



NSW Telco Authority

Annual Report 2020/21



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

Annual Report for year ending 30 June 2021

Dear Minister Dominello

We are pleased to submit the NSW Telco Authority Annual Report for year ending 30 June 2021 for your information and presentation to the Parliament of New South Wales.

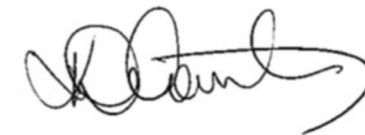
The Annual Report outlines the performance of the NSW Telco Authority (NSWTA) within the context of our strategic priorities, key achievements and regulatory obligations. The report has been prepared in accordance with the *Annual Reports (Statutory Bodies) Act 1984*, the *Government Sector Finance Act 2018* and the regulations under those Acts.

We acknowledge the work of NSWTA staff, customers, vendors and the Emergency Services Organisations we work with, for their contribution to our achievements over another challenging but rewarding 12 months.

Yours sincerely



Beth Jackson
Chairperson



Kylie De Courteney
Managing Director

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Message from the Chair



I am pleased to note that despite the continued impacts of the COVID-19 pandemic, this year has been one of significant growth and achievement for NSW Telco Authority (NSWTA).

During the year, we have continued to lead the development of a whole-of-government connectivity strategy to optimise statewide connectivity programs and opportunities across the public sector. We sharpened our strategic focus on building sustainable critical communications now and into the future.

NSWTA is also working closely with Resilience NSW and other agencies to implement recommendations from the NSW Bushfire Inquiry and the Royal Commission into National Natural Disaster Arrangements following the catastrophic Black Summer bushfires of 2019/20.

Both the Inquiry and Royal Commission recommended all governments expedite delivery of a Public Safety Mobile Broadband (PSMB) capability. I am pleased to confirm that in March 2021, NSWTA executed a contract, on behalf of the Commonwealth, states and territories, with Nokia, and their partners TPG Telecom and Optus, to develop and test technology in a trial for Australia's first PSMB.

I particularly wish to acknowledge the NSW Government's ongoing support to enable us to significantly expand the coverage of our Public Safety Network (PSN). During the year more than 100 new or enhanced sites were delivered by the Critical Communications Enhancement Program (CCEP), which is the primary component of the PSN's expansion. I welcome the additional \$660 million in capital funding announced in the 2021/22 NSW Budget to complete the statewide rollout of the CCEP, which will allow the PSN to reach more than 99 per cent of the NSW population.

As Chair, I am grateful for our inspiring board of directors, senior leadership group and their teams, who continue to deliver for our customers and the citizens of NSW in these challenging times. I would especially like to thank Ms Clare Gardiner-Barnes who has brought invaluable insight to our organisation during her time serving on the board.

I also acknowledge the contribution of Kylie De Courteney and her executive team for their leadership in navigating the organisation throughout a period of COVID-19 impacts, growth and change. I am very pleased with the heightened focus on customer and industry partners and greater engagement with innovation across government, research and industry sectors.

Our customers, business partners and in particular our Emergency Services Organisations and other agencies who are supporting the state's response to the COVID-19 pandemic, are the driving force behind the work of NSWTA and remain our key focus for improved communications and applications for the future. The work of all organisations providing emergency and public safety services is critical to our role to deliver resilient critical communications services to ensure a safer NSW.



Beth Jackson
Chair
NSW Telco Authority Advisory Board

Message from the Managing Director



The last 12 months has seen NSWTA make positive progress against the State's key priorities to deliver excellence in customer service and drive digital leadership and innovation across government services.

We hit significant milestones with our major programs, surpassing the delivery of 150 new and enhanced sites under our Critical Communications Enhancement Program (CCEP) and expanding the Public Safety Network's (PSN) footprint to more than 41 per cent – 325,000 square kilometres of NSW. We celebrated the completion of Round 1 of the Mobile Black Spot Program which, to date, has delivered more reliable voice and data coverage to 23,000 premises along 1,000 kilometres of key transport routes.

We welcomed 12 new customers to the PSN and commenced network migration for the NSW State Emergency Service operating on the Far North Coast. This means that for the first time, PSN coverage is available from Byron Bay to Tweed Heads and Murwillumbah.

To support a growing PSN, we opened our new custom-built Network Operations and Control Centre in November 2020, which will meet the increased requirements of our future statewide network and the growth of our day-to-day operations.

The new facility was put to the test in March, when 36 PSN sites were impacted by severe flooding. As part of our emergency response, we coordinated five mobile asset deployments to restore communications where power had been lost, and fast-tracked delivery of six new CCEP sites to provide critical communications support for emergency services on the frontline.

I'm pleased to say that throughout the year, despite a 42 per cent increase in calls to the PSN during the March floods, our network exceeded an average of 99.95 per cent availability.

To support our journey to be the connectivity leader for NSW Government, we are experiencing significant growth. We saw a 41 per cent increase in our full-time staff bringing our total team members to 251 in addition to vendor partners.

The COVID-19 pandemic continues to provide challenges that require us to regularly adapt to ensure the safety of our staff, customers and vendor partners. We have successfully managed the transition to a remote working environment and continue to look at new ways of working to support our people with a renewed focus on culture, wellbeing, learning and development.

NSWTA again exceeded Public Service Commission diversity targets including the employment of staff with a disability. Women make up more than 41 per cent of our full-time equivalent workforce and 50 per cent of our Senior Leadership Team. More than 45 per cent of staff identify as culturally and linguistically diverse and we support the NSW Government Veteran Employment Program with nine veterans working in teams across NSWTA.

We are committed to investing in the training and development of our people with 290 enrolments across 80 professional courses during the year.

I'm particularly proud of our staff who have not only continued to deliver their operational programs of work but who continue to put the customer at the centre of everything we do while supporting business partners, vendors and stakeholders through the ongoing pandemic. I would like to thank all of you for your outstanding contribution.

This year has again demonstrated that we remain even more determined to deliver safe and connected communities while supporting the wider public sector goal to become the world's most customer-centric government.

A handwritten signature in black ink, appearing to read 'Kylie De Courteney'.

Kylie De Courteney
Managing Director
NSW Telco Authority

About NSW Telco Authority



Purpose

Working together to keep people and places safe across NSW



Vision

To be the connectivity leader for NSW Government



Values

Service, Transparency, Accountability, Integrity, Respect, Safety.

Public Safety Network

one of the world's largest radio communications networks

41% land coverage of NSW

99.95% target availability

Our accountabilities

Major programs

Who we are

We manage the Public Safety Network (PSN) to deliver mission-critical communications services for NSW. Frontline emergency services organisations (ESOs) communicate on the PSN to coordinate responses to critical incidents and day-to-day operations.

What we do

We work with frontline services, essential services and telecommunications carriers during disasters to protect communications assets used by emergency services and communities.

Our vision

To be the connectivity leader for NSW Government. We do this by driving innovation and collaborative delivery of resilient communications to keep our customers and the communities they serve connected and safe.

Our purpose

Working together to keep people and places safe across NSW. We are driven to create a single, integrated telecommunications portfolio capable of delivering voice, video and data services to our customers, now and into the future.

Our values

Our values are Service, Transparency, Accountability, Integrity, Respect and Safety.

Legislation and charter

We are a Statutory Authority established under the former *Government Telecommunications Act 1991 (NSW)*, which was replaced by the *Government Telecommunications Act 2018 (NSW)*.

We are part of Digital.NSW within the Department of Customer Service (DCS) under the portfolio of the NSW Minister for Digital, Minister Customer Service. Our organisation operates under the guidance of the NSW Telco Authority Advisory Board.



NSW Government agency

A Statutory Authority within the Department of Customer Service



Service delivery

Operate and maintain the PSN for 52 customer and 62,000 radio users



Spectrum management

Oversee and coordinate use of spectrum and advocate for spectrum on behalf of the NSW Government



Telecommunications emergency management

Coordinate emergency and incident telecommunications – providing a link between carriers and ESOs during emergencies.



Critical Communication Enhancement Program

Expanding the PSN to build a single network for first responders, delivering 85% land coverage and 99.7% population coverage



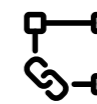
Public Safety Mobile Broadband

Provide mission-critical mobile data communications capability for the exclusive use of emergency services



Mobile Black Spot Program

Extend the coverage of voice and mobile broadband services in regional and rural areas



Connecting Country Communities

Deliver faster, more reliable broadband internet access for regional NSW

Our role in emergency management

NSW Emergency Management Framework

The *State Emergency and Rescue Management Act 1989* provides the legislative framework for the operation of our telecommunications emergency management activities.

Telecommunications Emergency Management Unit

Our Telecommunications Emergency Management Unit (TEMU) forms part of the State Emergency Management Committee.

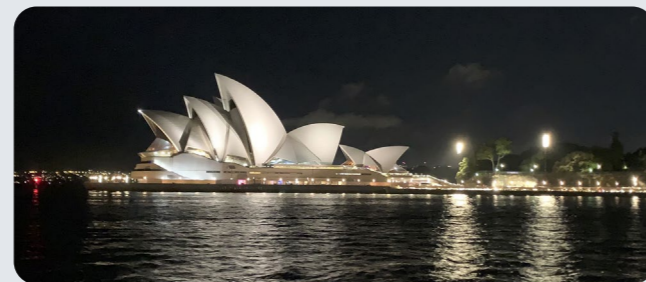
TEMU is responsible for coordinating functional area support and resources for emergency operations in all phases of emergency management involving telecommunications. TEMU operates 24/7, and during an emergency or public response, works with ESOs to safeguard telecommunications networks, including the PSN, to help protect the community.

TEMU increased its resources during the year to strengthen its capacity to respond to major incidents and build broader capability across our agency. This included the introduction of three new teams which focus on incident management, risk, intelligence, mapping and capability development as well as training and exercises. A regional engagement and deployment capability was developed in March 2021, which proved successful as part of our operational response to the NSW flood emergency.

CUSTOMER FACT

The Sydney Opera House is the largest user of the PSN at a single site.

As well as being set up for service continuity in the event of mains power failure, the network also allows for site affiliation with other PSN users at nearby sites including North Head.



The Sydney Cricket Ground, operated by Venues NSW, are active users of the PSN. Their security teams deploy around 50 radio handsets on game-days to facilitate communications across the venue.

During a typical event, more than 600 radios are in use by staff across the venue with an average of 4,500 calls made to the network.



Public Safety Network

We are responsible for the network that delivers critical communications services for NSW.

Next to Australia's triple zero emergency hotline, the PSN is the most important critical communications network in NSW and one of the largest of its type in the world. The PSN provides the platform for two-way communications for frontline emergency

services and other network users via radio handsets and other devices.

During the year, 16.1 million calls were made across the network, which exceeded 99.95 per cent availability (average 99.97 per cent). More than 62,000 hours of traffic was carried on the network, averaging 4,800 hours each month.

Our customers

Our customers require radio communications technology to deliver critical frontline services to support public safety, emergency management and other government services.

Customers who use the PSN include ESOs, essential services and government agencies. During the year, 12 new customers joined the network, bringing the total number of organisations who use the PSN to 52.

Registered radios accessing the PSN increased from 59,000 in 2020 to 62,000 in 2021.

PSN user fees and charges

We operate the PSN on a full cost recovery basis, which includes a return on capital for services provided by the network. ESO customers are charged a flat fee for PSN connectivity, irrespective of handset numbers or network usage. Our non-ESO customers pay a fee-per-handset and a charge for each talk group.



Our commitment to customer service

We adopt the NSW Government Customer Commitments which form our promise to our customers of what they should expect when receiving government services.

Easy to engage	Act with empathy	Respect my time	Explain what to expect	Resolve the situation	Engage with the community
<p>Make it easy to access what I need</p> <p>Make it simple for me to understand</p>	<p>Show you understand my situation</p> <p>Treat me fairly & with respect</p> <p>Provide service in my time of need</p>	<p>Tell me what I need to know beforehand</p> <p>Minimise the need to repeat myself</p> <p>Make what I need to do straightforward</p>	<p>Be clear about what steps are involved</p> <p>Contact me when I need to know something</p> <p>Let me know what the outcomes could be</p>	<p>Be accountable for your actions</p> <p>Be clear in decision making</p> <p>Reach an outcome</p>	<p>Listen to the community to understand our needs</p> <p>Ask us how we want our services delivered</p>

FACTS

We are proud to be recognised by FlexCareers in achieving fully flexible working arrangements for all our staff. In August, we achieved formal FlexReady certification.



Our team took part in Wear Orange Wednesday in May to show our support for NSW State Emergency Service and their 10,000 plus volunteers.



Our growth

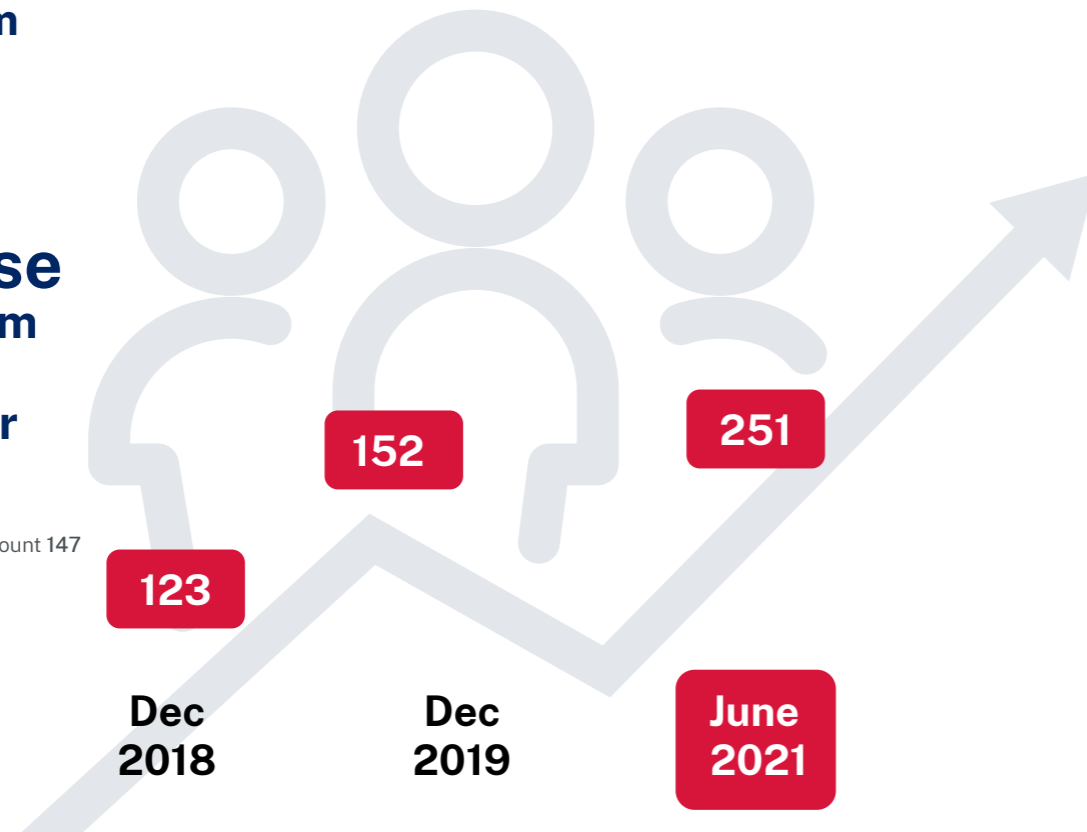
During the past 12 months we continued to rapidly expand our resources and experienced a 41 per cent increase in full time equivalent staff (147) and a 75 per cent increase in contractors, bringing our total team to 251.

To support our growth, we are continuing to map out our operating model, culture and capability requirements to ensure our future success.

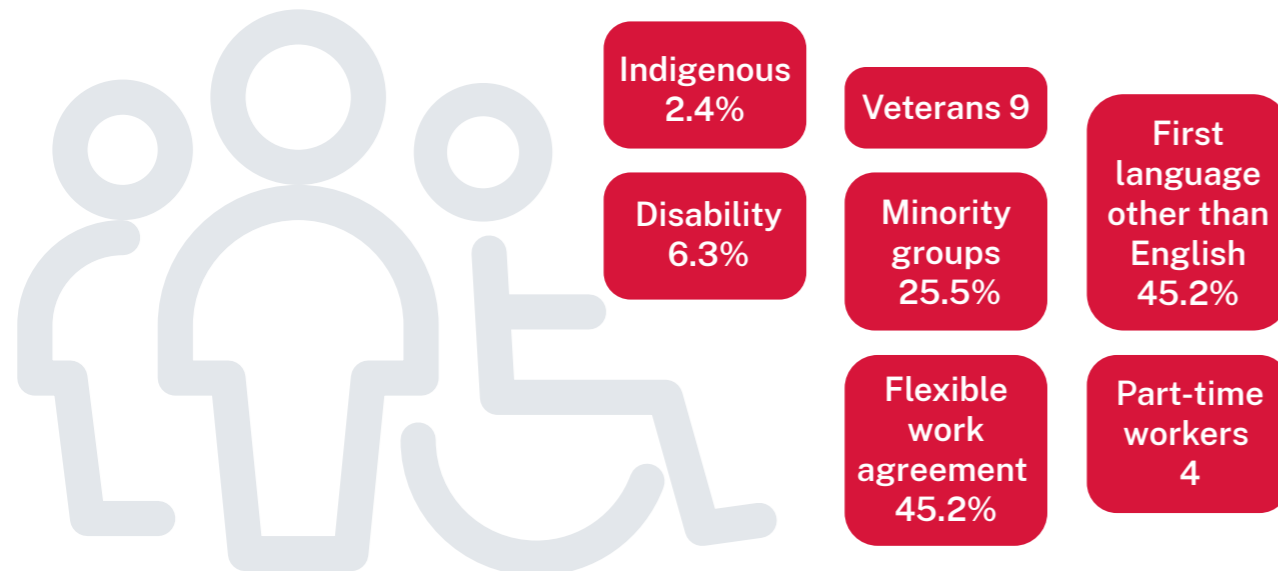
Telco team

91% increase in our team since December 2018

Telco Authority headcount 147
Contractors 104
June 2021



Diversity



Our strategic direction

Our operational performance is measured against our strategic objectives which outline our contribution to the achievement of the three state outcomes being delivered by DCS.

State Outcomes	 Excellence in customer service	 Digital leadership and innovation	 Competitive, fair and secure markets
Our Strategic Priorities	Create a single, integrated telecommunications portfolio, capable of providing voice, video and data services to customers, now and into the future.	Leverage technology, and work with industry to develop new technologies to support service delivery, connect communities and uphold the security of the network.	Shape a competitive, contestable market for operational communications to deliver greater value to government and the community.
Our Strategic Objectives	<ol style="list-style-type: none"> 1 Create a single, expanded communications network to reduce duplication and provide an integrated, interoperable network for emergency services. 2 Shape a competitive market, increase contestability and deliver better value-for-money communications. 3 Improve mobile coverage across the state, enhancing regional and remote NSW through improved and reliable high-speed broadband internet. 4 Develop evolved, resilient and secure critical communications capability to support existing and future data and video-based services. 5 Oversee and coordinate the use of spectrum for emergency services and advocate at a national level for spectrum allocation for these agencies on behalf of the NSW Government. 6 Ensure the effective use and coordination of emergency communications services during incidents and emergencies and provide a link between commercial carriers, emergency services and the radio network. 7 Contribute to the government response to recent natural disasters, including recommending ways to improve the resilience of critical infrastructure. 8 Value and develop our people to make us a great place to work 		

Our year at a glance



12
new customers
joined the PSN



16.1M
calls across
the PSN



Round 1
Mobile Black
Spot Program
completed



41%
increase
in staff



0
lost time
workplace
injuries



99.9%+
network
efficiency



101
new and
enhanced
CCEP sites



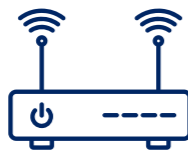
1st
solar CCEP site



137
CCEP sites
under
construction



4
new MBSP
towers built



Trials
for a PSMB
commenced



400+
households with
improved
broadband
internet services



5
mobile asset
deployments to
support flood
response



42%
more calls to
the PSN during
flood response



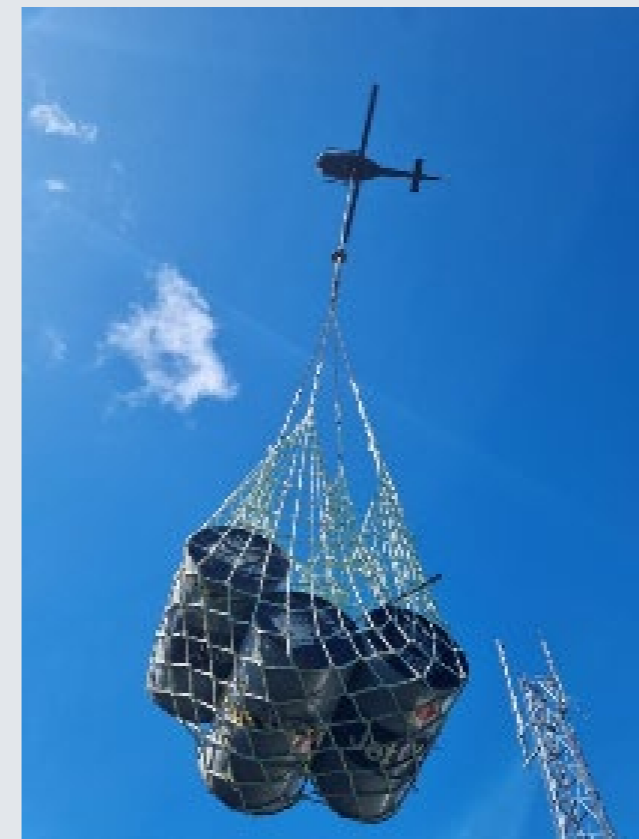
6
CCEP sites fast-
tracked to
support flood
response



CUSTOMER FACT

More than 1000 RSPCA staff and volunteers run 40 shelters providing animal care and protection services across NSW.

RSPCA field officers communicate over the PSN when coordinating responses to cases of animal cruelty and when liaising with NSW Police on incidents that involve reclaiming and rehoming lost or poorly treated animals.



QUICK FACT

In April, our CCEP team made a dramatic helicopter delivery of a generator and fuel drums to a flood-affected PSN site at Upper Allyn in the Hunter. The 1,000-litre fuel cell generator will power the site and enable emergency services to maintain two-way radio communications to coordinate site recovery efforts.

Operational performance

Support for March 2021 major floods

In March 2021, an extreme weather event resulted in widespread flooding of heavily populated areas, impacting thousands of people, businesses and primary producers. Maintaining critical communications was crucial to keep our citizens safe and to support the state's emergency management response.

Under our Functional Area Coordination role, we facilitated information flow between telecommunications carriers, ESOs and standalone radio communications units across 20 government agencies. Our liaison officers were deployed to the State Emergency Operations Centre as well as State Emergency Service Headquarters in their Wollongong and Northern Zones.

We worked with NSW Spatial Services, to assess satellite imagery of flooded areas to determine the level of threat to public and private telecommunications infrastructure. In the absence of an operational Joint Intelligence Management System in NSW, TEMU used this satellite imagery data to manually create real-time intelligence reporting for incident controllers and first responders.

A total of 36 PSN sites were impacted including 19 sites that experienced mains power failure. To maintain critical communications where radio network infrastructure was damaged or receiving high volumes of traffic, we coordinated five deployments of mobile assets (such as satellites and generators) to Moree, Bankstown, Kurrajong Heights, Glenbrook and Mount Tomah.

Performance objective

6 Ensure the effective use and coordination of emergency communications services during incidents and emergencies and provide a link between commercial carriers, emergency services and the radio network.

Despite damaged infrastructure and a 42 per cent increase in call traffic across the PSN, the network maintained a 99.95% efficiency during this period. Of nine new PSN sites scheduled to be integrated into the network in March and April, six were fast-tracked to support the emergency response.

TEMU staff worked 24/7 over 11 consecutive days providing 880 hours of support the state's response.

Upgrading our geospatial system solutions

Following the flood event and the Black Summer bushfires, we identified that the current operational geospatial technology used by TEMU required a critical upgrade to meet customer needs now and in the future.

In partnership with NSW Spatial Services, we are upgrading our geospatial technology to improve data quality and enable real-time, reliable sharing of information between TEMU, our customers and stakeholders during an emergency.

The data and Geographic Information System solution will deliver significant improvements to the identification of hazards and visibility of threats to telecommunications infrastructure during an emergency. This will be piloted in the 2021/22 storm and bushfire season.

Support for NSW flood response

12,000

Calls to SES for assistance

18,000

People evacuated across NSW

1,000

Flood rescues

1,700

SES volunteers on the ground each day

Communications infrastructure



19 sites impacted by mains power failure

6 new sites fast-tracked

2 cells on wheels and 3 generator deployments

Public Safety Network capacity



42% increase in calls to the PSN



Telco Liaison Officers deployed to State Emergency Operations Centres

Operational support

Black Summer bushfires

The catastrophic 2019/20 NSW bushfire season lasted for eight months and resulted in the tragic loss of life and property as well as flora and fauna devastation.



Performance objectives

6 Ensure the effective use and coordination of emergency communications services during incidents and emergencies and provide a link between commercial carriers, emergency services and the radio network.

7 Contribute to the government response to recent natural disasters, including recommending ways to improve the resilience of critical infrastructure.

Royal Commission into Natural Disaster Arrangements

In October 2020, the final report of the Commonwealth Royal Commission into National Natural Disaster Arrangements made 80 recommendations.

Actions relevant to our agency relating to cross-border communications interoperability and development of a Public Safety Mobile Broadband (PSMB) capability, are being addressed in conjunction with our response to the NSW Bushfire Inquiry.

NSW Bushfire Inquiry

In January 2020, the NSW Premier announced the NSW Bushfire Inquiry to make recommendations on bushfire preparedness and response. The Inquiry released its report in July 2020 with the NSW Government accepting all 76 recommendations including 148 sub-recommendations.

The NSW Government has committed \$460 million to address specific recommendations. Resilience NSW is coordinating the implementation of the Inquiry's recommendations, including providing a quarterly NSW Bushfire Inquiry 2020 Progress Report to NSW Parliament under the *Rural Fires Act 1997*.

We are the lead agency for multiple actions against recommendations relating to operational communications. These are in progress and are funded from within our existing budget allocations. Actions include providing a PSN capability for the State Emergency Operations Centre, plans to procure power and telecommunications redundancy options for selected PSN sites and the expansion of the mobile radio asset and generator pool.

Performance objectives

- 4 Develop evolved, resilient and secure critical communications capability to support existing and future data and video based services.
- 5 Oversee and coordinate the use of spectrum for emergency services and advocate at a national level for spectrum allocation for use by these agencies on behalf of the NSW Government.

Delivering a national Public Safety Mobile Broadband

Both the NSW Bushfire Inquiry and the Royal Commission into Natural Disaster Arrangements made recommendations for a PSMB.

NSW Bushfire Inquiry Recommendation 57: To ensure emergency response agencies can communicate across state and territory borders, the Commonwealth Government allocate 10 + 10 MHz as a dedicated spectrum for PSMB at no cost to states and territories.

Royal Commission Recommendation 6.4: Delivery of a PSMB capability: Australian, state and territory governments should expedite the delivery of a PSMB capability.

The national PSMB program will help deliver mission-critical voice and data communications across agency and geographical boundaries, helping our public safety agencies to continue to keep Australians safe.

PSMB will provide ESOs with a telecommunications capability that will support emerging and data-heavy technologies such as personal location tracking, body camera live streams and bushfire monitoring drones. This will help speed up decision-making and coordination of emergency responses.

Relocation of the National Program Management Office

In July 2020, the PSMB National Program Management Office was transferred from NSWTA to the Commonwealth's Department of Home Affairs to support delivery. This ensured PSMB was coordinated by the Commonwealth providing the project with centralised top-level management.

PSMB Proof of Concept trial

On 31 March 2021, the NSW Government (on behalf of all state and territory governments and the Commonwealth), signed a contract with Nokia, and their partners TPG Telecom and Optus, to develop and test PSMB technology in a Proof of Concept (PoC) for Australia's first PSMB.

NSWTA is leading the delivery of the PSMB PoC project, which commenced in May 2021 and will run until August 2022. Part of our role has been to secure scientific assigned and non-assigned licences for the PoC, which have been granted by the Australian Communications and Media Authority to facilitate testing.

A technical forum is also held monthly to ensure subject matter experts from each jurisdiction can provide feedback on the latest developments from the testing.

Performance objective

- 7 Contribute to the government response to recent natural disasters, including recommending ways to improve the resilience of critical infrastructure.

Enhancing disaster preparedness and building community resilience

We are working with Resilience NSW and other agencies to implement recommendations from the NSW Bushfire Inquiry and the Royal Commission into National Natural Disaster Arrangements.

Resilience measures

Frontline ESOs experienced radiocommunications problems which resulted from direct damage from fire, radiant heat and loss of electrical power. We are implementing new resilience measures to maintain PSN coverage and network power supply during disasters, including:

- providing extra battery infrastructure to extend power from 10 – 16 hours to 75 hours at high-risk PSN sites
- a new fleet of mobile radio assets and generators, pre-staged across the state with accompanying logistics and deployment plan
- redundant backhaul transmission and use of high-risk PSN sites
- telecommunication huts, towers and onsite equipment built to agreed CCEP standards
- pre-built telecommunication sheds with rapid-deploy tower infrastructure.

Carriers

Our Telecommunications Services Functional Area conduct ongoing engagement with carriers to clarify the information that ESOs require from them during an emergency.

Cross border planning

We are continuing to work with Victoria and Queensland on cross border interoperability planning and implementation.

Expanding the PSN to keep people and places safe

Critical Communications Enhancement Program

The CCEP is expanding the footprint of the PSN for frontline responders. This will deliver a statewide interoperable network that will allow ESOs to communicate with each other on a single network to better coordinate responses to critical incidents.

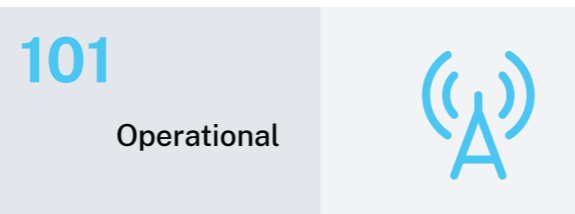
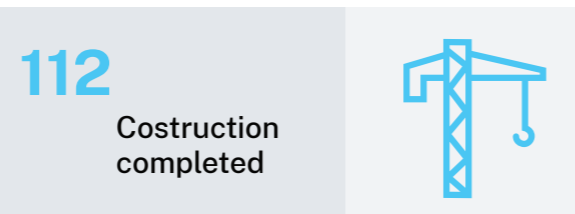
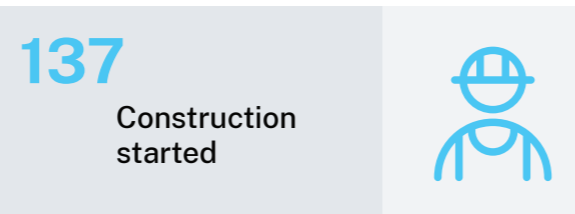
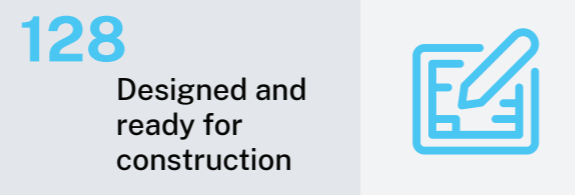
The CCEP will significantly expand PSN coverage through the delivery of over 650 new sites across NSW. During the year an additional 101 sites were added to the network taking the total number of new and enhanced sites delivered under CCEP to 167.

Under the CCEP, PSN coverage has increased from 31 per cent to more than 41 per cent of NSW, representing a land coverage increase of more than 80,000 square kilometres. It has also increased population coverage from 86

per cent to 94 per cent covering more than 600,000 NSW citizens.

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

CCEP site activity during 2020/21:



Boosting communications for NSW State Emergency Service volunteers on the Far North Coast

In November 2020, the NSW State Emergency Service (SES) began migrating to the PSN on the Far North Coast following the continued expansion of the network under the CCEP.

The construction of new telecommunications sites and in-vehicle radio coverage from Byron Bay to Tweed Heads and Murwillumbah has result in PSN coverage where previously none existed.

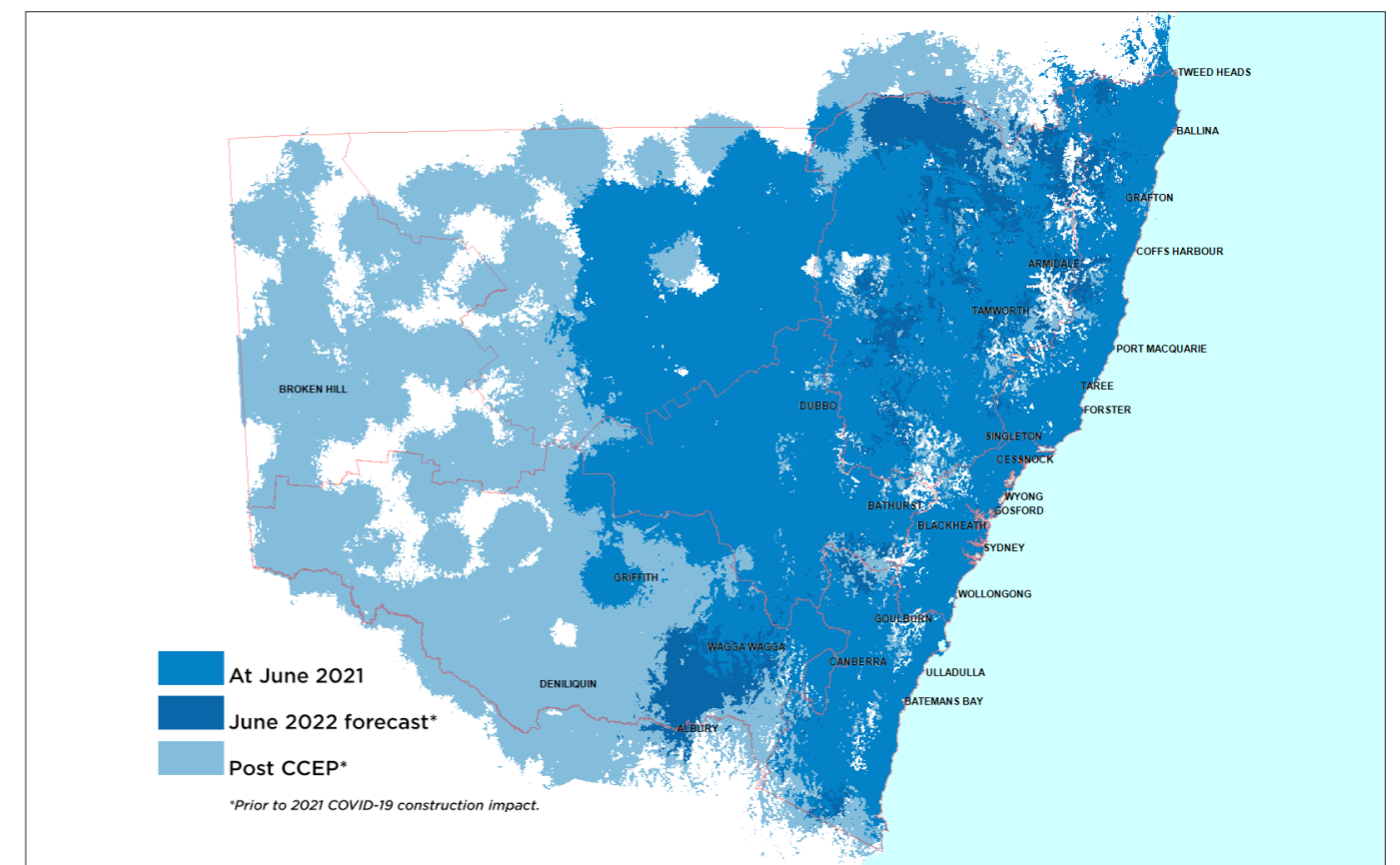
Prior to the PSN's expansion on the Far North Coast, the NSW SES relied upon its own separate network which provided approximately 69 per cent radio coverage. The enhanced PSN network has new features and functionality such as improved voice clarity and interoperability, which enables all emergency services in the region to communicate on a single network, rather than on multiple separate networks.

PSN expansion

Pre-CCEP 150 sites

2021 June 298 sites

Post-CCEP 675 sites



Performance objective

- 1 Create a single, expanded communications network to reduce duplication and provide an integrated, interoperable network for emergency services.

New state-of-the-art Network Operations and Control Centre to support a growing PSN

The evolving and rapidly expanding landscape of the PSN means we are changing the way we deliver and maintain network services for our customers.

In December 2020, our new custom-built Network Operations and Control Centre (NOCC) began operations to better meet the increased requirements of the future network while supporting the growth of our day-to-day business operations.

The hub of the PSN

From the NOCC, the network manager controls and monitors the functions of the network, activating individual services, monitoring performance, locating faults and restoring services.

Better supporting our customers and the community

State-of-the-art space for collaboration between NSWTA, the network manager and ESOs



Delivers broader data sharing and more timely reporting options for customers and improved network performance



Central coordination point for day-to-day and mission critical communications with capacity to embed ESO personnel as required during emergencies and special operations



Photo: An expanded PSN will deliver world-class critical communications services to first responders and essential service organisations well into the future. The NOCC has been built with this in mind and will support our staff and customers as we continue to improve the way we operate.

PSN dashboard

The NOCC is also home to a revamped PSN network dashboard to provide our customers with real-time network performance and enhanced features including:

- predictive network coverage plotting
- CCEP site coverage status
- loss of coverage simulations and network impacts during major critical incidents
- Bureau of Meteorology weather layers.

Operate and Maintain Program

In December 2020, NSWTA signed a five-year contract with BAI Communications to operate and maintain the PSN and manage the NOCC.

The contract was awarded following a competitive tender process and is an important step towards our objective to deliver a world-class service to support first responders and protect communities across the state.

Performance objectives

- 2 Shape a competitive market, increase contestability and deliver better value for money communications.
- 3 Improve mobile coverage across the state, enhancing regional and remote NSW through improved and reliable high speed broadband internet.

Innovation in delivering statewide connectivity

Whole-of-government connectivity strategy

As part of our journey to support a world-class customer-centric digital government, we are developing a whole-of-government connectivity strategy to optimise statewide connectivity programs and opportunities across the public sector.

We are creating tools, governance frameworks and mechanisms to identify cross-agency opportunities to develop innovative, funded solutions. These are being progressed in consultation with, the Commonwealth and state governments, as well as telecommunications carriers and wider industry.

Closing mobile coverage gaps

Under the NSW Digital Restart Fund, we have partnered with Transport for NSW to map out more than 4,200 kilometres of rail network to identify mobile black spots and poor coverage and examine opportunities to keep citizens better connected while on the move. We are developing NSW Government datasets on mobile and fixed coverage across the state. When combined with other infrastructure, social and environmental data from the Spatial Digital Twin, we can target unique opportunities for more effective whole-of-government connectivity improvements.

Our aspiration

To lead the strategy, development and implementation of resilient public safety telecommunications services to ensure a safer NSW



In the past 12 months:



We have worked with Transport for NSW and Department of Regional NSW to use mobile coverage mapping from the Spatial Digital Twin to identify specific areas on the NSW rail network with poor or no coverage. We are looking at how to develop and fund appropriate coverage solutions so that passengers can experience continuous connectivity on their train journeys.



In collaboration with the Department of Education and Department of Communities and Justice we identified locations where connectivity is poor or not available in regional NSW. These will be incorporated into programs of work to provide improved connectivity for citizens, businesses and government agencies.

Connectivity Innovation Network

We are partnering with universities, the research community and industry to collaborate, innovate and solve connectivity problems facing our state through the establishment of a Connectivity Innovation Network.

The network will connect end-users within the NSW Government to specialists in our universities, research institutes and the private sector who have the skills to solve connectivity challenges. The network will help drive faster development of products and services through improved collaboration, improve access to best practice solutions by sharing information across government, and deliver better value for money.

A Request-for-Proposal for an organisation to lead the Connectivity Innovation Network was released after the reporting period and details will be shared in 2021/2022.

NSW Government investment of \$1M to establish the network and sponsor collaborative research projects

Technology Innovation Forums

In May 2020, we launched our Technology Innovation Forums which serve as a platform for industry collaboration. They allow us to present the latest technology solutions to our customers so we can better understand how innovation can assist in public safety planning.

Two forums were hosted during the year with international presenters and more than 380 virtual participants. The forums focused on the latest innovations in data and connectivity as well as sensor technology.

CUSTOMER FACT

Venues NSW Sydney Cricket Ground Trust are active users of the PSN. Their security teams deploy around 50 radio handsets on game-days to facilitate communications across the venue.

During a typical event, more than 600 radios are in use by staff across the venue, with an average of 4,500 calls made to the network.

The number of handsets will only increase in the future as they extend the use of their radios to medics and other sports team personnel across Sydney Football Stadium.

Using technology to deliver for our customers and the community

Vehicle-as-a-Node technology successfully trialled

In collaboration with NSW State Emergency Service and Motorola, we successfully completed trials for Vehicle-as-a-Node technology. This innovative feature will be integrated into the PSN allowing radio users to continue group services from their vehicle, even when the PSN, land and mobile radio coverage has been lost.

Over-the-Air Programming solution for NSW Ambulance

In February 2020, we completed the operationalisation for an Over-the-Air Programming solution which allows NSW Ambulance to enable remote programming and maintenance of their Tait terminal radio fleet.

The solution brings benefits realisation through savings on updates to single radio handsets for NSW Ambulance.

New Cells on Wheels boost resilience

In December 2020, we delivered eight new Cell on Wheels (CoW) units to boost emergency communications capabilities. CoWs are portable PSN sites that provide temporary network coverage during critical incidents and emergencies in locations requiring additional coverage or when existing towers suffer damage.

This temporary communications infrastructure ensures continuity of coverage over a radius of around 15 kilometres which is vital to ensuring the PSN remains operational for frontline responders. We are planning to deliver a further 14 CoWs in 2021 and this increased

fleet will ensure our first responders can continue to use the PSN when they need it most.

PSN coverage in WestConnex and NorthConnex tunnels

NSWTA was commissioned to provide PSN coverage in the NorthConnex and WestConnex M8 motorways in 2020. PSN coverage is now fully operational in both tunnels to help improve safety responses for motorists and passengers in underground environments.

Performance objective

- 3 Improve mobile coverage across the state, enhancing regional and remote NSW through improved and reliable high speed broadband internet.

Bridging the digital divide in our regional communities

Connecting Country Communities Program

The NSW Government's \$50 million Connecting Country Communities Program is investing in communications infrastructure and services to improve voice and data connectivity for regional NSW across two key initiatives:

- Mobile Black Spot Program
- Broadband internet access

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 rural and regional areas with unique coverage challenges, small communities, areas prone to natural disasters and along major transport routes.

Boosting voice and mobile broadband coverage in regional and rural areas will:

- encourage competition between carriers, leading to cheaper and higher quality services
- give regional business access to new technologies and opportunities
- provide communities, and those who visit regional and rural areas with access to triple-zero and emergency services

The program is being rolled out in rounds co-funded by the Commonwealth, NSW Government and telecommunications carriers. We are leading the statewide rollout of MBSP in partnership with Regional NSW, which will significantly improve mobile coverage for around 28,000 households and businesses across NSW.

The NSW Government has committed \$39 million under the Connecting Country Communities Fund to deliver 150 of the 201 new or improved mobile base stations. This includes an additional NSW-funded round for 21 new towers in Western NSW, the North Coast, Central West, South East, Tablelands, Hunter and Riverina.

NSW Government investment in three MBSP rounds will deliver 201 mobile base stations that will cover 1800 kms of transport routes reaching 54,000 people across 28,000 premises.

Delivery status (as at June 30 2021)

178

of 201 planned towers delivered



23

towers under construction



4

NSW funded towers delivered in FY21



1,000kms

coverage along major transport routes



23,000

more premises receiving coverage



46,000+

more people accessing coverage



Rollout completion

December 2021 – Round 2 Complete
June 2022 – NSW Round complete



Commonwealth Round 1

141 towers delivered with 99 NSW co-funded
3,000 residents and 250kms of transport routes

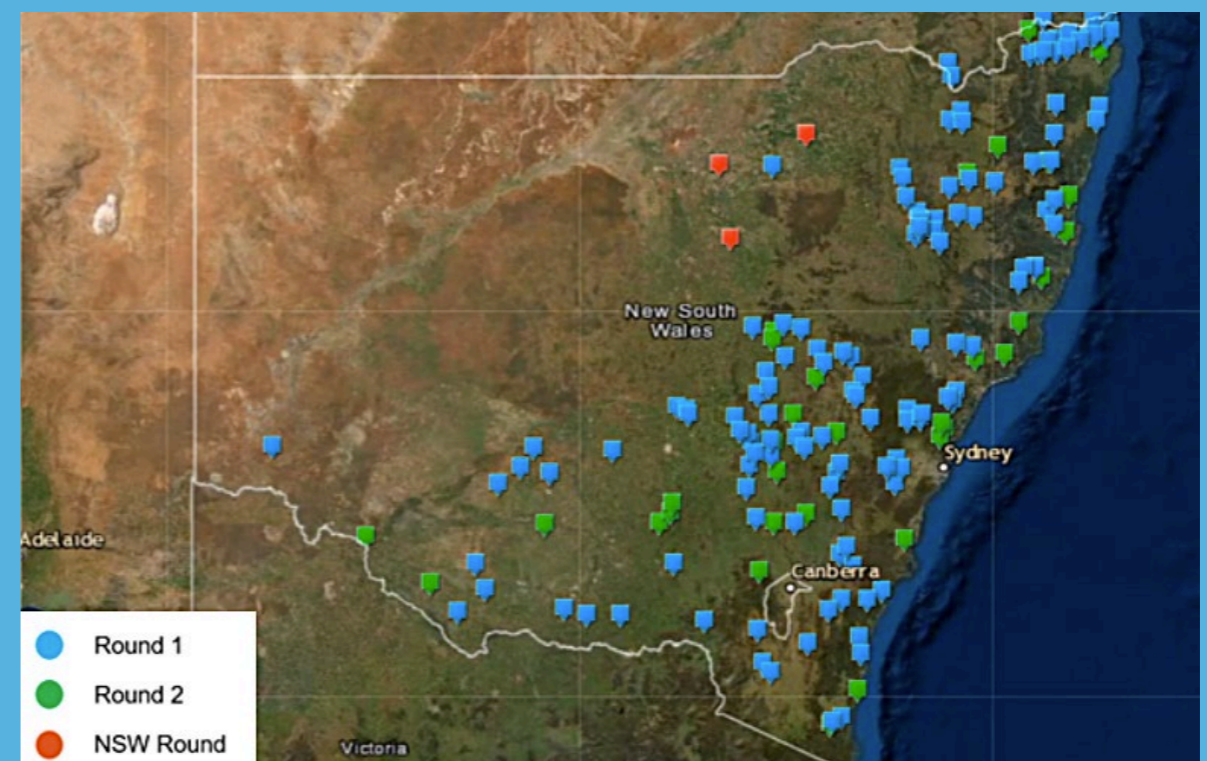
NSW Round

3 of 21 NSW solely funded towers delivered. On completion this will provide reliable communications services to 10,000 residents across 5,000 households and thousands of motorists so they can access triple zero and emergency services during emergencies



Commonwealth Round 2

37 of 39 sites delivered with 30 NSW co-funded
5,000 residents and 270kms of transport routes





MBSP Commonwealth Round 5A

Applications for the Commonwealth’s \$34.5 million MSBP Round 5A closed in March 2021. We consulted with industry and telecommunications carriers to identify proposed sites including locations that missed out under previous rounds, disaster prone areas and existing towers that could provide shared mobile coverage. Application results were made public after the reporting period and will be shared in 2021/22.





Broadband Internet Access

The Connecting Country Community Program has committed \$11.5 million to deliver expanded broadband internet connectivity to regional communities, comparable to the quality of service available in metropolitan locations.

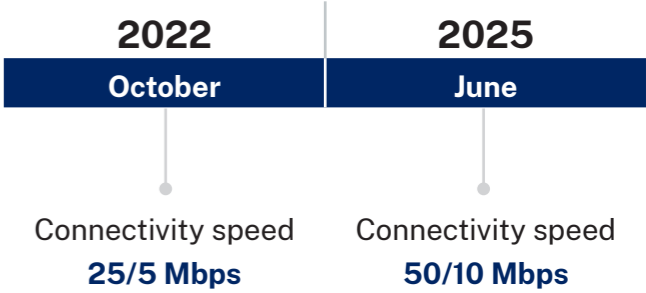
More than 4,800 households across communities in the southern NSW regions of Kangaroo Valley and Monaro will experience faster, more reliable Internet connectivity.

Rural communications carriers YLess4U and Kangaroo Valley Broadband Services were awarded contracts in 2020 to deliver the program following a competitive tender process. PoC trials have been successfully completed and both carriers are finalising site locations and have commenced the construction of new towers.







Broadband Internet

<p>Kangaroo Valley</p> <p>12 communities benefiting 1,000 premises</p>	
<p>Monaro</p> <p>11 communities benefiting 4,800 premises</p>	
<p>Enhanced internet quality and speeds</p> <p>comparable to the services available in metropolitan locations</p>	
<p>More reliable connectivity</p> <p>creating greater social, eCommerce and education opportunities</p>	
<p>NSW Government funding awarded to local business</p> <p>local communications carriers Yless4U and Kangaroo Valley Broadband Services awarded contracts to deliver the program</p>	

Deliverables



2020/21 Milestones

Proof of Concept trials completed for both regions	
6 tower locations suitability assessments completed	
24 sites designed	
8 sites under construction	
7 sites constructed	
40 customers receiving services from KVBN	
400 customers receiving services from Yless4U	

QUICK FACT

We proudly celebrated our First Nation's People by acknowledging National Reconciliation Week and NAIDOC Week.

Economic and other factors

Supporting the NSW Government's response to COVID-19

During the last 12 months, TEMU actively engaged with telecommunications carriers and broadcasters to ensure they were kept informed of the latest amendments to NSW Public Health Orders and associated border closures.

TEMU also provided operational support to Service NSW by assisting with the evaluation and processing of border exemptions for telecommunications technicians. As the functional area support, TEMU was required to maintain an active monitoring and response capability, to support the COVID response and impacts on the telecommunications sector..

Program delays

At 30 June, the COVID-19 pandemic and the associated Public Health Orders were creating uncertainty in our key infrastructure programs – CCEP, MBSP and CCC. Throughout the reporting period there were program delays as the result of:

- construction activity restrictions
- work-related travel in and outside of Greater Sydney
- work-related travel from Greater Sydney into regional areas of NSW
- equipment availability and the ability to move equipment around the state.

There were no significant cost overruns, deferrals or cancellations with our major programs during the reporting period.

Engaging with the community

2021 Royal Easter Show

NSWTA staged its inaugural exhibit at the Sydney Royal Easter Show in April where we reached more than 700 people and distributed 550 showbags. Visitors to the stand were keen to learn about who we are, how we help ESOs and our involvement in the Mobile Black Spot Program.

Social media engagement

We significantly increased our presence on LinkedIn during the year with a 30% increase in followers building from 6,932 in September 2020 to 8,965 at 30 June 2021. We continued our emphasis on using LinkedIn to inform the community about our major programs as well as to promote recruitment opportunities and customer highlights.

During the year, we enhanced our social media strategy to create more meaningful content for the community. There were 561,242 views in response to 113 posts on LinkedIn with an average engagement level of 6.3 per cent. Additionally, there were 27,504 views of the NSWTA LinkedIn page and 9,136 unique visitors.

Keeping the community informed of our major programs

We conducted almost 500 engagements with stakeholders under the Connecting Country Communities Program including eight face-to-face community forums on a range of issues including site locations and notifications of upcoming works.

There were more than 1,500 engagements with stakeholders relating to CCEP including responding to 54 enquiries from members of the public and the distribution of 50 media releases announcing new PSN sites.

Performance objective

8 Value and develop our people to make NSW Telco Authority a great place to work.

We are a great place to work

Our culture

Our staff embrace our values and work together to put our customers at the centre of everything we do. 76 per cent of our employees report they are satisfied with their work and 86 per cent feel we embrace diversity and inclusion. 95 per cent are satisfied with the flexible work arrangements we have in place.

In August 2020, we received flexible working certification with Flex Careers. Achieving **FlexReady Certification™** recognises our commitment to our people, flexibility and the future of work.

Our 'Better Box' initiative is a staff-led continuous improvement program established in 2019. There were more than 20 ideas from our people in 2020/21 with 14 implemented and five in-flight.

Developing our people

We strive to deliver the best development opportunities for our people to create a continuous improvement culture. Our development programs are designed to enhance the skills and capabilities for present and future needs.

We have engaged with the Institute of Public Administration Australia, the Australian Institute of Management and Women & Leadership Australia to develop a comprehensive training catalogue for our staff. This included more than 290 enrolments in 80 professional short courses covering communications, finance, risk management, leadership, project delivery and marketing.

Where face-to-face tuition was unavailable during the year, our training partners opted to



provide remote virtual learning opportunities. Staff also completed mandatory and other training opportunities offered by DCS including Aboriginal Cultural Awareness and maintaining mental health.

During the year, one member of our Senior Leadership Team was enrolled in the Australian Major Projects Leadership Academy which focusses on the public sector's capability to manage and deliver the nation's large-scale and increasingly complex pipeline of major infrastructure projects.

Partnering with specialist employment services

We work in partnership with employment services to ensure we can build a fully inclusive workforce including:

CareerTrackers which delivers the NSW Government Aboriginal internships program administered by the NSW Public Service Commission, which links Aboriginal and Torres Strait Islander university students to employers for paid internships.

Stepping Into is a national internship program that connects skilled and talented university students with a disability to businesses.

NSW Government Graduate program is a whole-of-government graduate program consisting of three rotations (six months for each rotation) that is centrally coordinated by the Department. During the financial year, two graduates joined us under this program.

NSW Government Veterans Employment Program is a communication and education platform designed to support Veterans and Hiring Managers.

NSW TAFE Apprenticeship Careers Australia Infrastructure Traineeship - The NSW Government Infrastructure Traineeship is a two year program that enables school leavers to access Vocational Education and Training while

completing a work placement in an office-based infrastructure role.

Pipeline Talent - Partnership with external Indigenous recruitment agencies

Engaging with our team

NSW People Matters Employee Survey 2020

The People Matter Employee Survey, a whole of NSW public sector employee survey, is an important opportunity for almost 400,000 people to have a say about their workplace and to help the public sector a better place to work.

73 per cent of our staff completed the survey, five per cent above the public sector average. Our people told us they would like more development and career opportunities, greater role clarity and support as well as more autonomy.

Recognising our people

Bushfire citations

10 of our staff received a NSW Premier's citation for their contribution to the state's 2019-20 Black Summer bushfire response. This included one staff member who received a citation in their capacity as a volunteer with St John Ambulance.

2020 DCS Secretary Awards

Winner: *Serving our Community Award* for working to keep communities connected by protecting telecommunications infrastructure during the Black Summer bushfires.

2020 NSW Premiers Awards

Finalist: *Putting Customer at the Centre Award* for the Mobile Black Spot Program team.

Participation in industry consultations and operational reviews

Participation in industry consultations

Australian Communications and Media Authority (ACMA)

July 2020: Draft re-allocation recommendation for the 850/900 MHz band

ACMA sought comment on its recommendation to concurrently re-allocate spectrum in the 900 MHz band, and the 850 MHz expansion band for 4G and 5G mobile broadband services through a price-based auction.

NSWTA's submission recommended preserving the 5 + 5 MHz of spectrum in the 850 MHz expansion band that was previously set-aside by the Commonwealth for PSMB. The Commonwealth confirmed the continuing reservation of this spectrum while PSMB PoC trial continues and precise spectrum requirements for PSMB are confirmed.

July 2020: Facilitating repeater trials of radionavigation satellite service repeaters in road tunnels

Radio Navigation Satellite Service Repeaters (RNSS) (commonly referred to as GPS locators) support the dispatch and response functions of ESOs. This is particularly important in tunnels where there are few topographical references, and the identification of precise locations is crucial during an emergency. RNSS equipment has been categorised as a 'jamming device' and is currently prohibited under Commonwealth telecommunications regulation.

NSWTA made a submission on behalf of NSW ESOs to commence trials for RNSS equipment authorisation in the Sydney Integrated Road

Tunnel Network. Further formal ACMA consultation processes are required on the path towards authorisation of RNSS for these purposes.

July 2020: Review of radiocommunications prohibitions and exemptions framework

NSWTA's submission supported the review of the elements of the prohibition framework. The submission suggested an established process with an approvals path incorporating technology trials enabled by scientific licences and applied in circumstances where an appropriate risk assessment has been made.

Department of Infrastructure, Transport, Regional Development and Communications (DITRDC)

July 2020: Radiocommunications Reform

DITRDC released a discussion paper *Radiocommunications Legislation Amendment (Reform and Modernisation) Bill 2020*. The proposed amendments are designed to add flexibility to the legislative framework, remove unnecessary prescription and legislative barriers, and improve processes, helping ensure the framework remains fit for purpose in a rapidly changing environment. Amendments include devolving more decisions to the ACMA and granting it greater flexibility, while enabling the Minister to give policy guidance to the ACMA. This would assist streamline spectrum allocation and re-allocation processes to introduce a graduation compliance and enforcement regime.

NSWTA's submission was supportive of the proposals, however, opposed the dilution of the specific Object of the *Radiocommunications Act 1992* that ensures the adequate provision

of spectrum for public safety and emergency management purposes. The amendment saw this term replaced by an Object that facilitates the use of spectrum for these purposes.

July 2020: Commonwealth Regional Connectivity Program

DITRDC released a grant program to target telecommunications infrastructure investment that improve participation in the digital economy for regional communities and businesses. This provided \$53 million of grants for solutions that improve mobile and broadband services in areas outside of the NBN fixed line footprint.

NSWTA led an application in partnership with Regional NSW and carriers to deliver improved mobile coverage to several areas identified as having poor connectivity and at risk of natural disasters. In June 2021 the Commonwealth awarded grants to 132 telecommunications infrastructure projects with a further grant pool of \$84.8 million available in the 2021/22 federal Budget.

Operational reviews

Asset Management Review

NSW Treasury introduced the NSW Asset Management Policy (TPP 19-07) in late 2019. The Asset Management Policy for the NSW Public Sector provides a whole-of-government framework to support agencies in realising value from their planned and existing assets.

The policy outlines a consistent approach to asset management and reflects the Government's objective to improve asset management through strengthening accountability, performance and capability across the NSW public sector. The requirements of the policy include that NSW Government agencies develop a fit-for-purpose

Strategic Asset Management Plan (SAMP), Asset Management Plan (AMP) and an Asset Register.

To allow NSW Government agencies time to comply with the policy, NSW Treasury with Infrastructure NSW (INSW) have provided for a transition period to comply with the policy. Approved NSW Government agencies are required to comply with the policy by June 2024.

At March 2021, NSWTA's average score against the NSW Asset Management Policy was 30 per cent against the NSW Treasury required standard.

NSWTA is working to increase organisational maturity in Asset Management to meet the mandatory core requirements outlined in the NSW Government's Asset Management Policy, including the development of:

- an Asset Management Framework
- Asset Management objectives
- a strategic five-year Asset Management Plan

Internal compliance with DCS Procurement Policy and Standards

In June 2020, an audit was undertaken to examine if the procurement of NSWTA contracts were aligned with the DSC procurement guidelines and the NSW procurement policy framework. The audit found NSWTA to be compliant with the procurement policy having strong risk controls and governance in place.

INSW review of Financial Business Case

In October 2020, an Infrastructure NSW gate review of the final business case for the CCEP found that the development and delivery of the CCEP is 'highly' aligned with NSW Government objectives.

Governance

NSW Telco Authority Advisory Board

Role

The NSWTA Advisory Board was established under the *Government Telecommunications Act 2018 (the Act)*. It provides policy advice to drive the strategic direction of the organisation.

Appointments

The Minister for Digital, Minister for Customer Service administers the Act and nominates members following consultation across NSW Government. Ms Clare Gardiner-Barnes resigned on 22 June 2021. There were no other resignations or appointments during the reporting period.

Meetings

The Board held five bi-monthly meetings between 1 July 2020 and 30 June 2021.

Board members



Ms Beth Jackson
(BA, Dip Law, MAICD)

Chairperson

Current appointment:
15/07/2020 to 14/07/2023

Attended 5 Board meetings

Beth Jackson has held senior management and executive roles in federal and state government and worked across the legal, technology and telecommunications sectors in Australia and overseas.



Ms Kaaren Koomen AM
(BA LLB, LLM, GAICD)

Deputy Chairperson

Current appointment:
15/07/2020 to 14/07/2023

Attended 5 Board meetings

Kaaren Koomen is an Executive Director with IBM Australia and New Zealand and has more than 25 years' experience in leadership in senior executive roles in the private and public sector.

Board members (cont.)



Ms Kylie De Courteney

(BCom)

Managing Director, NSW Telco Authority

Current appointment: ex-officio

Attended 5 Board meetings

Kylie De Courteney is a senior executive with expertise in complex program delivery, organisational transformation and operational performance improvement. Kylie served as the Chief Customer and Chief Digital Officer at Service NSW prior to joining NSWTA.



Deputy Commissioner Malcolm Lanyon APM

(BSSc, ADipCrimJus, ANZSOG Executive Fellow, NZPLS)

Member

Current appointment:
04/09/2019 to 03/09/2022

Attended 3 Board meetings

Deputy Commissioner Lanyon has worked as a detective and Special Services Group Commander and is the recipient of the Australian Police Medal, National Police Medal and NSW Police Medal.



Ms Emma Hogan

(GDipHRM)

Member

Current appointment:
15/07/2020 to 14/07/2023

Attended 5 Board meetings

Emma Hogan is the NSW Department of Customer Service Secretary and has worked in executive leadership roles across people and culture, customer experience, digital and transformation.



Mr Ric Oldham

(BEng, Registered Building Practitioner)

Member

Current appointment:
15/07/2020 to 14/07/2023

Attended 4 Board meetings

Ric Oldham has more than four decades experience in the transport, telecommunications and engineering sectors, including managing large public infrastructure projects in Australia and abroad.



Commissioner Shane Fitzsimmons

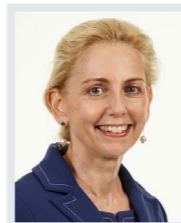
AFSM (Mmgt)

Member

Current appointment:
15/07/2020 to 14/07/2023

Attended 5 Board meetings

Commissioner Fitzsimmons is the Head of Resilience NSW and previously the Commissioner of the NSW Rural Fire Service between 2007 and 2020.



Ms Clare Gardiner-Barnes

(DipEd[Prim] GDipArts, MSW [Administration and Planning])

Member

Appointment: 04/09/2019 to
22/06/2021

Attended 4 Board meetings

Clare Gardiner-Barnes is Head of Strategy, Planning and Innovation at Infrastructure NSW and is responsible for the 20-year State Infrastructure Strategy and advises NSW Government on strategic infrastructure.



Dr Vinita Deodhar

(PhDEcon, MBusEcon, BAEcon[Hons])

Member

Current appointment:
04/09/2019 to 03/09/2022

Attended 5 Board meetings

Dr Deodhar is an Executive Director at NSW Treasury and advises NSW Government agencies on risk management, governance, public policy as well as economic and customer-centric reforms.



Mr Greg Wells,

(BEng Hons)

Member

Current appointment:
15/07/2020 to 14/07/2023

Attended 5 Board meetings

Greg Wells is the NSW Government Chief Information and Digital Officer and Deputy Secretary of ICT and Digital Government within the Department of Customer Service.

Functional structure



DCS Corporate Services (Finance, People & Culture, ICT)

Strategy, Risk and Performance	<p>Strategy</p> <ul style="list-style-type: none"> • Strategy, policy analytics • Business case development /funding • Business continuity management • Strategic project implementation <p>Transformation</p> <ul style="list-style-type: none"> • Transformation, culture and ways of working • Business analysis and process optimisation <p>Governance and ePMO</p> <ul style="list-style-type: none"> • ePMO quality assurance • Portfolio management <p>Risk and Safety</p> <ul style="list-style-type: none"> • Risk and issues management • Safety
Program Delivery	<p>In-flight Programs</p> <ul style="list-style-type: none"> • PSMB • MBSP • RCP • Connecting Country Communities <p>Pipeline/ Indevelopment</p> <ul style="list-style-type: none"> • Mobile Coverage • Gig-State • 5A MBSP <p>Other</p> <ul style="list-style-type: none"> • Infrastructure • Digital • BAU Enhancements
Major Programs	<p>Critical Communications Enhancement Program (CCEP)</p>

Executive Office

<ul style="list-style-type: none"> • Board and SLT Secretariat • Ministerial Services • Business Operations 	
Commercial	<p>Commercial</p> <ul style="list-style-type: none"> • Commercial, vendor management and procurement • Commercial –Project/ program support • Contract management • Pricing <p>Assets and Property</p> <ul style="list-style-type: none"> • Property • Asset management
Customer and Stakeholder Services	<p>Customer</p> <ul style="list-style-type: none"> • Customer account management • New customer onboarding • Customer experience <p>Stakeholder and Communications</p> <ul style="list-style-type: none"> • Stakeholder and partnerships management • Communications
Technology	<p>Engineering</p> <ul style="list-style-type: none"> • Technology strategy and innovation • Spectrum and Transmission • PSN Operations including MNP management <p>Enterprise-wide services</p> <ul style="list-style-type: none"> • Cyber security • ICT • Enterprise architecture Technology Project Support
Telecommunications Emergency Management	<p>Telecommunications</p> <ul style="list-style-type: none"> • Incident management • Emergency management • Emergency support • Telecommunications Functional Area Coordination (Telco FAC)

Senior Leadership Team



Kylie De Courteney

(BCom)

Managing Director, NSW Telco Authority

Kylie joined NSWTA in 2019. A senior executive with expertise in complex program delivery and organisational transformation including roles at Service NSW and Transport for NSW. Kylie is passionate about driving digital transformation and customer-centric service.



James Corkill

(BEng Hons)

Chief Technology Officer

James joined NSWTA in 2013 and has extensive technical experience delivering complex and large-scale telecommunications projects across government including roles at NBN co. and Ausgrid.



Geoff Howard

A/Director Major Programs

Geoff joined NSWTA in 2020. He has more than 35-years' experience in operational and program environments as well as overseeing complex projects across the commercial and government sectors including the delivery of the Sydney Trains new Rail Operations Centre.



Alan McNamara

(MCP, PRINCE2 Practitioner)

Director Program Delivery

Alan joined NSWTA in 2015 and has more than 15 years' experience in management, strategic planning, operations and governance to deliver whole-of-government technology programs and large-scale complex projects.



Kristie Clarke

(BBus)

Director, Customer and Stakeholder Services

Kristie joined NSWTA in 2020 and is a specialist in change, complex stakeholder engagement, strategy and program delivery. Kristie has led multiple cross-government, transformation programs delivering significant improvements for customers with roles at Service NSW and Railcorp.



Jim Henry

(MDS, BEd)

Director of Telecommunications Emergencies

Jim joined NSWTA in 2019 and has more than two decades' experience in emergency management focussing on protective security, disaster preparedness, incident management and building resilience including roles across three jurisdictions and the private sector.



Kirsty McKinnon

(BPE)

Director Commercial, Property and Asset Management

Kirsty joined NSWTA in 2020 and has extensive experience delivering large-scale programs and commercial contracts across the government and telecommunications sectors including roles at Service NSW and Vodafone.



Jane Want

(BSA Hons, MIL)

Director Strategy, Risk & Performance

Jane joined NSWTA in 2020 and has specialist experience in leading transformation and industrialisation of underperforming programs across the university and telecommunications sectors to deliver best-practice innovation and customer-centric outcomes.

Human resources

DCS People and Culture

NSWTA does not directly employ staff. All personnel are employed by DCS with costs charged to NSWTA.

People and Culture helps DCS to attract and retain talented people and 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.

Workplace profile

At 30 June 2021, NSWTA employed less than 150 full-time equivalent staff. There have been no exceptional movements in wages, salaries or allowances for NSWTA staff during the reporting period.

Personnel policies are based on those used by DCS. Details of human resources policies and practice are in the 2020/21 DCS Annual Report.

Total Staff

Division	2018	2019 _{1,2}	2020 _{1,2}	2021 ₂
Senior Executive	6.0	7.0	9.8	8.9
Ongoing	28.4	33.0	81.5	110.4
Temporary	2.0	6.0	12.6	26.4
Graduate	-	5.0	1.0	1.0
Total	36.4	51.0	104.9	146.7

1 Full time equivalent staff (excludes chairpersons, casuals, contractor/agency staff, statutory appointments, trustees, council committee members, staff on secondment to other agencies and staff on long term leave without pay).

2 Statistics are based on Workforce Profile census date 27 June 2019, 25 June 2020 and 24 June 2021

Employee related costs

Employee related costs 2020/21	Amount
Executive	2,313,279
Non-Executive	18,312,654
Total	20,625,933
Ratio Senior Executive	11%

Senior executives

Senior Executive Band	2018/2019 ^{1,2,3}				2019/2020 ^{1,2,3}				2020/2021			
	F	M	Total	% Representation by Women	F	M	Total	% Representation by Women	F	M	Total	% Representation by Women
Band 4 (Secretary)	0	0	0	0%	0	0	0	0%	0	0	0	0
Band 3 (Deputy Secretary)	0	0	0	0%	0	0	0	0%	0	0	0	0
Band 2 (Executive Director)	1	0	1	100%	1	0	1	100%	1	0	1	100%
Band 1 (Director)	2	4	6	33.3%	4	5	9	44.4%	4	4	8	50.0%
Total	3	4	7	42.9%	5	5	10	50.0%	5	4	9	55.6%

Senior executive remuneration

Senior Executive Band	2018/2019 ⁴		2019/2020 ⁴		2020/2021 ⁴	
	Range \$	Average Remuneration \$	Range \$	Average Remuneration \$	Range \$	Average Remuneration \$
Band 4 (Secretary)	475,151-548,950	0	487,051-562,650	0	487,051-562,650	0
Band 3 (Deputy Secretary)	337,101-475,150	0	345,551-487,050	0	345,551-487,050	0
Band 2 (Executive Director)	268,001-337,100	318,353	274,701-345,550	345,550	274,701-345,550	345,550
Band 1 (Director)	187,900-268,000	215,470	192,600-274,700	231,009	192,600-274,700	228,976

F=Female M=Male

- Senior Executive statistic exclude casuals, contractor/agency staff, statutory appointments, staff on secondment to other agencies and staff on long term leave without pay.
- Statistics are based on Workforce Profile census date 27 June 2019, 25 June 2020 and 24 June 2021.
- All employees reported in 2019, 2020 and 2021 are appointed under the *Government Sector Employment Act 2013*. Salary bands are based on current assignment including those on a temporary above level assignment for more than two months.
- Salary ranges effective at the Workforce Profile census dates of 25 June 2020 and 24 June 2021.

Diversity and inclusion

NSWTA contributed to the [DCS Diversity and Inclusion Strategy and Action Plan 2020-25](#), which outlines the Department's commitment to the NSW Premier's Priorities which are designed to:

- increase the proportion of women in senior leadership roles to 50 per cent by 2025
- increase the number of Aboriginal people in senior leadership roles
- increase representation of people with disability from 2.7 per cent to 5.6 per cent by 2025

The Strategy also:

- supports the Diversity Inclusion Advisory Council, Disability Inclusion Steering Committee and Employee Resource Groups to update practical actions
- implements the Aboriginal Workforce Strategy, the Disability Inclusion Action Plan, and programs to increase the visibility and career progression of people from culturally and linguistically diverse backgrounds.

Disability Inclusion Action Plan

NSWTA adopts the [DCS Disability Inclusion Action Plan 2020/25](#) which outlines the Department's commitment to improving accessibility and inclusion for our customers, people and suppliers with disability.

At 30 June 2021 a total of 9 NSWTA employees have a disability or require a workplace adjustment. This represents 6.3 per cent of staff exceeding Public Service Commission target of 5.6 per cent.

NSWTA's support for disability inclusion in 2020/21 included:

- completing the Australian Network on Disability's Access and Inclusion Index audit (DCS-led)

- participating in the DCS Workplace Adjustment Statement and Passport
- participating in the 'Stepping Into' program
- providing staff with compulsory training on disability awareness and support measures for managers
- participating in the NSW Public Sector Jobs for People with Disability Implementation Committee (DCS-led)

Multicultural Policies and Service Program

NSWTA supports and participates in DCS initiatives, policies and programs that are committed to multiculturalism.

At 30 June 2021, 45.2 per cent of NSWTA staff identified as culturally and linguistically diverse exceeding the Public Service Commission target by 22 per cent.

DCS uses external interpreting and translation services including the Service NSW online Auslan-English interpreting service to provide access to services, programs and opportunities across the state.

The DCS Diversity and Inclusion team works with NSWTA and agencies across the department to enhance awareness and use of these services.

NSWTA did not enter into any agreements with Multicultural NSW under the Multicultural NSW Act 2000 during the reporting period. As NSWTA employed less than 150 full-time equivalent staff at 30 June 2021, it only needs to report on its multicultural services and programs once every three years including data for that three-year period.

Information on DCS multicultural policies and service programs is in the 2020/21 DCS Annual Report.

Trends in the Representation of Workforce Diversity Groups

Workforce Diversity Group	Benchmark	2019 ₁	2020 ₁	2021
Women ³	50%	48.9%	45.0%	41.7%
Aboriginal People and/or Torres Strait Islander People ⁴	3.3%	0.0%	4.7%	2.4%
People whose First Language Spoken as a Child was not English ⁵	23.2%	8.9%	42.1%	45.2%
People with a Disability ⁶	5.6%	0.0%	6.0%	6.3%
People with a Disability Requiring Work-Related Adjustment ⁶	N/A	0.0%	1.2%	0.8%

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

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

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

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

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

Workforce Diversity Group	Benchmark ^{6,7}	2019	2020	2021
Women	100	93	96	93
Aboriginal People and/or Torres Strait Islander People	100	N/A	N/A	N/A
People whose First Language Spoken as a Child was not English	100	N/A	94	94
People with a Disability	100	N/A	N/A	N/A
People with a Disability Requiring Work-Related Adjustment	100	N/A	N/A	N/A

Note 6: 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 7: 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

Industrial Relations

On 12 March 2020, the Department of Premier and Cabinet issued circular C2020-01 Employment Arrangements during COVID-19, in response to the Covid-19 global pandemic. The circular outlines sector-wide arrangements for employees including special pandemic leave and flexible working options.

The Department's response to the current pandemic, including implementation of circular C2020-01, has involved close collaboration and ongoing communication and consultation with both employees and the NSW Public Service Association.

Work Health and Safety performance

NSWTA developed a new Work Health and Safety (WHS) management system which meets the requirements of AS/NZS 45001:2018. The system highlights the ongoing commitment to reduce the occurrence and severity of workplace incidents and injuries.

With the continuation of the COVID-19 Pandemic, NSWTA worked closely with vendors to ensure health protocols were met and safe work practices adopted.

NSWTA continued to achieve high levels of assurance inspections over the period with 1131 inspections completed with a 93% compliance rate.

Real-time site based WHS reporting with iAuditor

NSWTA continues to use the digital platform iAuditor to allow real-time reporting of inspections, incidents and hazards.

A total of 125 leadership walks and 178 virtual inspections were conducted during the year.

Workplace injuries

NSWTA staff are employed by DCS. Further workplace injury data is available in the 2020/21 DCS Annual Report.

During the year, one workplace injury was reported with zero lost time.

There were no WHS prosecutions during the year.

Research and development

No external institution was commissioned to conduct formal research on behalf of NSWTA during the reporting period.

In December 2020, NSWTA conducted an internal qualitative customer research project to better understand customer needs in relation to the PSN to help with strategic planning.

Consumer response

No complaints were received by NSWTA during the reporting period. NSWTA manages all complaints in line with the DCS Complaints Handling Policy.

Public Interest Disclosures

As staff are employees of DCS, NSWTA adopts the Department's Fraud and Corruption Internal Reporting Policy which forms part of the [Code of Conduct](#).

All staff and contractors are required to complete annual Public Interest Disclosure declarations and fraud and corruption training. No Public Interest disclosures were made by NSWTA staff during the reporting period.

Legal change

During the 2020/21 financial year, following the dissolution of the Roads and Maritime Services (RMS), a consequential amendment was made to section 34(5)(c) of the *Government Telecommunications Act 2018* to replace the reference to RMS with the Transport for NSW.

There were no significant judicial decisions affecting NSWTA or users of its services during the year.

Land Disposal

No properties were disposed of during the reporting period.

Disclosure of controlled entities and subsidiaries

NSWTA receives personnel services from the DCS. The Department is not a Special Purpose Service

Entity and does not control NSWTA under this arrangement. NSWTA does not hold shares in any public-sector subsidiary.

Procurement

NSWTA follows the NSW Procurement Policy Framework which ensures that government procurement activities achieve best value for money for the delivery of government services. This is realised through fair, transparent and streamlined processes that encourage competition.

Most of NSWTA's procurement is largely managed using three government procurement schemes:

- ITS 2573 Operational Telecommunications Equipment Infrastructure and Services
- ICT Services SCM0020 Prequalification Schemes
- PMS0005 Professional and Management Services Scheme

CCEP and the Operate and Maintain Program made up the majority of commercial engagements this year including:

- commercial management of detailed design contracts across 250 sites with a total contract value of \$33 million

- construction awarded for 107 sites at a cost of more than \$30 million

An external review conducted by NSW Public Works Advisory in October 2020, found NSWTA's end-to-end procurement to be of a high standard with a solid evaluation process that is aligned with NSW Procurement Policy standards.

Funds granted to non-government organisations

No new funds were granted to non-government community organisations during the reporting period.

Privacy and Personal Information Protection Act 1998

NSWTA follows the DCS Service Privacy Management Plan which complies with the *Privacy and Personal Information Protection Act 1998* (PPIPA Act). No reviews were conducted by or on behalf of NSWTA under Part 5 of the PPIPA.

The 2020/21 DCS Annual Report contains information about privacy reviews, access applications or informal enquiries by individuals requesting their personal information under the PPIPA Act.

Government Information (Public Access) Act 2009

NSWTA is regarded as part of DCS for the purposes of the *Government Information (Public Access) Act 2009*, (GIPA Act). Applications made under the GIPA Act involving NSWTA are centrally coordinated within the DCS.

No reviews were conducted by or on behalf of NSWTA under Part 5 of the PPIPA during the year.

The 2020/21 DCS Annual Report contains information about access applications relating to NSWTA.

Cyber Security Attestation

Cyber Security Annual Attestation Statement for the 2020-2021 Financial Year for [Department or Statutory Body]

I, Kylie De Courteney, am of the opinion that NSW Government Telecommunications Authority have managed cyber security risks in a manner consistent with the Mandatory Requirements set out in the NSW Government Cyber Security Policy.

Governance is in place to manage the cyber security maturity and initiatives of NSW Government Telecommunications Authority.

Risks to the information and systems of NSW Government Telecommunications Authority have been assessed and are managed.

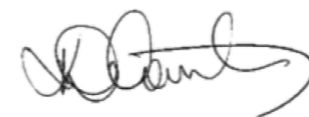
There exists a current cyber incident response plan for NSW Government Telecommunications Authority which has been tested during the reporting period.

NSW Government Telecommunications Authority has an Information Security Management System (ISMS), in place, that has been externally accredited and has been ISO:2007:2013 Certified.

NSW Government Telecommunications Authority is doing the following to continuously improve the management of cyber security governance and resilience:

- Quarterly ISMS Management Meetings
- Monthly Risk Management meetings
- Annual Penetration Testing
- Annual Incident Response plan testing
- Annual internal/external auditing for ISO 27001:2013 accreditation
- Continuous monitoring of Public Safety Network (PSN):
 - Vulnerabilities
 - External Threats/Attacks
- Continual Cyber Security Awareness
- Continual System, hardening and patch management to ensure the attack surface is reduced from internal/external threats.

This attestation covers the following agencies: NSW Government Telecommunications Authority



Kylie De Courteney
Managing Director
NSW Telco Authority

Independent Auditor's Report



INDEPENDENT AUDITOR'S REPORT

New South Wales Government Telecommunications Authority

To Members of the New South Wales Parliament

Opinion

I have audited the accompanying financial statements of New South Wales Government Telecommunications Authority (the Authority), which comprise the Statement by the Managing Director, 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 Authority'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 Authority 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.

Managing Director's Responsibilities for the Financial Statements

The Managing Director 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 Managing Director's responsibility also includes such internal control as the Managing Director 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 Managing Director is responsible for assessing the Authority'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/ar4.pdf. The description forms part of my auditor's report.

The scope of my audit does not include, nor provide assurance:

- that the Authority 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.

Weini Liao
Director, Financial Audit

Delegate of the Auditor-General for New South Wales

15 October 2021
SYDNEY

Financial statements

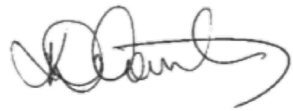
NSW GOVERNMENT TELECOMMUNICATIONS AUTHORITY

FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2021

STATEMENT BY THE MANAGING DIRECTOR

Pursuant to section 7.6(4) of the *Government Sector Finance Act 2018* ("the Act"), I state that these financial statements:

- 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
- present fairly the NSW Government Telecommunications Authority's financial position, financial performance and cash flows.



Kylie De Courteney
Managing Director
NSW Government Telecommunications Authority

Date: 14 October2021

NSW GOVERNMENT TELECOMMUNICATIONS AUTHORITY				
STATEMENT OF COMPREHENSIVE INCOME FOR THE YEAR ENDED 30 JUNE 2021				
	Notes	Actual 2021 \$'000	Budget 2021 \$'000	Actual (restated)* 2020 \$'000
Expenses excluding losses				
Operating Expenses				
Personnel services expenses	2(a)	20,626	20,367	11,318
Other operating expenses	2(b)	58,685	101,086	46,858
Depreciation and amortisation	2(c)	31,069	51,846	20,158
Grants and subsidies	2(d)	11,530	-	12,074
Finance costs	2(e)	1,757	150	1,136
Total Expenses excluding losses		123,667	173,449	91,544
Revenue				
Revenue from contracts with customers	3(a)	92,022	91,175	60,314
Grants and other contributions	3(b)	156,365	234,083	111,829
Other income	3(c)	796	5,693	1,817
Total Revenue		249,183	330,951	173,960
Other gains/(losses)	4	(970)	-	224
Net result from continuing operations		124,546	157,502	82,640
Other comprehensive income				
Changes in revaluation surplus of property, plant and equipment		9,418	-	-
Total other comprehensive income		9,418	-	-
Total Comprehensive Income		133,964	157,502	82,640

The accompanying notes form part of these financial statements.

*Retrospective restatement to Prior Year Comparatives due to the accounting policy changes. Refer to Note 1(i) for further details.

NSW GOVERNMENT TELECOMMUNICATIONS AUTHORITY					
STATEMENT OF FINANCIAL POSITION					
AS AT 30 JUNE 2021					
	Notes	Actual 2021 \$'000	Budget 2021 \$'000	Actual (restated)* 2020 \$'000	Actual (restated)* 1 July 2019 \$'000
ASSETS					
Current Assets					
Cash and cash equivalents	5	80,404	60,475	64,092	52,058
Receivables	6	10,417	11,702	9,101	13,093
Contract asset	7	5,540	-	1,120	-
Inventories	8	-	1,475	1,221	907
Other current assets	9	1,413	-	1,785	1,278
Total Current Assets		97,774	73,652	77,319	67,336
Non-Current Assets					
Receivables	6	2,018	-	1,016	-
<i>Property, plant and equipment</i>					
Land	10	320	320	320	320
Plant and equipment	10	401,887	454,024	276,019	192,998
Leasehold improvements	10	2,226	-	5,869	6,501
<i>Total property, plant and equipment</i>		404,433	454,344	282,208	199,819
Right of use assets	11	85,968	-	59,258	-
Intangible assets	12	13,084	17,352	14,689	18,180
Total Non-Current Assets		505,503	471,696	357,171	217,999
Total Assets		603,277	545,348	434,490	285,335
LIABILITIES					
Current Liabilities					
Payables	14	42,961	48,056	25,461	40,625
Contract liabilities	7	14,529	-	-	-
Borrowings	15	5,895	-	4,724	-
Provisions	16	230	-	20,456	-
Other current liabilities	17	9,077	-	10,607	-
Total Current Liabilities		72,692	48,056	61,248	40,625
Non-Current Liabilities					
Borrowings	15	72,824	2,209	55,009	-
Provisions	16	13,820	8,577	8,469	6,371
Total Non-Current Liabilities		86,644	10,786	63,478	6,371
Total Liabilities		159,336	58,842	124,726	46,996
Net Assets		443,941	486,506	309,764	238,339
EQUITY					
Accumulated funds		434,523	486,506	309,764	238,339
Reserves		9,418	-	-	-
Total Equity		443,941	486,506	309,764	238,339

The accompanying notes form part of these financial statements.

*Retrospective restatement to Prior Year Comparatives due to the accounting policy changes. Refer to Note 1(i) for further details.

NSW GOVERNMENT TELECOMMUNICATIONS AUTHORITY				
STATEMENT OF CHANGES IN EQUITY				
FOR THE YEAR ENDED 30 JUNE 2021				
	Notes	Accumulated Funds 2020/2021 \$'000	Asset Revaluation Surplus 2020/2021 \$'000	Total 2020/2021 \$'000
Balance at 1 July 2020		315,608	-	315,608
Change in accounting policy		(5,844)	-	(5,844)
Restated balance at 1 July 2020		309,764	-	309,764
Net Result for the year		124,546	-	124,546
Other comprehensive income				
Net change in revaluation surplus of property, plant and equipment		-	9,418	9,418
Total comprehensive income for the year		124,546	9,418	133,964
Transactions with owners in their capacity as owners				
Increase in net assets from equity transfers	9	213	-	213
Balance at 30 June 2021		434,523	9,418	443,941
Balance at 1 July 2019				
Change in accounting policy		(1,870)	-	(1,870)
Net effect of changes in accounting policies due to adoption of new standards		(12,370)	-	(12,370)
Restated balance at 1 July 2019		225,969	-	225,969
Net Result for the year		86,614	-	86,614
Change in accounting policy		(3,974)	-	(3,974)
Restated net result for the year		82,640	-	82,640
Other comprehensive income				
Total comprehensive income for the year		82,640	-	82,640
Transactions with owners in their capacity as owners				
Increase in net assets from equity transfers	9	1,155	-	1,155
Balance at 30 June 2020		309,764	-	309,764

The accompanying notes form part of these financial statements.

NSW GOVERNMENT TELECOMMUNICATIONS AUTHORITY				
STATEMENT OF CASH FLOWS FOR THE YEAR ENDED 30 JUNE 2021				
	Notes	Actual 2021 \$'000	Budget 2021 \$'000	Actual (restated)* 2020 \$'000
CASH FLOWS FROM OPERATING ACTIVITIES				
Payments				
Suppliers and personnel		(95,246)	(121,453)	(67,524)
Grants and subsidies		(11,530)	-	(12,074)
Payment of interest on lease liabilities		(1,757)	(150)	(392)
Total Payments		(108,533)	(121,603)	(79,990)
Receipts				
Sale of goods and services from contracts with customers		106,409	91,175	76,393
Grants and other contributions		167,047	234,083	110,096
Interest received		135	5,693	1,817
Insurance claims		99	-	-
Total Receipts		273,690	330,951	188,306
NET CASH FLOWS FROM OPERATING ACTIVITIES	21	165,157	209,348	108,316
CASH FLOWS FROM INVESTING ACTIVITIES				
Purchase of property, plant and equipment		(140,086)	(211,693)	(92,479)
Proceeds/(purchase) of intangible assets		(1,743)	-	1,441
NET CASH FLOWS USED IN INVESTING ACTIVITIES		(141,829)	(211,693)	(91,038)
CASH FLOWS FROM FINANCING ACTIVITIES				
Payment of principal portion of lease liabilities		(7,016)	(1,280)	(5,244)
NET CASH FLOWS USED IN FINANCING ACTIVITIES		(7,016)	(1,280)	(5,244)
NET INCREASE/(DECREASE) IN CASH		16,312	(3,625)	12,034
Opening cash and cash equivalents		64,092	64,092	52,058
Cash transferred in (out) as a Result of Administrative Restructuring		-	8	-
CLOSING CASH AND CASH EQUIVALENTS	5	80,404	60,475	64,092

The accompanying notes form part of these financial statements.

*Retrospective restatement to Prior Year Comparatives due to the accounting policy changes. Refer to Note 1(i) for further details.

NSW GOVERNMENT TELECOMMUNICATIONS AUTHORITY
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 NSW Government Telecommunications Authority (the Authority) is a NSW Government entity and is controlled by the State of New South Wales, which is the ultimate parent. The Authority is a not-for-profit entity (as profit is not its principal objective) and it has no cash generating units.

The NSW Government Telecommunications Authority as a reporting entity comprises of the following major activities:

i. Public Safety Network

The Authority operates and maintains the Public Safety Network ("PSN"), also known as the Government Radio Network ("GRN"). The PSN provides a common platform for government agencies and authorities who use mobile radio communications, including as a 'mission-critical' tool for the 4 NSW emergency services organisations ("ESOs") and 40+ essential services and Government Agencies. The PSN is owned by the NSW Government and managed on its behalf by a private sector network manager with oversight and assurance provided by the Authority. User charges are based on the Government approved full cost recovery Independent Pricing and Regulatory Tribunal ("IPART") funding methodology.

ii. Critical Communications Enhancement Program

The Authority is currently undertaking a transformation program of operational communications for NSW Government Agencies through the delivery of the Critical Communications Enhancement Program ("CCEP"). The CCEP aims to deliver greater access to public safety standard radio communications for the State's first responders and essential service agencies. This will be achieved by consolidating the large number of separate radio networks that are owned and operated by various NSW Government Agencies to enhance the state's existing shared GRN. The program will also deliver increased GRN coverage throughout NSW.

iii. Public Safety Mobile Network

The Authority is currently participating the Public Safety Mobile Broadband ("PSMB") program, which will create a telecommunications network for exclusive and prioritised use by public safety agencies. It is a national program that will deliver 21st century mission-critical communications technology for emergency service organisations and will be the most significant advancement in public safety communications in decades. The Authority has been engaged by the Federal Government to manage the Proof of Concept ("POC") trial of the PSMB program. This involves the process for receiving and managing funds from each stakeholder in the performance of the POC between FY21 and FY22. The POC will enable the government to subsequently decide and commence the PSMB Program in FY23.

v. Emergency Management

The Telecommunications Services Functional Area forms part of the NSW Government's emergency management arrangements, and acts to ensure the integrity of telecommunications services is maintained during critical incidents and natural disasters. The Authority provides coordination of the Functional Area through the statutory role of the Functional Area Coordinator. This role provides the link between telecommunications carriers and emergency services agencies ensuring the protection of telecommunications infrastructure relied upon by both government workers and the general public for communications.

These financial statements for the year ended 30 June 2021 have been authorised for issue by the Managing Director on 14 October 2021.

(b) Basis of Preparation

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

- applicable Australian Accounting Standards (AAS) (which include Australian Accounting Interpretations);
- the requirements of the *Government Sector Finance Act 2018* (the GSF Act) and the *Government Sector Finance Regulation 2018*; and
- the Treasurers Directions issued under the GSF Act.

(c) Historical cost convention

These financial statements have been prepared on a historical cost basis, except certain financial assets and liabilities and classes of Property, plant and equipment, which are measured at fair value.

(d) Significant estimates and judgements

The preparation of financial statements requires the use of accounting estimates which, by definition, will seldom equal the actual results. Management also needs to exercise judgement in applying the accounting policies.

Judgements, key assumptions and estimations management have made are disclosed in the relevant notes to the financial statements.

(e) Rounding of amounts

All amounts are rounded to the nearest one thousand dollars and are expressed in Australian currency, which is the Authority's presentation and functional currency.

(f) Statement of Compliance

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

(g) Accounting for the Goods and Services Tax (GST)

Income, expenses and assets are recognised net of the amount of GST, except that the:

- amount of GST incurred by the Authority 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.

(h) Comparative Information

Except when an AAS permits or requires otherwise, comparative information is disclosed in respect of the previous reporting period, 30 June 2020, for all amounts reported in the financial statements.

(i) Changes in Accounting Policy, Including New or Revised Australian Accounting Standards

- (i) Effective for the first time in FY2020-21

The entity applied AASB 1059 Service Concession Arrangements: Grantors (AASB 1059) for the first time. AASB 1059 is effective for the entity 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) is was withdrawn effective from 1 July 2020.

The Authority has assessed the impact and concluded that the adoption of the new standard will not materially impact the Financial Statements as it does not provide infrastructure or arranges projects to be privately financed in the delivery of public services related to concession assets.

In April 2021, the IFRS Interpretations Committee (IFRIC) approved an agenda decision on 'Configuration or Customisation Costs in a Cloud Computing Arrangement'. The Authority had since changed its accounting policy accordingly by recording the relevant costs as operating expense and not capitalised costs. It resulted in \$5.8m configuration expense relating to Cloud Computing Arrangement, which were capitalised in plant and equipment and Intangible assets. These configuration costs relating to Software as a Service ("SaaS") arrangements were incurred in financial years 2019, 2020 and 2021.

The effect of adopting IFRIC's agenda decision is as follows:

- financial statement line items affected by the change in accounting policy have been restated.
- a third Statement of Financial Position at 1 July 2019 has been added.

Impact on the Statement of Comprehensive Income increase/(decrease) for the year ended 30 June 2020 is as follows:

	30 June 2020 \$'000 without adoption of IFRIC agenda decision	30 June 2020 \$'000 Impact of IFRIC agenda decision	30 June 2020 \$'000 Restated IFRIC agenda decision
Other operating expenses	42,108	4,750	46,858
Depreciation and amortisation	20,934	(776)	20,158
Total expenses excluding losses	87,570	3,974	91,544
Net result from continuing operation	86,614	(3,974)	82,640
Total comprehensive income	86,614	(3,974)	82,640

Impact on the Statement of Financial Position as at 1 July 2019 is as follows:

	1 July 2019 \$'000 without adoption of IFRIC agenda decision	1 July 2019 \$'000 Impact of IFRIC agenda decision	1 July 2019 \$'000 Restated IFRIC agenda decision
Intangible assets	20,050	(1,870)	18,180
Total non-current assets	219,869	(1,870)	217,999
Total assets	287,205	(1,870)	285,335
Net assets	240,209	(1,870)	238,339
Accumulated funds	240,209	(1,870)	238,339
Total equity	240,209	(1,870)	238,339

Several other amendments and interpretations apply for the first time in FY2020-21, but do not have an impact on the financial statements of the entity.

Impact on the Statement of Financial Position as at 30 June 2020 is as follows:

	30 June 2020 \$'000 without adoption of IFRIC agenda decision	30 June 2020 \$'000 Impact of IFRIC agenda decision	30 June 2020 \$'000 Restated IFRIC agenda decision
Plant and equipment	279,728	(3,709)	276,019
Total property, plant and equipment	285,917	(3,709)	282,208
Intangible assets	16,824	(2,135)	14,689
Total non-current assets	363,015	(5,844)	357,171
Total assets	440,334	(5,844)	434,490
Net assets	315,608	(5,844)	309,764
Accumulated funds	315,608	(5,844)	309,764
Total equity	315,608	(5,844)	309,764

Impact on the Statement of Cash Flows as at 30 June 2020 is as follows:

	30 June 2020 \$'000 without adoption of IFRIC agenda decision	30 June 2020 \$'000 Impact of IFRIC agenda decision	30 June 2020 \$'000 Restated IFRIC agenda decision
Cash flows from operating activities			
Payments			
To suppliers and personnel	(62,774)	(4,750)	(67,524)
Total payments	(75,240)	(4,750)	(79,990)
Net cash flows from operating activities	113,066	(4,750)	108,316
Cash flow from investing activities			
Purchases of property, plant and equipment	(96,188)	3,709	(92,479)
Disposal/(Purchases) of intangible assets	400	1,041	1,441
Net cash flows used in investing activities	(95,788)	4,750	(91,038)

(ii) Issued but Not Yet Effective

NSW public sector entities are not permitted to early adopt new Australian Accounting Standards ("AAS"), unless NSW 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 AAS have not been applied and are not yet effective.

- AASB 1060 *General Purpose Financial Statements – Simplified Disclosures for For-Profit and Not-for-Profit Tier 2 Entities*
- AASB 2020-1 *Amendments to Australian Accounting Standards - Classification of liabilities as current or non-current*
- AASB2020-3 *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 Authority's financial statements.

(j) Impact of COVID-19 and climate related matters on Financial Reporting for 2020-21

The natural disasters in the financial year, primarily floods and the coronavirus ("COVID-19") pandemic, have had a major impact on individuals, businesses and the government sector.

The primary area of heightened risk from COVID-19 is to the Authority's 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 the Authority 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. The Authority continues to support the health and safety of its staff.

The Authority has identified and quantified, where possible, the impact and reported this in the financial statements for the financial year ended 30 June 2021.

The Authority has experienced delays to on site construction activities due to rain event in NSW with damaged access track, Cell of Wheel ("CoW") availability and BAI Critical Communication ("BAI") embargos. The Impact is on both ongoing and planned construction activities. Sites with access tracks either flooded or eroded include 14 sites with significant ongoing issues. There is no impact to Emergency Services Organisation (ESO) migration critical path sites. The initial assessment by the Authority shows the costs associated with track repairs would be around \$1.6mil. The Authority is also currently assessing alternative access solutions to the sites.

There is no uncertainty about the Authority's ability to continue as a going concern at 30 June 2021 as liquidity and credit risk are not significant areas of risk for the Authority. There has been no impact on the Authority's liquidity or credit risk profiles as a result of natural disasters.

2. EXPENSES EXCLUDING LOSSES

(a) Personnel Services Expenses

	2021 \$'000	2020 \$'000
Salaries and wages (including annual leave)	17,808	10,019
Superannuation	1,396	684
Long service leave	67	25
Workers' compensation insurance	26	27
Payroll tax and fringe benefits tax	931	563
Redundancy expense	398	-
	20,626	11,318

(b) Other Operating Expenses include the following:

	2021 \$'000	2020 (restated) \$'000
Auditor's remuneration		
- audit of the financial statements	206	89
Network operating expenses	29,328	24,754
Rental payments for licenses	2,308	2,347
Short-term leases	149	144
Maintenance	1,483	823
Legal Fees	1,130	1,083
Consultants	26	348
Other contractors*	6,537	5,394
Power	673	623
Service management	2,533	1,814
Corporate services	4,358	1,350
Minor equipment	76	45
Insurance	265	278
Software expenses	4,327	2,316
Service fee	-	2,270
Other	5,286	3,180
	58,685	46,858

Recognition and Measurement

Lease expense

The Authority recognises the lease payments associated with the following types leases as an expense on a straight-line basis:

- 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.
- Leases of assets that are valued at \$10,000 or under when new.

Variable lease payments are not included in the measurement of the lease liability (i.e. variable lease payments that do not depend on an index or a rate, initially measured using the index or rate as at the commencement date). These payments are recognised in the period in which the event or condition that triggers those payments occurs.

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

The Authority'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 \$'000	2020 (restated) \$'000
Depreciation charge (PP&E)		
- Plant and equipment	19,434	10,972
- Leasehold improvements	479	1,123
Depreciation charge (right-of-use assets)		
- Telecommunication sites	7,301	4,975
- Data centre	507	-
	27,721	17,070
Amortisation		
- Intangible assets	3,348	3,088
	31,069	20,158

Refer to Note 10 and 12 for recognition and measurement policies on depreciation and amortisation.

Revision in Accounting Estimates

The useful lives of property, plant and equipment were reassessed during the revaluation exercise. Refer to Note 10 for further details. The future period impact will be quantified by the revalued useful lives applied to the Fixed Assets Register.

(d) Grants and Subsidies

	2021 \$'000	2020 \$'000
Mobile Black Spot Program	2,529	4,434
Regional Digital Connectivity	1,560	1,181
Public Safety Mobile Broadband	7,248	-
Critical Communications Enhancement Program	193	6,459
	11,530	12,074

Mobile Black Spot Program

The NSW Government participated in the Australian Government's Mobile Black Spots Program ("MBSP") and has committed to co-contribute to 129 new or improved mobile base stations in NSW. The Authority was identified as being in the best position to lead the rollout of the Mobile Black Spot Program. This expenditure will be used to pay Subcontractors (Telco carriers e.g., Telstra) and resource costs incurred by NSW TA to deliver the program.

Regional Digital Connectivity

The State Infrastructure Strategy 2018 (SIS) sets a benchmark for state-wide internet connectivity of 25 megabits per second (mbps) download speeds by 2020, and 50 mbps by 2025. The Regional Digital Connectivity ("RDC") program aims to provide upgraded internet services where required to meet SIS benchmarks. Under RDC program, regional towns close to the ACT border and in Kangaroo Valley will be upgraded to 25/5 Mbps in Q3 2021 and 50/10 Mbps in Q2 2025. This expenditure will be used to pay Subcontractors (Telco carriers e.g. YLess4U) and resource costs incurred by NSW TA to deliver the program.

Public Safety Mobile Broadband

The Public Safety Mobile Broadband ("PSMB") program will create a telecommunications network for exclusive and prioritised use by public safety agencies. It is a national program that will deliver 21st century mission-critical communications technology for emergency service organisations and will be the most significant advancement in public safety communications in decades. The PSMB will:

- improve mobile voice and data communications capability for emergency services
- improve access to information for emergency responders and provide real-time automated situational awareness
- improve operational responses by supporting data heavy applications and technologies, including access to video, images and location tracking

NSW TA has been engaged by the Federal Government and State Governments to manage the POC trial of the PSMB program. This involves the process of receiving and managing funds from each stakeholder in the performance of the POC between FY21 & FY22. In addition, NSW TA will manage the delivery of the POC under its contract with the Vendor Nokia.

The status of the PSMB PoC is as follows:

- PSMB PoC Project progressing on schedule. Phase 1 is 50% complete.
- Analysis and Design phase is 80% complete.
- Implementation of the hardware is 84% complete.
- Mobile Network Code ("MNC") Application has been processed, awaiting MNC Number.

Critical Communications Enhancement Program

During the year, it was agreed that the Authority would provide a capital contribution to NSW Police Force ("NSWPF") for the additional costs to upgrade microwave hardware in accordance with CCEP requirements. In the prior year, funding for the CCEP included a partial grant for procurement of terminals (radio hardware) for frontline users and vehicles in the prior year.

(e) Finance Costs

	2021 \$'000	2020 \$'000
Interest expense from lease liabilities	1,657	1,136
Unwind discount on Leasehold Makegood Provisions	100	-
	1,757	1,136

Recognition and Measurement

Finance costs consist of the periodic unwinding of the discount rate embedded in the Lease Liability 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.

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. Commentary regarding the accounting policies for the recognition of income are discussed below.

Summary of Compliance

	2021 \$'000	2020 \$'000
Total spending authority from parliamentary appropriations, other than deemed appropriations	151,564	116,821
Add:		
Own source revenue earned during the year	127,097	83,534
Own source revenue balance brought forward from prior years	64,093	52,058
Total	342,754	252,413
Less: total expenditure	(257,378)	(177,713)
Variance	85,376	74,700
Less: The spending authority from appropriations lapsed at 30 June	(15,578)	(10,607)
Own source revenue balance carried forward to following years	69,798	64,093

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 AASB15. Therefore, except as specified below, appropriations (other than deemed appropriations) are recognised as revenue when the Authority 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:

- Lapsed appropriations are recognised as liabilities rather than revenue, as the authority to spend the money lapses and the unspent amount is not controlled by the Authority.
- The liability is disclosed as part of "Current/Non-Current Liabilities - Other". The liability will be extinguished next financial year through the next annual Appropriation Act.

The Authority's grant funding is received from the Department of Customer Service (DCS) which receives appropriations from the Consolidated Fund. Appropriations for each financial year are set out in the Appropriation Act for that year.

(a) Revenue from contracts with customers

	2021 \$'000	2020 \$'000
Rendering of services		
Radio Network Services – Core		
NSW Ambulance	20,816	13,165
NSW Rural Fire Services	20,816	13,165
Fire and Rescue NSW	20,816	13,165
Office of the NSW State Emergency Services	20,816	13,165
Radio Network Services – Non-Core	6,232	5,517
Pass-Through	2,526	2,137
	92,022	60,314

The Authority derives revenue from the transfer of goods and services over time and a point in time from the above-mentioned service lines. The Authority is domiciled in the state of NSW in Australia and all revenue from contracts with customers is derived from this geographical region.

Recognition and Measurement**Rendering of Services**

Revenue from rendering of services is recognised when the Authority satisfies the performance obligation by transferring the promised services.

The Authority typically satisfies its performance obligations when the services rendered meets the terms and conditions of the original contract obligation which may include an output of documentation or correspondence of completion with the customer which is usually over time as per the contract with the customer.

The payments are typically due when the service is provided or by reference to the stage of completion (based on handsets and data usage). Revenue from providing such services is recognised in the accounting period in which the services are rendered. For fixed-price contracts, revenue is recognised based on the actual service provided to the end of the reporting period as a proportion of the total services to be provided because the customer receives and uses the benefits simultaneously. No element of financing is deemed present as these are due when billings are made with the agreed credit period.

Where the contracts include multiple performance obligations, the transaction price will be allocated to each performance obligation based on the stand-alone selling prices. Where these are not directly observable, they are estimated based on expected cost-plus margin. If contracts include the installation of hardware, revenue for the hardware is recognised at a point in time when the hardware is delivered, the legal title has passed and the customer has accepted the hardware. Estimates of revenues, costs or extent of progress toward completion are revised if circumstances change. Any resulting increases or decreases in estimated revenues or costs are reflected in profit or loss in the period in which the circumstances that give rise to the revision become known by management.

If the services rendered by the Authority exceed the payment, a contract asset is recognised. If the payments exceed the services rendered, a contract liability is recognised. The revenue is measured at the transaction price agreed under the contract. No element of financing is deemed present as payments are due when service is provided.

(b) Grants and Other Contributions

	2021 \$'000	2020 \$'000
Grants with sufficiently specific performance obligations:		
Mobile Blackspot Program (MBSP) (Restart Fund)	2,529	4,434
Regional Digital Connectivity (RDC) (Restart Fund)	1,559	1,181
Public Safety Mobile Broadband (PSMB)	4,835	-
Digital Restart Fund grant	800	-
Grants to acquire/construct a recognisable non-financial asset to be controlled by the entity:		
Grants received from DCS – Recurrent	9,300	10,056
Grants received from DCS – Capital	137,342	96,158
	156,365	111,829

Recognition and Measurement

Income from grants to acquire/construct a recognisable non-financial asset to be controlled by the Authority, is recognised when the Authority satisfies its obligations under the transfer. The Authority satisfies the performance obligations under the transfer to construct assets over time as the non-financial assets are being constructed. The percentage of cost incurred is used to recognise income, because this most closely reflects the progress to completion.

Revenue from grants with sufficiently specific performance obligations is recognised as when the Authority satisfies a performance obligation by transferring the promised goods. The Authority typically satisfies its performance obligations over time as per the contract with the customer.

Revenue from these grants is recognised based on the grant amount specified in the funding agreement/funding approval, and revenue is only recognised to the extent that it is highly probable that a significant reversal will not occur. No element of financing is deemed present as funding payments are usually received in advance or shortly after the relevant obligation is satisfied.

Income from grants without sufficiently specific performance obligations is recognised when the Authority obtains control over the granted assets (e.g. cash).

(c) Other Income

	2021 \$'000	2020 \$'000
Interest Income	135	415
Rental income from sub-leases	108	52
Corporate services	-	1,350
Other Income	553	-
	796	1,817

Recognition and Measurement**Interest Revenue**

Interest revenue is recognised using the effective interest rate method. The effective interest rate is the rate that exactly discounts the estimated future cash receipts over the expected life of the financial instrument or a shorter period, where appropriate, to the net carrying amount of the financial asset.

4. OTHER (GAINS)/LOSSES

	2021 \$'000	2020 \$'000
(Gain) / loss on disposal of property, plant and equipment	501	(224)
Impairment losses on Asset Under Construction account reassessment	469	-
	970	(224)

Recognition and Measurement**Impairment loss**

Impairment losses may arise on non-financial assets held by the authority from time to time. Accounting for impairment losses is dependent upon the individual asset (or group of assets) subject to impairment. Accounting for impairment losses in relation to property, plant and equipment is disclosed in note 1(a).

5. CURRENT ASSETS – CASH AND CASH EQUIVALENTS

	2021 \$'000	2020 \$'000
Cash at bank and on hand*	80,404	64,092
	80,404	64,092

*Included in the Authority's bank balance of \$80.4mil, there are \$12.1mil cash restricted for PSMB PoC trail (FY2020: Nil), and \$9.1mil (FY2020:\$10.6mil) cash restricted for CCEP program.

For the purposes of the Statement of Cash Flows, cash and cash equivalents includes cash at bank and cash on hand.

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)	80,404	64,092
Closing cash and cash equivalents (per Statement of Cash Flows)	80,404	64,092

Refer to Note 22 for details regarding credit risk, liquidity risk and market risk arising from financial instruments.

6. CURRENT / NON-CURRENT ASSETS – RECEIVABLES

	2021	2020
	\$'000	\$'000
Current		
Trade receivables from contracts with customers	8,336	5,040
Less: Allowance for expected credit losses	-	-
Prepayments	2,074	4,061
Other Receivables	7	-
Total Current Receivables	10,417	9,101
Non-Current		
Prepayments	2,018	1,016
Total Receivables	12,435	10,117

There were no movements in the allowance for expected credit losses in 2021 and 2020.

Details regarding credit risk of trade receivables that are neither past due nor impaired, are disclosed in Note 22.

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.

Subsequent measurement

The Authority 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

The Authority recognises an allowance for expected credit losses (ECLs) for all debt financial assets not held at fair value through profit or loss. ECLs are based on the difference between the contractual cash flows that the Authority expects to receive, discounted at the original effective interest rate.

For trade receivables, the Authority applies a simplified approach in calculating ECLs. The Authority recognises a loss allowance based on lifetime ECLs at each reporting date. The Authority has established a provision matrix based on its historical credit loss experience for trade receivables, adjusted for forward-looking factors specific to the receivable. The provision matrix has indicated that no ECLs were required for financial year ended June 2021.

7. CONTRACT ASSETS AND LIABILITIES

	2021	2020
	\$'000	\$'000
Current Assets - current	5,540	1,120
Contract liabilities - current	14,529	-

Contract assets relate to the Authority's right to consideration in exchange for service rendered to customers, but not billed at the reporting date in respect of government radio network services provided. In general, we invoice customers in advance for services provided under our prepaid or fixed (usually monthly) fee contracts and in arrears for usage-based contracts (e.g. handset usage).

The comparative has been reclassified in the financial year ended 30 June 2021 to align the disclosure and the nature of the assets. It represented the accrued income that the Authority has earned on satisfaction of performance obligations during the financial year.

Contract liabilities relates to consideration received in advance in respect of CCEP program. The balance of contract liabilities at 30 June 2021 represents the unspent grants received for GRN sites construction.

The following table shows how much of the revenue recognised in the current reporting period relates to carried-forward contract liabilities and how much relates to performance obligations that were satisfied in the prior year:

	2021	2020
	\$'000	\$'000
Revenue recognised that was included in the contract liability balance at the beginning of the period	-	-
Revenue recognised from performance obligations satisfied in previous periods	-	-
Transaction price allocated to the remaining performance obligations from contracts with customers		
-GRN services	14,529	-

8. CURRENT ASSETS – INVENTORIES

	2021	2020
	\$'000	\$'000
Spare parts – at cost	-	1,221

In 2021, inventories of \$190,980 were recognised as an expense during the year and included in 'Other operating expenses' (note 2(b)).

In addition, inventories have been reduced by \$1,030,377 as a result of the capitalisation of spare parts into Plant and Equipment. The carrying amount is included in 'Plant and Equipment' as per Note 10 and the corresponding depreciation is included in 'Depreciation and amortisation' expense (note 2(c)).

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 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 the Authority 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.

9. CURRENT ASSETS – OTHER

	2021	2020
	\$'000	\$'000
Net GST recoverable	1,413	1,785

10. NON-CURRENT ASSETS – PROPERTY, PLANT AND EQUIPMENT

(a) Total Property, Plant and Equipment

	Land \$'000	Plant and Equipment \$'000	Assets Under Construction \$'000	Leasehold Improvements \$'000	Total \$'000
At 1 July 2019 – fair value					
Gross carrying amount - restated	320	137,423	136,380	8,379	282,502
Accumulated depreciation and impairment	-	(80,805)	-	(1,878)	(82,683)
Net carrying amount - restated	320	56,618	136,380	6,501	199,819
Year ended 30 June 2020 (Restated)					
Net carrying amount at beginning of year	320	56,618	136,380	6,501	199,819
Additions - restated	-	22	93,206	2,204	95,432
Transfers from/(to) Govt Agencies	-	1,155	-	-	1,155
Disposals	-	(164)	-	(1,939)	(2,103)
Transfers in/(out) of assets under construction	-	44,287	(44,513)	226	-
Depreciation expense	-	(10,972)	-	(1,123)	(12,095)
Net carrying amount at end of year – restated	320	90,946	185,073	5,869	282,208
Restated at 1 July 2020 – fair value					
Gross carrying amount	320	178,728	185,073	8,543	372,661
Accumulated depreciation and impairment	-	(87,779)	-	(2,674)	(90,453)
Net carrying amount	320	90,946	185,073	5,869	282,208
Year ended 30 June 2021					
Net carrying amount at beginning of year	320	90,946	185,073	5,869	282,208
Additions	-	11,067	125,194	1,565	137,826
Transfers from/(to) Govt Agencies	-	213	-	-	213
Disposals	-	(121)	-	-	(121)
Reclassification to right-of-use assets	-	-	-	(4,729)	(4,729)
Transfers in/(out) of assets under construction	-	93,164	(93,164)	-	-
Revaluation	-	9,418	-	-	9,418
Impairment	-	-	(469)	-	(469)
Depreciation expense	-	(19,434)	-	(479)	(19,913)
Net carrying amount at end of year	320	185,253	216,634	2,226	404,433
At 30 June 2021 – fair value					
Gross carrying amount	320	332,833	216,634	2,816	552,603
Accumulated depreciation and impairment	-	(147,580)	-	(590)	(148,170)
Net carrying amount	320	185,253	216,634	2,226	404,433

Recognition and Measurement

Acquisitions 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 AAS.

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 equity transfer – Note 17).

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 of Property, Plant and Equipment

Depreciation is provided for on a straight-line basis for all depreciable assets to write off the depreciable amount of each asset as it is consumed over its useful life to the Authority.

All material identifiable components of assets are depreciated separately over their useful lives. Land is not a depreciable asset.

The estimated useful lives of property, plant and equipment were reassessed during the revaluation exercise in the current financial year. The value of the assets is depreciated within the useful lives of each asset class as follows:

<i>Plant and Equipment</i>	Current estimated useful lives
Towers	50
Huts, Shelters and racks	40
Power Supply Generator	15
Data centres	12
Network equipment	12
Mobile assets	10
Air conditioner	7
NOCCs	5
Hand-held, portable and mobile radio sets	4
Computer equipment	4
Batteries	3

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*.

Due to the nature of some assets, insufficient market evidence may be available to support the fair value of these assets. Where there is insufficient market evidence, the asset's fair value can be determined using other valuation techniques approved by Treasury such as the cost approach, income approach, replacement cost approach or sampling by professional statistician's approach.

Property, plant and equipment is measured on an existing use basis, where there are no feasible alternative uses in the existing natural, legal, financial and socio-political environment. However, in the limited circumstances where there are feasible alternative uses, assets are valued at their highest and best use. The highest and best use must be available at a period that is not remote and take into account the characteristics of the asset being measured, including any socio-political restrictions imposed by government. In most cases, after taking into account these considerations, the highest and best use is the existing use. In limited circumstances, the highest and best use may be a feasible alternative use, where there are no restrictions on use or where there is a feasible higher restricted alternative use.

Fair value of property, plant and equipment is based on market participants' perspective, using valuation techniques (market approach, cost approach, income approach) that maximise relevant observable inputs and minimise unobservable inputs.

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. The Authority conducts a comprehensive revaluation of land and plant and equipment every three years and five years respectively. The last comprehensive revaluation was completed in FY20-21 for plant and equipment and was based on an external professionally qualified valuer.

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.

Management regularly assess each class of property, plant and equipment to ensure that the carrying value of each asset in the class does not materially differ from its fair value at reporting date. If an item of property, plant and equipment is revalued, the entire class of property, plant and equipment to which the asset belongs should be revalued.

When revaluing non-current assets using the cost approach, the gross amount and the related accumulated depreciation is separately restated. Where the income approach or market approach is used, accumulated depreciation is eliminated against the carrying amount of the asset and the net amount restated to the revalued amount of the asset.

The net asset accounts are then increased or decreased by the revaluation increments or decrements as follows:

- i) Revaluation increments are credited directly to the revaluation reserve, except 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.
- ii) Revaluation decrements are recognised immediately as a loss in 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 reserve in equity.
- iii) Revaluation increments and decrements are offset against one another within a class of non-current assets.
- iv) Where an asset that has previously been revalued is disposed of, any balance remaining in the asset revaluation reserve 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.

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. Since 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.

The Authority 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 Authority 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. The Authority has assessed \$0.47mil impairment of its Property, Plant and Equipment during the financial year ended 30 June 2021. The impairment relates to 5 cancelled GRN sites in FY2021, for which the carrying amount of initial design and construction costs recorded in Asset Under Construction account exceeds 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.

Impact of Natural Disasters

For the financial year ended 30 June 2021, The Authority has experienced delays to on site construction activities due to rain event in NSW with damaged access track, CoW availability and BAI embargos. The Impact is on both ongoing and planned construction activities. Sites with access tracks either flooded or eroded include 14 sites with significant ongoing issues. There is no impact to ESO migration critical path sites. There is no equipment damage as a result of natural disaster impact.

Also, the impact to the Authority caused by the bushfires in FY2020 on the delivery of the CCEP is under assessment. The Authority has engaged legal representation through iCare to assist with the recovery of the CCEP supplier claims.

11. NON-CURRENT ASSETS – LEASES

(a) Entity as a Lessee

The Authority has entered into lease agreements with government agencies and private companies for provision of accommodation and plant and equipment for the Authority's use. The lease agreements do not impose any covenants, but leased assets may not be used as security for borrowing purposes. The Authority does not provide residual value guarantees in relation to leases.

Telecommunication Sites Leases

Telecommunications sites leases are entered into with multiple lessors. The term of these leases ranges from two to ten years with the option for renewal for further terms. Longer terms generally deliver more favourable rentals from Lessors but also have the ability to commit the Authority for a period which it may not require, therefore the term of any of these leases is dictated by the anticipated duration of the operational need of any given facility. The Authority also hold leases with private lessors for commercial and/or industrial facilities which have a term of five to ten years.

The lease agreements allow the lessor to review rents on specified dates. There is no option for the purchase of properties at the expiry of the lease term. Recurrent outgoings and fit outs are the responsibility of the Authority while all building repairs and maintenance are the responsibility of the lessor.

Data Centre Lease

As part of the Data Centre Reform Project the NSW Government entered into an Agreement for Lease and Service Deed with a third-party contractor on 25 May 2012 to provide data capacity across the government sector. The lease term is 10 years and the cluster department DCS manages this lease commitment on behalf of the State government. Telco is committed to pay Fees for Service to the other government agencies to utilise the load capacity of the Data Centres. The data centre lease is a right-of-use asset for the Authority and part of its lease portfolio.

From 1 July 2019, AASB 16 requires a lessee to recognise a right-of-use asset for most leases. The right-of-use asset and corresponding liability are initially measured at the depreciated historical cost less impairment.

Right-of-use Assets Under Leases

The following table presents right-of use assets that do not meet the definition of investment property.

	Telecommunication sites \$'000	Data Centre \$'000	Total \$'000
Balance at 1 July 2020			
Net carrying amount at beginning of year	59,258	-	59,258
Reclassification of Lease for Data Centre	(1,571)	1,571	-
Reclassification from Leasehold Improvements	4,729	-	4,729
Additions	29,691	-	29,691
Modifications	426	-	426
Disposals	(328)	-	(328)
Depreciation expense	(7,301)	(507)	(7,808)
Balance at 30 June 2021	84,904	1,064	85,968

	Telecommunication sites \$'000	Total \$'000
Balance at 1 July 2019		
Recognition of right-of-use assets on initial application of AASB 16	44,684	44,684
Additions	19,549	19,549
Depreciation expense	(4,975)	(4,975)
Balance at 30 June 2020	59,258	59,258

Recognition and Measurement

The Authority 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.

Subsequent to the adoption of AASB 16, the Authority, as a lessee, recognises a right-of-use asset at cost and a corresponding lease liability at the lease commencement date.

Right-of-use assets are measured at cost comprising the following:

- the amount of the initial measurement of lease liability
- any lease payments made at or before the commencement date less any lease incentives received
- any initial direct costs, and
- restoration costs.

Right-of-use assets are generally depreciated over the shorter of the asset's useful life and the lease term on a straight-line basis. If ownership of the leased asset transfers to the Authority 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.

Payments associated with short-term leases of telecommunication sites and all leases of low-value assets are recognised on a straight-line basis as an expense in profit or loss. Short-term leases are leases with a lease term of 12 months or less. Low value assets are assets with a fair value of \$10,000 or less when new.

The right-of-use assets are also subject to impairment. The entity 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. Refer to Note 15 for details regarding the Authority's lease liabilities.

Extension and termination options are included in a number of telecommunication sites leases. These are used to maximise operational flexibility in terms of managing the assets used in the Authority's operations. The majority of extension and termination options held are exercisable only by the Authority and not by the respective lessor.

Critical judgements in determining the lease term

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).

Critical judgements in determining the useful lives

The expected useful life of the asset includes a judgement as to whether available extension changes will be exercised. Changes to this assessment are reflected as a remeasurement, with a corresponding adjustment for the liability. In assessing whether a right-of-use asset is impaired, judgement is required to determine the recoverable value of the asset.

Leases at significantly below market value – peppercorn leases

The Authority has a total number of 9 leases (FY2020: 6 leases) at significantly below market for the provision of telecommunication sites for the Authority's use. The initial and subsequent measurement of 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 is same as normal right-of-use assets. They are measured at cost, subject to impairment. The leases are from three to five years term with the option for renewal for further terms and require payments of a maximum amount of \$10 per year. The use of the right-of-use asset is restricted by the lessors to specified purposes of providing and managing the radio communications coverage for Emergency Services and other government agencies, these permitted uses are detailed in the leases.

The Authority has assessed that none of the peppercorn leases in place is likely to be material.

(b) Entity as a Lessor

The Authority's properties are leased to tenants under operating leases with rentals payable monthly. Lease payments for some contracts include CPI increases, but there are no other variable lease payments that depend on an index or rate.

Although the Authority is exposed to changes in the residual value at the end of current leases, the Authority typically enters into new operating leases and therefore will not immediately realise any reduction in residual value at the end of these leases. Expectations about the future residual values are reflected in the fair value of the properties.

Lessor for Operating Leases

Future minimum rentals receivable (undiscounted) under non-cancellable operating lease as at 30 June are, as follows:

	2021 \$'000	2020 \$'000
Within one year	143	113
Later than one year and not later than five years	236	229
Later than five years	20	67
Total (including GST)	399	409

Recognition and Measurement – Lessor for Operating Leases

An operating lease is a lease other than a finance lease. Rental income arising is accounted for on a straight-line basis over the lease terms and is included in revenue in the Statement of Comprehensive Income due to its operating nature.

Initial direct costs incurred in negotiating and arranging an operating lease are added to the carrying amount of the underlying asset and recognised over the lease term on the same basis as rental income. Contingent rents are recognised as revenue in the period in which they are earned.

12. NON-CURRENT ASSETS – INTANGIBLE ASSETS

	Software \$'000	Network Licences \$'000	Assets Under Construction \$'000	Total \$'000
At 1 July 2019 (Restated)				
Cost (gross carrying amount) - restated	8,023	6,565	8,379	22,967
Accumulated amortisation and impairment - restated	(3,063)	(1,724)	-	(4,787)
Net carrying amount - restated	4,960	4,841	8,379	18,180
Year ended 30 June 2020 (Restated)				
Net carrying amount at beginning of year	4,960	4,841	8,379	18,180
Additions	638	-	-	638
Disposals - restated	(1,041)	-	-	(1,041)
Transfers in/(out) of assets under construction	-	8,379	(8,379)	-
Amortisation (recognised in depreciation and amortisation) - restated	(1,483)	(1,605)	-	(3,088)
Net carrying amount at end of year - restated	3,074	11,615	-	14,689
At 1 July 2020 (Restated)				
Cost (gross carrying amount) - restated	9,060	14,943	-	24,003
Accumulated amortisation and impairment - restated	(5,986)	(3,328)	-	(9,314)
Net carrying amount	3,074	11,615	-	14,689
Year Ended 30 June 2021				
Net carrying amount at beginning of year	3,074	11,615	-	14,689
Additions	1,388	355	-	1,743
Amortisation (recognised in depreciation and amortisation)	(1,968)	(1,380)	-	(3,348)
Net carrying amount at end of year	2,494	10,590	-	13,084
At 30 June 2021 – fair value				
Cost (gross carrying amount)	10,590	13,857	-	24,447
Accumulated amortisation and impairment	(8,096)	(3,267)	-	(11,363)
Net carrying amount	2,494	10,590	-	13,084

Recognition and Measurement

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

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

The Authority's intangible assets are amortised using the straight-line method over a period of 4 years. These rates remain unchanged from the previous year. 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.

13. FAIR VALUE MEASUREMENT OF NON-FINANCIAL ASSETS

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.

When measuring fair value, the valuation technique used maximises the use of relevant observable inputs and minimises the use of unobservable inputs. Under AASB 13, the entity categorises, for disclosure purposes, the valuation techniques based on the inputs used in the valuation techniques as follows:

- Level 1 - quoted (unadjusted) prices in active markets for identical assets / liabilities that the entity can access at the measurement date.
- Level 2 – inputs other than quoted prices included within Level 1 that are observable, either directly or indirectly.
- Level 3 – inputs that are not based on observable market data (unobservable inputs).

The Authority 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

Fair value hierarchy	2021			
	Level 1 \$'000	Level 2 \$'000	Level 3 \$'000	Total fair value \$'000
Plant and equipment (note 10)	-	-	185,253	185,253
Land (note 10)	-	320	-	320
	-	320	185,253	185,573

(b) Valuation techniques, inputs and processes used

The Authority obtains independent valuations for its plant and equipment. The last comprehensive revaluation was completed in FY2021 for land and plant and equipment. At the end of the reporting period, the Authority updates its assessment of the fair value of its property, plant and equipment, taking into account the most recent independent valuation.

The fair value of property, plant and equipment 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. This reflects the amount that would be required currently to replace the service capacity of an asset, adjusted for obsolescence often referred to as current replacement cost of a modern equivalent asset.

(c) Reconciliation of recurring Level 3 fair value measurements

	Plant and Equipment \$'000	Total Recurring Level 3 Fair Value \$'000
Fair value as at 1 July 2020	90,946	90,946
Additions	11,067	11,067
Revaluation increments/ decrements recognised in other comprehensive income – included in line item / Changes in revaluation surplus of property, plant and equipment'	9,418	9,418
Transfers from/(to) Govt Agencies	213	213
Transfers in/(out) of assets under construction*	93,164	93,164
Disposals	(121)	(121)
Depreciation expense	(19,434)	(19,434)
Fair value as at 30 June 2021	185,253	185,253

*The balance represents Intangibles capitalised from Asset Under Construction (see note 10)

Major assumption used in the latest plant and equipment valuation are:

- The unit costs of plant and equipment change in line with Australian Bureau of Statistics (“ABS”) published applicable indexation. The final approved CCEP business case represents the best current estimate of program management costs and GRN site integration costs.
- The useful lives of plant and equipment are determined by the best and highest use of the asset. For the asset that have been fully depreciated but still in use prior to the fair value exercise, one-year remaining life has been applied to accommodate the expected asset retirement after CCEP project refreshment in the next 12 months.
- The infrastructure assets were valued on an “as-is, where is” basis and valued on the basis that they will continue to be used at their present location for the continuation of business operations for their useful life.
- No functional obsolescence or economic obsolescence due to excess operating cost, overcapacity at site or overcapacity due to demand were deemed applicable.
- To determine the asset condition and understand whether the assets were functional and able to operate, discussion between the external valuer and the Authority’s management and operators was undertaken and a check on a sample basis was performed during the site visit.
- Indirect costs such as Program Management, Network Integration costs, Construction, Design and Installation costs have been considered and allocated across the GRN sites at asset level.
- The unit cost for the equipment has been sourced by current costs that the Authority is incurring as part of the GRN refresh and CCEP program and verified with the manufacturers to get comfort that the pricing and the discount applied are consistent with the ones applied to any other similar market participant.

14. CURRENT LIABILITIES – PAYABLES

	2021 \$’000	2020 \$’000
Accrued Personnel Services Expenses	398	1,349
Creditors*	4,377	3,719
Accrued Expenses	38,186	20,393
	42,961	25,461

*Includes \$1.96m personnel services expenses changed by invoicing from Department of Customer Services (DCS) for June 2021.

Refer to Note 22 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 the Authority 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.

Accrued salaries, wages and on-costs

The Authority receives personnel services from DCS. DCS is not a Special Purpose Service Entity and does not control the Authority under this arrangement.

In accordance with NSW Treasury Circular 15/07 “Financial and Annual Reporting Requirements Arising from Personnel Service Arrangements”, a liability representing the total amount payable to the Department of Customer Service is recognised in the Statement of Financial Position.

As the Authority is not an employer, the disclosure requirements of AASB 119 *Employee Benefits* in respect of employee benefits do not apply.

15. CURRENT / NON-CURRENT LIABILITIES – BORROWINGS

	2021 \$’000	2020 \$’000
Current		
Lease liabilities	5,895	4,724
Non-Current		
Lease liabilities	72,824	55,009
Total Borrowings	78,719	59,733

Lease liabilities

The following table presents liabilities under leases:

	2021 \$’000	2020 \$’000
Balance at the beginning of the period	59,733	44,684
Additions	25,616	19,550
Modifications	(60)	-
Disposals	(259)	-
Interest expenses	1,657	1,136
Payments	(7,968)	(5,637)
Balance at the end of the period	78,719	59,733

The following amounts were recognised in the statement of comprehensive income for the financial year in respect of leases where the entity is the lessee:

	2021 \$’000	2020 \$’000
Depreciation expense of right-of-use assets	7,808	4,975
Interest expense on lease liabilities	1,657	1,136
Expense relating to short-term leases	149	144
Expense relating to leases of low-value assets	-	-
Income from subleasing right-of-use assets	(108)	(51)
Gains or losses arising from sale and leaseback transactions	-	-
Total amount recognised in the statement of comprehensive income	9,506	6,204

The entity had total cash outflows for leases of \$8,117 million (FY20: \$4,645 million)

Recognition and Measurement

The Authority’s lease liabilities are included in borrowings. Refer to Note 11 for details regarding the Authority’s lease assets.

Lease liabilities

At the commencement date of the lease, the Authority 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 Authority; and
- payments of penalties for terminating the lease, if the lease term reflects the Authority 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 Authority’s leases, the lessee’s incremental borrowing rate is used, being the rate that the Authority 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.

Critical judgements in determining the incremental borrowing rate

In determining the present value of the future lease payments, the Authority discounts the lease payments using an incremental borrowing rate ("IBR"). The IBR used is based on NSW Treasury Corp ("TCorp") rate because the interest rate implicit in the leases are not readily determined and TCorp rate is the best estimation of the Authority's incremental IBR. Once a discount rate has been set for a leased asset (or portfolio of assets with similar characteristics), this rate will remain unchanged for the term of that lease. When a lease modification occurs, and it is not accounted for as a separate lease, a new IBR will be assigned to reflect the new characteristics of the lease.

16. CURRENT / NON-CURRENT LIABILITIES – PROVISIONS

	2021 \$'000	2020 \$'000
Current		
Claims	-	20,250
Restoration costs	230	206
Total	230	20,456
Non-Current*		
Restoration costs	13,820	8,469
Total Provisions	14,050	28,925

Movements in provisions

Carrying amount as at beginning of year	28,924	6,371
Additional provisions recognised	6,178	22,627
Amounts utilised	(20,250)	(130)
Amounts reversed	24	(13)
Increase/(decrease) in provision from remeasurement	(926)	-
Unwinding at discount rate	100	70
Carrying amount at end of year	14,050	28,925

*expected to be settled after 12 months

Recognition and Measurement

Other Provisions

Provisions are recognised when the Authority 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 the Authority expects some or all 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 the Authority has a detailed formal plan and the Authority 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.

Provisions include restoration costs on leased telecommunication sites. The provision is calculated based on current cost estimates for asset dismantling, removal and site restoration activities implicit in each lease agreement, which are then discounted to present value. The provisions are established by individual lease. The unamortised value of the obligation is recorded as an asset.

If the effect of the time value of money is material, provisions are discounted using the Commonwealth government bond rate between 0.010 and 2.390 (2020: between 0.175 and 1.010;) which is a pre-tax rate that reflects the current market assessments of the time value of money. When discounting is used, the increase in the provision due to the passage of time (i.e. unwinding of discount rate) is recognised as a finance cost.

During the previous year, a total of \$20 million of vendor settlement claims were provided for by the Authority. These claims were capitalised as part of the CCEP business case as they related to design descope contract variations. These have since then been finalised and paid.

17. CURRENT / NON-CURRENT LIABILITIES – OTHER

	2021 \$'000	2020 \$'000
Current		
Liabilities under transfers to acquire or construct non-financial assets to be controlled by the entity	9,077	10,607
Total Other Current Liabilities	9,077	10,607

	2021 \$'000	2020 \$'000
Reconciliation of financial assets and corresponding liabilities arising from transfers to acquire or construct non-financial assets to be controlled by the entity		
Liabilities arising from transfers to acquire/construct non-financial assets to be controlled by the entity recognised upon initial application of AASB 1058	10,607	-
Add: receipt of cash during the financial year	135,763	106,765
Deduct: income recognised during the financial year	(137,293)	(96,158)
Closing balance of liabilities arising from transfers to acquire/construct non-financial assets to be controlled by the entity	9,077	10,607

The comparative amount has been reclassified in the financial year ended 30 June 2021. It represents the unspent CCEP project cash, which was disclosed as current liability in the previous financial year. The reclassification is to align the disclosure with the nature of the liability.

18. EQUITY

Recognition and Measurement

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).

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 AAS 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, the Authority recognises the asset at the transferor's carrying amount. Where the transferor is prohibited from recognising internally generated intangibles, the Authority does not recognise that asset.

During the year, a total of 4 equipment with a combined valuation of \$212,722 were transferred from NSW Police Department to the Authority. This transfer was approved by the respective Ministers.

19. COMMITMENTS

Capital Commitments

Aggregate capital expenditure for the acquisition of information technology equipment and other equipment contracted for at balance date and not provided for:

	2021 \$'000	2020 \$'000
Within one year	102,602	79,356
Later than one year and not later than five years	-	-
Later than five years	-	-
Total (including GST)	102,602	79,356

20. CONTINGENT LIABILITIES AND CONTINGENT ASSETS

The Authority does not have contingent liabilities for the reporting period ended 30 June 2021.

The Authority is seeking claim from insurance for Property site damage, Emergency Operations Costs and delay in CCEP projects due to recent natural disaster events at the date of these financial statements and management believes that a favourable outcome is probable. However, the contingent asset has not been recognised as a receivable at 30 June 2021 as receipt of the amount is dependent on the outcome of the finalisation of the claims.

21. 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 the Authority for 2021 is a surplus of \$124.5 million (2020: \$82.6 million surplus) which was unfavourable to the budgeted net result by \$33 million. The major variations to budgets are:

Total Revenue was \$81.8 million unfavourable to budget, mainly in grants and contributions due to CCEP carry forwards to 2021-22 and future years. CCEP was the main contributor at \$69.5 million. The remaining relates to MBSP and RDC.

Total Expenses were \$123.7 million favourable to budget by \$49.8 million. Other Operating expenses were \$42.4 million lower than budget, in which \$12 million related to lower Rental payment of Licences and \$8 million in Fee for Service both as a direct result of delays to CCEP program, the amounts were subsequently carried forward to future years. Depreciation was \$20.8 million lower than budget due to initial budget allocation being too high, Telco are working with Treasury to reprofile into future years. Grants and Subsidies at \$11.5 million due to PSMB program was not approved in the original budget limits, this was subsequently approved in Q3 and Q4 respectively.

Assets and liabilities

Net Assets: The actual net assets of \$443.9 million (2020: \$309.8 million net assets) were unfavourable to budget by \$42.6 million and was mainly due to the carry forward of elements of the CCEP construction phase to 2020-21 and 2021-22.

Total Assets were unfavourable to budget by \$58.0 million mainly due to delays in the construction of the CCEP and carried forward to 2021-22, offset by increases in cash balances due to the funding of the CCEP and increases in right of use assets, trade receivables and prepayments, which are indicative of the business.

Total Liabilities were unfavourable to budget by \$100.5 million due to increase in contract liabilities relating to CCEP and PSMB programs at \$14.5 million. Increase in Borrowings at \$76.5 million largely related to right of use assets due to ROUA term of recognition changed from 5 years to 20 years. Increase in Provisions at \$5.5 million driven higher restoration costs across the Public Safety Network.

Cash flows

Net increase in cash during the year is \$16.3 million compared to a budgeted net decrease in cash of \$3.6 million. The favourable variance of \$19.9 million was driven by higher receipt of cash associated with CCEP and PSMB programs.

22. RECONCILIATION OF CASH FLOWS FROM OPERATING ACTIVITIES TO NET RESULT

	2021 \$'000	2020 \$'000
Net cash from operating activities	165,157	108,316
Depreciation and amortisation	(31,069)	(20,158)
Finance costs	-	(744)
Net gain/(loss) on sale of plant and equipment	(970)	224
Increase/(decrease) in receivables	2,320	(1,857)
Increase/(decrease) in inventories	-	314
Increase/(decrease) in contract assets	4,420	-
Increase/(decrease) in other assets	(372)	507
(Increase)/decrease in payables	(1,941)	(3,962)
(Increase)/decrease in contract liabilities	(14,529)	-
(Increase)/decrease in other liabilities	1,530	-
Net result	124,546	82,640

23. FINANCIAL INSTRUMENTS

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

The Authority's main risks arising from financial instruments are outlined below, together with the Authority's objectives, policies and processes for measuring and managing risk. Further quantitative and qualitative disclosures are included throughout these financial statements.

The Managing Director has overall responsibility for the establishment and oversight of risk management and reviews and agrees policies for managing each of these risks. Risk management policies are established to identify and analyse the risks faced by the Authority, to set risk limits and controls and to monitor risks. Compliance with policies is reviewed by the Authority on a continuous basis.

(a) Financial Instrument Categories

	Note	Category	2021 \$'000	2020 \$'000
			Carrying Amount	Carrying Amount
Financial Assets				
Class:				
Cash and cash equivalents	5	Amortised cost	80,404	64,092
Receivables ⁽ⁱ⁾	6	Amortised cost	8,336	5,040
Contract assets ⁽ⁱⁱ⁾	7	Amortised cost	5,540	1,120
Financial Liabilities				
Class:				
Payables ⁽ⁱⁱⁱ⁾	14	Financial liabilities measured at amortised cost	41,813	25,461
Borrowings	15	Financial liabilities measured at amortised cost	78,719	59,733

(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 unearned revenue (i.e. not within scope of AASB 7)

The Authority determines the classification of its financial assets and liabilities after initial recognition and, when allowed and appropriate, re-evaluates this at each financial year end.

(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 the Authority 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:

- the Authority has transferred substantially all the risks and rewards of the asset; or
- the Authority has neither transferred nor retained substantially all the risks and rewards of the asset but has transferred control.

When the Authority 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 the Authority has neither transferred nor retained substantially all the risks and rewards or transferred control, the asset continues to be recognised to the extent of the Authority's continuing involvement in the asset. In that case, the Authority also recognises an associated liability. The transferred asset and the associated liability are measured on a basis that reflects the rights and obligations that the Authority 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 the Authority 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 risks

i. Credit Risk

Credit risk arises when there is the possibility of the Authority's debtors defaulting on their contractual obligations, resulting in a financial loss to the Authority. 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 the Authority, including cash, receivables, and authority deposits. No collateral is held by the Authority. The Authority has not granted any financial guarantees.

Credit risk associated with the Authority'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 Treasury Corporation (TCorp) are guaranteed by the State.

Cash and cash equivalents

Cash and cash equivalents comprise cash on hand and bank balances within the NSW Treasury Banking System. Interest is earned on daily bank balances at the monthly average TCorp 11am unofficial cash rate, adjusted for a management fee to NSW Treasury.

Accounting policy for impairment of trade receivables and other financial assets under AASB 9

Receivables - Trade Receivables

Collectability of trade receivables is reviewed on an ongoing basis. Procedures as established in the Treasurer's Directions are followed to recover outstanding amounts, including letters of demand. The Authority 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, 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. Where the Authority has receivables from the Government and agencies or the Australian Government, no loss allowance is recorded for these receivables on the basis of materiality and zero risk of default.

Where the Authority has receivables from the Non-government entities, 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. Based on the Authority's provision matrix from its historical credit loss experience for trade receivables, it has indicated that no ECLs were required for financial year ending June 2021.

The loss allowance for trade receivables as at 30 June 2021 and 30 June 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%	0.0%	0.0%	0.0%	
Estimated total gross carrying amount at default	2,139	6,128	25	17	27	8,336
Expected credit loss	-	-	-	-	-	-
Total	2,139	6,128	25	17	27	8,336

Notes: The analysis excludes statutory receivables, prepayments, as these are not within the scope of AASB 7. Therefore, the 'total' will not reconcile to the receivables total in Note 6.

	30 June 2020					
	\$'000					
	Current	<30 days	30-60 days	61-90 days	>91 days	Total
Expected credit loss rate	0.0%	0.0%	0.0%	0.0%	0.0%	
Estimated total gross carrying amount at default	512	3,354	61	27	27	4,580
Expected credit loss	-	-	-	-	-	-
Total	512	3,354	61	27	626	4,580

Notes: The analysis excludes statutory receivables, prepayments, as these are not within the scope of AASB 7. Therefore, the 'total' will not reconcile to the receivables total in Note 6.

The Authority is not materially exposed to concentrations of credit risk to a single debtor or group of debtors as at 30 June 2021 and 2020. Most debtors have AAA credit rating.

ii. Liquidity Risk

Liquidity risk is the risk that the Authority will be unable to meet its payment obligations when they fall due. The Authority 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.

During the current and prior year, no assets have been pledged as collateral. The Authority'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. There was no interest applied to trade payables during the year.

The table below summarises the maturity profile of the Authority's financial liabilities based on contractual undiscounted payments, together with the interest rate exposure.

30 June 2021				
\$'000				
	<1 year	1–5 years	> 5 years	Total
Payables	41,813	-	-	41,813
Lease liabilities	7,768	27,536	60,063	95,367
Total	49,581	27,536	60,063	137,180

30 June 2020				
\$'000				
	<1 year	1–5 years	> 5 years	Total
Payables	25,461	-	-	25,461
Lease liabilities	5,996	22,669	46,188	74,853
Total	31,457	22,669	46,188	100,314

iii. Market Risk

Market risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices. The Authority 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. A reasonably possible change in risk variable has been determined after taking into account the economic environment in which the Authority 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.

24. RELATED PARTY DISCLOSURES

Key management personnel

The total remuneration of the key management personnel of the Authority are as follows:

	2021 \$'000	2020 \$'000
Short-term employee benefits:		
- Salaries	345	331
- Non-monetary benefits	-	-
Other long-term employee benefits	-	-
Post-employment benefits	22	21
Termination benefits	-	-
Total remuneration	367	352

Other related party transactions

During the year, the Authority entered into transactions with other entities that are controlled/jointly controlled/significantly influenced by NSW Government. These transactions in aggregate are a significant portion of the Authority's sale of goods/rendering of services/receiving of services, in aggregate are as follows:

Nature of transaction	2021 \$'000		2020 \$'000	
	Transaction value income/(expense) \$'000	Net receivable/ (payable) \$'000	Transaction value income/(expense) \$'000	Net receivable/ (payable) \$'000
Sales of goods/services; grants and contributions and other receipts	245,718	13,121	178,971	6,160
Purchases of goods/ services; grants and subsidies and other payments	(36,082)	(476)	(22,355)	(1,384)

The major related parties involved in the transactions for financial year ended 30 June 2021 are as following:

- Sales of goods/services; grants and contributions and other receipts

Related parties	Amount \$'000
Department of Customer Service	146,642
Ministry of Health	20,816
Fire and Rescue NSW	20,816
NSW Rural Fire Service	20,816
Office of the NSW State Emergency Service	20,816
Crown Finance Entity	11,338
NSW Police Force	1,928

- Net receivable

Related parties	Amount \$'000
Office of the NSW State Emergency Service	5,745
Crown Finance Entity	2,798
Fire and Rescue NSW	1,860
Ministry of Health	1,798

- Purchases of goods/ services; grants and subsidies and other payments

Related parties	Amount \$'000
Department of Customer Service	(35,683)

- Net payable

Related parties	Amount \$'000
Department of Customer Service	(476)

DCS Corporate Services

During the year, DCS directly provided corporate services to the Authority, including people & culture, finance, legal, procurement, governance, risk & performance, workplace and IT services totalling \$4,358,000. DCS has charged the Authority the cost for the financial year ended 30 June 2021. The Authority was not charged for the financial year ending 30 June 2020 as the costs of \$1,350,014 were funded through the existing DCS corporate services budget.

25. EVENTS AFTER THE REPORTING PERIOD

Non-Adjusting Events

The Greater Sydney COVID-19 lock down restrictions impact construction and operational acceptance activities, where site access in lock down locations could be restricted. This will result in extension of time delays; payment claims from construction vendors. We are currently working with the vendors to quantify the impact estimation.

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 the Authority as at 30 June 2021.

END OF AUDITED FINANCIAL STATEMENTS



Internal Audit and Risk Management Attestation Statement for the 2020-2021 Financial Year for New South Wales Government Telecommunications Authority

I, Kylie De Courteney, Managing Director, am of the opinion that the NSW Government Telecommunications Authority 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 - except 3.1.16: Non-compliant as subject to Ministerial Exemption
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, (in preceding shared arrangement: 2 December 2015 – 31 October 2019) 1 November 2019 – 31 October 2022
- Independent Member, Bruce Turner AM, (in preceding shared arrangement: 22 January 2016) 1 November 2019 – 31 October 2022
- Independent Member, Nancy Milne OAM, 1 November 2019 – 31 October 2022

Shared Arrangements

I, Kylie De Courteney, Managing Director, advise that the NSW Government Telecommunications Authority has entered into an approved shared arrangement with the following Department/agencies:

- Department of Customer Service
- Rental Bond Board
- Independent Liquor and Gaming Authority
- Greyhound Welfare and Integrity Commission.

Departures from Core Requirements

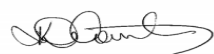
I, Kylie De Courteney, Managing Director, advise that the internal audit and risk management processes for the NSW Government Telecommunications Authority depart from the Core Requirements set out in the *Internal Audit and Risk Management Policy for the General Government Sector*:

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, OR
2. The circumstances giving rise to these departures have been determined by the Responsible Minister and NSW Government Telecommunications Authority has implemented, or is implementing, the following practicable alternative measures to meet the Core Requirements:

Departure	Reason for departure and description of practicable alternatives measures implemented/being implemented
Non-Compliance	
3.1.16	Chair appointed for 3 years as Chair of Shared Arrangement ARC, but also served as Chair under former DFSI Shared arrangement which included the Rental Bond Board – so total tenure exceeds 5 years as chair across both shared arrangements – permitted under ministerial exemption, in order to retain institutional knowledge and on proviso that total term of Chair on committee will not be further extended beyond the initial three year engagement for this shared arrangement and total service in respect of both shared arrangements will not exceed eight year maximum.
In Transition	
1.2	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. Further integration will be applied in line with the refreshed risk management policy documents. Climate related risks including bushfires and floods have been identified and captured for some business units. In addition to standard risk management processes, the climate risk management process will also include:

	<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 NSW Government Telecommunications Authority has established and maintained frameworks, including systems, processes and procedures for appropriately managing audit and risk within the NSW Government Telecommunications Authority.



Kylie De Courteney
 Managing Director
 NSW Government Telecommunications Authority

Date: 08/10/21

Agency Contact Officer
 Effie Chen
 DCS Chief Audit Executive (+61 2 8575 1248)
cae@customerservice.nsw.gov.au

Risk management and insurance

NSWTA aligns with the DCS Enterprise Risk and Resilience Framework in accordance with NSW Treasury requirements, as set out in Treasury Policy and Guidelines Paper TPP 15-03: Internal Audit and Risk Management Policy for the NSW Public Sector.

NSWTA complies with all relevant insurance requirements including workers' compensation, motor vehicles, public liability, property and miscellaneous items. During 2020/21, NSWTA paid \$265,376.78 (excluding GST) in insurance premiums.

General ledger account	Description	YTD amount 2020-21
4102061	Insurance – Managed (NSW Telco Authority)	\$ 100,295.82
4102061	Insurance – Managed (CCEP)	\$ 29,359.69
4102062	Insurance - Not Managed (CCEP)	\$ 162,258.94
Total		\$ 291,914.45
	Excluding GST	\$ 265,376.78

Payment of accounts

Aged analysis at the end of each quarter					
Quarters	Total	Current within due date	30-60 days overdue	61-90 days overdue	90+ days overdue
All suppliers					
September	\$333,270.53	\$333,270.53	\$-	\$-	\$-
December	\$679,908.13	\$671,658.13	\$8,250.00	\$-	\$-
March	\$123,518.97	\$107,247.19	\$11,330.00	\$2,375.75	\$2,566.03
June	\$2,842,785.52	\$2,840,454.77	-\$495.00	\$-	\$2,825.75
Small business suppliers					
September	\$-	\$-	\$-	\$-	\$-
December	\$-	\$-	\$-	\$-	\$-
March	\$-	\$-	\$-	\$-	\$-
June	\$-	\$-	\$-	\$-	\$-

Notes: Negative values relate to uncleared credit notes including credit card transactions.

Credit cards on issue and combined limit of credit cards issued

Credit card use by officers is compliant. Reviewed expenses each month are included in the DCS Annual Report.

Credit card certification

In line with the Treasurer's Directions 205.01-205.08, NSWTA certifies that corporate credit card use by its officers are done so within the established government requirements, Premier's Memorandum and NSW Treasury Directions.

CUSTOMER FACT

Transdev Sydney Ferries employs more than 650 staff and operates 170,000 ferry services each year across Sydney Harbour and its related waterways.

Communication over the PSN ensures reliable communication between Control Officers based at Circular Quay and each vessel in the fleet. Transdev Sydney Ferries have 226 radio users operating across ten talk groups.



Accounts due or paid within each quarter

Measure	September 2020	December 2020	March 2021	June 2021
All suppliers				
Number of accounts due for payment	1,095	1,055	820	999
Number of accounts paid on time	303	220	184	420
Actual percentage of accounts paid on time (based on number of accounts)	28%	21%	22%	42%
Dollar amount of accounts due for payment	\$39,464,747.47	\$74,966,062.46	\$52,806,022.47	\$65,471,970.18
Dollar amount of accounts paid on time	\$22,262,328.05	\$19,247,950.62	\$10,635,447.54	\$27,948,377.23
Actual percentage of accounts paid on time (based on \$)	56%	26%	20%	43%
Number of payments for interest on overdue accounts	-	-	-	-
Interest paid on overdue accounts	\$-	\$-	\$-	\$-
Small business suppliers				
Number of accounts due for payment	8	15	10	26
Number of accounts paid on time	-	-	-	-
Actual percentage of accounts paid on time (based on number of accounts)	0%	0%	0%	0%
Dollar amount of accounts due for payment	\$87,287.73	\$138,681.00	\$176,000.00	\$1,258,534.00
Small business suppliers (cont.)				
Dollar amount of accounts paid on time	\$-	\$-	\$-	\$-
Actual percentage of accounts paid on time (based on \$)	0%	0%	0%	0%
Number of payments for interest on overdue accounts	-	-	-	-
Interest paid on overdue accounts	\$-	\$-	\$-	\$-

Notes: Payment performance impacted due to settlement negotiations, incorrectly rendered invoices, and invoices submitted prior to completion of work.

NSWTA continues to work with suppliers and staff to reduce impacts and improve performance where possible.

There were new registered small business supplier accounts during the year.

Consultants

NSWTA engages external consultants to support specific projects and workload peaks as required to draw on specialist expertise from the private sector.

Engagements above \$50,000

Consultant	Category	Description	Amount (ex GST)
	-	-	\$ -
Total	-	-	\$ -

Engagements below \$50,000

Consultant	Category	Engagements	Amount (ex GST)
Safe Design Australia	Development of management process	1	\$ 18,000.00
PM Partners	Development of management process	2	\$ 6,625.01
Equifax	Development of management process	1	\$ 1,364.46
Total			\$ 25,989.47

Three consultants were engaged and disclosed appropriately.

Investment performance

The Westpac investment, as part of the Treasury Banking System, was the primary source of interest revenue for the reporting period.

Category	Weighted portfolio composition	Revenue	Annual rate of return
Bank interest	100%	\$ 134,844.90	0.19%

Budget Outline for 2021/22

	Budget FY2022 \$'000
Expenses excluding losses	
Personnel services/employee related	27,847
Other operating expenses	137,531
Depreciation and amortisation	66,689
Finance cost	-
Total expenses excluding losses	232,067
Revenue	
Sale of goods and services	121,692
Grants (TSY)	472,286
Other revenue	1,856
Total revenue	595,834
Total comprehensive income for the year	363,767

Operating Budget

The following is a summary of the Authority's budgeted revenue and expenditure for FY2021-2022:

	FY 20-21 Forecast \$'000	FY 21-22 Budget \$'000
Revenue		
Network Services Revenue	92,790	121,692
Grants (Cluster)	172,160	444,879
Grants (Government Agencies)	2,837	27,407
Investment revenue	302	825
Other Income	1,022	1,031
Total Revenue	269,111	595,834
Expenses		
Network operation expenses	32,930	49,286
Personnel services expenses	20,207	27,847
Other	48,127	55,845
CCEP Operating Expenses	13,220	32,400
Total expenses (excl depn)	114,484	165,378
Surplus/(deficit) (excl depn)	154,627	430,456
Depreciation	30,605	66,689
Total expenses (incl depn)	145,089	232,067
Surplus/(deficit) (incl depn)	124,022	363,767

Promotion and overseas travel

No overseas travel was undertaken any NSWTA staff member during the reporting period.

Funds granted to non-government organisations

No funds were granted to non-government community organisations during the year.

Exemptions

There were no exemptions pursuant to clause 17 of the *Annual Reports (Statutory Bodies) Regulation 2015* applicable to NSWTA during the reporting period.

As NSWTA is a small statutory body under clause 18 of the *Annual Reports (Statutory Bodies) Regulation 2015*, it is only required to report on the following matters once every three years:

- multicultural policies and services program
- work health and safety
- workforce diversity

Information on the Department's multicultural policies and services programs and Work Health and Safety is in the 2020/21 DCS Annual Report.

Annual Report Production

This report was produced within DCS and no external costs were incurred. An electronic copy of the report is available at www.telco.nsw.gov.au and www.customerservice.nsw.gov.au



CUSTOMER FACT

We're proud to have supported the Newborn and paediatric Emergency Transport Service (NETS) transition their Sydney radio fleet to the PSN.

NETS use vehicle-mounted radios in locations where PSN coverage is not strong and push-to-talk services for their 24/7 dispatch and operational communications.

Annual report compliance checklist

Requirement	Source (References at Note 1)	Content	Reference in Annual Report
Letter of Submission	ARSBA s.9A	• Stating report submitted to Minister for presentation to Parliament	P 3
		• Provisions under which report prepared	P 3
		• If applicable, length of lateness in submitting report and reasons	NA
		• If no application for extension, reasons for lateness and lack of application	NA
		• To be signed by 2 members of statutory body or, if without members, by the CEO	P 3
Application for extension of time	ARSBA s.13(5)	• Where there has been an extension, particulars of extensions of time	NA
Charter	ARSBR Sch.1	• Manner in which and purpose for which agency was established	P 12
		• Principal legislation under which statutory body operates	P 12,14
Aims and objectives	ARSBR Sch.1	• What statutory body sets out to do	P 12,13, 14,15
		• Range of services provided	P 13,14,15
		• Clientele/community served	P 16
Access	ARSBR Sch.1	• Address of principal office/s	P 2
		• Telephone number of principal office/s	P 2
		• Business & service hours	P 2
Management and structure	ARSBR Sch.1	• Names of members and their qualifications	P 45,46,47
		• Method and term of appointment of board members	P 45,46,47
		• Frequency of meetings and members' attendance at meetings	P 45
		• Names, offices and qualifications of senior officers	P 50,51
		• Organisation chart indicating functional responsibilities	P 48,49
Summary review of operations	ARSBR Sch.1	• Narrative summary of significant operations	P8,20
		• Financial and other quantitative information for programs or operations	P 62

Funds granted to non-government community organisations	ARSBR Sch.1	• Name of recipient organisation	NA
		• Amount of grant	NA
		• Program area as per Budget paper	NA
		• Program as per Budget paper	NA
Legal Change	ARSBR Sch.1; ARSBA s.9(1)(f)	• Changes in Acts and subordinate legislation	P 56
		• Significant judicial decisions affecting agency or users of its services	NA
Economic or other factors	ARSBR Sch.1	• Affecting achievement of operational objectives	P 38
Management and activities	ARSBR Sch.1	• Describe nature and range of activities	P 12,13, 14,15
		• If practicable, qualitative and quantitative performance measures showing efficiency and effectiveness	P 19,21, 23,26-37
		• Nature and extent of internal and external performance reviews conducted and resulting improvements in achievements	P 44
		• Benefits from management and strategy reviews	P 8,9,10,11, 26-37
		• Management improvement plans and achievements reaching previous targets	P 19,21, 23,26-37
		• Major problems and issues which arose	P 10,11,38
Research and development	ARSBR Sch.1	• Major works in progress, cost to date, dates of completion, significant cost overruns or delays / amendments / deferments / cancellations	P 19, 21, 23,26-37
		• Completed and continuing research and developmental activities including resources allocated, unless will adversely affect business	P 56
Human resources	ARSBR Sch.1	• Number of officers and employees by category & compare to prior three years	P 52
		• Exceptional movements in wages, salaries or allowances	P 52
		• Personnel policies & practices	P 52,54
		• Industrial relations policies & practices	P 56

Consultants	ARSBR Sch.1	<ul style="list-style-type: none"> For each engagement costing equal to or greater than \$50,000: <ul style="list-style-type: none"> Name of consultant Title of project (shown in a way that identifies the nature of the work) Actual costs 	P 104
		For engagements costing less than \$50,000: <ul style="list-style-type: none"> Total number of engagements Total cost 	P 104
		Or a statement that no consultants used	NA
Workforce Diversity	PSCC 2014-09 ARSBR Sch.1 ARSBR cl.18 TC15/18	<ul style="list-style-type: none"> Statutory bodies must report statistics for both the representation and distribution of employees in diversity groups, in the same format as the report provided to each agency by the Public Service Commission Additionally, statutory bodies must report on the workforce diversity achievements during the reporting year and the key workforce diversity strategies proposed for the following year. Small statutory bodies need only report on a triennial basis. <p>For information on this requirement, please see https://arp.nsw.gov.au/assets/ars/eb555bc2bc/PSCC-2014-09-Updated-Changes-to-annual-reporting-for-senior-executives-and-workforce-diversity.pdf For queries please contact the Public Service Commission (PSC) on 9272 6000</p>	P 54,55
Disability Inclusion Action Plans	DIA ss.12,13 ARSBR Sch.1 ARSBR c18 TC15-18	<ul style="list-style-type: none"> If the statutory body is required to have a disability inclusion action plan under the Disability Inclusion Act 2014, a statement setting out the progress during the reporting year in implementing that plan Small bodies need only report on a triennial basis. <p>See https://www.facs.nsw.gov.au/_data/assets/file/0004/322366/NSW-DIAP-Guidelines.PDF</p> <p>For queries please contact the Department of Family and Community Services directly (tel: 1800 782 306 or NSW DIP@facs.nsw.gov.au)</p>	P 54

Land Disposal	ARSBR Sch.1	<ul style="list-style-type: none"> If value greater than \$5,000,000 & not sold by public auction or tender <ul style="list-style-type: none"> list of properties for each case, name of person who acquired the property & proceeds Details of family or business association between purchaser & person responsible for approving disposal Reasons for the disposal of properties Purpose/s for which proceeds were used Statement that access to documents relating to the disposal can be obtained under the GIPA Act. 	P 57
Promotion	ARSBR Sch.1	<ul style="list-style-type: none"> Overseas visits by employees and officers with main purposes highlighted 	NA
Consumer Response	ARSBR Sch.1	<ul style="list-style-type: none"> Extent and main features of consumer complaints Services improved/changed in response to complaints/consumer suggestions 	P 56
Payment of Accounts	TC11/21 ARSBR Sch.1	<ul style="list-style-type: none"> Details of performance in paying accounts for each quarter, from due dates: <ul style="list-style-type: none"> Current, 0-30, 30-60, 60-90 and 90+ \$ amounts Target %, actual % and \$ for on time Total dollar amount paid in quarter (can use proper sampling techniques) Details of accounts due or paid within each quarter – A schedule of the number and dollar amount of accounts / invoices due or paid within each quarter of the financial year as follows, separately disclosed for all suppliers and small business suppliers: <ul style="list-style-type: none"> Number of accounts due for payment Number of accounts paid on time Actual percentage of accounts paid on time (based on number of accounts) Dollar amount of accounts due for payment Dollar amount of accounts paid on time Actual percentage of accounts paid on time (based on dollar amount of accounts) Number of payments for interest on overdue accounts Interest paid on late accounts Commentary on problems affecting prompt processing of payments during the year and on initiatives implemented to improve payment performance 	P 102
Time for Payment of Accounts	ARSBR Sch.1 TC11/21	Where interest was paid due to late payments, list of instances and reasons for delay which caused late payment. If there is no interest paid, this should also be disclosed.	P 102

Risk management and insurance activities	ARSBR Sch.1	Report on the risk management & insurance arrangements and activities affecting the agency	P 101
Internal audit and risk management policy attestation	TPP20-08	The governing board, or in the absence of a governing board, the Chief Executive Officer, must: <ul style="list-style-type: none"> attest to compliance with the TPP's 'core requirements' in an attestation statement based on the template at Annexure C of the TPP, and ensure that this Statement is published in the statutory body's Annual Report, adjacent to the requirement to disclose 'risk management and insurance activities' per Sch.1 ARSBR. The above requirement does not apply to SOCs	P 98
Disclosure of Controlled Entities	ARSBR Sch.1	For each controlled entity: <ul style="list-style-type: none"> Name, objectives, operations, activities Performance targets and actual performance measures 	P 57
Disclosure of Subsidiaries	PM 2006-02	For each public sector subsidiary, the parent must: <ul style="list-style-type: none"> Identify each subsidiary in which shares are held and the number and % of shares held Include key figures for each subsidiary (turnover, profit, assets) and their proportion to group totals Include detailed statement of objectives, activities and operations of each subsidiary, performance targets and measures and accounts; and Include description of nature and extent of involvement in any other companies, joint ventures, partnerships, trusts or other such associations (whether or not incorporated) The above requirement does not apply to SOCs.	P 57
Multicultural Policies and Services Program	ARSBR Sch.1 ARSBR cl.18 TC 15/18	<ul style="list-style-type: none"> Statement setting out the key multicultural strategies proposed for the following year Progress in implementing the statutory body's multicultural policies and services plan Information as to the multicultural policies and services plans of any bodies reporting to the statutory body Small statutory bodies need only report on a triennial basis. 	P 54

Agreements with Multicultural NSW	ARSBR Sch.1	Description of any agreement entered into with Multicultural NSW under the <i>Multicultural NSW Act 2000</i> and statement setting out progress in implementing any agreement	P 54
Work Health and Safety	ARSBR Sch.1 ARSBR cl.18 TC15-18	<ul style="list-style-type: none"> Statement setting out WHS performance Details of injuries and prosecutions under the <i>Work Health and Safety Act 2011</i> Small statutory bodies need only report on a triennial basis 	P 56
Budgets	ARSBA s.7(1)(a)(iii) ARSBR cl.7(1)	<ul style="list-style-type: none"> Detailed budget for the year reported on, including details of: <ul style="list-style-type: none"> If this is the first budget approved Adjustments to first budget approved Outline budget for following year 	P 105,106
Financial Statements	ARSBA ss.7(1)(a)(i)-(ii)	<ul style="list-style-type: none"> Inclusion of Financial Statements Controlled Entities' Financial statements Audit Opinion on Financial Statements Response to significant issues raised by Auditor-General 	P 62
Identification of audited financial statements	ARSBR cl.5	At the start and finish of the audited financial report of the statutory body required under s.7(1)(a)(i) ARSBA is to be clearly indicated.	P 60
Inclusion of unaudited financial statements	ARSBR cl.6	Unaudited financial information to be distinguished by note or otherwise	P 62
Additional matters for inclusion in annual reports	ARSBR cl.8	<ul style="list-style-type: none"> Statement of the action taken by the statutory body in complying with the requirements of the PPIPA and statistical details of any review conducted by or on behalf of the statutory body under Part 5 of the PPIPA. Does not apply to SOCs. 	NA
		After balance date events having a significant effect in succeeding year on: <ul style="list-style-type: none"> Financial operations Other operations Clientele/community served 	NA
		Total external costs (such as fees for consultants and printing costs) incurred in the production of the report.	NA
		The website at which the report may be accessed (or the statutory body's website)	www.telco.nsw.gov.au

Investment performance	ARSBR cl.10; TC17/02	<ul style="list-style-type: none"> In the form of a comparison with a choice of Treasury Corporation investment facilities Choice of comparison based on nature and term of underlying liability Stated in terms of annual compound percentage rate of return 	P 104
Liability management performance	ARSBR cl.11; TC17/02	<ul style="list-style-type: none"> Only if debt is greater than \$20m In the form of a comparison, details of agency's liability portfolio performance versus benchmark Benchmark is notional portfolio constructed as risk neutral per Treasurer 	NA
Exemptions	ARSBR cl.17(4) ARSBR cl.18	<ul style="list-style-type: none"> If applicable, section "Exemptions from the Reporting Provisions" including: <ul style="list-style-type: none"> Details of exemptions Reasons for exemptions Small statutory bodies need report on a triennial basis only in relation to: <ul style="list-style-type: none"> workforce diversity disability inclusion action plans multicultural policies and services program work health and safety triennial reporting of particulars in the report of the operations of a statutory body must relate not only to the reporting year for which the report is prepared (and the succeeding reporting year, if required by Schedule 1) but also to those of the 2 preceding reporting years in relation to which those particulars have not yet been reported in a report of the operations of the statutory body. 	P 107

Numbers and remuneration of senior executives	ARSBR cl.12	<ul style="list-style-type: none"> Number of senior executives employed in the statutory body at the end of the reporting year broken down by band and then gender within each band, compared with the numbers at the end of the previous reporting year 	P 53
	PSCC 2014-09	<ul style="list-style-type: none"> Average total remuneration package of senior executives in each band at the end of the reporting year, compared with the average at the end of the previous reporting year 	P 53
	SOORT determination	<ul style="list-style-type: none"> The percentage of total employee-related expenditure in the reporting year that relates to senior executives, compared with the percentage at the end of the previous reporting year <p>The four senior executive bands that apply for financial years ending after 01 July 2019 are published in the Statutory and Other Officers Remuneration Tribunal (SOORT) 2019 Annual Determination – SOORT - Public Service Executive dated 27 August 2019. Agencies must base their senior executive disclosures on those bands, which are set out in Treasury's Annual Report Frequently Asked Questions at https://www.treasury.nsw.gov.au</p>	P 52
Implementation of Price Determination	IPARTA s.18(4)	<p>If agency subject to determination or recommendation of Tribunal then:</p> <ul style="list-style-type: none"> Statement that it was implemented and details of implementation; or Reasons for not being implemented. 	NA
Government Information (Public Access) Act 2009	GIPAA s.125(4), (6) GIPAR cl.8, Sch 2; cl.13, Sch 3	<ul style="list-style-type: none"> Details of the agency's review under s7(3) of the GIPAA during the year and details of any information made publicly available as a result of the review 	P 57
		<ul style="list-style-type: none"> Total number of access applications received during the year (including withdrawn applications but not including invalid applications) 	P 58
		<ul style="list-style-type: none"> Total number of access applications received that agency 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 	P 58
		<ul style="list-style-type: none"> Statistical information as described in Sch 2 GIPAR 	NA
		<ul style="list-style-type: none"> Each agency referred to in Sch 3 of the GIPAR (subsidiary agency) is declared to be part of and included in the parent agency specified in Sch 3. 	P 58

Cyber Security Policy (CSP) attestation	DCS-2021-02	<p>https://www.digital.nsw.gov.au/policy/cyber-security-policy</p> <p>Governing boards of statutory bodies must include an annual report attestation statement addressing the following:</p> <ul style="list-style-type: none"> • the Agency has assessed its cyber security risks, • cyber security is appropriately addressed at Agency governance forums, • the Agency has a cyber incident response plan, it is integrated with the security components of business continuity arrangements, and has been tested over the previous 12 months (involving senior business executives), • certification of the Agency's Information Security Management System (ISMS) is in place or an alternative independent review or audit has been undertaken. • What the agency is doing to continuously improve the management of cyber security governance and resilience. <p>See page 14 of the CSP for suggested wording.</p> <p>For queries please contact Cyber Security NSW at the Department of Customer Service - CyberSecurityPolicy@customer.service.nsw.gov.au or telephone the Department of Customer Service on 13 77 88.</p>	P 59
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Public Interest Disclosures (PID)	PIDA s.31, PIDR cl.4	<p>Separately report on:</p> <ul style="list-style-type: none"> • PIDs made by public officials in performing their day to day functions as public officials • PIDs not covered above that are made under a statutory or other legal obligation • All other PIDs <p>For each PID, a public authority should disclose the following information:</p> <ul style="list-style-type: none"> • Number of public officials who have made a PID to the public authority • Number of PIDs received by the public authority in total and the number of PIDs received by the public authority relating to each of the following: <ul style="list-style-type: none"> - corrupt conduct - maladministration - serious and substantial waste of public money - government information contraventions - local government pecuniary interest contraventions <p>Number of PIDs finalised</p> <p>Whether the public authority has a PID policy in place</p> <p>Actions taken to ensure staff awareness responsibilities under s.6E(1)(b) of the PIDA have been met.</p>	<p>P 56</p> <p>NA</p> <p>NA</p> <p>NA</p> <p>P 56</p> <p>P 56</p>
Requirements arising from employment arrangements	TC15/07 ARSBA s.15(1)	Additional requirements, where statutory body receives personnel services from a Department or special purpose service entity -- refer section 4 of TC15-07 - Department that provides personnel services must in the annual report disclose statutory information regarding employee related matters. The disclosures must be made for employees in total and disaggregated by the controlled entity that receives the personnel service.	P 57
Form of annual reports – generally	ARSBR cl.14	<ul style="list-style-type: none"> • Material information reported • Logical sequence • Appropriate layout • Clear readable text • Appropriate captions for charts, diagrams, or photos • Index and table of contents to assist identifying reporting requirements 	<p>Compliant</p> <p>Compliant</p> <p>Compliant</p> <p>Compliant</p> <p>Contents P5</p>
Submission of annual report to appropriate Minister	ARSBA s.10 PM2013-09	<p>Not later than four months after year end</p> <p>Must be submitted to all responsible Ministers</p> <p>Appropriate Ministers can decide whether their statutory bodies submit annual reports to that Minister in printed or electronic form.</p>	NA

Submission of annual report to the Treasurer	ARSBA s.10 PM2013-09	<ul style="list-style-type: none"> Submit an electronic copy of annual report to the Treasurer (annualreport@treasurer.nsw.gov.au) at the same time as it is submitted to the appropriate Minister 	31 October 2021
Presentation of annual report to Parliament	ARSBA s.11	<ul style="list-style-type: none"> The appropriate Minister must present a printed copy of a statutory body's annual report to each House of Parliament. To permit that Minister to meet this requirement, each statutory body must submit two printed copies of its annual report to that Minister. The appropriate Minister must present that report within one month of receipt. If late, statement by Minister 	Office of the Minister for Digital, Minister for Customer Service
Annual reports size-presentation to Parliament	ARSBR cl.15((1))	<ul style="list-style-type: none"> Size – ISO A4 	Compliant
Printing and distribution requirements	PC 2000-68; PM 2000-15 PM 2013-09	<p>All production costs must be kept to a minimum by:</p> <ul style="list-style-type: none"> Limiting content to recording performance and meeting statutory obligations Printing hard copies in house in black and white Not including unnecessary pictures and illustrations Eliminating external production costs <p>Electronic copies of annual reports are to be sent to:</p> <ul style="list-style-type: none"> State Records (upload to OpenGov NSW) National Library of Australia UWS Library State Library Parliamentary Library 	Compliant
Public availability of annual reports	ARSBA s.12; ARSBR c.16 TC15-19 PM 2013-09	<ul style="list-style-type: none"> A copy of the annual report must be made publicly available on the statutory body's website (or other relevant website) as soon as practicable after the hard copy report is presented to Parliament A copy of the annual report must also be made available to Parliament in electronic form as soon as practicable after the hard copy report is presented to Parliament Available to others if required by the Treasurer 	www.telco.nsw.gov.au

Key to references:

ARSBA: *Annual Reports (Statutory Bodies) Act 1984*

ARSBR: *Annual Reports (Statutory Bodies) Regulation 2015*

CSP: *NSW Cyber Security Policy – Cyber Security NSW*

DIA: *Disability Inclusion Act 2014*

GIPAA: *Government Information (Public Access) Act 2009*

GIPAR: *Government Information (Public Access) Regulation 2018*

GSEA: *Government Sector Employment Act 2013*

IPARTA: *Independent Pricing and Regulatory Tribunal Act 1992*

PIDA: *Public Interest Disclosures Act 1994*

PIDR: *Public Interest Disclosures Regulation 2011*

PC: Premier's Circular

PM: Premier's Memorandum

PPIPA: *Privacy and Personal Information Protection Act 1998*

PSC: Public Service Commission

PSCC: Public Service Commission Circular

TC: Treasury Circular

TPP: Treasury Policy Paper

Exemptions

There were no exemptions pursuant to clause 17 of the *Annual Reports (Statutory Bodies) Regulation 2015* applicable to NSWTA during the reporting period.

As NSWTA is a small statutory body under clause 18 of the *Annual Reports (Statutory Bodies) Regulation 2015*, it is only required to report on the following matters once every three years:

- multicultural policies and services program
- work health and safety
- workforce diversity

Information on the Department's multicultural policies and services programs and Work Health and Safety is in the 2020/21 DCS Annual Report.

Annual Report Production

This report was produced within DCS and no external costs were incurred. An electronic copy of the report is available at www.telco.nsw.gov.au and www.customerservice.nsw.gov.au

