSC 1798</p>	<p>YWCA Australia is a secular organisation for the provision of benevolent relief to people experiencing poverty, homelessness, violence and disadvantage. YWCA NSW operated two “Song Hotels” which generated profit used to support YWCA NSW’s charitable activities. YWCA NSW transferred its assets and liabilities, which included the Song Hotels, to YWCA Australia.</p> <p>The Chief Commissioner assessed duty and interest on the transfer of the Song Hotels and other properties. YWCA Australia lodged objections to the assessments which the Chief Commissioner disallowed.</p> <p>The principal issue was whether the resources of YWCA Australia were used predominantly for the relief of poverty and/or the promotion of education pursuant to an exemption from duty under section 275(3)(a) of the <i>Duties Act 1997</i> (the Act).</p> <p>The Court found that the rules and objects within the Plaintiff’s Constitution fell comfortably within the purposes set out in section 275(3)(a) of the Act, being in “the relief of poverty” or “the promotion of education”. The modern concept of the “relief of poverty in Australia” encompasses assistance given to benefit persons whose lot needs improvement or who are subject to some degree of financial necessity. The promotion of education is a very broad concept which extends to information or training provided in a structured manner to advance knowledge or abilities of the recipients.</p> <p>The Court held that the Plaintiff used the Song Hotels to generate revenue in furtherance of its objectives, being the relief of poverty and the promotion of education. There is no requirement that the “use” must be the direct and immediate use of the resources.</p> <p>The Court held that the Plaintiff’s resources were and are used predominantly for the relief of poverty and/or the promotion of education and that the Plaintiff is thus entitled to the exemption from duty.</p>

Significant judicial decisions

Decision	Brief explanation of decision
<p>SPIC Pacific Hydro Pty Ltd v Chief Commissioner of State Revenue [2021] NSWSC 395</p>	<p>The Chief Commissioner of State Revenue issued a Duties Notice of Assessment (Assessment) to SPIC Pacific Hydro Pty Ltd (SPIC) in relation to SPIC's acquisition of shares and units in various entities operating the Taralga Wind Farm.</p> <p>The Commissioner assessed SPIC as being liable for landholder duty under Chapter 4 of the <i>Duties Act 1997</i> in the amount of \$12,394,573.37 plus interest. The Assessment was the subject of an objection, which was disallowed.</p> <p>The Supreme Court considered the status of wind farm assets on leasehold land as fixtures or chattels at common law and the appropriate valuation methodology. The Court held that the wind farm equipment in this case were fixtures at common law and the value of the leasehold interest and improvements were to be determined using a profit rental methodology.</p> <p>The Court held that although the Plaintiff was not successful in all of its arguments, the Plaintiff nevertheless demonstrated that the Assessment was excessive and was successful in having the Assessment revoked and a fresh assessment being issued for a lesser amount.</p>
<p>Antegra Pty Ltd v Chief Commissioner of State Revenue [2021] NSWSC 107</p>	<p>The Plaintiffs, Antegra Pty Ltd and others, are the registered proprietors of land at Leppington. In 2007, the Plaintiffs purchased the land, which had been used as a caravan park. In 2008, the relevant consent authority approved a community plan subdivision of the Plaintiffs' land to create 225 community development lots and one community property lot. Between 2015 and 2018, the Plaintiffs' land was subdivided, and manufactured homes were gradually placed on each of the separate community development lots.</p> <p>The purchasers of the manufactured homes entered into 99 year lease agreements with the Plaintiffs, subject to which the Plaintiffs retained ownership of each parcel of land.</p> <p>The residents of the manufactured homes within the community development lots are required to pay a site fee, as rent, to the operator of the estate, Antegra Management Leppington Pty Ltd. Antegra Management is required to maintain the residential site, common areas, and all services and facilities required by the development consent to be available for the life of the community scheme.</p> <p>Each of the separate community development lots was assessed by the Chief Commissioner as liable for land tax in the 2016, 2017 and 2018 land tax years. The Plaintiffs sought, and were refused, an exemption from land tax for each community development lot under section 10Q (Low cost accommodation – exemption/reduction) of the <i>Land Tax Management Act 1956</i>.</p> <p>The Supreme Court rejected the Plaintiffs' submission that the first step to determining whether the exemption applied was to consider whether the land was objectively being used and occupied for "low cost accommodation" under section 10Q. Rather, it needed to be informed by whether the use and occupation of the land was in accordance with the relevant guidelines (made pursuant to section 10Q).</p> <p>The Court found that whether the Plaintiffs had complied with the guidelines depended on whether their land was a "community or residential community" within the meaning of the <i>Residential (Land Lease) Communities Act 2013</i>. The Court held that the land was not a "community or residential community".</p> <p>The Court held that the reassessments for the 2016 and 2017 tax years and the assessment for the 2018 tax year should be affirmed.</p>

Work health and safety and injury management

DCS is committed to providing a healthy and safe workplace for all employees, including contractors, agency staff and volunteers. DCS has implemented initiatives to contribute to preventing injuries and illnesses and promoting a timely, sustainable and early return to work for injured workers.

Work health and safety

Integrating safe working systems and practices within DCS is key to preventing incidents (physical and/or psychological) in the workplace. A number of processes and initiatives have been implemented to support, educate, engage and enable our employees.

Mental health and wellbeing

- A campaign called #Helping you was implemented to support employees during the COVID-19 pandemic. The campaign was developed in response to staff feedback (captured via staff surveys and through Employee Assistance Provider data) and provided a clear focus on essential health and wellbeing issues. Bespoke videos were developed and released across the DCS network relating to the key themes received from staff feedback, with visible links to existing health and wellbeing platforms and resources.
- SafeWork Mental Health Month during October 2020 saw the promotion of Mental Health First Aid training and promotion of training sessions.
- The #thanks campaign was developed and implemented to express gratitude for those who helped others through 2020. The campaign highlighted the many and varied challenges that staff experienced and was an excellent opportunity to promote the wonderful people and resources within DCS.
- Hypercare support was provided for Flood Teams for a proactive and early intervention approach and psychological support through DCS's EAP provider, Benestar.
- As at 30 June 2021, employee assistance support and utilisation was at 10.3%, with an industry standard of 6.1% and all customers at 4.1%.

Social health

- Social connection and wellbeing were identified as a key focus during the COVID-19 pandemic. Staff continued to connect and share insights through DCS social channels, Yammer and Workplace.

Physical health

- Ergonomics was identified as a key focus, given the large numbers of employees working from home due to the COVID-19 pandemic. Resources were developed to support employees. This included a Working from Home Ergonomic Guide, a refreshed Home Ergonomics intranet page, and virtual ergonomic assessments being made available to staff. Office equipment such as chairs and monitors were offered to all employees to provide a safe working environment at home.
- A work health and safety online reporting system and an injury case management module was approved, and it is anticipated that it will be implemented across DCS in Quarter 2 of the 2021/22 financial year.
- DCS's work health and safety management system and information for all staff continue to be updated to educate and engage DCS staff. This includes the new Wellbeing, Ergonomics, Employee Assistance, and Safety topics through the DCS intranet platform, as well as policies and procedures.
- Other initiatives included the Influenza Vaccination Program, which was offered to all employees, as well as the Fitness Passport Program.

Note: There were no prosecutions under the *Work Health and Safety Act 2011* during the 2020/21 financial year.

Workers Compensation

Returning injured employees to work as soon as possible continues to be a key focus.

DCS's Return to Work Program promotes a holistic approach to recovery, in line with the best practice injury management approach. The Program is available to all employees via the DCS Recover at Work intranet page, which is shared with DCS's workers compensation insurers. In 2019, the Program was recognised for excellence in internal customer service in the annual DCS Secretary's Awards. The Program is reviewed by key stakeholders every two years, and the latest review occurred in 2021.

Note: icare has commenced a review of Pre-Injury Average Weekly Earnings (PIAWE) from 2012. There are several people who have been impacted by an incorrect calculation of PIAWE, including current and former DCS staff who may have had a workers compensation claim from 2012 to date. The project will include correspondence to be sent to injured staff members and an invitation to have their PIAWE re-assessed.

Work health and safety and injury management

Table 1: Reported claims for financial year 2020/21

Total	122
State Insurance Regulatory Authority	2
Personal Injury Commission	0
Office of the Independent Review Officer	0
Better Regulation Division	19
Corporate Services	7
Information and Privacy Commission	0
Digital NSW and ICT	3
Revenue NSW	11
Independent Pricing and Regulatory Tribunal	0
Service NSW	73
NSW Telco Authority	2
Greyhound Welfare and Integrity Commission	1
Customer Delivery and Transformation (includes BDM)	4

The table above notes all reported claims for the 2020/21 financial year per policy. DCS had 122 claims reported in 2020/21 (including Service NSW which was not previously reported in DCS statistics).

Currently, there are 64 open claims from the 2020/21 financial year, which are being administered by the Recover at Work team.

Table 2: Reported claims listed by mechanism of injury financial year 2020/21

Mechanism of injury	Number
Chemicals and other substances	3
Vehicle incidents and other	18
Falls, trips and slips of a person	15
Hitting objects with a part of the body	2
Being hit by moving objects	7
Sound and pressure	6
Body stressing	29
Heat, electricity and other environmental factors	5
Biological factors	1
Mental stress	36
Total	122

Of the total number of claims reported in 2020/21, mental stress was the leading cause of injury (36 claims), followed by body stressing (29 claims) and vehicle incidents (18 claims).

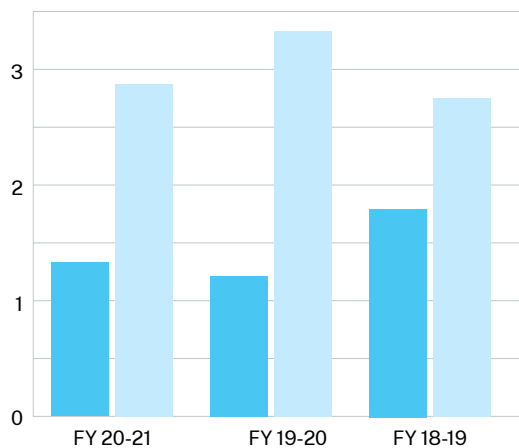
Work health and safety and injury management

Table 3: Total amount paid for claims per financial year

	2016/17	2017/18	2018/19	2019/20	2020/21
Total amount paid	\$4,865,727.84	\$2,632,373.24	\$6,394,750.10	\$2,291,716.17	\$1,313,332.99
Total number of reported claims	99	116	161	116	122

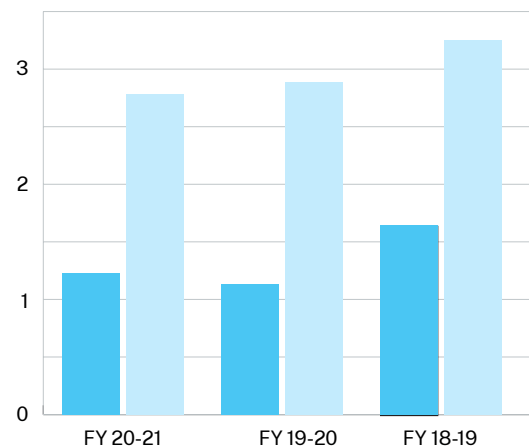
Table includes Service NSW which was not reported in DCS statistics in previous years

Table 4: Benchmark agency to pool for claims per 100 FTE



■ Agency # of claims per 100 FTE
 ■ Pool # of claims per 100 FTE

Table 5: Benchmark agency to pool for claims per \$1m in wages



■ Agency # of claims per \$1m in wages
 ■ Pool # of claims per \$1m in wages

- The total amount paid for claims in 2020/21 was \$1,313,332.99. This is a reduction of \$978,383.18 from the previous financial year, where the total amount of claims paid was \$2,291,716.17.
- Tables 4 and 5 highlight that DCS continues to perform well against both the number of claims per full time employee (FTE) and the number of claims per \$1 million in wages.
- The incurred claims and relevant costs data were sourced from icare, and is based on the claims lodged and relevant assessment as at June 2021. The final costs may vary when compared to the same period in previous annual reports due to the timing of loss incurred, claims reported and the outcome of the negotiated settlement.

Work health and safety and injury management

Litigated claims

- DCS had 13 claims listed in the Personal Injury Commission for 2020/21 of which one matter was discontinued.
- DCS had 45 workers compensation claims litigated across all its policies.
- Five work injury damages claims which were settled, were made by the insurer. The breakdown of claim amounts is set out below:

Policy name	Work injury damages settlement
Service NSW	\$350,047.69
Service NSW	\$335,228.39
Fair Trading	\$269,969.76
Service First (Historical policy)	\$577,880.96
Fair Trading	\$984,196.36

Access to DCS and related entities' offices

Department of Customer Service

McKell Building
2-24 Rawson Place
Sydney NSW 2000
T: 13 77 88
www.customerservice.nsw.gov.au
Hours: 7:00am – 7:00pm

Better Regulation Division

Better Regulation

4 Parramatta Square
Darcy Street
Parramatta NSW 2150
T: 13 77 88
www.customerservice.nsw.gov.au
Hours: 7:00am – 7:00pm

NSW Fair Trading

4 Parramatta Square
Darcy Street
Parramatta NSW 2150
T: 02 9895 0111 | 13 32 20
www.fairtrading.nsw.gov.au
Hours: 8:30am – 5:00pm

Office of the Building Commissioner

McKell Building, 2-24 Rawson Place
Sydney NSW 2000
T: 13 77 88
www.customerservice.nsw.gov.au
Hours: 7:00am – 7:00pm

SafeWork NSW

92-100 Donnison Street, Gosford NSW 2250
Locked Bag 2906, Lisarow NSW 2252
T: 13 10 50
www.safework.nsw.gov.au
Hours: 8:30am – 5:00pm

Office of the Registrar-General

McKell Building, 2-24 Rawson Place
Sydney NSW 2000
T: 02 8776 3575 | 1300 396 076
www.registrargeneral.nsw.gov.au
Hours: 8:30am – 5:00pm

Long Service Corporation

32 Mann Street
Gosford NSW 2250
T: 13 14 41
www.longservice.nsw.gov.au
Hours: 8:30am – 5:00pm

ICT and Digital Government

Digital.NSW

McKell Building, 2-24 Rawson Place
Sydney NSW 2000
T: 13 77 88
www.customerservice.nsw.gov.au
Hours: 7:00am – 7:00pm

Telco Authority

McKell Building, 2-24 Rawson Place
Sydney NSW 2000
T: 13 77 88
www.telco.nsw.gov.au
Hours: 7:00am – 7:00pm

Spatial Services

346 Panorama Avenue
Bathurst NSW 2795
T: 02 6322 8200
www.spatial.nsw.gov.au
Hours: 8:30am – 4.30pm

Cyber Security NSW

McKell Building
2-24 Rawson Place
Sydney NSW 2000
T: 13 77 88
www.digital.nsw.gov.au/transformation/cyber-security
Hours: 8:30am – 5:00pm

Corporate Services

McKell Building, 2-24 Rawson Place
Sydney NSW 2000
T: 13 77 88
www.customerservice.nsw.gov.au
Hours: 7:00am – 7:00pm

Revenue NSW

4 Parramatta Square
Darcy Street & Macquarie Street
Parramatta NSW 2150
T: 02 7808 6900
www.revenue.nsw.gov.au
Hours: 8:30am – 5:00pm

Access to DCS and related entities' offices

Customer, Delivery & Transformation

McKell Building, 2-24 Rawson Place
Sydney NSW 2000
T: 13 77 88
www.customerservice.nsw.gov.au
Hours: 7:00am – 7:00pm

Behavioural Insights Unit

McKell Building, 2-24 Rawson Place
Sydney NSW 2000
T: 13 77 88
www.customerservice.nsw.gov.au
Hours: 7:00am – 7:00pm

NSW Registry of Births Deaths & Marriages

McKell Building, 2-24 Rawson Place
Sydney NSW 2000
GPO Box 30, Sydney NSW 2001
T: 13 77 88
www.nsw.gov.au/births-deaths-marriages
Hours: 7:00am – 7:00pm

Data Analytics Centre

McKell Building, 2-24 Rawson Place
Sydney NSW 2000
T: 13 77 88
www.data.nsw.gov.au
Hours: 7:00am – 7:00pm

Service NSW

McKell Building, 2-24 Rawson Place
Sydney NSW 2000
T: 13 77 88
www.service.nsw.gov.au
Hours: 7:00am – 7:00pm

Details of service centres and opening hours can be found on the Service NSW website.
<https://www.service.nsw.gov.au/service-centre>

State Insurance Regulatory Authority

Level 14, 231 Elizabeth Street
Sydney NSW 2000
T: 13 10 50
www.sira.nsw.gov.au
Hours: 8:30am – 5:00pm

9

Financial Statements

2,322.00	+3.12	[0.04%
3.00	-9.33	[0.66%
23.03	-3.38	[5.29%
238.27	-7.93	[8.12%
928.10	+3.03	[0.89%
38.23	+0.34	[0.93%
4.23	+0.00	[1.93%
46.02	-3.23	[1.32%
47.38	+3.98	[0.32%
74.32	-3.21	[0.99%
2,494.87	-0.32	[5.32%
2.48	+9.73	[0.02%
332.45	+2.09	[1.87%
86.39	+3.03	[0.89%
4.21	+0.34	[0.93%
132.09	+0.00	[1.93%
33.83	+2.23	[3.78%
57.92	-2.23	[1.32%
23.33	-2.21	[0.73%
832.98	+3.98	[0.32%
73.12	+1.32	[2.12%
833.22	-3.21	[0.99%
8,212.30	-0.32	[5.32%
3.00	+9.73	[0.02%
83.12	+2.09	[1.87%
63.98	+9.32	[1.56%
234.22	+0.32	[0.32%
2.32	-0.21	[3.10%
24.13	+3.33	[0.32%
74.75	+0.32	[2.23%
89.43	+4.10	[1.93%
92.42	-0.43	[9.83%
9329.32	+3.03	[0.89%
23.32	+0.34	[0.93%
928.10	+0.00	[1.93%
38.23	+3.23	[3.78%
4.23	-23.23	[1.32%
46.02	-29.21	[0.73%
47.38	+3.98	[0.32%
74.32	+1.32	[2.12%
2,494.87	-9.21	[0.99%
74.75	-0.32	[5.32%



INDEPENDENT AUDITOR'S REPORT

Department of Customer Service

To Members of the New South Wales Parliament

Opinion

I have audited the accompanying financial statements of the Department of Customer Service (the Department), which comprise the Statement by the Accountable Authority, the Statement of Comprehensive Income for the year ended 30 June 2021, the Statement of Financial Position as at 30 June 2021, the Statement of Changes in Equity and the Statement of Cash Flows, for the year then ended, notes comprising a Statement of Significant Accounting Policies, and other explanatory information.

In my opinion, the financial statements:

- have been prepared in accordance with Australian Accounting Standards and the applicable financial reporting requirements of the *Government Sector Finance Act 2018* (GSF Act), the *Government Sector Finance Regulation 2018* (GSF Regulation) and the Treasurer's Directions
- presents fairly the Department's financial position, financial performance and cash flows.

My opinion should be read in conjunction with the rest of this report.

Basis for Opinion

I conducted my audit in accordance with Australian Auditing Standards. My responsibilities under the standards are described in the 'Auditor's Responsibilities for the Audit of the Financial Statements' section of my report.

I am independent of the Department in accordance with the requirements of the:

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

I have fulfilled my other ethical responsibilities in accordance with APES 110.

Parliament promotes independence by ensuring the Auditor-General and the Audit Office of New South Wales are not compromised in their roles by:

- providing that only Parliament, and not the executive government, can remove an Auditor-General
- mandating the Auditor-General as auditor of public sector agencies
- precluding the Auditor-General from providing non-audit services.

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

Key Audit Matters

Key audit matters are those matters that, in my professional judgement, were of most significance in my audit of the financial statements for the year ended 30 June 2021. These matters were addressed in the context of my audit of the financial statements as a whole, and in forming my opinion thereon, I do not provide a separate opinion on these matters.

Key Audit Matter

How my audit addressed the matter

Recognition and measurement of service concession assets

The Department adopted AASB 1059 'Service Concession Arrangements: Grantors' from 1 July 2020. This resulted in adjustments at the 1 July 2019 as follows:

- increase in total assets of \$845 million
- increase in accumulated funds of \$845 million.

I considered this to be a key audit matter because:

- the service concession arrangement is financially significant to the Department's financial position
- the accounting standard for the service concession arrangement has been applied for the first time
- the measurement of service concession assets is complex and involve significant judgements and assumptions
- of the additional disclosure requirements in the financial statements.

Further information on the impact and valuation techniques for service concession assets are disclosed in notes 1(g)(i), 14 and 15(a).

Key audit procedures included:

- examined the service concession deed and independent valuation report obtained by the Department, to assess the reasonableness of the accounting treatment against the requirements of the accounting standard
- assessed the competency, capability and objectivity of management's independent valuation expert
- assessed the appropriateness of the methodology, key assumptions and judgements adopted
- tested the key inputs and mathematical calculation of the valuation model
- assessed the adequacy of the financial statement disclosures against the requirements of applicable Australian Accounting Standards and NSW Treasurer's Directions.

Recognition and measurement of administered taxation revenue and receivables

The Department reported administered taxation and fines revenue of \$33.5 billion in 2020–21, \$4.6 billion in administered taxation and fines receivable and \$356.8 million in an allowance for impairment for taxation and fines as at 30 June 2021.

I considered this to be a key audit matter because:

- of the financial significance of taxation revenue, and related receivable in the disclosure of the Department's administered activities
- the significant impact on the timing of administered taxation revenue
- recognition and measurement of administered taxation revenue was significantly affected by the COVID-19 stimulus measures implemented by the NSW Government including deferral of lodgements in returns for self-assessed taxes
- the calculation of the allowance related to taxation receivable requires significant judgements and assumptions.

Refer to Notes 29 and 31 in the financial statements for related disclosures.

Key audit procedures included the following:

- evaluated the design and tested operating effectiveness of controls over key administered revenue streams, including land tax, payroll tax, duties, gaming machine taxes and mineral royalties
- recalculated key administered revenue streams for reasonableness against the requirements of the relevant taxation legislation
- tested the adjustments of administered revenue. The adjustments captured material deferrals in lodgements of returns for self-assessed taxes as part of the COVID-19 stimulus packages up until the date of signing the financial statements
- assessed the methodology and assumptions used to estimate the allowance for impairment related to administered taxation receivable against historical recoverability rates and write-off of debt for reasonableness
- recalculated the allowance for impairment recognised for mathematical accuracy
- assessed the adequacy of the financial statement disclosures against the requirements of applicable Australian Accounting Standards and NSW Treasurer's Directions.

The Secretary's Responsibilities for the Financial Statements

The Secretary is responsible for the preparation and fair presentation of the financial statements in accordance with Australian Accounting Standards, the GSF Act, GSF Regulations and Treasurer's Directions. The Secretary's responsibility also includes such internal control as the Secretary determines is necessary to enable the preparation and fair presentation of the financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the Secretary is responsible for assessing the Department's ability to continue as a going concern, disclosing as applicable, matters related to going concern and using the going concern basis of accounting.

Auditor's Responsibilities for the Audit of the Financial Statements

My objectives are to:

- obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error
- issue an Independent Auditor's Report including my opinion.

Reasonable assurance is a high level of assurance, but does not guarantee an audit conducted in accordance with Australian Auditing Standards will always detect material misstatements. Misstatements can arise from fraud or error. Misstatements are considered material if, individually or in aggregate, they could reasonably be expected to influence the economic decisions users take based on the financial statements.

A description of my responsibilities for the audit of the financial statements is located at the Auditing and Assurance Standards Board website at: www.auasb.gov.au/auditors_responsibilities/ar6.pdf. The description forms part of my auditor's report.

The scope of my audit does not include, nor provide assurance:

- that the Department carried out its activities effectively, efficiently and economically
- about the assumptions used in formulating the budget figures disclosed in the financial statements
- about the security and controls over the electronic publication of the audited financial statements on any website where they may be presented
- about any other information which may have been hyperlinked to/from the financial statements.



Margaret Crawford
Auditor-General for New South Wales

18 October 2021
SYDNEY

DEPARTMENT OF CUSTOMER SERVICE
FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2021
STATEMENT BY THE SECRETARY

Pursuant to section 7.6(4) of the *Government Sector Finance Act 2018* (“the Act”), I state that these financial statements:

- a) have been prepared in accordance with the Australian Accounting Standards and the applicable requirements of the Act, the *Government Sector Finance Regulation 2018* and the Treasurer’s directions, and
- b) present fairly the Department of Customer Service’s financial position, financial performance and cash flows.



Emma Hogan

Secretary
Department of Customer Service

Date: 15 October 2021

**DEPARTMENT OF CUSTOMER SERVICE
STATEMENT OF COMPREHENSIVE INCOME
FOR THE YEAR ENDED 30 JUNE 2021**

	Notes	Actual 2021 \$'000	Budget 2021 \$'000	Restated Actual 2020* \$'000
Expenses excluding losses				
Employee related	2(a)	664,646	713,945	656,044
Operating expenses	2(b)	333,562	300,505	315,996
Depreciation and amortisation	2(c)	98,988	96,840	126,476
Grants and subsidies	2(d)	717,911	1,657,900	408,693
Finance costs	2(e)	11,612	14,516	12,810
Cost of motor vehicle inventory sold	2(f)	36,244	26,757	47,085
Other expenses	2(g)	4,354	-	5,145
Total Expenses excluding losses		1,867,317	2,810,463	1,572,249
Revenue				
Appropriations	3(a)	1,125,231	1,901,464	855,460
(Transfers to the Crown)	3(b)	(21,227)	(37,410)	(23,913)
Sale of goods and services from contracts with customers	3(c)	161,700	196,108	184,446
Personnel services revenue	3(d)	100,338	96,079	92,079
Investment revenue	3(e)	8,619	47,414	4,446
Retained taxes, fees and fines	3(f)	92,208	43,996	101,828
Grants and other contributions	3(g)	257,132	198,940	172,232
Acceptance by the Crown of employee benefits and other liabilities	3(h)	(1,281)	16,412	18,885
Proceeds from sale of motor vehicle inventory	3(i)	38,378	29,700	60,142
Other revenue	3(j)	128,249	96,135	129,393
Total Revenue		1,889,347	2,588,838	1,594,998
Gain/(loss) on disposal	4(a)	(1,071)	-	988
Other gains/(losses)	4(b)	(36,610)	-	(75,400)
		(37,681)	-	(74,412)
NET RESULT		(15,651)	(221,625)	(51,663)
Other comprehensive income				
<i>Items that will not be reclassified to net result in subsequent periods</i>				
Changes in revaluation surplus of property, plant and equipment and service concession asset		-	-	1
Remeasurement of defined benefits superannuation liability	21	-	-	3,333
<i>Items that may be reclassified to net result in subsequent periods</i>				
Other		-	-	-
Total other comprehensive income/(loss)		-	-	3,334
TOTAL COMPREHENSIVE INCOME/(LOSS)		(15,651)	(221,625)	(48,329)

*The comparative periods are prepared based on restated amounts. Refer to Note 1(i) for further details.

The accompanying notes form part of these financial statements.

DEPARTMENT OF CUSTOMER SERVICE
STATEMENT OF FINANCIAL POSITION
AS AT 30 JUNE 2021

	Notes	Actual 2021 \$'000	Budget 2021 \$'000	Restated Actual 2020* \$'000	Restated Actual 1 July 2019* \$'000
ASSETS					
Current Assets					
Cash and cash equivalents	6	474,698	349,356	500,933	549,158
Other financial assets	7	22,672	23,142	23,142	23,142
Receivables	8	101,886	143,351	130,677	191,611
Contract assets	9	23,373	-	40,012	35,647
Inventories	10	87	2,594	2,594	2,653
Financial assets at fair value	12	10,193	7,972	7,972	16,885
Non-Current assets held for sale	11	18,912	19,285	19,285	25,551
Other		-	15,120	-	-
Total Current Assets		651,821	560,820	724,615	844,647
Non-Current Assets					
Other financial assets	7	26,070	-	52,041	74,149
Receivables	8	-	976	1,719	1,090
Inventories	10	-	-	-	6,098
Property, plant and equipment	13(a)	100,469	210,176	138,692	205,211
Right-of-use assets	13(b)	327,501	429,563	433,974	205,491
Intangible assets	14	935,075	685,832	910,164	961,589
Financial assets at fair value	12	75,945	79,388	79,388	72,012
Other		-	29,281	-	-
Total Non-Current Assets		1,465,060	1,435,216	1,615,978	1,525,640
Total Assets		2,116,881	1,996,036	2,340,593	2,370,287
LIABILITIES					
Current Liabilities					
Payables	16	105,156	158,572	129,434	233,287
Contract liabilities	9	57,846	-	44,096	43,755
Borrowings	17	54,052	60,561	85,698	137,515
Provisions	18	127,251	163,866	138,486	120,548
Service Concession Liability	19	77,596	77,773	77,412	77,308
Other Liabilities	20	33,896	105,069	29,336	55,607
Total Current Liabilities		455,797	565,841	504,462	668,020
Non-Current Liabilities					
Borrowings	17	424,729	481,151	518,060	265,234
Provisions	18	29,812	271,664	28,669	24,897
Service Concession Liability	19	2,327,871	2,327,832	2,401,448	2,473,849
Other Liabilities	20	183	8	-	40
Total Non-Current Liabilities		2,782,595	3,080,655	2,948,177	2,764,020
Total Liabilities		3,238,392	3,646,496	3,452,639	3,432,040
Net Assets / (Liabilities)		(1,121,511)	(1,650,460)	(1,112,046)	(1,061,753)
EQUITY					
Reserves		2,719	2,733	2,734	13,763
Accumulated funds		(1,124,230)	(1,653,193)	(1,114,780)	(1,075,516)
Total Equity		(1,121,511)	(1,650,460)	(1,112,046)	(1,061,753)

*The comparative periods are prepared based on restated amounts. Refer to Note 1(g) and 1(i) for further details.

The accompanying notes form part of these financial statements.

**DEPARTMENT OF CUSTOMER SERVICE
STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 30 JUNE 2021**

	Notes	Accumulated Funds \$'000	Financial assets at FVOCI Reserve \$'000	Available for Sale Reserve \$'000	Asset Revaluation Surplus \$'000	Total \$'000
Balance at 1 July 2020		(2,008,365)	-	-	2,734	(2,005,631)
Changes in accounting policy – initial application of AASB 1059		821,156	-	-	-	821,156
Correction of prior period errors		72,429	-	-	-	72,429
Restated balance at 1 July 2020		(1,114,780)	-	-	2,734	(1,112,046)
Net result for the year		(15,651)	-	-	-	(15,651)
Other comprehensive income		-	-	-	-	-
Total comprehensive income for the year		(15,651)	-	-	-	(15,651)
Transactions with owners in their capacity as owners						
Increase in net assets from equity transfers	22	6,186	-	-	-	6,186
Transfer between equity items						
Transfers between equity items on disposal of assets		15	-	-	(15)	-
Balance at 30 June 2021		(1,124,230)	-	-	2,719	(1,121,511)
Balance at 1 July 2019		(1,920,542)	-	-	13,763	(1,906,779)
Changes in accounting policy – initial application of AASB 1059		845,026	-	-	-	845,026
Restated balance at 1 July 2019		(1,075,516)	-	-	13,763	(1,061,753)
Net result for the year		(100,222)	-	-	-	(100,222)
Change in accounting policy, adoption of AASB 1059		(23,870)	-	-	-	(23,870)
Correction of prior period errors		72,429	-	-	-	72,429
Net result for the year (restated)	1g,1i	(51,663)	-	-	-	(51,663)
Other comprehensive income						
Remeasurement of defined benefits superannuation liability	21	3,333	-	-	-	3,333
Net change in revaluation surplus of property, plant and equipment		-	-	-	1	1
Total comprehensive income for the year		(48,330)	-	-	1	(48,329)
Transactions with owners in their capacity as owners						
Increase in net assets from equity transfers	22	(1,964)	-	-	-	(1,964)
Transfer between equity items						
Transfer between equity items on administrative restructure		11,030	-	-	(11,030)	-
Balance at 30 June 2020		(1,114,780)	-	-	2,734	(1,112,046)

The accompanying notes form part of these financial statements.

**DEPARTMENT OF CUSTOMER SERVICE
STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 30 JUNE 2021**

	Notes	Actual 2021 \$'000	Budget 2021 \$'000	Restated Actual 2020* \$'000
CASH FLOWS FROM OPERATING ACTIVITIES				
Payments				
Employee related		660,227	701,301	538,832
Grants and subsidies		717,911	1,657,900	408,693
Finance costs		868	14,516	3,886
Suppliers for goods and services		408,241	203,164	397,380
Other		12,269	-	87,772
Total Payments		1,799,516	2,576,881	1,436,563
Receipts				
Appropriations (excluding equity appropriations) (Transfers to the Crown)		1,125,231 (20,337)	1,901,658 (48,359)	855,460 (51,396)
Sale of goods and services		357,648	284,561	355,228
Retained taxes, fees and fines		92,520	-	107,913
Interest received		782	42,411	1,235
Grants and other contributions		257,132	198,940	172,232
Proceeds from sale of motor vehicle inventory		38,378	-	60,142
Other		102,027	254,799	66,577
Total Receipts		1,953,381	2,634,010	1,567,391
NET CASH FLOWS FROM OPERATING ACTIVITIES	26	153,865	57,129	130,828
CASH FLOWS FROM INVESTING ACTIVITIES				
Purchases of land and buildings, plant and equipment and infrastructure system		(14,654)	(80,221)	(20,481)
Purchases of intangibles		(73,783)	-	(15,959)
Proceeds from withdrawal/ sale of financial assets		6,553	21,886	6,784
Other investing activities		-	(51,363)	-
NET CASH FLOWS FROM INVESTING ACTIVITIES		(81,884)	(109,698)	(29,656)
CASH FLOWS FROM FINANCING ACTIVITIES				
Payment of principal portion of lease liabilities		(67,464)	(70,903)	(59,827)
Repayment of borrowings and advances		(30,752)	(28,105)	(66,010)
NET CASH FLOWS FROM FINANCING ACTIVITIES		(98,216)	(99,008)	(125,837)
NET INCREASE/(DECREASE) IN CASH		(26,235)	(151,577)	(24,665)
Opening cash and cash equivalents		500,933	500,933	549,158
Cash transferred in/ (out) as a result of administrative restructuring	22	-	-	(23,560)
CLOSING CASH AND CASH EQUIVALENTS	6	474,698	349,356	500,933

The accompanying notes form part of these financial statements.

DEPARTMENT OF CUSTOMER SERVICE
NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2021

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

(a) Reporting Entity

The Department of Customer Service (DCS), is a NSW government entity and is controlled by the State of New South Wales, which is the ultimate parent. DCS is a not-for-profit entity (as profit is not its principal objective) and it has no cash generating units.

DCS as a reporting entity comprises the following divisions:

- a) Customer, Delivery and Transformation division
 - o NSW Registry of Births, Deaths and Marriages
 - o Revenue NSW
 - o Data Analytics Centre
 - o Office of the Customer Service Commissioner
 - o Behavioural Insights Unit
- b) Better Regulation division
 - o NSW Fair Trading
 - o SafeWork NSW
 - o Liquor & Gaming NSW
 - o Subsidence Advisory NSW
 - o Titling Registry Service Concession
- c) Digital NSW division
 - o Spatial Services
 - o ICT/ Digital
- d) Corporate Services division

The financial statements for the year ended 30 June 2021 have been authorised for issue by the Secretary on 15 October 2021.

(b) Basis of Preparation

DCS's financial statements are general purpose financial statements which have been prepared on an accruals basis and in accordance with:

- applicable Australian Accounting Standards (AAS) (which include Australian Accounting Interpretations);
- the requirements of the *Government Sector Finance Act 2018 (GSF Act)* ;
- Government Sector Finance Regulation 2018; and
- Treasurer's Directions issued under the GSF Act.

Property, plant and equipment and financial assets at "fair value through profit or loss" and "available-for-sale" are measured using the fair value basis. Other financial statement items are prepared in accordance with the historical cost convention except where specified otherwise.

Judgements, key assumptions and estimations management has made are disclosed in the relevant notes to the financial statements.

All amounts are rounded to the nearest one thousand dollars and are expressed in Australian currency, which is DCS's presentation and functional currency.

The financial statements of DCS have been prepared on a going concern basis.

Negative Equity

The 30 June 2021 net liabilities are \$1,122 million (30 June 2020: net liabilities of \$1,112 million). The negative equity has no cash impact on the operations of DCS. The reason for the significant negative equity is due to the 35 year concession with the private sector entered into on 30 June 2017 so as to facilitate the provision of land titling and registry services. The transaction resulted in unearned revenue of \$2,700 million being recognised as a liability and an equity transfer to Treasury of \$2,622 million for the repatriation of cash concession contribution to Treasury. There is no going concern issue arising from the negative equity balance as DCS is funded by Treasury to meet all and any of its obligations due and payable.

(c) Statement of Compliance

DCS's financial statements and notes comply with Australian Accounting Standards, which include Australian Accounting Interpretations.

(d) Comparative Information

Except when an Australian Accounting Standard permits or requires otherwise, comparative information is disclosed in respect of DCS's previous reporting period, 30 June 2020, for all amounts reported in the financial statements.

(e) Administered Activities

DCS administers, but does not control, certain activities on behalf of the Crown in right of the State of New South Wales (Crown). It is accountable for the transactions relating to those administered activities but does not have the discretion to deploy the resources for the achievement of the DCS's own objectives.

Transactions and balances relating to the administered activities are not recognised as DCS's incomes, expenses, assets and liabilities, but are disclosed in the accompanying schedules as "Administered Revenues", "Administered Expenses", "Administered Assets" and "Administered Liabilities".

The accrual basis of accounting and applicable accounting standards have been adopted.

(f) Accounting for the Goods and Services Tax (GST)

Income, expenses and assets are recognised net of the amount of GST, except that the:

- amount of GST incurred by DCS as a purchaser that is not recoverable from the Australian Taxation Office (ATO) is recognised as part of the cost of acquisition of an asset or as part of an item of expense; and
- receivables and payables are stated with the amount of GST included.

Cash flows are included in the Statement of Cash Flows on a gross basis. However, the GST components of cash flows arising from investing and financing activities which are recoverable from, or payable to, the ATO are classified as operating cash flows.

(g) Changes in Accounting Policy, Including New or Revised Australian Accounting Standards

(i) Effective for the first time in financial year 2021

DCS applied AASB 1059 Service Concession Arrangements: Grantors (AASB 1059) for the first time. The nature and effect of the changes as a result of adoption of this new accounting standard are described below.

Several other amendments and interpretations apply for the first time in FY2020-21, but do not have an impact on the financial statements of DCS.

AASB 1059 Service Concession Assets: Grantors

AASB 1059 is effective from 1 July 2020. At the same time NSW Treasury Policy and Guideline Paper TPP 06-8: Accounting for Privately Financed Projects (TPP 06-8) was withdrawn effective from 1 July 2020.

Service Concession Arrangements are contracts between an operator and a grantor, where the operator provides public services related to a service concession asset on behalf of the grantor for a specified period of time and manages at least some of those services.

Where AASB 1059 applies, the grantor recognises the service concession asset when the grantor obtains control of the asset and measures the service concession asset at current replacement cost. At the same time the grantor recognises a corresponding financial liability or unearned revenue liability or a combination of both.

DCS has adopted the modified retrospective approach permitted under AASB 1059 by recognising and measuring service concession assets and related liabilities at the date of initial application of 1 July 2019, with any net adjustments to the amounts of assets and liabilities recognised in accumulated funds at that date.

Upon adoption of AASB 1059, DCS is required to measure existing assets reclassified as service concession assets at fair value (current replacement cost) at the date of initial application. Therefore, comprehensive valuations were performed at 1 July 2019 using current replacement cost approach on previously unrecognised intangible assets.

The effect of adopting AASB 1059 is as follows:

	1 July 2019 \$'000	1 July 2019 \$'000 without adoption of AASB 1059	1 July 2019 \$'000 Impact of AASB 1059
Assets			
Intangible assets - Service concession asset (Note 14)	845,026	-	845,026
Equity			
Accumulated funds	(1,075,516)	(1,920,542)	845,026
	30 June 2020 \$'000	30 June 2020 \$'000 without adoption of AASB 1059	30 June 2020 \$'000 Impact of AASB 1059
Assets			
Intangible assets - Service concession asset (Note 14)	821,156	-	821,156
Equity			
Accumulated funds	(1,187,209)	(2,008,365)	821,156
Statement of comprehensive income			
Revaluation decrement	(23,870)	-	(23,870)

(ii) Issued but not yet effective

NSW public sector entities are not permitted to early adopt new Australian Accounting Standards, unless Treasury determines otherwise. Certain new accounting standards and interpretations have been published that are not mandatory for the 30 June 2021 reporting period.

The following new Accounting Standards/Interpretations have been issued but are not yet effective:

- AASB 2020-1 Amendments to Australian Accounting Standards – Classification of Liabilities as Current or Non-current
- AASB 2020-3 Amendments to Australian Accounting Standards – Annual Improvements 2018–2020 and Other Amendments
- AASB 2020-6 Amendments to Australian Accounting Standards – Classification of Liabilities as Current or Non-current – Deferral of Effective Date

These Standards will not have a material impact on the financial statements based on its current operations.

(h) Impact of COVID-19 on Financial Reporting for 2020-21

The natural disasters in the financial year, primarily coronavirus (“COVID-19”), have had a major impact on individuals, businesses and the government sector.

The primary area of heightened risk from COVID-19 is to DCS’ workforce, in both public-facing and office based roles. As a result, significant focus has been placed on managing work health and safety (WHS) risks, physical, mental and social. Most office-based staff have moved to working from home arrangements, and DCS has acted to reduce any adverse impact on staff arising from these work arrangements. Frontline staff have also been provided with guidance in relation to hygiene, travel, illness prevention, and flexible working. DCS continues to support the health and safety of its staff.

DCS has identified and quantified, where possible, the impact and reported this in the financial statements for the financial year ended 30 June 2021. DCS is tasked with delivering a range of stimulus packages. The resulting impact on the operations have negatively affected DCS’ results in the reporting period.

The currently known impacts of COVID-19 are as follows:

- Right-of-Use assets (“ROUA”) relating to accommodation leases have been impaired by \$34.9 million (2020: \$53.3 million) based on the valuation of lease contracts under existing market conditions. Refer to note 13(b) for details on the assumptions and estimates used.
- Revenues relating to Liquor and Gaming NSW have been waived across a range of liquor licence fees for businesses in the hospitality and entertainment industries, resulting in approximately \$26.4 million (2020: \$7 million) loss of revenue.
- Revenues relating to NSW Fair Trading have been waived across a range of Building and Business Licences resulting in approximately \$31.9 million (2020: \$10.6 million) loss in revenue.
- Revenues relating to SafeWork NSW have been waived across a range of licences resulting in approximate \$4.7 million (2020: \$1.4 million) loss in revenue.

There is no uncertainty about DCS’ ability to continue as a going concern at 30 June 2021 as liquidity and credit risk are not significant areas of risk for DCS. There has been limited impact on DCS’ liquidity or credit risk profiles as a result of COVID-19.

On account of COVID-19, a further assessment on the fair value of the following accounts, taking into account relevant assumptions and estimates, has been performed resulting in either no impact or insignificant impact being identified:

- Receivables – Note 8
- Inventories – Note 10
- Property, plant and equipment and Right-of-use assets – Note 13
- Intangibles – Note 14; and
- Financial instruments – Note 33.

Other than the above, it has not come to DCS attention that there would be any other significant impact on the financial statements for the financial year ended 30 June 2021.

(i) Correction of prior period errors

The prior period errors that have been corrected in the financial statements are as follows:

Lapsed appropriation

Up to FY19/20, DCS recognised a liability in relation to appropriations money draw down but unused by 30 June according to the Financial Reporting Code of the year.

Treasury has since concluded that such a liability should not be recognised at 30 June, as far as DCS has sufficient spending authority effective on the day from the *Appropriations Act* for the next financial year and/or deemed appropriations.

The liability of lapsed appropriation of \$72.4 million recognised at 30 June 2020 (nil at 30 June 2019) was reversed.

Right-of-use assets

PNSW holds the ownership or main lease of the buildings in NSW and has contractual arrangements with the agencies in NSW for rental purposes. Where these have been identified by the lessee as control over the asset, this will be reflected as an ROUA in the balance sheet. PNSW will provide the calculations of ROUA and lease liabilities for each agency to verify to reflect the true and fair position in its financial statements.

The restatement of FY2020's ROUA and Lease liability of the same amount of approximately \$39.5 million as a decrease is due to a remeasurement exercise by Property NSW. The remeasurement in ROUA is due to shared occupancy of certain floorspace by various NSW departments recognised during 2019-20. As this did not meet the criteria of right to control the use of an identified asset in AASB 16, the occupancy of these shared floors were not deemed to be DCS' ROUA and corresponding lease liability were derecognised in 2019-20. The impact on amortisation expenses of this error was not corrected due to materiality.

Administered items

AASB 1050 Administered Items seeks to clarify the activities which should be included in a government department's operating statement by only including income and expenses which is controlled. This is to reflect the true operating results of the entity and to exclude any activities which are administered on the behalf of another government entity. As the Department of Customer Service has many such activities where funds are administered on behalf of another government entity, there has been a review of current year and comparative figures where schemes that are deemed to be administered items are now excluded from the financial statements of DCS. Where monies have been received from NSW Treasury by way of appropriation revenue for the purposes of these administered items, these have excluded from the Statement of Comprehensive Income and disclosed as a Transfer Payment to reflect the pass through funds. As such, these transfer payments would be disclosed as administered results in the relevant reporting entity.

The amount of \$77.4 million was removed from grants and subsidies expenses and appropriations in 2019-20.

AASB 15 Revenue from Contracts with Customers

The comparative figures have been reclassified to reflect the contract assets and contract liabilities for the prior year to be consistent to the current year. These are merely reclassification in Statement of Financial Position categories with no impact to the Statement of Comprehensive Income.

Receivables of \$40.0 million was reclassified to contract assets at 30 June 2020 (\$35.7 million at 1 July 2019). Similarly, payables of \$44.1 million was reclassified to contract liabilities at 30 June 2020 (\$43.8 million at 1 July 2019).

Impact on each affected financial statements line item

These prior period errors have been corrected by restating each of the affected financial statement line items as follows:

	30 June 2020 \$'000	Increase/ (decrease) from change in accounting policy (AASB 1059 and AASB 15) \$'000	Increase/ (decrease) from correction of prior period errors \$'000	30 June 2020 (Restated) \$'000	1 July 2019 \$'000	Increase/ (decrease) from change in accounting policy (AASB 1059 and AASB 15) \$'000	Restated 1 July 2019 \$'000
Statement of Financial Position							
Receivables	170,689	-	(40,012)	130,677	227,258	(35,647)	191,611
Contract assets	-	-	40,012	40,012	-	35,647	35,647
Other financial assets	23,142	-	-	23,142	-	23,142	23,142
Total current assets	724,615	-	-	724,615	821,505	23,142	844,647
Other financial assets	52,041	-	-	52,041	-	74,149	74,149
Right-of-use assets	473,515	-	(39,541)	433,974	-	205,491	205,491
Intangible assets	89,008	821,156	-	910,164	116,563	845,026	961,589
Total non-current assets	834,363	821,156	(39,541)	1,615,978	400,974	1,092,887	1,525,640
Total assets	1,558,978	821,156	(39,541)	2,340,593	1,222,479	1,116,029	2,370,287
Payables	173,530	-	(44,096)	129,434	277,042	(43,755)	233,287
Contract liabilities	-	-	44,096	44,096	-	43,755	43,755
Other liabilities	101,765	-	(72,429)	29,336	57,591	(1,984)	55,607
Borrowings	85,698	-	-	85,698	83,790	53,725	137,515
Total current liabilities	576,891	-	(72,429)	504,462	616,279	(1,984)	668,020
Borrowings	557,601	-	(39,541)	518,060	14,191	251,041	265,232
Total non-current liabilities	2,987,718	-	(39,541)	2,948,177	2,512,979	251,041	2,764,020
Total liabilities	3,564,609	-	(111,970)	3,452,639	3,129,258	302,782	3,432,040
Net assets	(2,005,631)	821,156	72,429	(1,112,046)	(1,906,779)	813,247	(1,061,753)
Accumulated funds	(2,008,365)	821,156	72,429	(1,114,780)	(1,920,542)	813,247	(1,075,516)
Total Equity	(2,005,631)	821,156	72,429	(1,112,046)	(1,906,779)	813,247	(1,061,753)
Statement of Comprehensive Income							
Grants and subsidies	486,440	-	(77,747)	408,693	-	-	-
Operating expenses	307,250	8,746	-	315,996	-	-	-
Total expenses excluding losses	1,641,250	8,746	(77,747)	1,572,249	-	-	-
Appropriations	860,778	-	(5,318)	855,460	-	-	-
Total revenue	1,591,570	8,746	(5,318)	1,594,998	-	-	-
Other gains/(losses)	(51,530)	(23,870)	-	(75,400)	-	-	-
Net result from continuing operation	(100,222)	(23,870)	72,429	(51,663)	-	-	-
Net result	(100,222)	(23,870)	72,429	(51,663)	-	-	-
Total comprehensive income/(loss)	(96,888)	(23,870)	72,429	(48,329)	-	-	-
Statement of Cash Flows							
Cash flow from operating activities	-	-	(77,747)	408,693	-	-	-
Grants and subsidies	486,440	-	(77,747)	408,693	-	-	-
Total payments	1,514,310	-	(77,747)	1,436,563	-	-	-
Appropriations	933,207	-	(77,747)	855,460	-	-	-
Total receipts	1,645,138	-	(77,747)	1,567,391	-	-	-

2. EXPENSES EXCLUDING LOSSES

(a) Employee Related Expenses

	<u>2021</u>	<u>2020</u>
	<u>\$'000</u>	<u>\$'000</u>
Salaries and wages (including annual leave)	572,453	549,352
Superannuation - defined benefit plans	3,594	5,039
Superannuation - defined contribution plans	47,026	44,377
Long service leave (recovery)/expense*	(6,142)	17,048
Workers' compensation insurance	2,320	1,931
Payroll tax and fringe benefits tax	31,362	32,751
Voluntary redundancy	14,033	5,546
	<u>664,646</u>	<u>656,044</u>

* The factors that contributed to negative balance on long service leave expense are as follows:

* The discount rate used is much higher than last year (1.485% in current year versus 0.87% per cent in the last year) and has contributed to most of the decrease in the factors and resultant long service leave liabilities.

* The 2021 indices also reflect changing economic and demographic assumptions arising from the 2021 triennial review, including changes in expectation of salary growth rates.

* As in all years, NSW public sector rates of accrual are not comparable with other jurisdictions or the private sector.

Employee related expenses of \$12.577 million (2020: \$6.313 million) have been capitalised in various capital works and therefore are excluded from the above.

(b) Operating Expenses

	<u>2021</u>	<u>2020</u>
	<u>\$'000</u>	<u>\$'000</u>
Auditor's remuneration - audit of the financial statements	1,772	1,553
Cost of sales	453	538
Network operating costs	13	4
Advertising	24,449	6,197
Occupancy related expenses	14,964	10,998
Expense relating to short-term leases	3,720	9,584
Maintenance	17,480	9,592
Insurance	945	557
Fees and charges	134,813	106,399
Postage and telephone	9,090	7,869
Printing, stationery and stores	10,519	8,605
Consultants	3,871	3,306
Other contractors	47,601	45,321
Books and periodicals	971	794
Travel and motor vehicle expenses	1,765	6,563
Computer expenses	54,270	81,086
Minor equipment	18	19
Training	2,649	2,172
Other	4,199	14,839
	<u>333,562</u>	<u>315,996</u>

Reconciliation - Total maintenance expense

Maintenance expenses - contracted labour and other (non-employee related), as above	17,480	9,592
Employee related maintenance expense included in Note 2(a)	-	-
Total maintenance expenses included in Note 2(a) + 2(b)	<u>17,480</u>	<u>9,592</u>

Recognition and Measurement

Lease expense

DCS recognises the lease payments as an operating expense on a straight-line basis in the Statement of Comprehensive Income associated with the following types of leases:

- i) Leases that meet the definition of short-term. i.e. where the lease term at commencement of the lease is 12 months or less. This excludes leases with a purchase option.
- ii) Leases of assets that are valued at \$10,000 or under when new.

Maintenance expense

Day-to-day servicing costs or maintenance are charged as expenses as incurred, except where they relate to the replacement or an enhancement of a part or component of an asset, in which case the costs are capitalised and depreciated.

Insurance

DCS's insurance activities are conducted through the NSW Treasury Managed Fund Scheme of self-insurance for Government entities. The expense (premium) is determined by the Fund Manager based on past claims experience.

(c) Depreciation and Amortisation Expense

	2021	2020
	\$'000	\$'000
Depreciation - Property plant and equipment		
- Buildings	431	431
- Plant and equipment	6,781	11,339
- Motor vehicles	3,457	14,921
- Leasehold improvements	8,639	7,032
	19,308	33,723
Depreciation – Right of use asset		
- Land and buildings	38,424	34,418
- Plant and equipment	91	18
- Motor vehicles	1,673	1,572
	40,188	36,008
Amortisation		
- Intangible assets	39,492	56,745
	98,988	126,476

Refer to Note 13 and 14 for recognition and measurement policies on depreciation and amortisation.

(d) Grants and Subsidies

	2021	Restated 2020
	\$'000	\$'000
Grants to Service NSW* ⁽ⁱ⁾	464,488	190,697
Grants to NSW Government Telecommunications Authority* ⁽ⁱ⁾	150,131	104,631
Grants to Valuer General NSW* ⁽ⁱⁱ⁾	38,374	41,898
Grants to Independent Liquor & Gaming Authority* ⁽ⁱ⁾	13,513	8,302
Consumer Trader & Tenancy Tribunal ⁽ⁱⁱⁱ⁾	11,057	11,024
Grants to Clubgrants Category 3 ^(iv)	10,493	17,017
Grants to Information and Privacy Commission* ⁽ⁱ⁾	6,000	5,908
Grants to Responsible Gambling Fund (Point of Consumption Tax)* ⁽ⁱ⁾	5,000	5,000
Grants to Greyhounds Welfare and Integrity Commission* ⁽ⁱ⁾	4,985	7,000
Contribution to Safework Australia	3,354	3,383
Digital Restart Fund *	2,500	-
Credit Counselling Program	1,893	2,119
Centre for WHS Research Grants	1,819	1,371
ABCB Contributions* ^(v)	1,370	-
Home Building/Strata/No interest loan scheme Grant	1,096	590
Grants to support Data Monitoring support fee assistance ^(vi)	679	-
Grants to Greyhound Capital Grants ^(vii)	501	4,868
Tenancy Advice and Advocacy Program	155	92
Grants in relation to Tax Reduction Party	-	2,017
Other Grants	503	2,776
	717,911	408,693

* These are other related party transactions in addition to those disclosed in Note 28 Other Related Party Transactions.

(i) DCS receives appropriations from the Consolidated Fund for the cluster. Appropriation for each financial year for each DCS agency is set out in the Appropriations Act for that year. This grant represents the approved funding by NSW Treasury for this agency.

(ii) Grants to Valuer General NSW - RNSW receives grants to pay for the valuer general completing the services of valuing the land. This is an indirect support to RNSW. Valuer general as a business is not funded directly by Treasury rather it is funded via the councils and RNSW who use their service. In that respect, it is reflected as grants & subsidies for RNSW like Job Action Plan and Small Business Grant pass throughs whereby RNSW are provided recurrent funding for valuer general fees and pay upon monthly agreed invoice.

(iii) Consumer Trade and Tenancy Tribunal - Tribunal specialising in resolving consumer tenancy disputes in New South Wales - these matters include requests to terminate tenancy agreements, payment of rental bonds on termination of tenancies, breaches relating to terms of the tenancy agreement and payment of compensation.

(iv) Grants to Clubgrants category 3 - Grants to community organisations for infrastructure projects.

(v) ABCB Contributions -The grant payment of \$1.3m is for Australian Building Codes Board (ABCB) as part of the Inter-Government Agreement (IGA) on building regulatory reform provides for annual funding of the ABCB by all parties (States) to the agreement.

(vi) Grant payment in relation to Data Monitoring fees for clubs suffering financial hardship.

(vii) Grants to Greyhound Capital Grants - Greyhound Racing Capital Grants Program is a Government commitment as part of the NSW Government greyhound racing reforms. The purpose of the Grants Program is to assist GRNSW (not a Government agency) and its clubs improve animal welfare by upgrading greyhound racing facilities across NSW to reduce injury rates for racing dogs. Grants Program funding is protected and publicly committed by the Government solely for this purpose.

(e) Finance Costs

	<u>2021</u>	<u>2020</u>
	<u>\$'000</u>	<u>\$'000</u>
Interest expense from lease liabilities	10,744	8,924
Interest expense on borrowings *	868	3,886
	<u>11,612</u>	<u>12,810</u>

* These are other related party transactions in addition to those disclosed in Note 28 Other Related Party Transactions.

Recognition and Measurement

Finance costs consist of interest and other costs incurred in connection with the borrowing of funds. Borrowing costs are recognised as expenses in the period in which they are incurred, in accordance with NSW Treasury's mandate to not-for profit NSW General Government Sector Entities.

(f) Cost of motor vehicle inventory sold

	<u>2021</u>	<u>2020</u>
	<u>\$'000</u>	<u>\$'000</u>
Cost of motor vehicle inventory sold	<u>36,244</u>	<u>47,085</u>

Recognition and Measurement

This represents the carrying amount of motor vehicle inventory sold during the year. DCS holds motor vehicles for rental to others in property plant and equipment (Note 13) and transfer such assets to inventories at their carrying amount when they cease to be rented and become held for sale (Note 10). The proceeds from the sale of such assets are recognised as revenue (Note 3(i)).

(g) Other Expenses

	<u>2021</u>	<u>2020</u>
	<u>\$'000</u>	<u>\$'000</u>
Compensation fund payments	<u>4,354</u>	<u>5,145</u>

3. REVENUE

Recognition and Measurement

Income is recognised in accordance with the requirements of *AASB 15 Revenue from Contracts with Customers* or *AASB 1058 Income of Not-for-Profit Entities*, dependent on whether there is a contract with a customer defined by *AASB 15 Revenue from Contracts with Customers*. Comments regarding the accounting policies for the recognition of income are discussed below.

(a) Appropriations and Transfers to the Crown

Summary of Compliance	2021 \$'000	2020 \$'000
Original Budget per <i>Appropriation Act</i>	1,901,464	988,772
Variations made to the appropriations during the financial year		
Section 4.9 GSF Act - Transfers of functions between entities	-	(80,821)
Section 4.13 GSF Act Exigency of Government/ Section 32(2) of the <i>Appropriation Act 2020</i>	713,228	318,592
Section 34 of the <i>Appropriation Act 2020</i>	48,100	-
Total spending authority from parliamentary appropriations, other than deemed appropriations	2,662,792	1,226,543
Add: Own source revenue received during the year	735,619	604,263
Add: Own source revenue balance brought forward from prior years	492,884	549,158
Total spending authority from parliamentary appropriations	3,891,295	2,379,964
Less: total expenditure from parliamentary appropriations	(1,829,857)	(1,490,742)
Less: total expenditure from parliamentary appropriations - transfer payments	(1,093,962)	(77,747)
Less: spending authority from appropriations lapsed at 30 June	(713,228)	(318,592)
Own source revenue balance carried forward to following years	254,248	492,883
	2021	2020
	\$'000	\$'000
Transfer payments ⁽ⁱ⁾	1,093,962	77,747
Appropriations (per Statement of Comprehensive Income)	1,125,231	855,460
	2,219,193	933,207

(i) Transfer payments

Transfer payments are amounts received for transfer to eligible beneficiaries in accordance with legislative or other authoritative requirements. They are not controlled by DCS, although received as appropriations by exigency. As these amounts are not controlled by DCS, they are correctly excluded from DCS's results of operations in order to represent the true and fair view of DCS's financial performance. These transfer payments are disclosed in the Summary of Compliance above to reconcile the total gross appropriations received to the net appropriations controlled and recognised as revenues in DCS.

As these transfer payments are not controlled by DCS, their effective and efficient administration is also an important role of DCS and it is a requirement for these amounts to be disclosed as part of administered items.

	2021	2020
	\$'000	\$'000
Payments		
Digital Restart Fund	413,000	-
Rental Bond Board	62,038	-
NSW Government Telecommunications Authority	8,028	
Service NSW		
Dine and Discover Scheme	400,000	-
Northern beaches small business hardship grants	13,000	-
Small business rebate	31,000	-
Flood recovery grants	4,870	
Return to work	5,000	-
Creative Kids Program grants	-	14,895
Revenue NSW		
Land tax concession	136,716	6,187
Duties Bushfire Relief	2,159	2,313
Job Action Plan Payroll Tax Rebates	17,608	44,959
Job Lodgement grants	543	9,393
	1,093,962	77,747

Receipts

Digital Restart Fund	413,000	-
Rental Bond Board	62,038	
NSW Government Telecommunications Authority	8,028	
Service NSW		
Dine and Discover Scheme	400,000	-
Northern beaches small business hardship grants	13,000	-
Small business rebate	31,000	-
Flood recovery grants	4,870	
Return to work	5,000	-
Creative Kids Program grants	-	14,895
Revenue NSW		
Land tax concession	136,716	6,187
Duties Bushfire Relief	2,159	2,313
Job Action Plan Payroll Tax Rebates	17,608	44,959
Job Lodgement grants	543	9,393
	1,093,962	77,747

Recognition and Measurement

Parliamentary Appropriations other than deemed appropriations

Income from appropriations, other than deemed appropriations (of which the accounting treatment is based on the underlying transaction), does not contain enforceable and sufficiently specific performance obligations as defined by AASB 15. Therefore, except as specified below, appropriations (other than deemed appropriations) are recognised as revenue when DCS obtains control over the assets comprising the appropriations. Control over appropriations is normally obtained upon the receipt of cash.

Appropriations are not recognised as income in the following circumstances:

- "Equity appropriations" to fund payments to adjust a for-profit entity's capital structure are recognised as equity injections (i.e. contribution by owners) on receipt and equity withdrawals on payment to a for-profit entity. The reconciliation between the Statement of Comprehensive Income, Statement of Summary of Compliance with Financial Directives and the total appropriations is disclosed in Note 3(a).

Appropriations authorities and spending limits, under the Appropriations Act, and from deemed appropriations are given to the relevant responsible minister(s) and not directly to individual agencies. Officers of agencies reporting to those ministers are then delegated authority to incur expenditure under delegation instruments issued by those ministers. Therefore, compliance with aggregate spending limits under the Appropriation Act and deemed appropriations should normally be assessed at the responsible minister(s)' level unless the delegation instrument for an agency expressly creates a sub-limit for the agency as a whole (which is unusual). DCS has confirmed that its delegation instruments do not have sub-limits for the agency as a whole.

However, to provide information related to the agency's spending, the summary of compliance table compares:

- Portion of the amounts authorised under the Appropriations Act for the services of DCS and other relevant variations to appropriations authorities amounts that have been received by DCS as cluster grants and the agency's own source revenue, with
- DCS' actual spending for the year, including payments to other state government agencies

The table includes monies received from the agency's own-source income from other clusters who have different responsible ministers, as comprising part of the authority to spend.

There is some complexity and uncertainty in respect of the legal implication of monies received by the agency from an agency in another cluster who has a different responsible minister. If those monies are paid from the Consolidated Fund and remain within the Consolidated Fund on receipt the appropriations authority limits of the responsible minister(s) of the paying and receiving agencies will not have been automatically adjusted on transfer of the money. This means the appropriations limit of the receiving responsible minister(s) will not have been increased. Therefore, there is a technical risk that the actual expenditure exceeds the aggregate legal limit authorised for the receiving responsible minister(s) for the relevant reporting period; on the other hand, the paying responsible minister(s) may have unutilised legal spending authority. The total appropriations limits in the Appropriations Act are not affected by this matter.

The impact of this legal uncertainty means the balance of own source revenue brought forward and carried forward in the table will not necessarily be reflective of the appropriations authority available to the agency or its responsible minister(s).

(b) Transfers to the Crown

	2021	2020
	\$'000	\$'000
StateFleet Motor Vehicle Reserve	18,506	18,717
Net proceeds from sale of Loose Fill Asbestos	2,721	5,196
	21,227	23,913

These are all other related party transactions in addition to those disclosed in Note 27 Other Related Party Transactions.

(c) Sale of Goods and Services from contract with customers

	2021	2020
	\$'000	\$'000
Project and asset management services	9,863	9,686
Penalty notice fees	44,460	33,572
Business services fee	62,614	68,954
Motor vehicle leasing	6,385	23,906
Gaming revenue	757	958
License revenue	16,592	25,429
Other goods and services	21,029	21,941
	161,700	184,446

Recognition and Measurement

Type of service	Nature of Timing of Satisfaction of Performance Obligation, Including Significant Payment Terms	Revenue Recognition Policies
Project and asset management services	The performance obligation are typically satisfied when the services are performed and deemed as satisfying the requirements of the agreement in place.	The revenue is recognised when the services are provided and measured at the contractually agreed respective rates and amounts.
Penalty notice fees	The nature of penalty notice has no performance obligation.	The revenue is recognised when the issued penalty notice comes into effect.
Business services fee	The performance obligation are typically satisfied when the services are performed and deemed as satisfying the requirements of the agreement in place.	The revenue is recognised when the services are provided and measured at the contractually agreed respective rates and amounts.
Motor vehicle leasing	The performance obligation of transferring these products is typically satisfied at the point in time when the products are being used by the customer, i.e. the products have been delivered in accordance with the specifications in the sales contract.	This revenue is recognised based on time-usage and where the consumer is deemed to have possession of the vehicle.
Gaming Revenue	The performance obligation is typically satisfied when the licence application and funds are received. Payments are typically received in advance when the application for the specific licence type or the application for the extension of the specific licence type is submitted.	The revenue is recognised when the funds are received to the extent that it is highly probable that a significant reversal will not occur. The relevant fees are based on the amounts set by Regulation or by the business entity after a review by the Independent Pricing and Regulatory Tribunal (IPART).
License Revenue	The performance obligation is typically satisfied when the licence application and funds are received. Payments are typically received in advance when the application for the specific licence type or the application for the extension of the specific licence type is submitted.	The revenue is recognised when the funds are received to the extent that it is highly probable that a significant reversal will not occur. The relevant fees are based on the amounts set by Regulation or by the business entity after a review by IPART.
Other goods and services	The performance obligation is satisfied when the service is being performed and when the benefits of the goods are transferred to the customer and delivered in accordance with the specifications of the contractual agreements.	Revenue from the sale of goods is recognised as revenue when DCS transfers the significant risks and rewards of ownership of the goods, usually on delivery of the goods. Revenue on other services is recognised upon completion of rendering the contracted services.

(d) Personnel Services Revenue

	2021	2020
	\$'000	\$'000
NSW Government Telecommunications Authority	20,587	11,318
State Insurance Regulatory Authority	71,900	68,843
Board of Surveying and Spatial Information	368	450
Building Professionals Board	-	3,493
Long Service Corporation	7,483	7,975
	100,338	92,079

These are all other related party transactions in addition to those disclosed in Note 28 Other Related Party Transactions.

Personnel Services Revenue is revenue earned from entities within the DCS cluster in relation to employee related costs.

(e) Investment Revenue

	2021	2020
	\$'000	\$'000
Interest income from financial assets at amortised cost	5,331	5,247
Finance income on the net investment in the lease	782	1,235
Net gain/(loss) from TCorp IM Funds measured at fair value through profit or loss	2,506	(2,036)
	8,619	4,446

Recognition and Measurement

Interest income is calculated by applying the effective interest rate to the gross carrying amount of a financial asset except for financial assets that subsequently become credit impaired. For financial assets that become credit impaired, the effective interest rate is applied to the amortised cost of the financial asset (ie after deducting the loss allowance for expected credit losses).

(f) Retained Taxes, Fees and Fines

	2021	2020
	\$'000	\$'000
Statutory interest	5,775	19,913
Building licensing fees	54,757	59,187
Real estate and property license fees	6,037	2,176
Owner builder permit fees	1,229	1,219
Plumbing inspection fees	9,571	8,793
Motor dealers compensation fees	1,332	1,315
Fines for non-compliance of Safety at Work regulations	7,226	5,121
Other fees, fines and penalties	6,281	4,104
	92,208	101,828

Recognition and Measurement

Retained fees, taxes and fines are recognised when earned and if the amounts can be determined reliably.

Type of service	Nature of Timing of Satisfaction of Performance Obligation, Including Significant Payment Terms	Revenue Recognition Policies
Statutory interest	The performance obligation is satisfied when we have performed our obligation of keeping funds within the stipulated contractual time frame to be entitled to an interest income.	Revenue is recognised upon the completion of the performance obligation and the right to receive the income has been established.
Building licensing fees, Real estate & property license fees, Owner builder permit fees, Plumbing inspection fees, Motor dealers compensation fees	The performance obligation is typically satisfied when the licence application and funds are received. Payments are typically received in advance when the application for the specific licence type is submitted.	The revenue is recognised when the funds are received to the extent that it is highly probable that a significant reversal will not occur. The relevant fees are based on the amounts set by Regulation or by the business entity after a review by IPART.
Other fees, fines and penalties	The nature of other fees, fines and penalties have no performance obligation and the notices are in accordance to the relevant legislation.	These revenues are recognised when the issued notices come into effect.

(g) Grants and Other Contributions

	<u>2021</u>	<u>2020</u>
	<u>\$'000</u>	<u>\$'000</u>
Grants		
<i>Grants without sufficiently specific performance obligations</i>		
Funds from TabCorp Holdings ^(vii)	-	2,014
Life Journeys* ^(viii)	7,478	4,345
Stronger Communities* ^(xi)	2,350	-
Business Insights Hub* ^(xii)	1,580	-
Digital Birth Certificate* ^(xiii)	3,330	-
Government Made Easy* ^(xiv)	1,660	-
Loose Fill Asbestos Grants ⁽ⁱⁱⁱ⁾	1,530	-
Cleaning Stimulus ^(x)	318	832
Voluntary Redundancy Grant ⁽ⁱ⁾	68	4,948
Other	2,435	2,257
	20,749	14,396
<i>Other grants with sufficiently specific performance obligations</i>		
Whole of Government website consolidation * ^(xviii)	13,980	-
Telecommunication Optimisation Group Grant from Telco ^(v)	728	2,478
Digitise Land Tax ^(vi)	-	2,800
Project Trust ^(xv)	4,400	-
Digital Restart Fund* ^(ix)	62,885	13,795
Taxes & Grants - Mining Royalties ^(xvi)	1,473	-
Taxes & Grants - Assured Revenue ^(xvii)	13,625	-
	97,091	19,073
Other Contributions		
Contributions from State Insurance Regulatory Authority* ⁽ⁱⁱ⁾	128,892	128,363
Colliery Contribution Levy ^(iv)	10,400	10,400
	139,292	138,763
Grants and Other Contributions	257,132	172,232

* This is an other related party transaction in addition to those disclosed in Note 28 Other Related Party Transactions.

- (i) Voluntary Redundancy Grants - Treasury funding for DCS Voluntary Redundancies.
- (ii) Contributions from State Insurance Regulatory Authority - The operations of SafeWork are principally funded by the State Insurance Regulatory Authority. Each year, under Section 35 (1)(a1) of the Workplace Injury Management and Workers Compensation Act 1998, the Minister approves the payment of amounts from the Workers Compensation Insurance Fund to the Workers Compensation Operational Fund having regard to the budget of SafeWork. This payment is made monthly to reflect cash requirements of SafeWork provided the approved amount is not exceeded.
- (iii) Loose Fill Asbestos Grants- Contribution from NSW Treasury to purchase land and/or buildings impacted by Loosefill Asbestos.
- (iv) Colliery Contribution Levy- Subsidence Advisory NSW (SA NSW) receives funding from the NSW coal mining industry under Section 33 of the Coal Mine Subsidence Compensation Act 2017 (the Act). Each year a contribution is levied onto the industry in order to fund the activities of SA NSW under the Act.
- (v) Telecommunication Optimisation Group Grant from Telco- The Telecommunication Optimisation Group (TOG) continues to identify and support the realisation of key benefit opportunities for the NSW Telco Authority and enterprise telco reform. Benefits have arisen from contract optimisation, billing audits and service optimisation. The NSW Telco Authority have funded tranches of work of TOG.
- (vi) Digitise Land Tax- Treasury funds received to execute the Digital Land Tax project.
- (vii) Funds from TabCorp Holdings- The NSW totalizator licensee (TAB Limited) pays the difference between the tax paid under the tax parity reforms and what it would have paid without the reforms to each racing controlling body according to a proportion prescribed in the Totalizator Regulation 2012. As the reforms were enacted during a period of uncertainty in greyhound racing, with the Special Commission of Inquiry still underway, the Trust Fund was established under section 70A of the Tote Act to receive greyhound racing's share of wagering tax parity revenue.
- (viii) Life Journeys- The Life Journeys program (funded by Treasury) cuts across agencies to make it easier for citizens to deal with government at critical life junctures, such as losing someone close to you, starting retirement, or having a baby. Program of work includes End of Life End to End, Retirement Years, Life Events Navigators Information Services, First 2000 days.
- (ix) Digital Restart Fund (DRF)- This funding from DRF is received for the following projects: ERP2 \$23 million, Cyber Security \$3.0 million, Buy.nsw \$1.5 million, Government Licensing Systems Modernisation \$1.1 million, ERP Modernisation \$1.0 million, Customer Design System Acceleration \$0.7 million, Procure to Pay \$0.3 million, e-Regulation \$1.7 million and e-Construction 3.8 million.
- (x) Cleaning Stimulus- Grant funding from NSW Treasury to deliver enhanced environmental cleaning of office buildings and operational spaces in light of the COVID-19 pandemic.
- (xi) The Stronger Communities Data Partnership (funded by Treasury), a cross-agency Deputy Secretaries Group tasked by DaPCo to increase the use of human services data assets, is seeking to build and validate a prototype of the Better Outcomes Lab – a continuum of fit-for-purpose data infrastructure that will enable government decision-makers, service providers and academic researchers to safely conduct high-quality, cost-effective and timely analysis on existing linked human services datasets. The aim of the Lab is to set up the foundational technical infrastructure that is necessary to improving the ease of use of state-significant data assets in NSW. Since there is no single solution to address the barriers to data access, the Lab will set up a continuum of infrastructure and products including a data concierge, a dashboard and reporting function, and a capability hub for uplifting data skills.
- (xii) Business Insights Hub (funded by Treasury)- The NSW Data Analytics Centre (DAC) is proposing to pilot a Business Insights Hub (BIH), a new data broker platform which will accelerate existing activities and new initiatives, including this one, to support economic interventions with a focus on small to medium businesses most impacted when COVID19 subsidies like Job Keeper and Job Seeker end in March 2021.
- (xiii) Digital Birth Certificate (funded by Treasury) - Development of a national, interoperable and secure platform for a digital birth certificate supported by Commonwealth, State and Territory jurisdictions and key stakeholders.
- (xiv) Government Made Easy (funded by Treasury)- Complete discovery and prototyping for the change of name when getting married, aligned with Living in NSW Life Event. Program of work includes initial desktop scoping, customer research, mapping, service design, technical solution development and partner onboarding discovery.
- (xv) Project Trust (funded by Treasury)- Recent cyber security incidents in GovConnect and SNSW have triggered immediate incident response and recovery work and also elevated the need to embark upon medium term (comprise recovery) and longer term (strategic recovery projects). In DCS, Project Trust was recently formed to address: Business process and information governance, culture, capability and awareness, cyber security, privacy and policy framework, cyber and privacy policy remediation and cyber resilience.

(xvi) Mining Royalties (funded by DRF)- Legacy systems modernisation to ensure system calculations of coal royalty complies with Mining Act 1992 and Mining Regulation 2016.

(xvii) Assured Revenue (funded by DRF) - This business case supports the 'Efficient & Effective Revenue Collection' program under the Excellence in Customer Service outcomes based budget outcome for the Department of Customer Service. Additionally, this proposal aligns to the NSW budget priority of improving productivity by providing accretive revenue.

(xviii) Whole of Government website consolidation (funded by DRF) - This program is aimed at consolidating content from 500 NSW Government websites into a single, customer oriented and easy to use structure rather than by government agency structures.

Recognition and Measurement

Type of service	Nature of Timing of Satisfaction of Performance Obligation, Including Significant Payment Terms	Revenue Recognition Policies
Grants without sufficiently specific performance obligations	These are grant incomes received from various sources for designated purposes with no specific performance obligation.	Grants are recognised immediately in accordance with AASB 1058 as there are no specific performance obligations on these grants.
Other grants with sufficiently specific performance obligations	These are grant incomes received from various sources for designated purposes where the whole portion or some of which may be designated for DCS as the recipient to acquire or constructed a non-financial asset.	Grants are recognised immediately in accordance with AASB 1058 and to defer the portion where there is a requirement for DCS to acquire or construct a recognisable non-financial asset and then to recognise this as revenue as the performance obligation is satisfied.
Other grants and contributions	Other grants and contributions generally have no performance obligation.	Grants are recognised immediately in accordance with AASB 1058 as there are no specific performance obligations.

(h) Acceptance by the Crown of Employee Benefits and Other Liabilities

The following liabilities and/or expenses have been assumed by the Crown or other government entities:

	2021 \$'000	2020 \$'000
Superannuation - defined benefit	3,477	4,872
Long service leave	(4,959)	13,761
Payroll tax	201	252
	(1,281)	18,885

(i) Proceeds of Sale of Motor Vehicle Inventory

	2021 \$'000	2020 \$'000
Gross proceeds of sale of motor vehicles	38,965	61,614
Less: Disposal costs	(587)	(1,472)
	38,378	60,142

(j) **Other Revenue**

	2021	2020
	\$'000	\$'000
Commissions on payroll	5	6
Revenue related to service concession arrangement	77,534	77,388
Corporate cost recovery *	10,586	17,542
Corporate accommodation recovery *	13,607	8,746
Administrative fee* ⁽ⁱ⁾	25,227	24,611
Other revenue	1,290	1,100
	128,249	129,393

* These are other related party transactions in addition to those disclosed in Note 28 Other Related Party Transactions.

(i) The administrative service income is received from the Rental Bond Board (“RBB”) and represents an agreed charge between DCS and RBB reflecting the provision of all administrative and corporate services by DCS. The fee has been approved by the Expenditure Review Committee, Treasury and the Rental Bond Board.

Recognition and Measurement

Service Concession Arrangement

On 12 April 2017, the NSW State government entered into a 35 year concession with the private sector to facilitate the provision of land titling and registry services. Under the concession, the State received an up-front contribution of \$2,622 million, which was repatriated to the Restart NSW Fund, and transferred employee liabilities to the private sector operator.

ICT and other assets necessary to operate the concession have legally transferred to the private sector operator and legal ownership of these assets reverts to the State at the end of the concession. The State continues to own all existing and underlying data, information and intellectual property related to titling and registry services and provides access to these assets to the operator.

The concession is classified as a service concession arrangement. As the grantor of the service concession, DCS recognises the up-front contribution provided by the operator as revenue progressively over the concession term. Assets legally transferred to the operator are treated as controlled for accounting purposes by DCS and recorded at their carrying values immediately prior to the concession commencement. These assets are depreciated or amortised over their useful lives which is in line with DCS depreciation policy (Refer to Note 13).

Corporate Cost Recovery

The revenue recognised in relation to corporate cost recovery relates to services which are incurred within DCS and chargeable to other entities within the Customer Service Cluster.

DCS provides certain functions to cluster agencies where certain functions are performed centrally by the reporting entity, DCS. During the year, DCS incurred centralised corporate costs relating to Corporate Finance, Legal, Chief Technology / Information Office, Workplace Property & Accommodation, Governance Risk & performance, Procurement, Office of the Chief Operating Officer, Office of the Secretary and People & Culture in relation to services such as recruitment, procurement, business partnering support, budgeting, management reporting, financial reporting, expense management, contract reviews, legal advice, vendor contract management, internal audit, performance metrics, accommodation servicing, information technology support and compliance amongst other things. In line with DCS/Agency MOUs, these costs are recouped as Corporate Cost recovery, with the exception of specific areas whereby services may be agreed up front for an additional fee (for example, some Legal services).

An amount of to \$46,283,000 for the financial year ended 30 June 2021 (2020: \$21,159,000) was incurred in DCS and has not been recovered from the other entities within the DCS Cluster. Refer to Note 28 for details.

4. (a) GAIN/(LOSS) ON DISPOSAL

	2021 \$'000	2020 \$'000
Gain/(loss) on disposal of property, plant & equipment and intangibles (other than StateFleet Motor Vehicles)	(1,056)	932
Written down value of assets disposed/written off	(15)	56
Net gain/(loss) on disposal of property, plant & equipment and intangibles (other than StateFleet Motor Vehicles)	(1,071)	988

b) OTHER GAINS/(LOSSES)

	2021 \$'000	2020 \$'000
Impairment losses on:		
Sale of goods and services	(4,278)	397
Retained taxes, fees, fines and other	962	1,390
Bad debts (written off)/recovered	387	(16)
Impairment recovery/(loss) from right-of-use assets	(34,970)	(53,301)
Impairment recovery/(loss) from intangible assets	(21,574)	-
Revaluation increment/(decrement) from service concession assets	22,844	(23,870)
Net gain/(loss) on derivatives	19	-
Net other gains/(losses)	(36,610)	(75,400)

Recognition and Measurement

Impairment losses on assets

Impairment losses may arise on non-financial assets held by DCS from time to time. Accounting for impairment losses is dependent upon the individual asset (or group of assets) subject to impairment. Accounting Policies and events giving rise to impairment losses are disclosed in the following notes:

- Trade receivables – Note 8
- Property, plant and equipment – Note 13(a)
- Right-of-use-assets – Note 13(b)
- Intangible assets – Note 14

5. STATE OUTCOME STATEMENTS FOR THE YEAR ENDED 30 JUNE 2021

	Excellence in customer service (i)		Digital leadership and innovation in government services (ii)		Fair, secure and efficient markets (iii)		Not attributable *		Total	
	2021	2020	2021	2020	2021	2020	2021	2020	2021	2020
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
EXPENSES AND INCOME										
Expenses excluding losses										
Operating Expenses										
• Employee related	263,129	328,670	84,492	73,001	317,026	254,373	-	-	664,646	656,044
• Other operating expenses	126,732	161,409	66,474	63,641	140,356	90,946	-	-	333,562	315,996
Depreciation and amortisation	40,185	57,425	21,320	18,037	37,482	51,014	-	-	98,988	126,476
Grants and subsidies	290,165	167,337	58,416	23,495	369,331	217,861	-	-	717,911	408,693
Finance costs	4,149	6,800	1,910	2,110	5,553	3,900	-	-	11,612	12,810
Book value of motor vehicles sold	10,251	28,136	2,541	3,280	23,452	15,669	-	-	36,244	47,085
Other expenses		5,145			4,354				4,354	5,145
Total Expenses excluding losses	734,610	754,922	235,153	183,564	897,553	633,763			1,867,317	1,572,249
Revenue										
Appropriations ** (Transfers to the Crown)	(7,217)	(16,239)	(1,666)	(1,310)	(12,344)	(6,364)	1,125,231	855,460	1,125,231	855,460
Sale of goods and services from contracts with customers	88,455	70,485	23,254	32,354	49,991	81,607	-	-	161,700	184,446
Personnel services revenue	39,131	54,327	9,031	6,445	52,176	31,307	-	-	100,338	92,079
Investment revenue	50	2,994	785	1,247	7,784	205	-	-	8,619	4,446
Retained taxes, fees and fines	9,701	95,221	2,207	1,104	80,300	5,503	-	-	92,208	101,828
Grants and contributions	56,313	146,020	40,053	16,359	160,766	9,853	-	-	257,132	172,232
Acceptance by the Crown of employee benefits and other liabilities	(785)	11,294	(310)	1,009	(186)	6,582	-	-	(1,281)	18,885
Proceeds from sale of motor vehicles	14,953	35,484	3,451	4,210	19,974	20,448	-	-	38,378	60,142
Other revenue	14,645	121,166	3,091	1,234	110,513	6,993	-	-	128,249	129,393
Total Revenue	215,247	520,752	79,896	62,652	468,973	156,134	1,125,231	855,460	1,889,347	1,594,998
Gain/(loss) on disposal	(1)	963	-	4	(1,070)	21	-	-	(1,071)	988
Other gains/(losses)	(22,912)	(29,797)	(5,323)	(3,736)	(8,375)	(41,867)	-	-	(36,610)	(75,400)
NET RESULT	(22,913)	(28,834)	(5,323)	(3,732)	(9,445)	(41,846)			(37,681)	(74,412)
Other comprehensive income	(542,277)	(263,004)	(160,581)	(124,644)	(438,025)	(519,475)	1,125,231	855,460	(15,651)	(51,663)
Items that will not be reclassified to net result in subsequent periods										
Changes in revaluation surplus	-	1	-	-	-	-	-	-	-	1
Remeasurement of defined benefits superannuation	-	1,966	-	233	-	1,134	-	-	-	3,333
Total other comprehensive income	-	1,967	-	233	-	1,134	-	-	-	3,333
TOTAL COMPREHENSIVE INCOME/(LOSS)	(542,277)	(261,037)	(160,581)	(124,411)	(438,025)	(518,341)	1,125,231	855,460	(15,651)	(48,329)

* The names and purposes of each outcome are summarised below.

** Appropriations are made on an entity basis and not to individual outcomes. Consequently, appropriations must be included in the 'Not Attributable' column. Cluster grant funding is also unlikely to be attributable to individual outcomes.

	Excellence in customer service (i)		Digital leadership and innovation in government services (ii)		Fair, secure and efficient markets (iii)		Total	
	2021	2020	2021	2020	2021	2020	2021	2020
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
ASSETS AND LIABILITIES								
Current Assets								
Cash and cash equivalents	51,678	446,562	11,925	9,469	411,095	44,902	474,698	500,933
Other financial assets	-	-	22,672	23,142	-	-	22,672	23,142
Receivables	33,554	63,175	23,986	34,109	44,347	33,393	101,886	130,677
Contract assets	7,052	23,607	4,721	2,801	11,600	13,604	23,373	40,012
Inventories	34	1,529	8	184	45	881	87	2,594
Financial assets at fair value	7	7,972	2	-	10,184	-	10,193	7,972
Non-Current Assets Held for sale	-	19,285	-	-	18,912	-	18,912	19,285
Total Current Assets	92,324	562,130	63,314	69,705	496,183	92,780	651,821	724,615
Non Current Assets								
Other financial assets	-	-	26,070	52,041	-	-	26,070	52,041
Receivables	-	1,014	-	121	-	584	-	1,719
Inventories	-	-	-	-	-	-	-	-
Property, plant and equipment	38,449	72,647	12,603	20,368	49,418	45,677	100,469	138,692
Right of use assets	124,399	253,654	35,401	35,504	167,701	144,816	327,501	433,974
Intangible assets	32,304	36,875	30,626	13,402	872,145	859,887	935,075	910,164
Other	-	79,388	-	-	75,945	-	75,945	79,388
Total Non Current Assets	195,151	443,578	104,700	121,436	1,165,209	1,050,964	1,465,060	1,615,978
TOTAL ASSETS	287,476	1,005,708	168,013	191,141	1,661,392	1,143,744	2,116,881	2,340,593
Current Liabilities								
Payables	41,000	82,121	8,486	19,447	55,670	27,866	105,156	129,434
Contract liabilities	442	37	12,514	11,036	44,890	33,023	57,846	44,096
Borrowings	10,451	36,118	28,816	29,305	14,785	20,275	54,052	85,698
Provisions	34,494	88,363	14,004	11,912	78,753	38,211	127,251	138,486
Service Concession	-	77,412	-	-	77,596	-	77,596	77,412
Other	5,947	10,800	1,373	1,005	26,577	17,531	33,896	29,336
Total Current Liabilities	92,333	294,851	65,193	72,705	298,271	136,906	455,797	504,462
Non Current Liabilities								
Borrowings	153,635	273,257	65,261	88,157	205,833	156,646	424,729	518,060
Provisions	6,923	16,577	3,098	4,487	19,792	7,605	29,812	28,669
Service Concession	-	2,401,448	-	-	2,327,871	-	2,327,871	2,401,448
Other liabilities	71	-	16	-	95	-	183	-
Total Non Current Liabilities	160,629	2,691,282	68,375	92,644	2,553,591	164,251	2,782,595	2,948,177
TOTAL LIABILITIES	252,962	2,986,133	133,568	165,349	2,851,862	301,157	3,238,392	3,452,639
NET ASSETS/(LIABILITIES)	34,513	(1,980,425)	34,445	25,792	(1,190,470)	842,587	(1,121,511)	(1,112,046)

(1) The names and purposes of each outcome are summarised below.

	Excellence in customer service (i)		Digital leadership and innovation in government services (ii)		Fair, secure and efficient markets (iii)		Total	
	2021 \$'000	2020 \$'000	2021 \$'000	2020 \$'000	2021 \$'000	2020 \$'000	2021 \$'000	2020 \$'000
ADMINISTERED EXPENSES AND INCOME								
Administered Expenses								
Other	379,290	371,622	-	-	-	-	379,290	371,622
Transfer payments	398,412	62,852	-	-	-	-	398,412	62,852
Total Administered Expenses	777,702	434,474	-	-	-	-	777,702	434,474
Administered Revenues								
Licences, taxes, fees and fines	31,895,094	29,342,128	-	-	106,786	157,561	32,001,880	29,499,689
Other	162	252	-	-	1,470,062	34,880	1,470,224	35,162
Transfer payments	607,949	54,352	-	-	-	-	607,949	54,352
Total Administered Revenues	31,895,256	29,342,380	-	-	1,576,848	192,441	34,080,053	29,589,203
Administered Revenues less Expenses	31,117,554	28,907,906	-	-	1,576,848	192,441	33,302,351	29,154,729

Administered Expenses and Revenues are disclosed in detail in Note 30 and 31 respectively.
Administered Assets and Liabilities are disclosed in Note 29.

State Outcome Descriptions

(i) Excellence in customer service

This Outcome focuses the Department's efforts towards a customer-centred approach across the NSW Government, resulting in better customer experiences and easier transactions. This Outcome measures the availability of digital transactions, customer satisfaction with government services, and the number of services where customers only need to "Tell us Once".

(ii) Digital leadership and innovation in government services

The Department aims to invest in innovation and technology to increase and improve digital availability, reliability and security of NSW Government platforms, information and services. This Outcome measures digital government readiness and the public safety coverage and operation of the Critical Communications Enhancement Program.

(iii) Fair, secure and efficient markets

The Department has a fundamental objective of delivering a regulatory framework that promotes safety, efficiency and regulatory requirements that meets the evolving expectations of businesses and customers. This Outcome measures the regulatory compliance rates of selected industries, the rate of work-related traumatic injury fatalities and the affordability of the Compulsory Third Party Insurance scheme.

6. CURRENT ASSETS - CASH AND CASH EQUIVALENTS

	2021	2020
	\$'000	\$'000
Cash at bank and on hand	161,979	143,184
TCorp IM Funds Cash facility	797	138
Motor vehicle reserve (a)	28,808	27,918
Other restricted cash (b)	283,114	329,693
	474,698	500,933

For the purposes of the Statement of Cash Flows, cash and cash equivalents includes cash at bank, cash on hand, motor vehicle reserve and special purpose funds.

Cash and cash equivalent assets recognised in the Statement of Financial Position are reconciled at the end of the financial year as shown to the Statement of Cash Flows as follows:

	2021	2020
	\$'000	\$'000
Cash and cash equivalents (per Statement of Financial Position)	474,698	500,933
Closing cash and cash equivalents (per Statement of Cash Flows)	474,698	500,933

Refer to Note 33 for details regarding credit risk and market risk arising from financial instruments.

(a) Motor vehicle reserve

	2021	2020
	\$'000	\$'000
Motor vehicle reserve	28,808	27,918

The purpose of Motor vehicle reserve is to manage the residual risk of the fleet. The deposits from StateFleet are generally risk fees, overdue penalties and excess kilometre charges from client agencies, as well as the net profit or loss for each vehicle disposal. The Reserve Account target balance is \$20 million with an operating range of plus or minus \$10 million. Any Reserve Account funds in excess of \$20 million as at 31 December and 30 June are paid to Crown Entity. DCS recognised a liability of \$8.8 million as at 30 June 2021 (30 June 2020: \$7.9 million).

(b) Other restricted cash

	2021	2020
	\$'000	\$'000
Motor Dealers Compensation Fund (i)	19,086	19,171
Property Services Compensation Fund (ii)	14,396	9,547
Property Statutory Interest Account (iii)	186,847	229,769
Home Building Administration Fund (iv)	30,901	44,125
Torrens Assurance Fund (v)	18,503	14,972
Tow Truck Industry Fund (vi)	11,632	10,235
NSW Consumer Law Fund (vii)	94	79
Coal Mine Subsidence Compensation Fund (viii)	1,655	1,795
	283,114	329,693

(i) The *Motor Dealers Act 1974* was repealed on 1 December 2014 and was replaced by the *Motor Dealers and Repairers Act 2013*. The *Motor Dealers and Repairers Act 2013* established the **Motor Dealers and Repairers Compensation Fund** to provide protection to persons who have suffered a loss in connection with a motor vehicle through their dealings with a motor dealer or a car-market operator. Licensing fees paid by full dealers and car-market operators finance the fund. Claims are usually made on the fund when a motor dealer ceases to trade either on a voluntary basis or a forced closure.

(ii) The *Property, Stock and Business Agents Act 2002* established the **Property Services Compensation Fund** which is supported by:

- investment income earned on the investments of the fund;
- contributions or levies paid by licensees; and
- other lawful receipts.

The money in the Compensation Fund is applied to:

- payment of claims, as provided by the Act;
- legal expenses in relation to claims, licensing objections and complaints for cancellation, incurred in relation to the Fund;
- the expense involved in the administration of the Fund; and
- other lawful expenses.

(iii) The **Property Statutory Interest Account** is supported by interest earned on trust money held by real estate agents and investments made by DCS.

The account is used to meet the costs of administering the *Property, Stock and Business Agents Act 2002* and various other Acts, supplement the Compensation Fund when required, pay grants to various government and non-government agencies and invest in schemes to provide residential accommodation.

(iv) **The Home Building Administration Fund** is supported by:

- prescribed fees for contractor licences, registration certificates, owner-builder permits and building consultancy licences;
- investment income earned on the investments of the Fund; and
- other lawful receipts.

The money in the Home Building Administration Fund is applied to:

- meeting the costs of operating the scheme;
- meeting the costs of administering the *Home Building Act 1989*; and
- the making of any authorised investments.

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

Payment from the Fund is permitted if loss has been suffered in respect of land resulting from:

- an act or omission of the Registrar General;
- the registration of someone else as the owner of land/an estate or interest in land;
- an error, misdescription or omission in the Register;
- the land being converted to Torrens Title;
- fraud;
- an error or omission in an official search; or
- an error in recording details supplied in a Notice of Sale.

The Registrar General has delegated titling and registry functions to an authorised operator. Therefore, any loss or damage suffered as a result of an act or omission of the authorised operator can be made against the Fund.

(vi) The **Tow Truck Industry Fund** is supported by:

The *Tow Truck Industry Act 1998* and the *Tow Truck Industry Regulation 2008* regulate the Tow truck industry. The *Tow Truck Industry Act 1998* – Sect 91 established the Tow Truck Industry Fund, the Fund is a continuation of the Tow Truck Industry operating under the *Tow Truck Act 1989* immediately before the repeal of that Act by this Act.

From 1 July 2017, the administrative function of tow trucks was transferred from Roads and Maritime Services to NSW Fair Trading, which is now responsible for the licensing and regulation of tow truck operations in NSW.

The Tow Truck Industry Fund is supported by:

- all money received by or on account of the Secretary under this Act
- all penalties for offences under this Act and the regulations that are recovered in prosecutions brought by, or penalty notices issued by, the Secretary or authorised officers
- all money borrowed by or advanced to the Secretary for the purposes of this Act or appropriated by Parliament for the purposes of the Secretary under this Act.
- the proceeds of the investment of money in the Fund, and
- all other money required by or under this or any other Act to be paid into the Fund
- The money in the Tow Truck Industry Fund is applied to:
- all amounts required to meet expenditure incurred in the administration or execution of this Act and the regulations, and
- all payments made on account of the Secretary under this Act or otherwise required to meet expenditure incurred in relation to the functions of the Secretary under this Act, and
- all other payments required by or under this or any other Act to be paid from the Fund.

Tow Truck Industry Act 1998 – Sect 92 established the Secretary may invest money in the Tow Truck Industry Fund:

- in such manner as may be authorised by the *Public Authorities (Financial Arrangements) Act 1987* , or
- if that Act does not confer power on the Department to invest the money, in any other manner approved by the Minister with the concurrence of the Treasurer.

(vii) The *Fair Trading Act 1987* – Sect 79Y established the **NSW Consumer Law Fund**. The NSW Consumer Law Fund is to receive:

- any pecuniary penalty ordered by a court under section 224 of the Australian Consumer Law (“ACL”) to be paid to the State, and
- any amount ordered by a court under section 239 (1) of the ACL to be paid into the Fund, and
- the proceeds of the investment of money in the Fund, and
- any money directed to be paid into the Fund by or under this or any other Act.

The money in the NSW Consumer Law Fund is to pay:

- money to non-party consumers in accordance with an order under section 239 (1) of the ACL, and
- special purpose grants for improving consumer well-being, consumer protection or fair trading, and
- administrative expenses incurred in relation to the Fund, and
- money that is directed to be paid from the Fund by or under this or any other Act.

Subject to the regulations, money is to be paid out of the Fund in accordance with the directions of the Minister made on the recommendation of the Secretary. Any amount ordered by a court under section 239 (1) of the ACL to be paid into the Fund must not be paid out of the Fund except in accordance with the terms of the order. The Minister may, on the recommendation of the Secretary, invest money in the Fund in such manner as may be authorised by the *Public Authorities (Financial Arrangements) Act 1987*.

(viii) **Coal Mine Subsidence Compensation Fund** - Part 5 of the *Coal Mine Subsidence Compensation Act 2017* (Act) establishes a Special Deposits Account called the Coal Mine Subsidence Compensation Fund into which annual levies are received from proprietors of coal mines. The Fund supports the objective of the Act being to provide a compensation framework for dealing with impacts of coal mine subsidence, regulate development in mine subsidence districts and provide 24 hour response to emergency subsidence calls.

7. OTHER FINANCIAL ASSETS

	2021 \$'000	Restated 2020 \$'000
Current		
Receivables on finance leases as lessor	22,672	23,142
	22,672	23,142
Non-current		
Receivables on finance leases as lessor	26,070	52,041
	26,070	52,041

Receivables on finance leases as lessor

At the lease commencement date, the entity recognises a receivable for assets held under a finance lease in its statement of financial position at an amount equal to the net investment in the lease. The net investment in leases is classified as financial assets amortised cost and equals the lease payments receivable by a lessor and the unguaranteed residual value, plus initial direct costs, discounted using the interest rate implicit in the lease initial direct costs or the incremental borrowing rate where the implicit interest rate is not readily determined.

Lease receivables has been recognised based on management assumption that the sublessee will not terminate their sublease contractual arrangements (even though the contract has a legal provision for this possibility), it has been assessed that this is not probable based on current technological environment and historical arrangements with the sublessee.

DCS has undertaken an impairment assessment for the above finance lease receivable and the impact is immaterial.

Future minimum rentals receivable (undiscounted) under non-cancellable finance lease as at 30 June are, as follows:

	2021 \$'000	2020 \$'000
Within one year	23,214	24,053
Later than one year but not later than two years	23,920	24,785
Later than two years but not later than three years	2,365	25,539
Later than three years but not later than four years	-	2,525
	49,499	76,902

Finance income arising from finance leases is recognised over the lease term, based on a pattern reflecting a constant periodic rate of return on the lessor's net investment in the lease.

	2021 \$'000	2020 \$'000
During the financial year, DCS as the lessor has resulted in the following:		
(i) Selling profit or loss	-	-
(ii) Finance income (lease interest income)	782	1,235
(iii) Income relating to variable lease payments not included in the measurement of the net investment in the lease	-	-

8. CURRENT / NON-CURRENT ASSETS - RECEIVABLES

	2021 \$'000	Restated 2020 \$'000
Current		
Long service leave reimbursable by the Crown	-	5,987
Prepayments	18,151	12,624
Other	7,922	8,989
	<u>26,073</u>	<u>27,600</u>
Sale of goods and services	79,209	101,934
Less: Allowance for expected credit losses*	(4,731)	(504)
	<u>74,478</u>	<u>101,430</u>
Retained taxes, fees and fines	16,076	17,727
Less: Allowance for expected credit losses*	(14,741)	(16,080)
	<u>1,335</u>	<u>1,647</u>
Total Current Receivables	<u>101,886</u>	<u>130,677</u>
Non-Current		
Defined Benefit Super Schemes (Note 21)	-	1,719
Total Non-Current Receivables	<u>-</u>	<u>1,719</u>
	<u>2021</u>	<u>2020</u>
	<u>\$'000</u>	<u>\$'000</u>
<i>* Movement in the allowance for expected credit losses</i>		
<u>Sale of goods and services</u>		
Balance at the beginning of the year	504	2,512
Transfers through administrative restructure	-	(1,611)
Amounts written off during the year	(51)	-
Increase/(decrease) recognised in profit or loss	4,278	(397)
Balance at the end of the year	<u>4,731</u>	<u>504</u>
<u>Retained taxes, fees and fines</u>		
Balance at the beginning of the year	16,080	21,175
Amounts written off during the year	(377)	(3,705)
Increase/(decrease) recognised in profit or loss	(962)	(1,390)
Balance at the end of the year	<u>14,741</u>	<u>16,080</u>

Details regarding credit risk of trade receivables that are neither past due nor impaired, are disclosed in Note 33.

Recognition and Measurement

Receivables

Receivables are initially recognised at fair value plus any directly attributable transaction costs. Trade receivables that do not contain a significant financing component are measured at the transaction price. Short term receivables with no stated interest rate are measured at the original invoice amount where the effect of discounting is immaterial.

Subsequent measurement

DCS holds receivables with the objective to collect the contractual cash flows and therefore measures them at amortised cost using the effective interest method, less any impairment. Changes are recognised in the net result for the year when impaired, derecognised or through the amortisation process.

Impairment

DCS recognises an allowance for Expected Credit Losses ("ECL") for all financial assets not held at fair value through profit or loss. ECLs are based on the difference between the contractual cash flows that DCS expects to receive, discounted at the original effective interest rate.

For trade receivables, DCS applies a simplified approach in calculating ECLs. DCS recognises a loss allowance based on lifetime ECLs at each reporting date. DCS has established a provision matrix based on its historical credit loss experience for trade receivables, adjusted for forward-looking factors specific to the receivable.

9. CONTRACT ASSETS AND LIABILITIES

	2021 \$'000	Restated 2020 \$'000
Contract assets - current	23,373	40,012
Less: impairment allowance	-	-
	23,373	40,012
Contract liabilities - current	57,846	41,436
	57,846	41,436

Recognition and Measurement

Contract assets relate to DCS' right to consideration in exchange for works performed/services rendered, but not yet billed up to reporting date.

Contract liabilities relate to consideration received in advance from customers. The balance of contract liabilities at mainly consists of low value and short term license fees recognised on a straight line basis over the period of the licence and grants received to construct non-financial assets and will be recognised as revenue as the performance obligations are satisfied.

The increase is mainly due to an increase in uncompleted DRF projects as at 30 June 2021 to construct non-financial assets.

	2021	2020
	\$'000	\$'000
Revenue recognised that was included in the contract liability balance (adjusted for AASB 15) at the beginning of the year	39,688	43,755
Revenue recognised from performance obligations satisfied in previous periods	-	-
Transaction price allocated to the remaining performance obligations from contracts with customers	74,979	41,436

All of the contract liabilities are expected to be satisfied of its obligations and recognised as revenue in the next financial year.

10. CURRENT ASSETS - INVENTORIES

	2021	2020
	\$'000	\$'000
Current		
Finished goods held for distribution - at cost	-	3
Motor vehicle inventory held for resale	87	2,591
	87	2,594

Recognition and Measurement

Inventories held for distribution are stated at cost, adjusted when applicable, for any loss of service potential. A loss of service potential is identified and measured based on the existence of a current replacement cost that is lower than the carrying amount. Inventories (other than those held for distribution) are stated at the lower of cost and net realisable value. Cost is calculated using the weighted average cost method.

The cost of inventories acquired at no cost or for nominal consideration is the current replacement cost as at the date of acquisition. Current replacement cost is the cost DCS would incur to acquire the asset as at the end of the reporting period. Net realisable value is the estimated selling price in the ordinary course of business less the estimated costs of completion and the estimated costs necessary to make the sale.

11. NON-CURRENT ASSETS HELD FOR SALE

	2021	2020
	\$'000	\$'000
Current		
Loose Fill Asbestos Land Assets ⁽ⁱ⁾	4,523	4,898
Subsidence Advisory Properties held for resale ⁽ⁱⁱ⁾	14,389	14,387
	18,912	19,285

(i) Loose Fill Asbestos Land Assets

The properties held for sale were acquired for asbestos removal in accordance with the *Loose-Fill Asbestos Eradication Scheme 2014*, and are restored to a safe and marketable condition. Any work done is capitalised as cost of property and assessed against the market value and any adjustment/ impairment is recognised to reflect the property at lower of cost or net realisable value, which is the estimated selling price less selling costs in the ordinary course of business. The full proceeds of the sale, net of selling costs, are returned to the Crown.

(ii) Subsidence Advisory Properties held for resale

The properties held for sale have been purchased as a result of subsidence claims in accordance with the *Coal Mine Subsidence Compensation Act 2017*. The practice is to remediate the effects of the subsidence and to restore the property to a marketable condition. Any impairment on the purchase price to net market value is recognised as a claims expense. Properties held are recorded at the lower of cost or net realisable value – which is the estimated selling price less selling costs in the ordinary course of business. The full proceeds of the sale, net of selling costs, are returned to the Special Deposits Account called the Coal Mine Subsidence Compensation Fund.

Recognition and Measurement

DCS has land assets classified as held-for-sale, where their carrying amount will be recovered principally through a sale transaction, not through continuing use. Non-current assets held-for-sale are recognised at the lower of their carrying amount and fair value less costs of disposal. These assets are not depreciated / amortised while they are classified as held-for-sale.

12. FINANCIAL ASSETS AT FAIR VALUE

	2021 \$'000	2020 \$'000
Current Assets		
Derivatives	19	-
TCorp IM Funds – Medium Term Growth* ⁽ⁱ⁾	10,174	7,972
	10,193	7,972
Non-Current Assets		
TCorp IM Funds – Medium Term Growth* ⁽ⁱ⁾	75,945	79,388

* These are other related party transactions in addition to those disclosed in Note 28 *Other Related Party Transactions*.

(i) This relates to cash, money market instruments, Australian and international bonds, listed property and Australian shares held within Subsidence Advisory NSW; and invested with TCorp, a related party entity.

Refer to Note 33 for further information regarding fair value measurement, credit risk and market risk arising from financial instruments.

Recognition and Measurement

All 'regular way' purchases or sales of financial assets are recognised and derecognised on a trade date basis. Regular way purchases or sales are purchases or sales of financial assets that require delivery of assets within the time frame established by regulation or convention in the marketplace.

Classification and measurement

DCS financial assets at fair value are classified, at initial recognition, and subsequently measured at either fair value through other comprehensive income or fair value through profit or loss. Transaction costs of financial assets carried at fair value through profit or loss are expensed in net results. Transaction costs of financial assets carried as other comprehensive income are included as part of their fair value and amortised to net results using the effective interest method.

Financial assets at fair value through profit or loss

Financial assets at fair value through profit or loss include financial assets held for trading, financial assets designated upon initial recognition at fair value through profit or loss, or financial assets mandatorily required to be measured at fair value under AASB 9.

Financial assets are held for trading if acquired for the purpose of selling or repurchasing in the near term. Derivatives, including separated embedded derivatives, are also classified as held for trading unless they are designated as effective hedging instruments.

Financial assets with cash flows that are not solely payments of principal and interest are classified and measured at fair value through profit or loss, irrespective of the business model. TCorpIM Funds are managed and their performance is evaluated on a fair value basis and therefore the business model is neither to hold to collect contractual cash flows or sell the financial asset. Hence these investments are mandatorily required to be measured at fair value through profit or loss.

Notwithstanding the criteria to be classified at amortised cost or at fair value through other comprehensive income, financial assets may be designated at fair value through profit or loss on initial recognition if doing so eliminates, or significantly reduces, an accounting mismatch.

A gain or loss on a financial asset that is subsequently measured at fair value through profit or loss is recognised in net results and presented net within other gains/(losses), except for TCorpIM Funds that are presented in 'investment revenue' in the period in which it arises.

Derecognition of financial asset

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

- where substantially all the risks and rewards have been transferred; or
- where DCS has not transferred substantially all the risks and rewards, if the agency has not retained control.

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

13. NON-CURRENT ASSETS - PROPERTY, PLANT AND EQUIPMENT AND RIGHT-OF-USE ASSETS

(a) Property, Plant and Equipment

	Land and Buildings \$'000	Plant and Equipment \$'000	Motor Vehicles \$'000	Leasehold Improvement \$'000	Work in Progress \$'000	Total \$'000
1 July 2019 – fair value						
Gross carrying amount	45,067	127,287	187,676	82,978	16,136	459,144
Accumulated depreciation and impairment	(169)	(102,332)	(110,099)	(41,333)	-	(253,933)
Net carrying amount	44,898	24,955	77,577	41,645	16,136	205,211
Year ended 30 June 2020						
Net carrying amount at beginning of year	44,898	24,955	77,577	41,645	16,136	205,211
Transfer to / from WIP	315	3,142	-	(164)	(3,909)	(616)
Additions (current year expenditure)	64	1,080	-	18,613	3,833	23,590
Transfers to Motor Vehicle Inventory	-	-	(37,121)	-	-	(37,121)
Transfers to Assets Held for Sale	2,476	-	-	-	-	2,476
Assets transferred in/out to other agencies	-	-	-	4,610	(9,928)	(5,318)
Transfers through administrative restructure	(12,994)	(1,639)	-	473	(924)	(15,084)
Reclassification	(590)	778	-	(188)	-	-
Depreciation expense	(431)	(11,339)	(14,921)	(7,032)	-	(33,723)
Disposals	(23)	(179)	-	(264)	55	(411)
Write-offs	(100)	(105)	-	(1)	(106)	(312)
Net carrying amount at end of year	33,615	16,693	25,535	57,692	5,157	138,692
1 July 2020 – fair value						
Gross carrying amount	37,490	121,886	68,799	97,629	5,157	330,961
Accumulated depreciation and impairment	(3,875)	(105,193)	(43,264)	(39,937)	-	(192,269)
Net carrying amount	33,615	16,693	25,535	57,692	5,157	138,692
Year ended 30 June 2021						
Net carrying amount at beginning of year	33,615	16,693	25,535	57,692	5,157	138,692
Transfer to / from WIP	-	606	-	130	(736)	-
Additions (current year expenditure)	640	1,119	-	5,908	8,074	15,741
Transfers to Motor Vehicle Inventory	-	-	(21,919)	-	-	(21,919)
Transfers to Assets Held for Sale	(3,117)	-	-	-	(497)	(3,614)
Depreciation expense	(431)	(6,781)	(3,457)	(8,639)	-	(19,308)
Disposals	-	(1,148)	-	(5,096)	-	(6,244)
Write-offs	-	(135)	-	(2,739)	-	(2,874)
Impairment losses (recognised in other gain/losses)	-	(5)	-	-	-	(5)
Net carrying amount at end of year	30,707	10,349	159	47,256	11,998	100,469
30 June 2021 – fair value						
Gross carrying amount	35,014	86,432	765	64,977	11,998	199,186
Accumulated depreciation and impairment	(4,307)	(76,083)	(606)	(17,721)	-	(98,717)
Net carrying amount	30,707	10,349	159	47,256	11,998	100,469

As a result of the Service Concession Arrangement, DCS (as the grantor) is deemed to have control over some of the plant and equipment held by the operator in accordance with AASB 1059. The net carrying amount of plant and equipment capitalised in line with the Service Concession Arrangement at 30 June 2021 is \$1.61 million (30 June 2020: 2.04 million).

The motor vehicles are held by DCS and used by other NSW government entities by way of operating lease arrangements.

Further details regarding the fair value measurement of property, plant and equipment are disclosed in Note 15.

Recognition and Measurement

Acquisition of property, plant and equipment

Property, plant and equipment are initially recognised at cost and subsequently revalued at fair value less accumulated depreciation and impairment. Cost is the amount of cash or cash equivalents paid or the fair value of the other consideration given to acquire the asset at the time of its acquisition or construction or, where applicable, the amount attributed to that asset when initially recognised in accordance with the requirements of other Australian Accounting Standards.

Fair value is the price that would be received to sell an asset in an orderly transaction between market participants at measurement date.

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

Assets acquired at no cost, or for nominal consideration, are initially recognised at their fair value at the date of acquisition (see also assets transferred as a result of an administrative restructure - Note 22).

Capitalisation Thresholds

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

Major Inspection Costs

When a major inspection is performed, the labour cost of performing major inspections for faults is recognised in the carrying amount of an asset as a replacement of a part, if the recognition criteria are satisfied.

Restoration Costs

The present value of the expected cost for the restoration or cost of dismantling of an asset after its use is included in the cost of the respective asset if the recognition criteria for a provision are met.

Maintenance

Day-to-day servicing costs or maintenance are charged as expenses as incurred, except where they relate to the replacement of a part or component of an asset, in which case the costs are capitalised and depreciated.

Depreciation

Depreciation is provided for on a straight line basis for all depreciable assets so as to write off the depreciable amount of each asset as it is consumed over its useful life to DCS.

All material identifiable components of assets are depreciated separately over their useful lives. Land is not a depreciable asset.

The value of the assets is depreciated within the useful lives of each asset class as follows:

Buildings and improvements	26 to 50 years
Major computer hardware	4 years
Computer equipment – portable	3 years
Furniture and fittings	10 years
Office equipment	5 years
Motor vehicles	5 years
Leasehold improvements	shorter of lease period or estimated useful lives

Refer to note 14 for intangible assets amortisation rates used.

Revaluation of Property, Plant and Equipment

Physical non-current assets are valued in accordance with the “Valuation of Physical Non-Current Assets at Fair Value” Policy and Guidelines Paper (TPP 14-01). This policy adopts fair value in accordance with AASB 116 *Property, Plant and Equipment* and AASB 13 *Fair Value Measurement*.

Property, plant and equipment is measured at the highest and best use by market participants that is physically possible, legally permissible and financially feasible. The highest and best use must be available at a period that is not remote and take into account the characteristics of the asset being measured, including any socio-political restrictions imposed by government. In most cases, after taking into account these considerations, the highest and best use is the existing use. In limited circumstances, the highest and best use may be a feasible alternative use, where there are no restrictions on use or where there is a feasible higher restricted alternative use.

DCS’s fair value of property, plant and equipment is based on market participants’ perspective, using valuation techniques (market approach, cost approach and income approach) that maximise relevant observable inputs and minimise unobservable inputs. Also refer to Note 15 for further information regarding fair value.

Revaluations are made with sufficient regularity to ensure the carrying amount of each asset in the class does not differ materially from its fair value at reporting date. DCS conducts a comprehensive revaluation of land and buildings every three years. The last comprehensive revaluation was completed on 31 March 2019 and was based on an independent assessment. Other non-current assets are assessed by management to ensure that the carrying amount of each asset in the class does not differ materially from its fair value at the end of the reporting period.

Interim revaluations are conducted between comprehensive revaluations where cumulative changes to indicators suggest fair value may differ materially from carrying value. DCS used external professionally qualified valuers to conduct the comprehensive valuation as at 31 March 2019. The interim valuation did not result in a material change in the fair value of the land and buildings. On account of COVID-19, a further assessment was carried out post reporting date which also did not result in a material change in the fair values.

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

For other assets valued using other valuation techniques, any balances of accumulated depreciation at the revaluation date in respect of those assets are credited to the asset accounts to which they relate. The net asset accounts are then increased or decreased by the revaluation increments or decrements.

Revaluation increments are credited directly to the asset revaluation surplus, except that, to the extent that an increment reverses a revaluation decrement in respect of that class of asset previously recognised as a loss in the net result, the increment is recognised immediately as a gain in the net result. Revaluation decrements are recognised immediately as a loss in the net result, except to the extent that it offsets an existing revaluation surplus on the same class of assets, in which case, the decrement is debited directly to the asset revaluation surplus.

As a not-for-profit entity, revaluation increments and decrements are offset against one another within a class of non-current assets, but not otherwise. When revaluing non-current assets using the cost approach, the gross amount and the related accumulated depreciation are separately restated. Where an asset that has previously been revalued is disposed of, any balance remaining in the revaluation surplus in respect of that asset is transferred to accumulated funds.

The residual values, useful lives and methods of depreciation of property, plant and equipment are reviewed at each financial year end.

DCS has adopted the option to not apply AASB 16 to assets that would be classified as service concession assets in accordance with AASB 1059 Service Concession Arrangements: Grantors. DCS continues to apply its existing accounting policy to these assets until AASB 1059 is applied.

Impairment of Property, Plant and Equipment

As a not-for-profit entity with no cash generating units, impairment under AASB 136 *Impairment of Assets* is unlikely to arise. As property, plant and equipment is carried at fair value or an amount that approximates fair value, impairment can only arise in the rare circumstances such as where the costs of disposal are material. Specifically, impairment is unlikely for not-for-profit entities given that AASB 136 modifies the recoverable amount test for non-cash generating assets of not-for-profit entities to the higher of fair value less costs of disposal and depreciated replacement cost, where depreciated replacement cost is also fair value.

DCS assesses at each reporting date whether there is an indication that an asset may be impaired. If any indication exists, or when annual impairment testing for an asset is required, DCS estimates the asset's recoverable amount. When the carrying amount of an asset exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount.

As a not-for-profit entity, an impairment loss is recognised in the net result to the extent the impairment loss exceeds the amount in the revaluation surplus for the class of asset. After an impairment loss has been recognised, it is reversed only if there has been a change in the assumptions used to determine the asset's recoverable amount. The reversal is limited so that the carrying amount of the asset does not exceed its recoverable amount, nor exceed the carrying amount that would have been determined, net of depreciation, had no impairment loss been recognised for the asset in prior years. Such reversal is recognised in net result and is treated as a revaluation increase. However, to the extent that an impairment loss on the same class of asset was previously recognised in the net result, a reversal of that impairment loss is also recognised in net result.

(b) Right-of-Use Assets

The following table presents right-of-use assets that do not meet the definition of investment property.

	Land and Buildings \$'000	Plant and Equipment \$'000	Motor Vehicles \$'000	Total \$'000
Year ended 30 June 2020				
Recognition of right-of-use assets at 1 July	300,376	33	4,357	304,766
Recognition of lease incentive at 1 July 2019	(1,984)	-	-	(1,984)
Recognition of lease receivables at 1 July 2019	(97,291)	-	-	(97,291)
Total initial application of AASB 16 on initial recognition at 1 July	201,101	33	4,357	205,491
Additions	362,706	-	50	362,756
Depreciation expense	(34,418)	(18)	(1,572)	(36,008)
Impairment adjustments	(53,300)	-	-	(53,300)
Lease remeasurement (Restated)	(39,541)	-	-	(39,541)
Other adjustments	(5,424)	-	-	(5,424)
Balance at 30 June 2020 (Restated)	431,124	15	2,835	433,974
30 June 2020 – fair value (Restated)				
Gross carrying amount (Restated)	517,609	32	4,406	522,047
Accumulated depreciation and impairment	(86,485)	(17)	(1,571)	(88,073)
	431,124	15	2,835	433,974
Year ended 30 June 2021				
Net carrying amount at beginning of year	431,124	15	2,835	433,974
Additions	5,930	287	865	7,082
Depreciation expense	(38,424)	(91)	(1,673)	(40,188)
Assets transferred in/(out) to other agencies	5,282	-	-	5,282
Impairment adjustments	(34,970)	-	-	(34,970)
Lease remeasurement	(41,734)	-	-	(41,734)
Other adjustments	(1,945)	-	-	(1,945)
Balance at 30 June 2021	325,263	211	2,027	327,501
30 June 2021 – fair value				
Gross carrying amount	483,023	320	5,237	488,580
Accumulated depreciation and impairment	(157,760)	(109)	(3,210)	(161,079)
Net carrying amount	325,263	211	2,027	327,501

Right-of-use assets under leases

Recognition and measurement (under AASB 16 from 1 July 2019)

DCS assesses at contract inception whether a contract is, or contains, a lease. That is, if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration. DCS recognises lease liabilities to make lease payments and right-of-use assets representing the right to use the underlying assets, except for short-term leases and leases of low-value assets.

i. Right-of-use assets

DCS recognises right-of-use assets at the commencement date of the lease (i.e. the date the underlying asset is available for use). Right-of-use assets are initially measured at the amount of initial measurement of the lease liability, adjusted by any lease payments made at or before the commencement date and lease incentives, any initial direct costs incurred, and estimated costs of dismantling and removing the asset or restoring the site. The right-of-use assets are subsequently measured at cost. They are depreciated on a straight-line basis over the shorter of the lease term and the estimated useful lives of the assets (refer to the useful lives of asset in Note 13a).

If ownership of the leased asset transfers to DCS at the end of the lease term or the cost reflects the exercise of a purchase option, depreciation is calculated using the estimated useful life of the asset. The right-of-use assets are also subject to impairment. DCS assesses, at each reporting date, whether there is an indication that an asset may be impaired. If any indication exists, or when annual impairment testing for an asset is required, the entity estimates the asset's recoverable amount. When the carrying amount of an asset exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount. After an impairment loss has been recognised, it is reversed only if there has been a change in the assumptions used to determine the asset's recoverable amount. The reversal is limited so that the carrying amount of the asset does not exceed its recoverable amount, nor exceed the carrying amount that would have been determined, net of depreciation, had no impairment loss been recognised for the asset in prior years. Such reversal is recognised in the net result.

ii. Short-term leases and leases of low-value assets

DCS applies the short-term lease recognition exemption to its short-term leases of machinery and equipment (i.e. those leases that have a lease term of 12 months or less from the commencement date and do not contain a purchase option). It also applies the lease of low-value assets recognition exemption to leases of office equipment that are considered to be low value. Lease payments on short-term leases and leases of low value assets are recognised as expense on a straight-line basis over the lease term.

iii. Leases that have significantly below-market terms and conditions principally to enable the entity to further its objectives

Right-of-use assets under leases at significantly below-market terms and conditions that are entered into principally to enable the entity to further its objectives, are measured at cost. These right-of-use assets are depreciated on a straight-line basis over the shorter of the lease term and the estimated useful lives of the assets, subject to impairment. They are not subject to revaluation.

Impairment Losses for Right-of-Use Assets

The COVID-19 outbreak occurring throughout the current financial year had an unprecedented effect on the NSW and global economies. COVID-19 significantly impacted the market rent for the DCS accommodation leases and therefore the value of some right-of-use assets in the Statement of Financial Position.

The entity has therefore undertaken an impairment assessment for the above right-of-use assets, to determine whether the carrying amount exceeded their recoverable amount. Impacted right-of-use assets were written down to their recoverable amounts by reference to the right-of-use asset's fair value less costs of disposal and an impairment loss is recognised.

DCS recognised \$25.4 million impairment losses for right-of-use assets during the current financial year (2020: \$53.3 million). Impairment losses for right-of-use assets are included in *Other Gains/(Losses)* in the Statement of Comprehensive Income, Note 4(b).

14. INTANGIBLE ASSETS

	Software \$'000	Work in progress \$'000	Service concession asset \$'000	Total \$'000
1 July 2019 (Restated)				
Cost (gross carrying amount)	400,395	33,022	845,026	1,278,443
Accumulated amortisation and impairment	(316,854)	-	-	(316,854)
Net carrying amount	83,541	33,022	845,026	961,589
Year ended 30 June 2020				
Net carrying amount at beginning of year	83,541	33,022	-	116,563
Net adjustment on initial application of AASB 1059	-	-	845,026	845,026
Adjusted net carrying amount at beginning of year	83,541	33,022	845,026	961,589
Transfer to/from WIP	9,619	(2,088)	-	7,531
Additions – Internally generated	12,845	1,539	-	14,384
Additions – Externally acquired	-	1,575	-	1,575
Disposals	(247)	(57)	-	(304)
Write-offs	(672)	(69)	-	(741)
Assets transferred in/(out) to other agencies	9,849	(17,973)	-	(8,124)
Transfers to/from administrative restructure	13,951	918	-	14,869
Reclassification	694	(694)	-	-
Revaluation decrement	-	-	(23,870)	(23,870)
Amortisation (recognised in depreciation and amortisation)	(56,745)	-	-	(56,745)
Net carrying amount at end of year	72,835	16,173	821,156	910,164
1 July 2020 (Restated)				
Cost (gross carrying amount)	401,035	16,173	821,156	1,238,364
Accumulated amortisation and impairment	(328,200)	-	-	(328,200)
Net carrying amount	72,835	16,173	821,156	910,164
Year ended 30 June 2021				
Net carrying amount at beginning of year	72,835	16,173	821,156	910,164
Transfer to/from WIP	1,963	(1,963)	-	-
Additions – Internally generated	20,548	51,245	-	71,793
Additions – Externally acquired	-	1,990	-	1,990
Disposals	(6,920)	-	-	(6,920)
Write-offs	(3,730)	-	-	(3,730)
Impairment losses	-	(21,574)	-	(21,574)
Revaluation increment	-	-	22,844	22,844
Amortisation (recognised in depreciation and amortisation)	(39,492)	-	-	(39,492)
Net carrying amount at end of year	45,204	45,871	844,000	935,075
30 June 2021				
Cost (gross carrying amount)	361,678	67,445	844,000	1,273,123
Accumulated amortisation and impairment	(316,474)	(21,574)	-	(338,048)
Net carrying amount	45,204	45,871	844,000	935,075

As a result of the Service Concession Arrangement, DCS (as the grantor) is deemed to have control over some of the software held by the operator in accordance with AASB 1059. The net carrying amount of software capitalised in line with the Service Concession Arrangement at 30 June 2021 is \$8.29 million (30 June 2020: \$7.36 million).

Recognition and Measurement

DCS recognises intangible assets only if it is probable that future economic benefits will flow to DCS and if the cost of the asset can be measured reliably. Intangible assets are measured initially at cost. Where an asset is acquired at no or nominal cost, the cost is its fair value as at the date of acquisition. Following initial recognition, intangible assets are subsequently measured at fair value only if there is an active market. As there is no active market for DCS's intangible assets, the assets are carried at cost less any accumulated amortisation and impairment losses.

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

DCS's intangible assets (computer software) are amortised using the straight-line method within a period of 4 years. The amortisation period and the amortisation method for an intangible asset with a finite useful life are reviewed at least at the end of each reporting period.

Intangible assets are tested for impairment where an indicator of impairment exists. If the recoverable amount is less than its carrying amount, the carrying amount is reduced to recoverable amount and the reduction is recognised as an impairment loss.

Service concession asset (SCA)

DCS has adopted AASB 1059 from 1 July 2020. However, comparatives for the year ended 30 June 2020 have been adjusted retrospectively to reflect AASB 1059. Note 1(g) details changes in the DCS's accounting policies and a summary of impacts on the first time adoption. This note provides disclosures required under the new accounting standard and relates to the entity's service concession arrangements in place during the current year.

Service concession arrangements are contracts between a grantor and an operator where an operator provides public services related to a service concession asset on behalf of a public sector grantor for a specified period of time and manages at least some of those services.

Based on the entity's assessment, the following arrangements fall in the scope of AASB 1059:

	Service concession arrangement
Name and description	This is a grantor-operator service concession arrangement to enable Australian Registry Investments (ARI) to operate the NSW Land Titling Registration Concession.
Period	35 years
Terms	Concession commenced on 30 June 2017. Total consideration of \$2.7 billion was received by DCS for the right to operate the NSW Land Titling Registry.
Rights and obligations	As per the concession deed, DCS maintains control over the Titling database. The Operator (ARI) is responsible for maintenance and operation of the Titling Database. DCS also regulates and controls the maximum price chargeable by the Operator for the core services and other price revisions over the Concession term.
Changes occurred during the FY20	None
Changes occurred during the FY21	None
The carrying amount of SCA as at 30 June 2020	\$790 million
The carrying amount of SCA as at 30 June 2021	\$813 million

i. Initial recognition

For arrangements within the scope of AASB 1059 where an operator is allowed to provide public services, DCS shall recognise a service concession asset as DCS controls the asset by regulating the services and prices of the service and have beneficial entitlement of the asset at the end of the service concession arrangement. This asset is recognised at current replacement cost in accordance with AASB 1059 Service Concession Arrangements. The recognition of this asset has been valued by an external valuer with experience in valuing service concession arrangements and involves certain major assumptions to derive a value which is considered true and fair under the current replacement cost valuation as recommended by the AASB. The major assumptions are included under fair value measurement in Note 15.

ii. Subsequent to initial recognition

The service concession asset recognised in DCS consists of 2 components. The major component of the Service Concession Asset (SCA) is the database of land titles disclosed under Intangible Assets and a minor component of plant and equipment (including software) which DCS is legally entitled to in order for these services to be provided. The major component of the asset is expected to have an infinite useful life and not depreciated in accordance with AASB 138 and AASB 1059. The plant and equipment and software is considered the depreciable portion in accordance with AASB 1059 and is depreciated over its estimated useful lives as appropriate under AASB 116 and AASB 138, which is disclosed under Property, Plant and Equipment (Note 13) and software above.

The SCA has an indefinite useful life as there is a guaranteed ongoing public requirement to use the Registers for conveyancing, mortgages etc and there is no other public record of these land dealings. Therefore, the SCA has no foreseeable limit to generate revenue.

The external valuer in completing the valuation has considered the advancement of technology and its impact on the Current Replacement Cost (CRC) of the land titles registry. A significant aspect of this assessment is the impact of Electronic Lodgement Network Operators (ELNO's) (PEXA) on the CRC of the Torren's register as reflected in the external valuation.

The operator (ARI) have moved towards E-conveyancing platforms in order to increase productivity efficiency. These platforms collect the electronic dealings of real property transactions including payment of settlement monies, duties, taxes and any other disbursements. These dealings are verified by a series of business rules and sometimes require human intervention before completion. After these dealings has been completed, they will be pushed to the ITS database to create a new record.

iii. At the end of the arrangement

At the end of the service concession arrangement:

- DCS will continue to account for the major component of the Service Concession Asset under Intangible assets under AASB 138 with an indefinite useful life;
- If the service concession arrangement with the grantor ceases and is not extended, the requirement to value the asset at current replacement cost under AASB 1059 also ceases and reference to fair value reverts to the appropriate approach under AASB 13 Fair Value Measurement;
- DCS will continue to account for the minor component of the asset under Property, Plant and Equipment under AASB 116 with its estimated useful lives; and
- DCS will continue to recognise these assets and will only derecognise when DCS does not have control over the asset.

15. FAIR VALUE MEASUREMENT OF NON-FINANCIAL ASSETS

Fair Value Measurement and Hierarchy

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either in the principal market for the asset or liability or in the absence of a principle market, in the most advantageous market for the asset or liability.

When measuring fair value, the valuation technique used maximises the use of relevant observable inputs and minimises the use of unobservable inputs. Under AASB 13 *Fair Value Measurement*, DCS categorises, for disclosure purposes, the valuation techniques based on the inputs used in the valuation techniques as follows:

- Level 1 – quoted (unadjusted) prices in active markets for identical assets / liabilities that DCS can access at the measurement date.
- Level 2 - inputs other than quoted prices included within Level 1 that are observable, either directly or indirectly.
- Level 3 - inputs that are not based on observable market data (unobservable inputs).

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

(a) Fair value hierarchy

	Level 1 \$'00	Level 2 \$'000	Level 3 \$'000	Total \$'000
30 June 2020				
Land	-	25,446	-	25,446
Buildings	-	8,169	-	8,169
Service Concession Asset - Intangibles	-	-	821,156	821,156
Net carrying amount	-	33,615	821,156	854,771
30 June 2021				
Land	-	22,970	-	22,970
Buildings	-	7,737	-	7,737
Service Concession Asset - Intangibles	-	-	844,000	844,000
Net carrying amount	-	30,707	844,000	874,707

There were no transfers between Level 1 or 2 during the year (2020: Nil).

(b) Valuation techniques, inputs and processes used to determine Level 2 and Level 3 Fair Values

DCS obtains independent valuations for its land and buildings every three years. The last revaluation was completed on 31 March 2019.

At the end of each reporting period, DCS updates its assessment of the fair value of its land and buildings, taking into account the most recent independent valuation.

The fair value of DCS's land and buildings is determined based on the best available market evidence, including current market selling prices for the same or similar assets. Where such information is not available, the asset's fair value is measured at the market buying price, the best indicator of which is depreciated replacement cost. The level 2 fair value of land and buildings has been derived using the market approach. The key inputs under this approach are from the sales of comparable land and buildings in the area.

Service Concession Asset

The valuation of the Service Concession Asset (SCA) is based on AASB 1059 requirements and the current cost of replacement approach has been used to value the SCA. Valuation methodology is based upon identifying the current cost in processing each record in a group of databases. Some significant unobservable inputs used in valuing the database includes employee expenses to replicate records, corporate overheads and major project spend to maintain the service level based on current reasonable expectation.

To perform the valuation of this asset, which comprises data more than 100 years old, this involves some major assumptions including:

- The cost of replicating each category of record is the same regardless of the age of the data. Each record type is assumed to incur the same amount of time to replicate in order to calculate the current cost of replacement
- The current replacement cost methodology is a hypothetical exercise in estimating the minimum cost to replicate the records within the database and its existing service potential
- All paper records would be available as back up for calculating the replacement cost for inputting into the Registers to replicate the database to its current state
- Electronic back-up of existing records is considered out of scope as the back up does not represent the minimum cost in replicate the Registers
- Information is readily available, however, the cost to collect source data has not been considered or included in the cost assumption model

As the asset does not have an expiry and continues to exist subsequent to the service concession arrangement, the asset has an indefinite useful life and no amortisation is incurred.

Management performs desktop valuations on a yearly basis and will perform a comprehensive revaluation every 3 years. Currently, comprehensive valuations have been undertaken for each of the reporting periods since recognition of the service concession asset at 1 July 2019, as part of the overall transition accounting to the new accounting standard AASB1059 at 30 June 2021. The fair value of the asset will remain stable unless impacted by business restructuring, market inflation and change of economic conditions. These factors will impact the asset's fair value due to the reliance on labour in processing records and the demand from public in accessing the database.

In applying the cost approach, we determined the CRC i.e. the minimum cost to replace the existing service potential of the Subject Assets via two methods:

- manual inputting/manipulation of records: using costs incurred by the Operator to process dealings/plans/titles volumes in a financial year (cost per record) and applying to relevant total volumes.
- digitisation/conversion costs: estimating current costs to input non digital records into ITS.

Other significant inputs include volume statistics (e.g. number of dealings, plans etc.), salary and overheads data and FTE headcount information obtained from the Operator.

c) Reconciliation of recurring Level 3 fair value measurements

	Service Concession Assets \$'000	Total Recurring Level 3 Fair value \$'000
Fair value as at 1 July 2020	821,156	821,156
Revaluation increments recognised in Net result – included in the line item 'Other gains / (losses)'	22,844	22,844
Fair value as at 30 June 2021	844,000	844,000
Fair value as at 1 July 2019	-	-
Recognition of service concession assets on initial application of AASB 1059	845,026	845,026
Adjusted fair value as at 1 July 2019	845,026	845,026
Revaluation decrements recognised in Net result – included in the line item 'Other gains / (losses)'	(23,870)	(23,870)
Fair value as at 30 June 2020	821,156	821,156

16. CURRENT LIABILITIES - PAYABLES

	2021	Restated 2020
	\$'000	\$'000
Accrued salaries, wages and on-costs	12,170	11,527
Creditors	90,825	114,096
Other	2,161	3,811
	105,156	129,434

Refer Note 33 for details regarding credit risk, liquidity risk and market risk arising from financial instruments.

Recognition and Measurement

Payables represent liabilities for goods and services provided to DCS and other amounts. Short-term payables with no stated interest rate are measured at the original invoice amount where the effect of discounting is immaterial.

Payables are financial liabilities at amortised cost, initially recognised at fair value, net of directly attributable transaction costs. These are subsequently measured at amortised cost using the effective interest method. Gains and losses are recognised in the net result when the liabilities are derecognised as well as through the amortisation process.

17. CURRENT / NON-CURRENT LIABILITIES - BORROWINGS

	2021	Restated 2020
	\$'000	\$'000
Current Liabilities		
TCorp borrowings *	1,221	31,973
Lease liability	52,831	53,725
	54,052	85,698
Non-Current Liabilities		
Lease liability	424,729	518,060
	424,729	518,060
Total Borrowings	478,781	603,758

* These are other related party transactions in addition to those disclosed in Note 28 Other Related Party Transactions.

Recognition and Measurement

Borrowing represents interest bearing liabilities mainly raised through NSW Treasury Corporation, lease liabilities, and other interest bearing liabilities.

Financial liabilities at amortised cost

Borrowings classified as financial liabilities at amortised cost are initially measured at fair value, net of directly attributable transaction costs. These are subsequently measured at amortised cost using the effective interest method. Gains and losses are recognised in net result when the liabilities are derecognised as well as through the amortisation process.

TCorp borrowings

DCS has a loan facility with TCorp (a related party) with a limit of \$650 million (30 June 2020: \$650 million) to fund the StateFleet Leasing Arrangement. Each month funds are drawn from this facility to cover the purchase price of motor vehicles purchased during the previous month. Monthly settlement of principal and interest are made in respect of loan funds drawn down in prior months based on repayment schedules calculated according to individual vehicle lease terms, residuals and capital costs. The monthly settlement also includes repayment of outstanding principal for vehicles disposed of during the preceding month. Borrowings are recognised at amortised cost using the effective interest method in *AASB 9 Financial Instruments*.

On 1 July 2016, StateFleet was decommissioned and replaced with a new fleet supply model. The new model consists of a panel of private sector fleet management providers and a separate panel of lessors. Since the decommissioning of StateFleet, the new panel of lessors provide the capital funding to purchase new vehicles for each agency. The existing government owned fleet is being retained and, as the leases underpinning the motor vehicles expire over a five-year period, the fleet is being sold down over that time. Accordingly, the TCorp borrowings will decline as the motor vehicle fleet is run down. Out of this facility, \$1.2 million was utilised as at 30 June 2021 (30 June 2020: \$32.0 million).

Details regarding credit risk, liquidity risk and market risk, including a maturity analysis of the above borrowings are disclosed in Note 33.

DCS has not designated financial liabilities at fair value through profit or loss.

Lease liabilities

	Lease liabilities
	\$'000
Balance at 1 July 2019	-
Recognition of lease liabilities on initial application of AASB 16	304,766
Additions	362,756
Lease interest	8,924
Lease remeasurement	(39,541)
Repayment	(59,827)
Other adjustments	(5,293)
Balance at 30 June 2020	571,785
Balance at 1 July 2020	571,785
Additions	7,082
Lease interest	10,744
Repayment	(67,464)
Lease remeasurement	(41,734)
Other adjustments	(2,853)
Balance at 30 June 2021	477,560

At the commencement date of the lease, DCS recognises lease liabilities measured at the present value of lease payments to be made over the lease term. Lease payments include:

- fixed payments (including in substance fixed payments) less any lease incentives receivable;
- variable lease payments that depend on an index or a rate;
- amounts expected to be paid under residual value guarantees;
- exercise price of a purchase options reasonably certain to be exercised by the entity; and
- payments of penalties for terminating the lease, if the lease term reflects the entity exercising the option to terminate.

Variable lease payments that do not depend on an index or a rate are recognised as expenses (unless they are incurred to produce inventories) in the period in which the event or condition that triggers the payment occurs.

The lease payments are discounted using the interest rate implicit in the lease. If that rate cannot be readily determined, which is generally the case for the entity's leases, the lessee's incremental borrowing rate is used, being the rate that the entity would have to pay to borrow the funds necessary to obtain an asset of similar value to the right-of-use asset in a similar economic environment with similar terms, security and conditions.

After the commencement date, the amount of lease liabilities is increased to reflect the accretion of interest and reduced for the lease payments made. In addition, the carrying amount of lease liabilities is remeasured if there is a modification, a change in the lease term, a change in the lease payments (e.g., changes to future payments resulting from a change in an index or rate used to determine such lease payments) or a change in the assessment of an option to purchase the underlying asset.

DCS's lease liabilities are included in borrowings. Extension and termination options are included in a number of property and equipment leases. These terms are used to maximise operational flexibility in terms of managing contracts. The majority of extension and termination options held are exercisable only by the entity and not by the respective lessor. In determining the lease term, management considers all facts and circumstances that create an economic incentive to exercise an extension option, or not exercise a termination option. Extension options (or periods after termination options) are only included in the lease term if the lease is reasonably certain to be extended (or not terminated).

Financial Guarantees

A financial guarantee contract is a contract that requires the issuer to make specified payments to reimburse the holder for a loss it incurs because a specified debtor fails to make payment when due in accordance with the original or modified terms of a debt instrument.

Financial guarantee contracts are recognised as a financial liability at the time the guarantee is issued. The liability is initially measured at fair value, being the premium received. Subsequent to initial recognition, DCS's liability under each guarantee is measured at the higher of the amount initially recognised less cumulative amortisation, and an expected credit loss provision.

DCS has reviewed its open contracts for financial guarantees and determined that there is no material liability to be recognised for financial guarantee contracts as at 30 June 2021 and as at 30 June 2020.

Changes in liabilities arising from financing activities

	TCorp borrowings \$'000	Leases \$'000	Total liabilities from financing activities \$'000
30 June 2019	97,983	-	97,983
Recognised on adoption of AASB 16	-	667,522	667,522
Cash flows - repayment	(66,010)	(59,827)	(125,837)
Other movements	-	(35,910)	(35,910)
30 June 2020	31,973	571,785	603,758
Additions	-	7,082	7,082
Cash flows - repayment	(30,752)	(67,464)	(98,216)
Other movements	-	(33,843)	(33,843)
30 June 2021	1,221	477,560	478,781

18. CURRENT / NON-CURRENT LIABILITIES - PROVISIONS

	2021 \$'000	2020 \$'000
Current		
Employee related Provisions		
Employee benefits and related on-costs		
Annual leave	53,166	48,101
Long service leave *	44	7,336
Other on-costs	38,496	37,199
	91,706	92,636
Other Provisions		
Provision for outstanding claims	18,279	27,817
Make good provisions	2,043	3,513
Other	15,223	14,520
	35,545	45,850
Total Current Provisions	127,251	138,486
Non-Current		
Employee related Provisions		
Defined Benefit Super Schemes (Note 20) *	-	7,905
Long service leave *	-	382
	-	8,287
Other Provisions		
Provision for outstanding claims	10,561	3,443
Make good provisions	17,751	13,938
Other	1,500	3,001
	29,812	20,382
Total Non-Current Provisions	29,812	28,669
Total Provisions	157,063	167,155

* The Defined Benefit Superannuation ("DBS") liability, long service liability and Crown funded on-costs of Long Service Corporation has been transferred to NSW Treasury effective 1 July 2020. The transfer was approved by the NSW Treasurer on 29 June 2020.

	2021	2020
	\$'000	\$'000
Aggregate employee benefits and related on-costs		
Provisions	91,706	100,923
Accrued salaries, wages and on-costs (Note 15)	12,170	11,527
	103,876	112,450
Provisions expected to be settled within 12 months from reporting date		
Annual leave	43,691	42,446
Long service leave	4	790
Other on-costs	12,769	11,962
Provision for outstanding claims	18,279	18,054
Make good provisions	1,789	352
Other	15,219	12,307
	91,751	85,911
Provisions expected to be settled in more than 12 months from reporting date		
Defined Benefit Super Schemes	-	7,905
Annual leave	9,475	5,655
Long service leave	40	6,928
Other on-costs	25,727	25,237
Provision for outstanding claims	10,561	13,206
Make good provisions	18,005	17,099
Other	1,504	5,214
	65,312	81,244

Movements in provisions (other than employee benefits)

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

	2021
	\$'000
Provision for outstanding claims	
Carrying amount as at beginning of year	31,260
Increase in provision from remeasurement	12,709
Write off	(819)
Utilisation	(14,310)
Carrying amount at end of year	28,840
Make good provisions	
Carrying amount as at beginning of year	17,451
Increase in provision from remeasurement	3,823
Utilisation	(1,480)
Carrying amount at end of year	19,794
Other provisions	
Carrying amount as at beginning of year	17,521
Increase in provision from remeasurement	1,110
Write off	(412)
Utilisation	(1,496)
Carrying amount at end of year	16,723

Recognition and Measurement

Employee Benefits and related on-costs

Salaries and Wages, annual Leave and sick leave

Salaries and wages (including non-monetary benefits) and paid sick leave that are expected to be settled wholly within 12 months after the end of the period in which the employees render the service are recognised and measured at the undiscounted amounts of the benefits.

Annual leave is not expected to be settled wholly before twelve months after the end of the annual reporting period in which the employees render the related service. As such, it is required to be measured at present value in accordance with *AASB 119 Employee Benefits* (although short-cut methods are permitted).

Actuarial advice obtained by Treasury has confirmed that using the nominal annual leave balance plus the annual leave entitlements accrued while taking annual leave (calculated using 7.9% of the nominal value of annual leave) can be used to approximate the present value of the annual leave liability. DCS has assessed the actuarial advice based on the DCS's circumstances and has determined that the effect of discounting is immaterial to annual leave. All annual leave is classified as a current liability even where DCS does not expect to settle the liability within 12 months, as DCS does not have an unconditional right to defer settlement.

Unused non-vesting sick leave does not give rise to a liability as it is not considered probable that sick leave taken in the future will be greater than the benefits accrued in the future.

Long Service Leave and Superannuation

Long service leave is measured at present value of expected future payments to be made in respect of services provided up to the reporting date, in accordance with *AASB 119 Employee Benefits*. Consideration is given to certain factors based on actuarial review, including expected future wage and salary levels, experience of employee departures, and periods of services (specified in NSWTC 18/13) to employees with five or more years of service, using current rates of pay. Expected future payments are discounted using Commonwealth government bond rate at the reporting date. These factors were determined based on an actuarial review to approximate present value.

The superannuation expense for the financial year is determined by using the formulae specified in the Treasurer's Directions. The expense for certain superannuation schemes (i.e. Basic Benefit and 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.

Long Service Leave and Superannuation Liabilities Assumed by the Crown

DCS's liabilities for long service leave and defined benefit superannuation are assumed by the Crown, except in FY2020 where Long Service Corporation, and NSW Registry of Births, Deaths and Marriages are funded by DCS.

DCS accounts for the liability as having been extinguished resulting in the amount assumed being shown as part of the non-monetary revenue item described as "Acceptance by the Crown of employee benefits and other liabilities".

Long Service Leave Funded by DCS

In FY2020, long service leave for the commercial activities of DCS are funded by DCS and are not assumed by the Crown.

Consequential On-costs

Consequential costs to employment are recognised as liabilities and expenses where the employee benefits to which they relate have been recognised. This includes outstanding amounts of payroll tax, workers' compensation insurance premiums and fringe benefits tax.

Provision for outstanding claims

A provision is made for subsidence compensation claims when a decision has been made by the Chief Executive of Subsidence Advisory NSW (or delegate) to accept liability for a claim. The amount is based on repair estimates provided by DCS's technical or engineering staff or experts in that area of work.

A provision is made for subsidence preventative works when a decision is made by the Board (or delegate) to accept liability for carrying out mitigation works to reduce the total prospective liability to DCS. The amount is based on estimates provided by DCS's technical or engineering staff or experts in that area of work.

Other Provisions

Other provisions consist of Grants to Club Grants Category 3, Grants to Greyhound Capital Grants and Australian Nuclear Science and Technology Organisation (ANSTO). Grants to Club Grants Category 3 consist of grants to community organisation for infrastructure projects while Greyhound Racing Capital Grants is a Government commitment as part of the NSW Government greyhound racing reforms. The purpose of the Grants Program is to assist GRNSW (not a Government agency) and its clubs improve animal welfare by upgrading greyhound racing facilities across NSW to reduce injury rates for racing dogs. Grants Program funding is protected and publicly committed by the Government solely for this purpose. ANSTO is a NSW Government Election Commitment that DCS were asked to support and fund. The policy proposed a \$12.5 million grant over five years to the ANSTO paid progressively from 2018-19.

Provisions are recognised when DCS has a present legal or constructive obligation as a result of a past event; it is probable that an outflow of resources will be required to settle the obligation; and a reliable estimate can be made of the amount of the obligation. When DCS expects some or all of a provision to be reimbursed, for example, under an insurance contract, the reimbursement is recognised as a separate asset, but only when the reimbursement is virtually certain. The expense relating to a provision is presented net of any reimbursement in the Statement of Comprehensive Income.

Any provisions for restructuring are recognised only when an agency has a detailed formal plan and DCS has raised a valid expectation in those affected by the restructuring that it will carry out the restructuring by starting to implement the plan or announcing its main features to those affected.

The impact of time value of money in the measurement of other provisions is considered immaterial.

19. SERVICE CONCESSION LIABILITIES

	2021	2020
	\$'000	\$'000
Current		
Grant of right to operate liability under service concession	77,596	77,412
Non-Current		
Grant of right to operate liability under service concession	2,327,871	2,401,448

Recognition and Measurement

On 12 April 2017, the State entered into a 35 year concession with the private sector to facilitate the provision of land titling and registry services. Under the concession, the State received an up-front contribution of \$2,622 million, which was repatriated to the Restart NSW Fund, and transferred employee liabilities to the private sector operator.

ICT and other assets necessary to operate the concession have legally transferred to the private sector operator and legal ownership of these assets reverts to the State at the end of the concession. The State continues to own all existing and underlying data, information and intellectual property related to titling and registry services and provides access to these assets to the operator.

As the grantor of the service concession, DCS recognises the up-front contribution provided by the operator as revenue progressively over the concession term.

The amount recorded in the "Grant of right to operate liability under service concession" is the amount of consideration received by DCS in advance. This represents the commitment of DCS as the grantor to provide rights to operate the service concession asset over the remaining service concession period. This shall be recognised as revenue on a straight line basis in the future periods as the commitment as grantor diminishes over time.

20. CURRENT / NON-CURRENT LIABILITIES – OTHER LIABILITIES

	2021	Restated 2020
	\$'000	\$'000
Current		
Contribution to Crown	15,247	14,357
Torrens Assurance Fund and Ad Valorem Levy	18,503	14,972
Other liabilities	146	7
	33,896	29,336
Non-Current		
Other liabilities	183	-
	183	-

21. DEFINED BENEFIT SUPERANNUATION SCHEMES

30 June 2021

As part of the 2021 budget process, NSW Treasury and DCS agreed to the transfer of the net liability of defined benefit superannuation schemes held as at 1 July 2020. The value of the liability that was transferred was \$6.2 million (see Note 22). The transfer of liability is consistent with current policy to consolidate and centrally manage General Government sector employee liabilities within the Crown and was approved by the Treasurer on 29 June 2020.

30 June 2020

Following changes to Administrative Arrangements of Government, effective 1 January 2018, DCS is responsible for superannuation payments of the staff that perform the functions of the Long Service Corporation.

An actuarial investigation of the Defined Benefits Superannuation is performed every three years, the most recent being performed as at 30 June 2018.

Following is the superannuation position of Long Service Corporation's defined benefits superannuation based on AASB 119:

30 June 2020	SASS	SANCS	SSS	TOTAL
Member Numbers				
Contributors	-	-	-	-
Deferred benefits	-	-	2	2
Pensioners	-	-	16	16
Pensions fully commuted	-	-	6	6
Superannuation Position for AASB 119 purposes	-	-	-	-
Accrued liability (Note 1)	(216)	(42)	22,425	22,167
Estimated reserve account balance	(1,222)	(239)	(14,520)	(15,981)
1. Deficit/(surplus)	(1,438)	(281)	7,905	6,186
2. Future Service Liability (Note 2)	-	-	-	-
3. Surplus in excess of recovery available from schemes (- 1. - 2. and subject to a minimum of zero)	-	-	-	-
4. Net (asset)/liability to be recognised in statement of financial position (1. + 3.)	(1,438)	(281)	7,905	6,186

Note 1: The accrued liability includes a contribution tax provision. This is calculated based on grossing up the deficit/(surplus) less the allowance for past service expenses and insurable death and disability liabilities at a contribution tax rate of 15%.

Note 2: The Future Service Liability (FSL) does not have to be recognised by an employer. It is only used to determine if an asset ceiling limit should be imposed (AASB 119 para 64). Under AASB 119, any prepaid superannuation asset recognised cannot exceed the present value of any economic benefits that may be available in the form of refunds from the plan or reductions in future contributions to the plan. Where the "surplus in excess of recovery" is zero, no asset ceiling limit is imposed. (Note: this also includes a contribution tax provision).

Nature of the benefits provided by the fund – Para 139(a)(i)

The Pooled Fund holds in trust the investments of the closed NSW public sector superannuation schemes:

- State Authorities Superannuation Scheme (SASS)
- State Superannuation Scheme (SSS)
- Police Superannuation Scheme (PSS)
- State Authorities Non-contributory Superannuation Scheme (SANCS).

These schemes are all defined benefit schemes – at least a component of the final benefit is derived from a multiple of member salary and years of membership. Members receive lump sum or pension benefits on retirement, death, disablement and withdrawal.

All the Schemes are closed to new members.

Description of the regulatory framework - Para 139(a)(ii)

The schemes in the Pooled Fund are established and governed by the following NSW legislation: *Superannuation Act 1916*, *State Authorities Superannuation Act 1987*, *Police Regulation (Superannuation) Act 1906*, *State Authorities Non-Contributory Superannuation Act 1987*, and their associated regulations.

The schemes in the Pooled Fund are exempt public sector superannuation schemes under the *Commonwealth Superannuation Industry (Supervision) Act 1993* (SIS). The SIS Legislation treats exempt public sector superannuation funds as complying funds for concessional taxation and superannuation guarantee purposes.

Under a Heads of Government agreement, the New South Wales Government undertakes to ensure that the Pooled Fund will conform with the principles of the Commonwealth's retirement incomes policy relating to preservation, vesting and reporting to members and that members' benefits are adequately protected. The New South Wales Government prudentially monitors and audits the Pooled Fund and the Trustee Board activities in a manner consistent with the prudential controls of the SIS legislation. These provisions are in addition to other legislative obligations on the Trustee Board and internal processes that monitor the Trustee Board's adherence to the principles of the Commonwealth's retirement incomes policy.

An actuarial investigation of the Pooled Fund is performed every three years. The last actuarial investigation was performed as at 30 June 2018. The next actuarial investigation will be performed as at 30 June 2021.

Reconciliation of the Net Defined Benefit Liability/(Asset) - Para 140(a)

Financial Year to 30 June 2020	SASS \$'000	SANCS \$'000	SSS \$'000	Total \$'000
Net Defined Benefit Liability/ (Asset) at beginning of year	(907)	(183)	10,442	9,352
Current service cost	70	15	48	133
Net Interest on the net defined benefit liability/(asset)	(12)	(2)	137	123
Actual return on Fund assets less Interest income	(50)	(12)	(160)	(222)
Actuarial (gains)/losses arising from changes in financial assumptions	-	-	161	161
Actuarial (gains)/losses arising from liability experience	(491)	(91)	(2,690)	(3,272)
Adjustment for effect of asset ceiling	-	-	-	-
Employer contributions	(48)	(8)	(33)	(89)
Net Defined Benefit Liability/(Asset) at end of year	(1,438)	(281)	7,905	6,186

Reconciliation of the Fair Value of Fund Assets – Para 140(a)(i)

Financial Year to 30 June 2020	SASS \$'000	SANCS \$'000	SSS \$'000	Total \$'000
Fair value of Fund assets at beginning of year	2,949	598	15,946	19,493
Interest income	37	7	204	248
Actual return on Fund assets less Interest income	50	12	160	222
Employer contributions	48	8	33	89
Contributions by participants	24	-	15	39
Benefits paid	(1,874)	(374)	(1,861)	(4,109)
Taxes, premiums & expenses paid	(11)	(12)	22	(1)
Fair value of Fund assets at end of year	1,223	239	14,519	15,981

Significant Actuarial Assumptions at the Reporting Date - Para 144

As at	30 June 2020
Discount rate	0.87% pa
Salary increase rate (excluding promotional increases)	3.2% pa
Rate of CPI increase	1.00% for 2019/20; 0.25% for 2020/21; 1.50% for 2021/22; 1.25% for 2022/23; 1.75% for 2023/24; 2.00% for 2024/25 and 2025/26; 2.25% pa to 2029/30; 2.50% pa thereafter.
Pensioner mortality	The pensioner mortality assumptions are as per the 2018 Actuarial Investigation of the Pooled Fund. These assumptions are disclosed in the actuarial investigation report available from the trustee's website. The report shows the pension mortality rates for each age.

22. EQUITY MOVEMENTS AND RESTRUCTURE OF ADMINISTRATIVE ARRANGEMENTS

Year ended 30 June 2021

	Long Service Corporation \$'000
Non-Current Asset	
Defined Benefit Super Schemes	1,719
Total Assets	1,719
Non-Current Liability	
Defined Benefit Super Schemes	7,905
Total Non-Current Liability	7,905
Increase/(Decrease) in Nets Assets from Equity Transfer	6,186

The Defined Benefit Superannuation (“DBS”) liability of Long Service Corporation has been transferred to NSW Treasury effective from 1 July 2020. The transfer was approved by the NSW Treasurer on 29 June 2020.

Year ended 30 June 2020

Background

The existence of the Department of Customer Service (“DCS”) is a result of the *Administrative Arrangements (Administrative Changes—Public Service Agencies) Order 2019* (“the Order”) which came into effect in the current financial year.

This Order commenced 1 July 2019 and abolished the Department of Finance, Services and Innovation (“DFSI”) with effect from 1 July 2019 and established the Department of Customer Service on the same day with all persons employed in DFSI transferred to DCS with the exception of a few divisions/programs. The Order also includes several new entities transferred to DCS from other parts of the NSW government.

The new entity, known as DCS, effectively comprises all the divisions/ program groups from the previous DFSI with the exception of the below mentioned.

The below divisions/program group which were included DFSI and now excluded from DCS:

- a) NSW Procurement transferred to The Treasury;
- b) NSW Public Works Advisory, Manly Hydraulics, and Heritage Stoneworks transferred to Department of Planning, Industry and Environment; and
- c) Valuation Services, Office of the Valuer General transferred to Department of Planning, Industry and Environment.

In addition to the above, divisions/ functions which were not included in DFSI but which were transferred into DCS from other parts of the NSW government are as follows:

- d) The Data Analytics Centre transferred from The Treasury Cluster, Office of the Customer Service Commissioner, the Behavioural Insights Unit, the Government Communications Branch, and those persons employed in the Digital, Content and Sponsorships Branch who are principally involved in administering the nsw.gov.au website transferred from Department of Premier and Cabinet;
- e) The NSW Registry of Births, Deaths and Marriages transferred from the Department of Justice; and
- f) Liquor & Gaming NSW, and its associated entities transferred from the Department of Industry.

The following disclosures relate to the net increase/ decrease in net assets from equity transfer as a result of (a) to (f) above as at 1 July 2019:

Statement of Financial Position 1 July 2019	NSW Procurement (a) \$'000	NSW Public Works Advisory, including Manly Hydraulics, and Heritage Stoneworks (b) \$'000	Valuation Services and Office of the Valuer General (c) \$'000	Data Analytics Centre, Office of the Customer Service Commissioner, Behavioural Insights Unit and Government Communications Branch (d) \$'000	NSW Registry of Births, Deaths and Marriages (e) \$'000	Liquor & Gaming NSW (f) \$'000	Total \$'000
Current Assets							
Cash and cash equivalents	-	(25,672)	-	-	1,235	877	(23,560)
Receivables	-	(62,721)	(3,390)	-	543	7,703	(57,865)
Other current assets	-	-	-	45	4,445	-	4,490
Total Current Assets	-	(88,393)	(3,390)	45	6,223	8,580	(76,935)
Non Current Assets							
Inventories	-	(6,098)	-	-	-	-	(6,098)
Property, plant and	-	(32,633)	(13)	215	16,481	866	(15,084)
Intangible assets	-	-	(1,538)	504	10,503	5,400	14,869
Other non current assets	-	-	-	-	327	-	327
Total Non Current Assets	-	(38,731)	(1,551)	719	27,311	6,266	(5,986)
TOTAL ASSETS	-	(127,124)	(4,941)	764	33,534	14,846	(82,921)
Current Liabilities							
Payables	1,442	93,834	9,920	(5)	(438)	(21,775)	82,978
Provisions	461	6,901	2,048	(664)	(6,567)	(3,752)	(1,573)
Other	146	-	-	-	-	-	146
Total Current Liabilities	2,049	100,735	11,968	(669)	(7,005)	(25,527)	81,551
Non Current Liabilities							
Provisions	-	-	451	(5)	(439)	(691)	(684)
Other	-	90	-	-	-	-	90
Total Non Current Liabilities	-	90	451	(5)	(439)	(691)	(594)
TOTAL LIABILITIES	2,049	100,825	12,419	(674)	(7,444)	(26,218)	80,957
Increase/ (Decrease) in Net Assets from Equity Transfer	2,049	(26,299)	7,478	90	26,090	(11,372)	(1,964)

Recognition and Measurement

Revaluation Surplus

The revaluation surplus is used to record increments and decrements on the revaluation of non-current assets. This is in accordance with the agency's policy on the revaluation of property, plant and equipment as outlined in Note 13(a) – Non-current Assets – Property, plant and equipment.

Accumulated Funds

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

Reserves

Separate reserve accounts are recognised in the financial statements only if such accounts are required by specific legislation or Australian Accounting Standards (e.g. revaluation surplus and foreign currency translation reserve).

Equity Transfers – Recognition and Measurement

The transfer of net assets between entities as a result of an administrative restructure, transfers of programs/functions and parts thereof between NSW public sector entities and "equity appropriations" are designated or required by Accounting Standards to be treated as contributions by owners and recognised as an adjustment to "Accumulated Funds". This treatment is consistent with *AASB 1004 Contributions* and *Australian Interpretation 1038 Contributions by Owners Made to Wholly-Owned Public Sector Entities*.

Transfers arising from an administrative restructure involving not-for-profit and for-profit government entities are recognised at the amount at which the assets and liabilities were recognised by the transferor immediately prior to the restructure. In most instances, this will approximate fair value.

All other equity transfers are recognised at fair value, except for intangibles. Where an intangible has been recognised at (amortised) cost by the transferor because there is no active market, DCS recognises the asset at the transferor's carrying amount. Where the transferor is prohibited from recognising internally generated intangibles, DCS does not recognise that asset.

23. COMMITMENTS

Capital Commitments

	2021	2020
	\$'000	\$'000
Aggregate capital expenditure for the acquisition of information technology equipment and other equipment contracted for at balance date and not provided for:		
Not later than one year	12,671	14,321
Later than one year and not later than five years	-	-
Later than five years	-	-
Total (including GST)	12,671	14,321

Lease revenue commitments

Aggregate lease revenue for StateFleet motor vehicles:

	2021	2020
	\$'000	\$'000
Not later than one year	12	3,927
Later than one year and not later than five years	-	-
Total (excluding GST)	12	3,927

The NSW Government introduced the StateFleet Leasing Arrangement in 2003 for the provision of passenger and commercial motor vehicles to budget sector and other approved agencies.

All new motor vehicles delivered to the approved client agencies are financed under the StateFleet Leasing Arrangement. This arrangement is financed by the NSW Treasury Corporation and managed by StateFleet.

The lease agreement is a long-term rental arrangement which provides clients with a vehicle in return for a fixed monthly payment. StateFleet retains all the capital risks and costs associated with ownership of a vehicle. When the client returns the vehicle there is no residual liability on sale.

24. CONTINGENT ASSETS AND LIABILITIES

(a) Contingent Assets

DCS is not aware of any contingent assets as at reporting date.

(b) Contingent Liabilities

ICT contracts under shared services arrangements with GovConnect customers

DCS may be liable for additional payments if it is determined that the services it receives during the assessment period exceed the estimated volumes outlined in the contracts. The amounts cannot be accurately nor reliably determined.

Insurance Claims

DCS may be liable for payment of compensation arising from claims and other matters subject to litigation. The amounts involved cannot be accurately determined and in some instances are subject to arbitration. These claims are covered by the Treasury Managed Fund.

DCS potentially have other immaterial insurance claims that would be covered by the respective business funding sources.

Transitional Arrangement for Mine Proprietors

Subsidence Advisory NSW has entered into Deeds of Agreement with the Mine Proprietors to assist them in meeting their obligations and reducing their financial burden under the new legislative framework (the Coal Mine Subsidence Compensation Act 2017). As claims can be lodged up until 30 June 2022 under the Deeds, the remaining exposure cannot be accurately determined at this reporting date but is estimated to be a maximum of approximately \$26 million, which is fully covered by the Coal Mine Subsidence Compensation Fund.

Torrens Assurance Fund

The Torrens Assurance Fund, is a special deposit account operated by DCS (refer Note 6). There are 19 claims (30 June 2020: 15 claims) against the Torrens Assurance Fund which are estimated to be \$13.43 million (30 June 2020: \$13.06 million).

25. BUDGET REVIEW

The budgeted amounts are drawn from the original budgeted financial statements presented to Parliament in respect of the reporting period. Subsequent amendments to the original budget (e.g. adjustment for transfer of functions between entities as a result of Administrative Arrangements Orders) are not reflected in the budgeted amounts. Major variances between the original budgeted amounts and the actual amounts disclosed in the financial statements are explained below.

Net result

The actual net result for DCS for 2021 is \$15.6 million loss (2020: restated loss \$51.7 million) which was favourable to the budgeted net result by \$206 million.

The major variations to budgets are:

- o Total Revenue was \$699.5 million or 27% unfavourable to budget, mainly in the appropriations line where for actual reporting \$1,094 million of appropriations were reclassified and treated as “transfer payments” in accordance with AASB 1050 “Administered Items”, which for budget purposes were treated as appropriations (refer to note 3(a)). This accounting reclassification was only performed after the budgets were prepared.
- o Further due to the change in accounting treatment of lapsed appropriations, \$72.4 million was adjusted to the actual appropriations this year, refer further to Note 1(i).
- o In addition, Critical Communication Enhancement program funding has been carried over into 2021-22 (~\$70 million both recurrent and capital) and ICT projects are also carried forward into next budget year (~\$40 million).
- o Investment revenue is \$38.8 million lower than budget due to deferral of Project Remediate which was originally expected to occur in this year.
- o Retained taxes, fees and fines is \$48.2 million favourable to budget due; \$21 million favourable receipt of building license, \$15 million higher license receipts from increased Building and Real Estate activities and \$7 million unplanned receipts from Competency card applications.
- o Grants & Other contributions \$58.2 million favourable to budget due to recognition of funding of ~\$24 million relating to Digital Restart projects for cyber security (\$11 million) and Assured Revenue (\$13.6 million).

Total Expenses were \$943.1 million favourable to budget mainly due to Grant and Subsidies (\$1,094 million) which have this year been treated as “transfer payments” (refer to note 3(a)) and will not appear as grants and subsidies. This accounting reclassification was only performed after the budgets were prepared.

Other operating expenses were \$33 million unfavourable to budget mainly due to unbudgeted cost for Project Reimagine and Project Trust. This is offset by underspending in projects such as the “Scanning Project” which was scaled back for the year within the Office of Registrar General and various other operating expenses from business units.

Book value of motor vehicles sold was higher to budget by \$9.5 million as more vehicles were sold down by reporting date in line with the scheduled run down of the fleet.

Other (losses)/ gains were \$36.6 million unfavourable to budget mainly attributable to a \$34.97 million impairment recognised on the right-of-use assets at 30 June 2021 as a result of COVID-19, as well as an impairment of \$21.6 million for the ERP2 Project costs relating to the single ERP system across multiple State government clusters offset by \$22.5 million revaluation increment on service concession assets.

Assets and liabilities

Net Liabilities: The actual net liability of \$1,122 million (2020: restated \$1,112 million net liability) was favourable to budget by \$528.9 million which is a 32% variance.

Total Assets were unfavourable to budget by \$120.8 million (or 6.1%) predominantly due to \$34.97 million impairment recognised on the right-of-use assets at 30 June 2021 as a result of COVID-19, as well as an impairment of \$21.6 million for the ERP2 Project costs. This is also supported by the downward remeasurement adjustment to the right-of use-assets of \$41.7 million in the current year.

Total Liabilities were lower than budget by \$408.1 million (11.2%) which mainly due to \$239 million relating to Project remediate which was provisioned higher in budget but was reversed during the year as the project is being deferred into next year.

Cash flows

The cash balance is \$125.3 million favourable to budget mainly due to higher Grants and Contributions received (\$59 million) and budget includes COVID-19 Stimulus measures: Land Tax Concession \$53 million and Job action Plan \$22 million. In addition, there are underspend in DCS capital projects which has been carried over to FY22.

26. RECONCILIATION OF CASH FLOWS FROM OPERATING ACTIVITIES TO NET RESULT

	2021 \$'000	2020 \$'000
Net cash used in operating activities	153,865	130,828
Depreciation and amortisation	(98,988)	(126,476)
Net gain/(loss) on sale of plant and equipment	(1,071)	988
Impairment loss	(56,544)	(53,301)
Revaluation increment/(decrement) - service concession asset	22,844	(23,870)
Interest paid	(10,744)	(8,924)
Interest received	5,331	5,247
Increase/(decrease) in receivables	(29,878)	(9,371)
Increase/(decrease) in other financial assets	(26,441)	(22,108)
Increase/(decrease) in contract assets	(16,639)	4,365
Increase/(decrease) in inventories	(38,751)	(47,144)
(Increase)/decrease in payables	24,278	18,841
(Increase)/decrease in contract liabilities	(13,750)	2,319
(Increase)/decrease in provisions	2,187	(22,877)
(Increase)/decrease in service concession liabilities	73,393	72,297
(Increase)/decrease in other liabilities	(4,743)	27,523
Net result	(15,651)	(51,663)

27. TRUST FUNDS

DCS receives monies in a trustee capacity for various trusts. As DCS performs only a custodial role in respect of these monies, and because the monies cannot be used for the achievement of DCS's own objectives, these funds are not recognised in the financial statements. The following is a summary of the transactions in the trust accounts:

(a) Unclaimed Money Accounts

30 June 2021

	Testamentary & Trust Common Fund \$'000	Testamentary & Trust Interest \$'000	Total \$'000
Cash balance at the beginning of the financial year	4,363	12,167	16,530
Add: Receipts	-	25	25
Less: Payments	-	-	-
Cash balance at the end of the financial year	4,363	12,192	16,555

30 June 2020

	Testamentary & Trust Common Fund \$'000	Testamentary & Trust Interest \$'000	Total \$'000
Cash balance at the beginning of the financial year	4,363	12,055	16,418
Add: Receipts	-	112	112
Less: Payments	-	-	-
Cash balance at the end of the financial year	4,363	12,167	16,530

Under Section 26 of the *Trustee Companies Act 1964* unclaimed monies are paid into the testamentary and trust common fund. Interest received from investments from the common fund are credited to the interest account.

(b) Fines Accounts

	2021 \$'000	2020 \$'000
Cash balance at the beginning of the financial year	33,876	47,587
Add: Receipts	796,020	771,414
Less: Payments	(776,917)	(785,125)
Cash balance at the end of the financial year	52,979	33,876

These amounts are collected under the *Fines Act 1996* for government departments, agencies and organisations that issue fines in NSW, and include late fees for overdue fines.

(c) State Debt Accounts

	2021 \$'000	2020 \$'000
Cash balance at the beginning of the financial year	170	281
Add: Receipts	210,889	25,277
Less: Payments	(209,163)	(25,388)
Cash balance at the end of the financial year	1,896	170

DCS provides a fee for service arrangement to government departments, agencies and organisations in NSW to recover outstanding debts under the *State Debt Recovery Act 2018*.

Funds held in accounts reported in (b) and (c) are remitted daily, weekly or monthly.

28. RELATED PARTY DISCLOSURES

The total remuneration of the key management personnel of DCS are as follows:

	2021	2020
	\$'000	\$'000
Short-term employee benefits:		
- Salaries	4,164	4,034
Post-employment benefits	211	202
Termination benefits	-	392
Total remuneration	4,375	4,628

Other related party transactions

During the year, DCS entered into transactions with other entities that are controlled/ jointly controlled/ significantly influenced by NSW Government. These transactions which are conducted as arm's length transactions are a significant portion of DCS's sale of goods/ rendering of services/ receiving of services, in aggregate are as follows:

Nature of transaction	2021 \$'000		2020 Restated \$'000	
	Transaction value income/ (expense)	Net receivable/ (payable)	Transaction value income/ (expense)	Net receivable/ (payable)
Sales of goods/ services; grants and contributions, proceeds from borrowings and other receipts	360,207	122,046	308,898	150,482
Purchases of goods/ services; grants and subsidies, repayment of borrowings and other payments	(739,610)	(16,468)	(458,798)	(46,330)

In addition to the above transactions, DCS incurred centralised corporate costs relating to the People & Culture; Procurement; Legal; Governance & Risk; Workplace & IT; and Finance functions for entities within the DCS Cluster. These costs are reflected in the financial statements of the below entities as notional costs from DCS. These costs were not recovered by DCS.

	2021	2020
	\$'000	\$'000
Service NSW	45,848	19,479
NSW Telco Authority	-	1,350
Independent Liquor & Gaming Authority	165	330
Greyhound Welfare & Integrity Commission	246	-
Independent Pricing and Regulatory Tribunal	25	-
	46,284	21,159

29. ADMINISTERED ASSETS AND LIABILITIES

	2021	2020
	\$'000	\$'000
Administered Assets		
Cash at bank ⁽ⁱ⁾	111,152	64,634
Cash at bank ⁽ⁱⁱ⁾	209,537	-
Taxes and fines receivable ⁽ⁱⁱⁱ⁾	4,599,530	4,696,338
Licence receivable ^(iv)	25,000	25,000
Less:		
Allowance for impairment – taxes and fines ^(v)	(356,796)	(427,625)
Total Administered Assets	4,588,423	4,358,347
Administered Liabilities		
Taxes and fines paid in advance / overpayments	64,352	41,344
Certificate and licences ^(v)	-	3,684
Total Administered Liabilities	64,352	45,028

Recognition and Measurement

In accordance with *AASB 9 Financial Instruments*, taxes and fines are initially recognised where statutory requirements establish a right to receive the financial asset. Such a right arises on the occurrence of a past event. Taxes and fines are initially recognised at the original levied amount. An allowance for impairment is subsequently recognised under *AASB 136 Impairment of Assets*.

(i) Cash at bank represents amount received on 30 June 2021 and transferred to the Crown in July 2021.

(ii) This represents cash balance of Digital Restart Fund at 30 June 2021.

(iii) Taxes and fines receivable at 30 June 2021 include \$246.9 million (30 June 2020: \$158.3 million) outstanding longer than twelve months. Included in this amount are \$157.3 million (30 June 2020: \$141.7 million) in time to pay arrangements with a finalisation date extending beyond twelve months.

(iv) Licence receivable relates to non-current receivable by Liquor & Gaming NSW in FY 2023.

(v) Allowance for impairment - taxes and fines

	2021	2020
	\$'000	\$'000
Balance at the beginning of the financial year	427,625	289,593
Reclassification adjustment for pre-2011 provisions	-	19,263
Increase in provisions	10,023	218,740
Amounts used during year	(80,852)	(99,971)
Balance at end of the financial year	356,796	427,625

Impairment losses/(gains) are recognised as an Administered expense in Note 30.

The estimated impacts of the COVID-19 pandemic on collectability have been taken into account when calculating the 'Allowance for impairment - taxes and fines'. For Payroll tax, the increase in impairment is factoring in businesses in high risk categories that are likely to be impacted due to the conclusion of the JobKeeper stimulus. The impact on Fines has been considered due to potential financial hardship.

(vi) Certificate and Licences for the Financial Year 2020 include income received in advance relating to Motor Dealer Licenses. These revenues are no longer deferred following the implementation of Crown Reporting Reform in Financial Year 2021 as advised by the Crown.

30. ADMINISTERED EXPENSES

During the year, DCS incurred the following expenses on behalf of the Crown:

	2021 \$'000	2020 \$'000
Other		
Act of Grace payments	779	103
Court imposed interest payments	292	885
Bad debts written off ⁽ⁱ⁾	80,852	99,971
Land tax discounts ⁽ⁱⁱ⁾	42,753	37,319
GST rebate - Clubs ⁽ⁱⁱⁱ⁾	14,260	14,278
First Home Owner Grant scheme (FHOGS) ^(iv)	76,894	68,776
First Home - New Home/First Home Buyers Assistance scheme ^(v)	(970)	(1,660)
HomeBuilder ^(vi)	194,445	-
Regional relocation grant ^(vii)	-	5
Solatium payments ^(viii)	-	44
Remissions ^(ix)	40,814	33,132
Impairment losses/(gains)	(70,829)	118,769
Sub total - other	379,290	371,622
Transfer payments		
Grant expense - DRF ^(x)	239,019	-
Administration Expense ^(xi)	2,367	-
Grant expense - Land Tax Concession and Duties Bushfire Relief ^(xii)	138,875	8,500
Grant expense - Job Action Plan Payroll Tax and Job Lodgement	18,151	54,352
Sub total - transfer payments	398,412	62,852
Total administered expenses	777,702	434,474

(i) Bad debts written off includes \$29.7 million (2020: \$30.7 million) in Work Development Orders (WDOs). WDOs allow customers to clear their fines through unpaid work, courses and treatment programs with approved WDO sponsors.

(ii) A 1.5% discount is offered to land tax clients for full payment of their liability by the first instalment date.

(iii) The GST rebate is paid to clubs to compensate for the impact of the GST. It is based on gaming profits and is paid quarterly.

(iv) The First Home Owner Grant scheme was established to assist eligible first home buyers to purchase or build a new home. The grant amount is determined by the date of the transaction. From 1 July 2017, to be eligible for the grant, there is a cap of \$600,000 for new home purchases and for owner builder or contract to build, the value cannot exceed \$750,000.

(v) On 1 July 2017, the First Home - New Home scheme was replaced by the First Home Buyers Assistance scheme. This scheme provides exemption or concessions on transfer duty to eligible purchasers of new and existing homes valued up to \$800,000 and to eligible purchasers of vacant land that is intended to be the site of a new home valued up to \$450,000. From 1 August 2020 to 31 July 2021, the value for new homes has been increased to \$1 million, and vacant land for a new home to \$500,000. The value of existing homes remains unchanged at \$800,000.

The \$970,000 in 2021 (2020: \$1.7 million) includes \$1.2 million (2020: \$2.4 million) in amounts recovered from compliance activities.

(vi) HomeBuilder was introduced in June 2020 and provides eligible owner-occupiers (including first home buyers) with a grant to build a new home, substantially renovate an existing home, or buy an off the plan home/new home. A \$25,000 grant is available for eligible contracts entered into on or after 4 June 2020 up to and including 31 December 2020. For eligible contracts entered into on or after 1 January 2021 to 31 March 2021, the grant has been reduced to \$15,000.

Applications closed on 14 April 2021, however applicants have until 30 April 2023 to submit all supporting documentation that will allow for payment of the HomeBuilder grant.

(vii) The grant assists applicants with the cost of relocating from their metropolitan home. The Regional Relocation Home Buyers Grant closed on 30 September 2014. The Skilled Regional Relocation Incentive closed on 31 March 2015. Amounts paid since closure on of the scheme are a result of applicants fulfilling requirements of the Incentive.

(viii) Compensation paid to applicants whose property was acquired by a NSW government authority. To be eligible for payment, the date of exchange of contracts in relation to an agreed land acquisition, or the date of gazettal of notice of compulsory acquisition, must be on or after 26 February 2014 and before or on 17 October 2016.

(ix) In accordance with the *Taxation Administration Act 1996* the Chief Commissioner of State Revenue or his delegate, has the discretionary power to remit partially or wholly a statutory penalty and/or interest.

(x) In accordance with Digital Restart Fund Act 2020 No 15, There is payable from the fund to all or part of the cost of a project that promotes the purpose of the Fund and it is approved by the Minister on the recommendation of the Secretary of the Department of Customer Service.

(xi) In accordance with Digital Restart Fund Act 2020 No 15 Section 9 there is a payable from the fund for the money required to meet administrative expenses relating to the Fund.

(xii) In accordance with the Act of Grace payments under section 5.7 of the Government Sector Finance Act 2018, relief grant is to be provided to landowners of properties substantially damaged by the 2019/20 NSW bushfires and people whose homes were destroyed during the 2019/20 NSW bushfires and who choose to purchase a replacement property are relieved of the burden of paying transfer duty on the purchase of the replacement home. Under section 5.7(4) of the Government Sector Finance Act 2018, land tax concession to be provided up to 25% of the land tax payable to landlords and reduce the rent for a tenant who is suffering financial distress due to COVID-19.

31. ADMINISTERED INCOME - CROWN

Administered income information is presented on a revenue earned (accrual) basis.

Revenue earned

	2021 \$'000	2020 \$'000
Taxes, duties and levies		
Duties ^{(i) (ii)}	11,757,917	8,824,228
Parking space levy ^{(i) (iii)}	102,879	109,740
Payroll tax ⁽ⁱ⁾	10,125,687	9,845,124
Land tax ⁽ⁱ⁾	4,967,472	4,554,839
Health insurance levy ⁽ⁱ⁾	220,701	214,193
Emergency services levy ^{(i) (iv)}	1,232,844	1,082,147
Passenger services levy ^(v)	56,384	63,161
Tax equivalents	170,677	300,498
Casino duties and levy	101,881	153,555
Sub total – taxes, duties and levies	28,736,442	25,147,485
Gaming and racing		
Lotteries	518,157	486,531
Keno tax	15,742	10,074
Totalizator tax on and off course totes	28,531	38,489
Fixed odds sports betting	5,130	5,180
Fixed odds racing betting	15,864	19,486
Footy TAB	252	218
Point of consumption tax ^{(i) (vi)}	165,424	110,213
Club gaming devices ^{(i) (vii)}	842,412	625,485
Hotel gaming devices ^{(i) (vii)}	1,021,769	756,072
Charities licenses	5	1,729
Gaming related licenses ^(viii)	4,546	2,184
Sub total - gaming and racing	2,617,831	2,055,661
Fines		
Motor traffic fines	546,256	459,529
Fees	47,769	64,909
Court fines	49,629	40,866
Other fines	3,598	13,391
Liquor, Gaming and Racing court fines	354	93
Sub total - Fines	647,606	578,788
Other		
Mineral royalties ⁽ⁱ⁾	1,404,211	1,688,703
Unclaimed money	18,400	29,052
Other revenue	162	282
Liquor licences	875	765
Certificate and licences	38,122	25,842
Service concession regulation fee	8,454	8,273
Sub total - other	1,470,224	1,752,917
Transfer payments		
Grant revenue - DRF ^(ix)	413,000	-
DRF Contribution revenue - government agency ^(x)	37,923	-
Grant revenue - Land Tax Concession and Duties Bushfire Relief ^(xi)	138,875	-
Grant revenue - Job Action Plan Payroll Tax and Job Lodgement	18,151	54,352
Sub total - transfer payments	607,949	54,352
Total revenue earned	34,080,053	29,589,203

(i) Included in the revenue earned figures are interest and penalties amounting to:

	2021	2020
	\$'000	\$'000
Duties	41,860	29,562
Parking space levy	1,086	1,249
Payroll tax	56,042	38,986
Land tax	31,168	27,527
Health insurance levy	434	1
Emergency services levy	653	220
Point of consumption tax	9	16
Club gaming devices	3,505	149
Hotel gaming devices	2,806	350
Mineral royalties	366	1,088
Total	137,929	99,148

(ii) Primarily includes Duties on Contracts and Conveyances, Insurance, and Motor Vehicles.

(iii) DCS collects parking space levy imposed under the *Parking Space Levy Act 2009* on behalf of Transport for NSW and is reimbursed by Transport for NSW for refunds paid.

(iv) Collection of Emergency Services Levy (ESL) for council contributions transferred to DCS from the Department of Justice Office of Emergency Management (OEM) in 2017. Responsibility for council contribution provisions contained in emergency services related legislation remains with OEM. Insurers pay ESL under the *Emergency Services Levy Act 2017*. The Act resides with The Treasury and the levy is administered by DCS. In general, contribution assessments must be issued by 30 April for the following financial year.

(v) Collection of the Passenger Service Levy on behalf of the Point to Point Transport Commissioner commenced in April 2018. The levy is to be paid by authorised taxi and booking service providers and will be in place for up to five years.

(vi) Point of Consumption Tax collection commenced from 1 January 2019. Betting service providers licensed in Australia must pay this tax on all bets made by customers located in NSW at the time the bet was placed.

(vii) Approved clubs and hotels can pay their quarterly gaming machine tax in three equal instalments without being charged interest for the late payment. The scheme aims to assist those demonstrating financial hardship.

(viii) Gaming related licence includes Keno Licence duty.

(ix) The funding relates to appropriation from Treasury through DCS principal department to fund the DRF projects in accordance Digital Restart Fund Act 2020 No 15.

(x) Collection of contribution revenue under section 8(e) of the Digital Restart Fund Act 2020 No 15 from DCS, Health and Education.

(xi) Land Tax concession - Landlords providing rent relief for eligible tenants in financial distress due to COVID-19 land tax concession were part of a wide range of support measures designed to help those in need and support jobs and businesses) and Duties Bushfire Relief scheme is intended for people whose homes were destroyed during the 2019/20 NSW bushfires and who choose to purchase a replacement property elsewhere rather than rebuild. People who meet the requirements for receiving this assistance will either:

- not have to pay duty
- pay a reduced amount of duty, or
- receive a refund of all (or some) of duty paid

Recognition and Measurement

Revenue is recognised as follows:

- Administered revenue is recognised when the underlying past event under statutory requirements results in the right to receive revenue, unless it cannot be reliably measured before the financial statements are signed.
- Taxpayer assessed revenues (including Payroll tax and Lotteries) are reliably measured when payments or returns are received, which may not occur before the financial statements are signed.

Stimulus measures implemented due to COVID-19 in 2020/21 have impacted the recognition of a number of taxpayer assessed revenues. Details of these are as follows:

Payroll Tax

Payroll tax is a self- assessed tax based on the value of wages paid by the taxpayer. Taxpayers can pay monthly or annually, and all taxpayers must submit an annual reconciliation in the month after the end of the financial year.

Stimulus measures have extended the annual reconciliation due date from 28 July 2021 to 14 January 2022. Some annual reconciliations may be received prior to 14 January 2022 however, these may be amended until payment is made. Revenue recognised includes returns and payments received after the end of the financial year, up to the time the financial statements are signed.

Gaming Machine Tax - Hotels

Gaming revenues are self-assessed and returns are required quarterly with payments due on the same basis. Stimulus measures have extended the April to June 2021 quarterly due date from 21 July 2021 to 21 January 2022. Revenue recognised includes returns and payments received after the end of the financial year up to the time the financial statements are signed.

32. ADMINISTERED CONTINGENT LIABILITIES AND CONTINGENT ASSETS

The Crown Solicitor or other legal firms are currently acting on a number of matters on behalf of DCS in the normal course of activities. A settlement estimate for these matters cannot be reliably determined. There are no administered contingent assets.

33. FINANCIAL INSTRUMENTS

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

DCS's main risks arising from financial instruments are outlined below, together with DCS's objectives, policies and processes for measuring and managing risk. Further quantitative and qualitative disclosures are included throughout these financial statements.

The Secretary has overall responsibility for the establishment and oversight of risk management and reviews and agrees policies for managing each of these risks. Risk management policies are established to identify and analyse the risks faced by DCS, to set risk limits and controls and to monitor risks. Compliance with policies is reviewed by DCS on a continuous basis.

(a) Financial Instrument Categories

	Note	Category	2021	2020
			\$'000	\$'000
			Carrying Amount	Carrying Amount
Financial Assets				
Class:				
Cash and cash equivalents	6	Amortised cost	474,698	500,933
Other financial assets	7	Amortised cost	48,742	23,142
Receivables ⁽ⁱ⁾	8	Amortised cost	76,757	109,021
Contract assets	9	Amortised cost	23,373	40,012
Financial assets at fair value	11	Fair value through profit or loss	86,138	87,360
Financial Liabilities				
Class:				
Payables ⁽ⁱⁱ⁾	15	Financial liabilities measured at amortised cost	105,156	129,434
Borrowings	16	Financial liabilities measured at amortised cost	478,781	603,758

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

(ii) While contract assets are also not financial assets, they are explicitly included in the scope of AASB 7 for the purpose of the credit risk disclosures.

(iii) Excludes statutory payables and contract liabilities (i.e. not within scope of AASB 7)

(b) Derecognition of financial assets and financial liabilities

A financial asset (or, where applicable, a part of a financial asset or part of a group of similar financial assets) is derecognised when the contractual rights to the cash flows from the financial assets expire; or if DCS transfers its rights to receive cash flows from the asset or has assumed an obligation to pay the received cash flows in full without material delay to a third party under a 'pass-through' arrangement; and either:

- DCS has transferred substantially all the risks and rewards of the asset; or
- DCS has neither transferred nor retained substantially all the risks and rewards of the asset but has transferred control.

When DCS has transferred its rights to receive cash flows from an asset or has entered into a passthrough arrangement, it evaluates if, and to what extent, it has retained the risks and rewards of ownership. Where DCS has neither transferred nor retained substantially all the risks and rewards or transferred control, the asset continues to be recognised to the extent of DCS's continuing involvement in the asset. In that case, DCS also recognises an associated liability. The transferred asset and the associated liability are measured on a basis that reflects the rights and obligations that DCS has retained.

Continuing involvement that takes the form of a guarantee over the transferred asset is measured at the lower of the original carrying amount of the asset and the maximum amount of consideration that DCS could be required to repay.

A financial liability is derecognised when the obligation specified in the contract is discharged or cancelled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the derecognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognised in the net result.

(c) Offsetting financial instruments

Financial assets and financial liabilities are offset and the net amount is reported in the Statement of Financial Position if there is a currently enforceable legal right to offset the recognised amounts and there is an intention to settle on a net basis, or to realise the assets and settle the liabilities simultaneously.

(d) Financial Risk

Credit Risk

Credit risk arises when there is the possibility of DCS's debtors defaulting on their contractual obligations, resulting in a financial loss to DCS. The maximum exposure to credit risk is generally represented by the carrying amount of the financial assets (net of any allowance for impairment).

Credit risk arises from the financial assets of DCS, including cash, receivables, and authority deposits. No collateral is held by DCS. DCS has not granted any financial guarantees.

Credit risk associated with DCS's financial assets, other than receivables, is managed through the selection of counterparties and establishment of minimum credit rating standards. Authority deposits held with NSW TCorp are guaranteed by the State.

DCS considers a financial asset in default when contractual payments are past 90 days past due. However, in certain cases, DCS may also consider a financial asset to be in default when internal or external information indicates that DCS is unlikely to receive the outstanding contractual amounts in full before taking into account any credit enhancements held by DCS.

Based on management's assessment on natural disasters (including COVID-19), there was no impact on the receivables or other assets in the balance sheet. DCS has assessed the recoverability of its debtors and there was no additional impact on the ECL calculation that has been performed at 30 June 2021 (30 June 2020: nil).

Cash and cash equivalents

Cash and cash equivalents comprises cash on hand and bank balances within the NSW Treasury Banking System. Interest is earned on daily bank balances at the monthly average NSW Treasury Corporation ("TCorp") 11am unofficial cash rate, adjusted for a management fee to NSW Treasury.

Accounting policy for impairment of trade debtors and other financial assets under AASB 9

Receivables - trade receivables

Collectability of trade receivables is reviewed on an ongoing basis. Procedures developed to recover outstanding amounts, including letters of demand. DCS applies the AASB 9 simplified approach to measuring expected credit losses which uses a lifetime expected loss allowance for all trade receivables.

To measure the expected credit losses, trade receivables and contract assets, if applicable, have been grouped based on shared credit risk characteristics and the days past due.

The expected loss rates are based on historical observed loss rates. The historical loss rates are adjusted to reflect current and forward-looking information on macroeconomic factors affecting the ability of the customers to settle the receivables.

Trade receivables are written off when there is no reasonable expectation of recovery. Indicators that there is no reasonable expectation of recovery include, amongst others, a failure to make contractual payments for a period of greater than 30 days past due.

The loss allowance for trade receivables as at 30 June 2021 and 2020 was determined as follows:

	30 June 2021					
	\$'000					
	Current	<30 days	30-60 days	61-90 days	>91 days	Total
Expected credit loss rate	0%	0%	0%	0%	86%	18%
Estimated total gross carrying amount at default	57,796	11,403	2,380	1,215	22,491	95,285
Expected credit loss	(16)	(10)	(2)	(3)	(19,441)	(19,472)
Total	57,780	11,393	2,378	1,212	3,050	75,813

	30 June 2020					
	\$'000					
	Current	<30 days	30-60 days	61-90 days	>91 days	Total
Expected credit loss rate	0%	0%	1%	1%	59%	14%
Estimated total gross carrying amount at default	73,075	13,517	3,721	1,655	27,693	119,661
Expected credit loss	(47)	(28)	(33)	(18)	(16,458)	(16,584)
Total	73,028	13,489	3,688	1,637	11,235	103,077

Notes: The analysis excludes statutory receivables and prepayments as these are not within the scope of AASB 7. Therefore, the 'Total' will not reconcile to the sum of the receivables total in Note 8.

DCS is not materially exposed to concentrations of credit risk to a single debtor or group of debtors as at 30 June 2021 and 2020.

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.

Other financial assets - Authority Deposits

DCS has placed funds on deposit with TCorp, which has been rated 'AAA' by Standard and Poor's Rating. These deposits are placed with Cash Funds and Medium Term Growth Funds, which have a weighted average interest rate of 8.25% (2020: 0.9%) calculated on a weighted average balance during the financial year of \$90 million (30 June 2020: \$94 million). None of these are past due or impaired.

(e) Liquidity Risk

Liquidity risk is the risk that DCS will be unable to meet its payment obligations when they fall due. DCS continuously manages risk through monitoring future cash flows and maturities planning to ensure adequate holding of high quality liquid assets. The objective is to maintain a balance between continuity of funding and flexibility through the use of overdrafts, loans and other advances.

DCS has a loan facility with TCorp with a limit of \$650 million to fund the StateFleet Leasing Arrangement. Out of this facility, \$1.2 million was utilised as at 30 June 2021 (30 June 2020: \$32.0 million).

During the current and prior year, there were no defaults of loans payable. No assets have been pledged as collateral. DCS's exposure to liquidity risk is deemed insignificant based on prior periods' data and current assessment of risk.

The liabilities are recognised for amounts due to be paid in the future for goods or services received, whether or not invoiced. Amounts owing to suppliers (which are unsecured) are settled in accordance with the policy set out in *Treasurer's Direction NSW TC 11/12*. For small business suppliers, where terms are not specified, payment is made no later than 30 days from date of receipt of a correctly rendered invoice. For small business suppliers, where payment is not made within the specified time period, simple interest must be paid automatically unless an existing contract specifies otherwise. For other suppliers, if trade terms are not specified, payment is made no later than the end of the month following the month in which an invoice or a statement is received. For payments to other suppliers, the Head of an authority (or person appointed by the Head of an authority) may automatically pay the supplier simple interest. The rate of interest applied during the year was 8.28% (2020: 9.08%).

Based on management's assessment on natural disasters (including COVID-19), there was no change to the underlying terms and conditions of our financial liabilities. However, DCS has chosen to reduce the payment period on our all our creditors and other payables to assist with struggling businesses during the COVID-19 period. This has not affected our ability to settle and pay for all debts as and when they arise.

The table below summarises the maturity profile of DCS's financial liabilities based on contractual undiscounted payments, together with the interest rate exposure.

	%	\$'000	Interest Rate Exposure \$'000			Maturity \$'000				
			Weighted Average Effective Interest Rate	Nominal Amount ⁽ⁱ⁾	Fixed Interest Rate	Variable Interest Rate	Non-interest Bearing	< 1 Year	1-5 Years	> 5 Years
2021										
Payables	0.00%	105,156	-	-	105,156	-	105,156	-	-	-
<i>Borrowings</i>										
Lease liabilities	1.50%	561,132	561,132	-	-	-	58,699	162,562	339,871	-
TCorp borrowings	2.02%	16,206	11,507	4,699	-	-	5,165	11,041	-	-
		682,494	572,639	4,699	105,156	169,020	173,603	339,871		
2020										
Payables	0.00%	129,434	-	-	129,434	-	129,434	-	-	-
<i>Borrowings</i>										
Lease liabilities	1.50%	704,522	704,522	-	-	-	66,811	202,911	434,800	-
TCorp borrowings	0.81%	45,484	10,033	35,451	-	-	35,451	10,033	-	-
		879,440	714,555	35,451	129,434	231,696	212,944	434,800		

(i) The amounts disclosed are the contractual undiscounted cash flows of each class of financial liabilities based on the earliest date on which DCS can be required to pay. The tables include both interest and principal cash flows and therefore will not reconcile to the Statement of Financial Position.

(f) Market Risk

Market risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices. DCS's exposures to market risk are primarily through interest rate risk on DCS's borrowings. DCS has no exposure to foreign currency risk and does not enter into commodity contracts.

The effect on profit and equity due to a reasonably possible change in risk variable is outlined in the information below, for interest rate risk and other price risk. A reasonably possible change in risk variable has been determined after taking into account the economic environment in which DCS operates and the time frame for the assessment (i.e. until the end of the next annual reporting period). The sensitivity analysis is based on risk exposures in existence at the statement of financial position date. The analysis is performed on the same basis as for 2020. The analysis assumes that all other variables remain constant.

Interest Rate Risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. Exposure to interest rate risk arises primarily through DCS's interest bearing liabilities. This risk is minimised by undertaking mainly fixed rate borrowings, primarily with TCorp. DCS does not account for any fixed rate financial instruments at fair value through profit or loss or as at fair value through other comprehensive income. Therefore, for these financial instruments, a change in interest rates would not affect profit or loss or equity. A reasonably possible change of +1/-1% is used, consistent with current trends in interest rates (based on official RBA interest rate volatility over the last five years). The basis will be reviewed annually and amended where there is a structural change in the level of interest rate volatility. The following table demonstrates the sensitivity to a reasonably possible change in interest rates:

	Change in interest	2021 \$'000	2020 \$'000
Impact on net result	+/-1%	-/+296	-/+414
Impact on equity	+/-1%	+/-296	+/-414

(g) Other Price risk – TCorpIM Funds

Exposure to 'other price risk' primarily arises through the investment in the TCorpIM funds, which are held for strategic rather than trading purposes. DCS has no direct equity investments. DCS holds units in the following TCorpIM Funds trusts:

Facility	Investment Sectors	Investment Horizon	2021 \$'000	2020 \$'000
TCorpIM Cash Fund	Cash and fixed income	Up to 1.5	797	138
Medium-Term Growth Fund	Cash and fixed income, credit, equities, alternative assets, real assets	3 years to 7 years	86,119	87,360

The unit price of each facility is equal to the total fair value of the net assets held by the facility divided by the number of units on issue for that facility. Unit prices are calculated and published daily.

TCorp as trustee for each of the above facilities is required to act in the best interest of the unit holders and to administer the trusts in accordance with the trust deeds. As trustee, TCorp has appointed external managers to manage the performance and risks of each facility in accordance with a mandate agreed by the parties. TCorp has also leveraged off internal expertise to manage certain fixed income assets for the TCorpIM Funds facilities. A significant portion of the administration of the facilities is outsourced to an external custodian.

Investment in the TCorpIM Funds facilities limits DCS's exposure to risk, as it allows diversification across a pool of funds with different investment horizons and a mix of investments.

TCorp provides sensitivity analysis information for each of the Investment facilities, using historically based volatility information collected over a ten-year period, quoted at two standard deviations (i.e. 95% probability). The TCorpIM Funds are measured at fair value through profit or loss and therefore any change in unit price impacts directly on net results. A reasonably possible change is based on the percentage change in unit price (as advised by TCorp) multiplied by the redemption value as at 30 June 2021 for each facility.

Core Funds*	Impact on net result/ equity		
	Change in unit price	2021 \$'000	2020 \$'000
TCorpIM Cash Fund	+/-1%	+/-8	+/-14
Medium-Term Growth Fund	+/-6%	+/-5,165	+/-8,736

Asset Class Fund*	Impact on net result/ equity		
	Change in unit price	2021 \$'000	2020 \$'000
Australian Shares	+/-10%	+/-8,612	+/-8,736
International Shares	+/-10%	+/-8,612	+/-8,736
Listed Property Fund**	+/-10%	+/-8,612	+/-8,736
Emerging Markets shares**	+/-10%	+/-8,612	+/-8,736
Global Credit Fund**	+/-10%	+/-8,612	+/-8,736
Multi-Asset Class Fund**	+/-10%	+/-8,612	+/-8,736

* TCorpIM Investment funds are unrated and are not guaranteed by NSW Treasury Corporation.

** The sensitivity percentages are derived from historically based volatility information collected by NSW Treasury Corporation since inception of these funds.

(h) Fair Value Measurement

(i) Fair value compared to carrying amount

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either in the principal market for the asset or liability or in the absence of a principal market, in the most advantageous market for the asset or liability.

Financial instruments are generally recognised at cost. The amortised cost of financial instruments recognised in the Statement of Financial Position approximates the fair value because of the short-term nature of many of the financial instruments.

The following table details the financial instruments, by class, where the fair value differs from the carrying amount:

	2021		2020	
	Fair Value \$'000	Carrying Amount \$'000	Fair Value \$'000	Carrying Amount \$'000
Financial liabilities				
TCorp borrowings	16,081	1,221	47,187	31,973

(ii) *Fair value recognised in the Statement of Financial Position*

Management assessed that cash, trade receivables, trade payables, and other current liabilities approximate their fair values, largely due to the short-term maturities of these instruments.

When measuring fair value, the valuation technique used maximises the use of relevant observable inputs and minimises the use of unobservable inputs. Under AASB 13, DCS categorises, for disclosure purposes, the valuation techniques based on the inputs used in the valuation techniques as follows:

- Level 1 - quoted (unadjusted) prices in active markets for identical assets / liabilities that DCS can access at the measurement date.
- Level 2 – inputs other than quoted prices included within Level 1 that are observable, either directly or indirectly.
- Level 3 – inputs that are not based on observable market data (unobservable inputs).

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

	Level 1 \$'000	Level 2 \$'000	Level 3 \$'000	Total \$'000
2021				
Financial Assets at fair value				
TCorp IM funds	-	86,138	-	86,138
Total	-	86,138	-	86,138
2020				
Financial Assets at fair value				
TCorp IM funds	-	87,360	-	87,360
Total	-	87,360	-	87,360

The value of available-for-sale financial assets is based on DCS's share of the value ordinary shares in the capital of the underlying entity bases on market value.

The value of the TCorpIM Funds is based on the DCS's share of the value of the underlying assets of the facility, based on the market value. All of the TCorpIM Funds facilities are valued using 'redemption' pricing.

The table above only includes financial assets, as no financial liabilities were measured at fair value in the Statement of Financial Position.

The fair value of financial instruments that are not traded in an active market is determined using valuation techniques. These valuation techniques maximise the use of the observable market data where it is available and rely as little as possible on entity specific estimates. If all significant inputs required to fair value an instrument are observable, the instrument is included in level 2.

34. EVENTS AFTER THE REPORTING PERIOD

a) Adjusting Events

There are no known events after the reporting period which would give rise to a material impact on the reported results or financial position of DCS as at 30 June 2021.

b) Non- Adjusting Events

There are no known events after the reporting period which would give rise to a material impact on the reported results or financial position of DCS as at 30 June 2021.

END OF AUDITED FINANCIAL STATEMENTS

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