



Services,
Technology &
Administration

Annual Report 2009/10

NSW Department of Services,
Technology & Administration



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Minister for Industrial Relations
Minister for Commerce
Minister for Energy
Minister for Public Sector Reform
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Level 34
Governor Macquarie Tower
1 Farrer Place
SYDNEY NSW 2000

Dear Minister

I am pleased to submit the Annual Report for the NSW Department of Services, Technology and Administration for the year ended 30 June 2010 for presentation to Parliament.

The report has been prepared in accordance with the *Annual Reports (Departments) Act 1985*, the *Public Finance and Audit Act 1983* and the regulations under those Acts.

Yours sincerely

Peter Duncan
Director General



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The Hon Virginia Judge MP
Minister for Fair Trading
Minister for the Arts
Level 36
Governor Macquarie Tower
1 Farrer Place
SYDNEY NSW 2000

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The Hon Frank Terenzini MP
Minister for Housing
Minister for Small Business
Minister Assisting the Premier on Veterans' Affairs
Level 13
55 Hunter St
SYDNEY NSW 2000

Dear Minister

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Director General

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Director General's Message

The Department of Services, Technology and Administration is a unique organisation bringing a high level of expertise and experience to the operation of the NSW Government. It is home to specialised business units responsible for the delivery of major public works and maintenance programs, government procurement, information and communications technology, consumer protection, workplace relations and more.

This broad and challenging operational brief expanded during the 2009/10 financial year with the inclusion of related entities such as the Teacher Housing Authority and the Internal Audit Bureau.

This diversity is encapsulated in a snapshot of the Department's achievements during the 2009/10 financial year. Work accelerated on the NSW Government's preparations for the oncoming National Broadband Network, including overseeing the first trial of NBN-ready technology applications in a residential setting.

The State Contracts Control Board and the Department's Government Services division continued to provide efficiencies in the delivery of NSW government contracts, with expenditure through Board contracts of \$3.67 billion in 2009/10, representing a 2.72 per cent increase in use of state contracts compared to \$3.58 billion spent in 2008/09.

The Department achieved better than budgeted financial results for the financial year ended 30 June 2010. The net cost of services was \$91 million, \$40 million better than the budgeted figure of \$131 million.

NSW Public Works delivered over \$1 billion in major capital works and maintenance programs for the NSW Government and other clients, including a staged process of over 35,000 minor works in public schools across the State.

NSW Fair Trading worked to deliver a smooth transition in the first stage of Australian Consumer Law reform, with changes to national financial services and customer credit laws, as well as new national laws around trade weights and measurements. NSW Industrial Relations ensured employers and employees previously covered by the state award system were well accommodated within the national workplace relations system.

These achievements only touch on the type and scale of work undertaken by this important organisation. The annual report that follows contains more detail, while the Department's website (www.services.nsw.gov.au) holds a vast amount of information on its past and current projects.

Finally, I wish to acknowledge the work of the Department's officers at all levels, and the former Director General, Mr Graeme Head, in developing a strong foundation for this new organisation. I recognise that it has been a period of change and new challenges for many of our staff during this year, particularly those affected by national reform processes. I am grateful for the professionalism of all staff during this time and I thank them for their efforts during the transition to the Department of Services, Technology and Administration.



Peter Duncan
Director General

About Services, Technology & Administration

Who we are

On 1 July 2009, the Department of Services, Technology and Administration was formed pursuant to the *Public Sector Employment Management (Departmental Amalgamations) Order 2009*. The order had the effect of bringing together the former Department of Commerce, with the Internal Audit Bureau and the Teacher Housing Authority and a number of other staffing groups and functions. The change was a result of the restructure of NSW government agencies implemented by the Department of Premier and Cabinet. The Department of Services, Technology and Administration is a cluster agency comprised of a number of divisions and related entities:

Divisions

The principal Department of Services, Technology and Administration comprises the administrative divisions of:

- Corporate Services
- Government Chief Information Office
- Government Services (incorporating NSW Procurement, ServiceFirst and StateFleet)
- Legal and Governance (incorporating Audit Branch)
- NSW Fair Trading (Operations)
- NSW Fair Trading (National Reform Agenda)
- NSW Industrial Relations
- NSW Public Works
- Policy, Ministerial and Executive Services
- Strategic Communications and Government Advertising.

Related Entities

The following related entities within the Services, Technology and Administration cluster agency exist outside the administrative body of the principal department, and are established pursuant to legislation:

- Building Insurers' Guarantee Corporation (Fair Trading Portfolio)
- Consumer Trader and Tenancy Tribunal (Fair Trading Portfolio)
- Fair Trading Administration Corporation (Fair Trading Portfolio)
- Government and Related Employees Appeals Tribunal and Transport Appeal Boards (Industrial Relations Portfolio)
- Internal Audit Bureau (Treasurer)
- Motor Vehicle Repair Industry Authority (Fair Trading Portfolio)
- NSW Architects Registration Board (Commerce Portfolio)
- NSW Government Telecommunications Authority, including the Australian Centre for Advanced Computing and Telecommunications (Commerce Portfolio)
- Rental Bond Board (Fair Trading Portfolio)
- State Contracts Control Board (Commerce Portfolio)
- State Records Authority (Commerce Portfolio)
- Teacher Housing Authority (Commerce Portfolio).

Changes to related entities

The Minister for Industrial Relations had responsibility for the Government and Related Employees Appeals Tribunal and the Transport Appeal Boards until 30 June 2010, when the *Industrial Relations Amendment (Public Sector Appeals) Act 2010* effectively transferred the work of the two tribunals to the Industrial Relations Commission of NSW from 1 July 2010.

Annual reporting 2009/10

This report covers the principal department of the Services, Technology and Administration cluster, comprising the ten administrative divisions, which will be referred to throughout this report as DSTA.

Annual reporting requirements for related entities, the State Contracts Control Board, NSW Government Telecommunications Authority and the Australian Centre for Advanced Computing and Telecommunications Pty Ltd (ac3) are also included in this annual report, in the section titled *DSTA related entities reports and other reporting requirements*.

Other related entities within the Services, Technology and Administration cluster report separately and their reports can be accessed from the DSTA website at www.services.nsw.gov.au.

What we do

The Government Chief Information Office plays a leadership role in developing and driving whole of government initiatives for the use and management of information and communications technology within government, industry and the community.

Government Services division comprises NSW Procurement, ServiceFirst and StateFleet and provides essential services to government agencies in the areas of procurement, fleet, information technology, human resources, finance and business services. It also plays a pivotal role in delivering savings to agencies and the sector as a whole through aggregated purchasing, economies of scale, back office transactions, standardisation and specialist advice.

NSW Fair Trading (Operations) safeguards consumer rights and advises traders on fair, ethical practice. Fair Trading informs the community of rights and obligations, mediates consumer complaints and enforces compliance through licensing, inspections, investigation, prosecution, civil proceedings and other disciplinary action.

NSW Fair Trading (National Reform Agenda) division coordinates the implementation of the Council of Australian Governments (COAG) National Reform projects that impact on NSW Fair Trading. This includes monitoring and reporting on progress in achieving the milestones in the National Partnership to Deliver a Seamless National Economy.

NSW Industrial Relations ensures that workplace legislation and regulatory frameworks meet the requirements of the current commercial environment. Workplace standards are communicated through targeted education programs, workplace information and advisory services. Effective enforcement services through fair workplace regulation and industrial policy ensure that the rights of workers and employers are protected.

NSW Public Works assists government agencies to plan, design, deliver and maintain building and infrastructure projects. NSW Public Work's services include project and program management, architecture, engineering, facilities management and sustainable water solutions and mitigating the consequences of natural disasters.

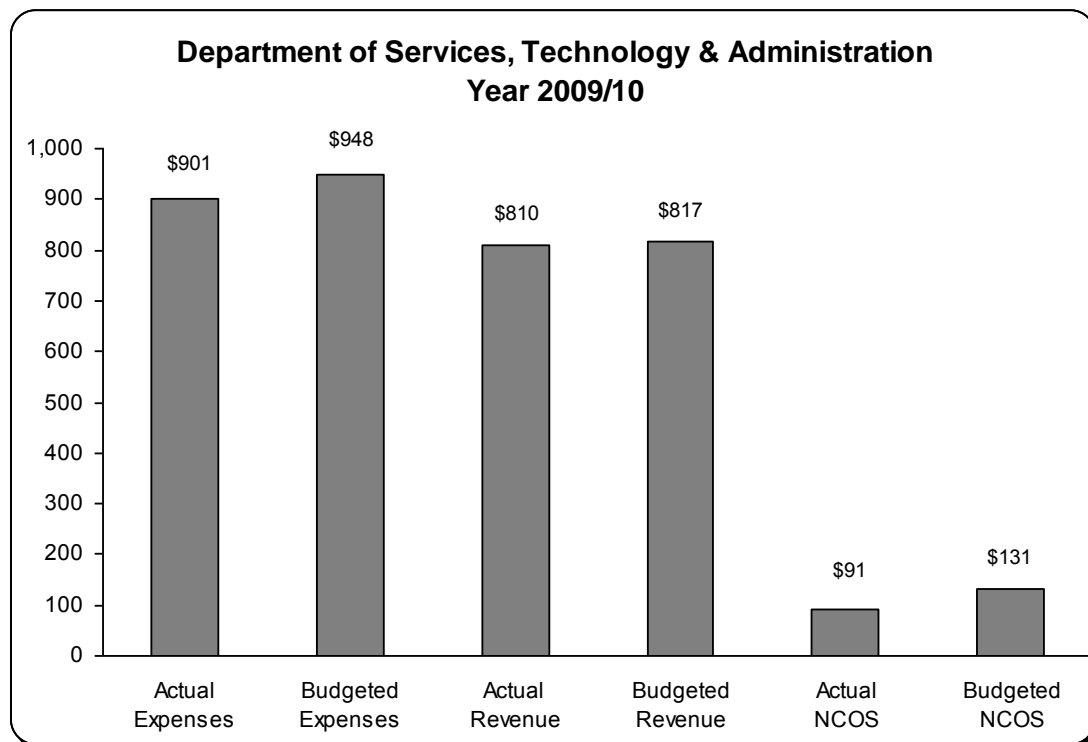
Strategic Communications and Government Advertising provides advice and information on government advertising policies and procedures, coordinates media bookings and provides a media planning service for all advertising by NSW government organisations. The division also provides online publishing services, including the NSW Government website.

The divisions of Corporate Services, Legal and Governance and Policy, Ministerial and Executive Services provide services to support the principal department.

Financial highlights 2009/10

Net Cost of Services

The Department of Services, Technology & Administration's Net Cost of Services for 2009/10 was \$91 million compared to a budget of \$131 million, an improvement of \$40 million (31%). The improvement in Net Cost of Services compared to the budget is largely attributed to lower than budgeted expenses (\$47 million) partly offset by lower than budgeted revenue (\$7 million).



Significant savings in expenditure were achieved in the following areas, with:

- lower than budgeted book value of motor vehicles disposed during the year due to clients taking up longer term leases and lower finance costs due to lower interest rates and less number of motor vehicles purchased
- other operating expenses were lower than budget mainly due to lower computer related expenses, reduction in fees and charges and other costs such as maintenance, travel and motor vehicle expenses.

Reduction in revenue was largely due to:

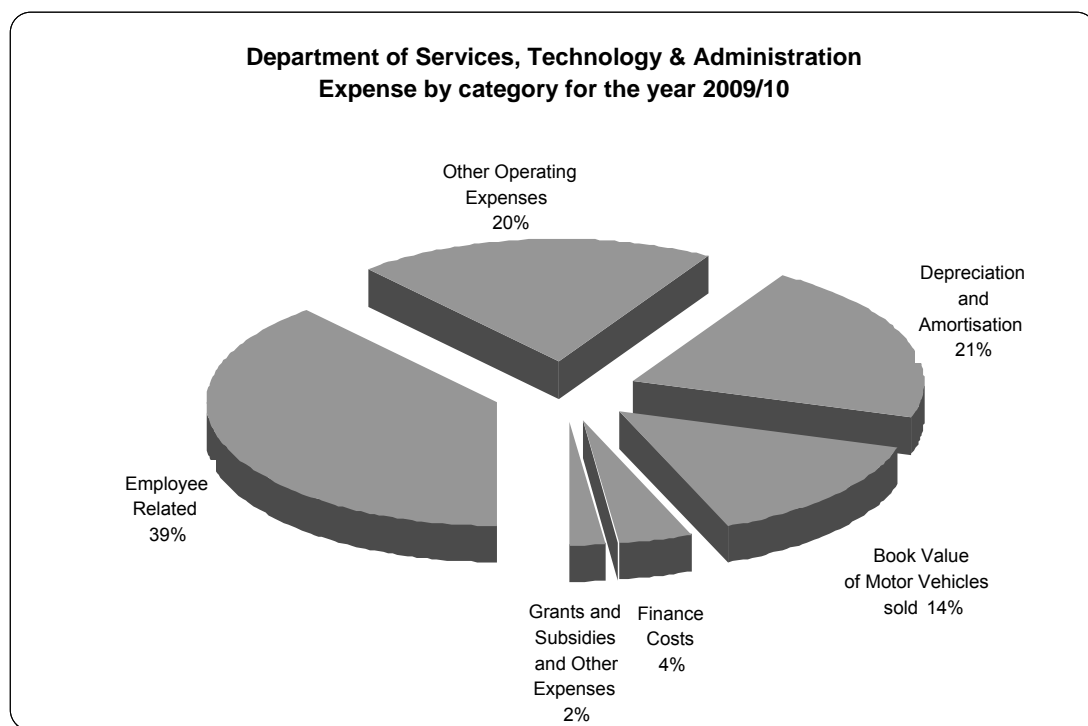
- lower than budgeted sale of goods and services revenue mainly within StateFleet along with lower than budgeted proceeds from sale of motor vehicles due to clients taking up longer lease terms
- increase in investment income is mainly attributed to better than budgeted interest rates.

Net Assets

The net assets of the Department, as at 30 June 2010, are \$369 million. This is made up of total assets of \$1,501 million partly offset by total liabilities of \$1,132 million. The net assets are represented by accumulated funds (\$369 million).

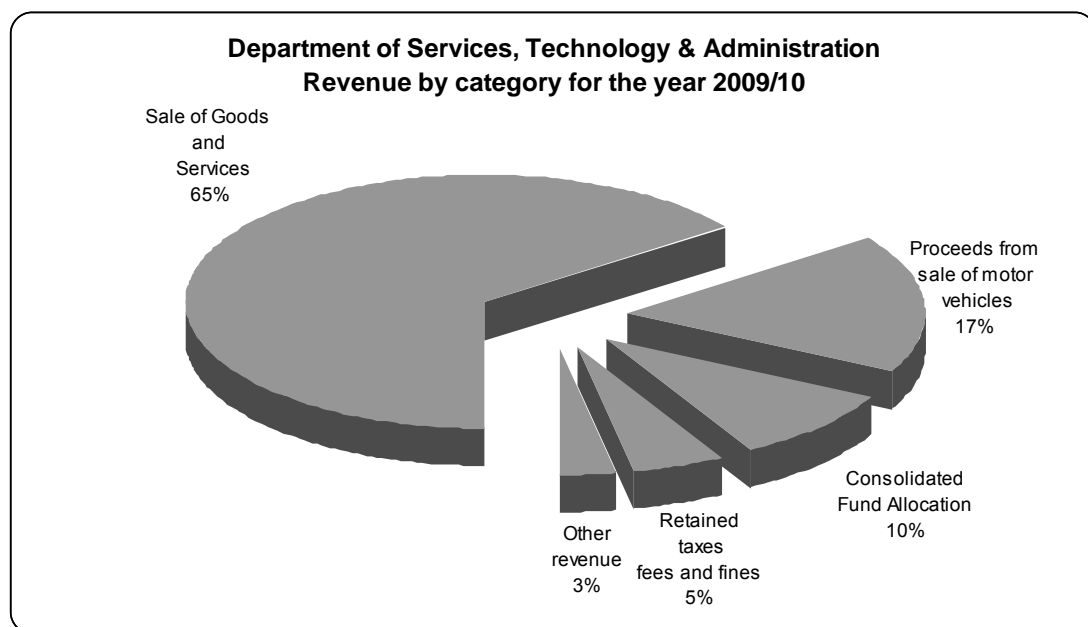
Expenses

The following chart provides a breakdown of the Department's expenses by major categories.



Revenue

In addition to \$810 million total revenue generated by the Department, \$85 million was received as consolidated fund allocation. The chart below provides a breakdown of the Department's revenue including consolidated fund allocation by major categories.



The financial statements for DSTA are provided in this report. Separate financial statements are prepared for the NSW Government Telecommunications Authority and the Australian Centre for Advanced Computing and Telecommunications Pty Ltd (ac3). These are also included in the Financial Statement section of the annual report.

Our performance

A new corporate plan for the principal department is due for release in 2011. Since the formation of DSTA on 1 July 2009, the former administrative divisions of the Department of Commerce have continued reporting under the *Department of Commerce Corporate Plan 2006-2010*.

The Corporate Plan sets the directions and strategies for the Department and shows how the Department contributes to the goals, priorities and targets of the NSW State Plan. These goals and objectives are also detailed in the Department's *Results and Services Plan*.

The current Corporate Plan outlines the Department's commitment to:

- Goal 1 Maximise value for government agencies in delivering services to clients, customers and the community
- Goal 2 Simplify processes for dealing with government
- Goal 3 Promote a fair marketplace for consumers and traders
- Goal 4 Promote fair and productive workplaces
- Goal 5 Contribute to a credible, efficient and effective organisation.

This report highlights some of the Department's achievements for 2009/10, along with key performance indicators and service measures under the Department's *Results and Services Plan*. This Plan is the service delivery and funding plan that identifies what DSTA seeks to achieve with current resources, as agreed with NSW Treasury. The key performance indicators monitor the effectiveness and efficiency of service implementation and the quality, access, timeliness and cost of service delivery. Additional information on the Department's role and services is also available on the DSTA website (www.services.nsw.gov.au).

Targets for 2010/11 have been provided for the key performance indicators in this report. It is acknowledged that some key performance indicators may change in the new corporate plan and these will be updated in the first report under the DSTA corporate plan and will be consistent with any changes to the Department's *Results and Services Plan*.

Goal 1 Maximise value for government agencies in delivering services to clients, customers and the community

We achieve this goal by:

- helping to plan, design and deliver public infrastructure, including information and communications technology
- being a centre of excellence in procurement and providing government with support to undertake successful procurement and manage supply chains
- helping to mitigate the consequences of natural disasters and possible terrorism
- providing office and corporate services to government.

A number of areas of DSTA contribute to meeting this corporate goal by providing services and expertise to public sector clients. These services are primarily provided by the DSTA divisions of NSW Public Works, the Government Chief Information Office and Government Services.

In 2009/10, NSW Public Works continued to assist client agencies in the design, construction, maintenance and sustainability of public infrastructure through the provision of professional engineering, architectural and project management services. NSW Public Works managed approximately \$1 billion worth of capital works and asset maintenance projects through the year.

NSW Public Works comprises four main business units Project Management, NSW Water Solutions, Facilities Management and the Government Architect's Office. Each year a diverse range of projects and programs are delivered and progressed by NSW Public Works for government agencies, ensuring value to government and increasing service delivery to the community. Some examples of the significant projects in 2009/10 are included below.

The design and construction of the Shannon Creek Dam was project managed on behalf of the Clarence Valley Council and Coffs Harbour City Council. NSW Public Works provided an integrated planning, design contract management and project management package delivered by project personnel highly experienced in water infrastructure. This \$100 million

project will deliver increased water security for a growth area of the State. The project won the 2010 International Water Association Asia Pacific Regional Project Innovation, Planning Award, recognising the NSW Government's delivery of world-class public infrastructure.

NSW Public Works demonstrated its effective stakeholder management expertise in 2009/10 through its work with the ten Department of Education and Training regional Asset Management Units. NSW Public Works ensured a high level of client satisfaction and staged delivery of a program of 35,000 minor works projects to improve NSW public schools across the State. The \$160 million program involved extensive consultation with diverse stakeholder groups and the coordination of significant construction projects on operational school sites, meeting tight timeframes for the client.

Another of the many significant projects that NSW Public Works delivered in 2009/10 was an upgrade of services for Housing NSW in multiple high rise residential buildings as part of the Commonwealth Government stimulus package. This \$35 million project upgraded services such as essential fire safety systems, main switchboard replacements, and cabling systems suitable for digital reception. NSW Public Works undertook feasibility studies, design and documentation, along with the program and project management to ensure that these services achieved compliance with current standards and increased amenity for residents.

Environment

The delivery of the Solar Powering Sydney CBD program continued in 2009/10 with the completion of the Sydney Town Hall's solar power system and the commencement of construction on the second largest building mounted solar system in Australia for the Sydney Theatre Company. NSW Public Works undertook feasibility studies, design and documentation and the coordination of the construction of systems that generated climate positive renewable energy in the heart of Sydney's CBD. These works and the expertise of NSW Public Works contribute to the NSW Government's capacity to meet its targeted reduction in greenhouse gas emissions.

The Koondrook-Perricoota Forest Flood Enhancement Scheme will return this national icon site to a more natural watering regime, restoring the ecological health of the forest and its important natural habitat. NSW Public Works is the overall project designer and project manager for the pre-construction stage of this key strategic project to provide much needed water to this second largest river red gum forest in Australia. The \$60 million scheme is being undertaken on behalf of the Department of Environment, Climate Change and Water, State Water Corporation and Forests NSW. The flood enhancement scheme is being implemented as part of the Commonwealth Government's Living Murray Program to restore the ecological health of the Murray River system. The project highlighted NSW Public Works capability in improving NSW's environmental sustainability and involves delivery of an innovative system of channels, levees, concrete regulators, fish passage structures and roadworks.

Emergency and disaster management

NSW Public Works has a broad range of engineering expertise which is mobilised to assist combat agencies to manage emergency situations. NSW Public Works provided engineering expertise in structural, geotechnical, electrical, dam and water engineering. The engineering emergency management team in NSW Public Works also helped coordinate the supply of goods and services as part of the NSW State Disaster Plan. In 2009/10, NSW Public Works provided engineering emergency management response and deployed expert personnel to 22 significant events including: the Lord Howe Island generator-house fire; major fires at Silverwater, Revesby, Kempsey, Inverell, Bankstown and St Marys; building collapses; Lennox Head tornado; Bulli upper railway retention basin; and the impact of floodwaters from Queensland on north west NSW.

DSTA also administered the Natural Disaster Relief Arrangements for NSW Treasury, providing financial assistance to local councils whose assets had been damaged by declared natural disasters. Nineteen grant offers to the value of \$9.0 million were recommended for approval in 2009/10 and 30 payments amounting to \$2.75 million were made under the program for disasters that occurred during the year and in previous years where works were still eligible for payments.

Information and communications technology

The Government Chief Information Office (GCIO) leads the development and implementation of whole of government initiatives for the use and management of information and communication technology (ICT) within government, industry and the community.

To support government service delivery, *People First - NSW Government ICT Strategic Plan 2006-2010* was established to set the framework for a coordinated approach to planning, expenditure and allocation of ICT resources to deliver savings and associated benefits. The *People First* strategy has now reached the end of its four-year timeframe and an independent evaluation of the savings to government and other economic benefits gained under the strategy is currently underway. The eight ongoing programs of work include government radio networks, telecommunications, data centre reform, application consolidation, collaborative government services, desktop environment, frontline support services and government licensing.

The NSW Government broadband service provides cost-effective and high capacity broadband services to around 1,300 government offices in 24 NSW regional centres. During the year, the service improved government online service delivery in the following areas, providing:

- specialist teaching to small or remote schools
- access to expert medical advice from regional hospitals
- video-conferencing of court and other proceedings
- use of shared applications for agencies, greatly increasing efficiency.

During 2009/10, the NSW Government broadband service was replaced by the Government Telecommunications Agreement Category 1A which provides a panel of service providers. This resulted in improved services, increased competition and continues the downward pressure on broadband prices.

The Minister for Commerce has oversight of the NSW National Broadband Network Taskforce, whose primary role is to prepare NSW for the rollout of the National Broadband Network (NBN). GCIO provides support for the Taskforce and in its work with NBN Co, to facilitate access to NSW utilities in the first release sites of Armidale and Minnamurra/Kiama Downs in NSW. On 25 June 2010, the Minister for Commerce launched the first of the NSW NBN testbeds projects at the Parkbridge Estate, Middleton Grange near Liverpool. The testbeds project set up high speed broadband trials to allow government agencies, researchers and commercial organisations to test and demonstrate the next generation of high bandwidth services and applications that will be enabled by the NBN's speed and power. These services and applications will cover the areas of health and disability care, education, energy consumption and home entertainment. The Parkbridge Estate was selected as it was built with optic fibre-to-the-home capacity which will be a feature of the NBN.

The NSW Government operates a number of radio networks, two of which are managed by GCIO; the Government Radio Network and the Mobile Data Radio Network. The Government Radio Network is one of the largest two-way 24-hour seven-day a week radio networks of its type in the world. It provides secure, reliable and effective communications to 40 agencies and other organisations, including NSW Fire Brigades, the Ambulance Service of NSW, the State Emergency Service and the Rural Fire Service. During 2009/10, the Government Radio Network continued a major \$33.4 million upgrade to fully digital operation, which is now considered world's best practice. Completion is due in the second half of 2011 and the first agencies have already transferred to the new network. The new digital Government Radio Network has been used successfully in a number of major emergencies.

Government procurement

In November 2009, the Government Services division was created to bring together previously discrete business units that focused on the provision of whole of government services. The division provides essential client facing shared transactional and corporate services to other NSW Government agencies in the areas of procurement, fleet, IT, human resources, finance and business services. It also plays a pivotal role in delivering savings to agencies and the sector as a whole through aggregated purchasing, economies of scale, standardisation and the application of specialist knowledge and expertise of staff. The shared services provided by Government Services division are an integral part of the NSW

Government's integrated sector-wide Corporate and Shared Services Blueprint, and comprise NSW Procurement, ServiceFirst and StateFleet.

In 2009/10, NSW Procurement continued to develop and administer goods and services contracts, both State Contracts and client specific contracts, on behalf of the State Contracts Control Board. The total expenditure through State Contract Control Board contracts in 2009/10 was \$3.67 billion. This represents a 2.72 per cent increase in the use of State Contracts compared to \$3.58 billion spent in 2008/09. By using State contracts, cost savings for government are achieved by aggregating the purchasing power of government across all agencies and by reducing duplicated effort in setting up and administering contracts.

NSW Procurement also manages the Procurement System for Construction which in 2009/10 enabled more than 50 NSW government agencies to procure over \$2 billion in construction projects. This procurement system formed the platform to support the NSW Government's response to the Commonwealth Government's Economic Stimulus Plan.

NSW Procurement's successful implementation of the Government's Air Travel Policy (Premier's Memorandum M2009-04), enabled the NSW Government to achieve savings of approximately \$6 million on the air travel contract during the reporting period March 2009 to March 2010. The policy is meeting its key objective of reducing the cost of public expenditure on air travel on official business.

Shared services

ServiceFirst is a shared services provider delivering human resources, finance, office and information technology services to approximately 50 agencies, including DSTA, the Department of Premier and Cabinet, the Office of Financial Management and the Department of Planning. In 2009/10, ServiceFirst continued its ICT Infrastructure Consolidation Strategy by migrating seven data centres to a single facility. The net result was an investment that improved services for clients while at the same time reducing costs. In parallel to ServiceFirst data centre consolidation, a robust virtual server infrastructure was designed and built to support a program of server virtualisation, with an additional 330 physical servers migrated.

StateFleet provides fleet acquisition, management and disposal services on a commercial fee-for-service basis primarily to government agencies and to a lesser extent to local government. The NSW Government fleet has approximately 25,000 vehicles leased to agencies. In 2009/10, SmartPool, an on-line motor vehicle pool booking system was implemented in the reporting year at NSW Corrective Services, Office of State Revenue and State Emergency Service. This has streamlined the process of booking a pool vehicle for these agencies, providing total fleet utilisation monitoring and reporting facility.

Strategic communications

The Strategic Communications and Government Advertising division centrally coordinates media buying and placements for government advertising, monitors and advises on policy issues and oversees a range of services to maximize the effectiveness and efficiency of NSW government advertising. The division also manages the NSW Government website (www.nsw.gov.au), which in 2009/10 continued to provide improved access to government information and services, recording more than three million visits in the past 12 months. A new service introduced on the website now allows members of the public to provide input into major government decisions through online community consultation forums including the Metropolitan Transport Plan, the NSW response to the National Health Reforms and the Metropolitan Strategy Review.

The Government Advertising unit, through the Master Media Agency state contract, negotiates discounted rates for advertising for whole of government. In 2009/10, the total media expenditure for NSW government advertising was \$105.3 million, including:

- \$4.1 million for recruitment advertising
- \$12.8 million for public, statutory and tender notices
- \$88.4 million for public awareness campaigns.

Through the centralised media buying contract, an estimated \$65.5 million in savings was achieved. More details on NSW Government media expenditure are provided in the government advertising area of the DSTA website (www.services.nsw.gov.au).

Key Performance Indicators: Goal 1 Maximise value for government agencies in delivering services to clients, customers and the community

Key Result Indicators	06/07 Actual	07/08 Actual	08/09 Actual	09/10 Target	09/10 Actual	Comment	10/11 Target
% of projects managed by NSW Public Works completed on time.	89%	92%	93%	85%	92%	Target achieved	85%
% of projects managed by NSW Public Works completed within budget.	92%	90%	87%	85%	92%	Target achieved	85%
Lost Time Injury Frequency Ratio (LTIFR) score to be 20% less than industry on NSW Public Works managed projects	3.7 (80% less than industry - 1.3)	1.9 (90% less than industry- 20.3)	3.4 (80% less than industry- 16.7)	20% less than industry	2.4 (85% less than industry- 16.4)	Target achieved Note 1.	20% less than NSW construction industry
Government Radio Network Monthly network availability	>99.95 %	>99.95 %	>99.95 %	>99.95 %	>99.95%	Target achieved	99.95%
\$ spend transacted through State Contracts Control Board contracts for goods and services.	\$3.60B	\$3.64B	\$3.58B	\$3.90B	\$3.67B	Reduced Government expenditure on goods and services	\$3.90B
Cost savings for government agencies using NSW Procurement services.	Note 2.	\$330M	\$360M	\$335M	\$322.5M	Note 3.	\$335M
Average performance score of "Best Practice" accredited contractors for capital works.	73%	74%	76%	70%	76%	Target achieved	70%
Manage motor vehicle clearance rates at auction between 70% to 80%	88%	85%	87%	80%	83%	Target achieved	80%
Client satisfaction with Shared Corporate Services	Note 4.	86%	90% (IT only)	80%	90% (IT only)	Target achieved	80%

Key Result Indicators	06/07 Actual	07/08 Actual	08/09 Actual	09/10 Target	09/10 Actual	Comment	10/11 Target
Estimated \$ savings to government achieved through the Master Media and placement contracts compared to market media rates.	\$44M	\$53M	\$58M	\$44M	\$65.5M	Target achieved Note 5.	\$48M

Note 1: LTIFR of 2.4 (ie 2.4 injuries for each million hours worked) compared to construction industry annual average of 16.4 injuries for each million hours worked.

Note 2: No comparable analysis of savings made in this period.

Note 3: Cost savings are validated by an independent consultant. The rate of savings as a percentage of the spend remains constant.

Note 4: No comparable survey was undertaken in 2006/07. The surveys in 2008/09 and 2009/10 relate to ServiceFirst information technology services only.

Note 5: Savings figures are realised through negotiated discounts off market media rates and are directly related to volume of activity.

Goal 2 Simplify processes for dealing with government

We achieve this goal by:

- developing, using and promoting best practice methods and tools to help Government successfully procure goods and services and public infrastructure, and manage supply chains
- developing appropriate Fair Trading and Industrial Relations regulations and services.

The divisions of DSTA that primarily contribute to meeting this goal are the Government Chief Information Office, Government Services, NSW Fair Trading (National Reform Agenda) and NSW Industrial Relations.

Online services

The Government Licensing Service (GLS) allows businesses and individuals to undertake transactions or access licence details for business, vocational and recreational licences of NSW government agencies. Services are available on the internet, BPAY, Touch Kiosk, Interactive Voice Response, as well as through call centres and over the counter. The service administers over two million licence records. During 2009/10, the GLS developed significant new features to enable delivery of a broad range of services for NSW Maritime Authority's licensing and registration of recreational boating and commercial vessels and moorings, covering a total of over one million licence records. Further, functionality for Human Services child care licences and Communities NSW Children's Guardian voluntary out-of-home care licences was completed as planned. An online survey of GLS website customers, with over 40,000 respondents, indicated 97 per cent satisfaction with online service experience.

The NSW Government's smartbuy® is Australia's largest government, on-line market place, with over 18,000 suppliers taking electronic orders from over 400 eligible agencies. There are over 160,000 products and services available on smartbuy®. Utilisation of smartbuy® improved significantly in 2009/10 with the value of transactions increasing from \$450 million per annum in 2008/09 to over \$2 billion per annum. This is largely attributed to its adoption of smartbuy® by NSW Health and the Department of Education and Training. The number of suppliers who are fully integrated for electronic transactions has increased from eight to 25.

The NSW Government's eTendering system, managed by the Government Services division, allows businesses to access and respond to government tendering opportunities electronically. This is particularly beneficial to regional suppliers. In 2009/10, the system was updated to enable agencies to comply with the new *Government Information (Public Access)*

Act 2009. All agencies are now able to participate in eTendering in a form appropriate to their needs. Also a number of new features have been provided for registered users, including an area for 'my eTender activities' and improved supplier lodgement facilities.

Building and construction industry

The adjudication process under the NSW *Building and Construction Security of Payment Act 1999* is encouraging parties to resolve payment disputes rather than ignore claims for payment. There is now widespread awareness and understanding of the availability and provisions of the Act and a preparedness to use the adjudication system. In 2009/10, a total of 780 adjudication applications were claimed through the adjudication system and 517 adjudication determinations delivered. Through this process \$167 million was determined as being payable to those claimants.

The General Conditions of Contract, known as GC21, enables NSW government construction agencies to take a more uniform approach in contractual dealings with the construction industry. NSW Procurement is working with other NSW government construction agencies in formulating a second edition of the GC21 which is due to be implemented in 2011. To support agencies and the construction industry, training courses are delivered by DSTA facilitators, in a one day format. Fifteen courses were held during the year with over 400 participants attending from 76 organisations.

Local suppliers

The NSW Government's Local Jobs First Plan improves opportunities for small and medium enterprises within Australia and New Zealand to supply goods and services required by NSW Government agencies. The plan aims to utilise government procurement actions to develop industry capability and support economic activity while achieving value-for-money objectives. The plan provides specific price preference schemes for small and medium enterprise content when evaluating tenders. In 2009/10, Government Services division together with Industry and Investment NSW provided regional briefings on the Local Jobs First Plan across NSW for suppliers of goods and services. All applicable state contracts were varied to include the requirements of the Local Jobs First Plan.

NSW participation in national reform

The implementation by COAG of 27 national reform projects will promote greater consistency in Australia's business and consumer protection framework. Seven of these projects have direct impacts on NSW Fair Trading's operations. In 2009/10, two of these projects were finalised:

- The National Trade Measurement System project relates to a national system of trade measurement funded and administered by the Commonwealth through the National Measurement Institute. It commenced on 1 July 2010. Fair Trading has no further role in the regulation of trade measurement from this date.
- The National Regulation of Financial Services and Consumer Credit project will transfer responsibility for regulating consumer credit and finance broking to the Commonwealth, with the National Credit Code commencing on 1 July 2010. Fair Trading will have no on-going role in the regulation of consumer credit once this project is fully implemented, except to continue to apply a maximum annual percentage rate to consumer credit contracts in this State. This will continue for a year after the transfer and Fair Trading will retain NSW finance broking laws until 1 January 2011.

Work on the five remaining initiatives will continue in 2010, including national reforms for a single Australian consumer law, management of product safety, a personal property securities system, a national business names register and a national occupational licensing system.

NSW Industrial Relations supported the Minister for Industrial Relations in facilitating the passage of the *Industrial Relations (Commonwealth Powers) Act 2009*, which provided for the referral of NSW industrial relations powers to the Commonwealth. This legislation, in combination with similar legislation from most other states, ensured participation in the national workplace relations system. On 1 January 2010, private sector NSW employers and employees previously covered by the NSW state award system (mainly sole traders and partnerships) moved into the national workplace relations system administered by the Commonwealth Government. This reform aims to create greater certainty, efficiency and

fairness through one set of rules covering conditions of employment, enterprise agreements and unfair dismissal.

Key Performance Indicators: Goal 2 Simplify processes for dealing with government

Key Result Indicators	06/07 Actual	07/08 Actual	08/09 Actual	09/10 Target	09/10 Actual	Comment	10/11 Target
Government Licenses administered through the Government Licensing Service	0.94M	1.16M	1.6M	2.4M	2.1M	Note 1.	3.2M
\$ value of smartbuy® purchase orders	\$224M	\$359M	\$455M	\$600M	\$2.0B	Increased agency usage	\$1.2B
No of tenders published online	1841	3281	3083	3000	2216	Fewer tenders released by agencies	3000

Note 1: Target was not achieved due to delay in the transition of some licenses. An approximate one month delay, as result of the challenges migrating 16 million records from the legacy database resulted in a total of 3.4 million licenses achieved by 19 July 2010.

Goal 3 Promote a fair marketplace for consumers and traders

We achieve this goal by:

- setting ground rules for interaction between consumers and traders in NSW
- informing the community of rights, obligations and good practice
- mediating consumer complaints and enforcing compliance through investigation, prosecution, civil proceedings and other disciplinary action.

The DSTA divisions of NSW Fair Trading (Operations) and Policy, Ministerial and Executive Services contribute to meeting this goal. This is done through safeguarding consumer rights and ensuring that legislation and regulatory frameworks meet the requirements of today's commercial environment. Information and services for consumers and traders allows individuals and businesses to understand their rights and obligations and to function effectively in the marketplace.

Legislative review and reform

Reforms to the *Retirement Villages Act 1999* and regulation came into effect on 1 March 2010, introducing a number of significant reforms, including a new 90 day settling-in period, reduced ongoing recurrent charges for former residents, and improved communication between operators and residents. The reforms also make operators liable for budget deficits and introduce new safety and emergency procedures, reducing red tape for small village operators.

Following a comprehensive review of the existing tenancy laws, which have remained largely the same since they were first introduced more than 20 years ago, the *Residential Tenancies Act 2010* was passed by Parliament on 10 June 2010. Key reforms include giving tenants fee-free options to pay rent, speeding up the eviction process for non-payment of rent, making it easier for tenants who need to move to a nursing home or public housing, removing red tape around disposing of a former tenant's goods, and ensuring that tenancy databases operate fairly. The new Act is planned to commence later in 2010.

Consumer information and services

The Fair Trading Information Centre provided education, information and alternative dispute resolution services to consumers and traders on all aspects of Fair Trading. Fair Trading

answered 1,193,857 telephone enquiries. Of the calls received 98 per cent were answered within Fair Trading's Guarantee of Service.

During 2009/10, Fair Trading delivered 841 information sessions, talks and seminars attended by 42,786 people throughout the State. These covered a range of consumer affairs topics for business and the community. A new workshop, "Know Your Rights", was designed for community development workers in 2009/10, providing them with information on services and programs of agencies in the area and the opportunity to network with each other. Twenty community workers attended the first workshop in Bankstown including a panel of speakers from the Energy and Water Ombudsman (NSW), Law Access, Health Care Complaints Commission, Centrepay, Centrelink and Fair Trading. Due to the success of this workshop five more are planned for 2010/11.

Regional Access Programs in regional areas provide greater access to services for consumers and traders. These programs focus on getting Fair Trading's message to seniors, youth, disabled and indigenous communities by providing extensive information sessions. In 2009/10, nine Regional Access Programs were conducted, with a further five programs held that had an additional focus on compliance activity related to retirement villages, travel agents, associations, real estate agents, home building sites, co-operatives, motor dealers, and motor vehicle repairers.

Complaint resolution

Information is provided to consumers and traders on their rights and responsibilities under fair trading legislation through a network of 24 Fair Trading Centres and the Fair Trading Information Centre. The information assists both parties to resolve marketplace issues. Where parties cannot agree between themselves, a complaint can be lodged and Fair Trading will negotiate between the parties to attempt to resolve the matter. During 2009/10, a total of 40,188 consumer complaints were received, made up of 29,616 relating to general fair trading issues, 8,008 to home building issues and 2,564 to real estate issues. Of these, 89 per cent were successfully resolved.

Home building

From 1 July 2010, the NSW Self Insurance Corporation, which is a part of NSW Treasury, will replace the home warranty insurance schemes operated in NSW by private insurers. All current policies will remain in force for their full duration. Most builders will have their eligibility for home warranty insurance automatically transferred to Treasury's new insurance agents, thereby minimising disruption. A new website has been set up solely for the purpose of providing information on the new home warranty insurance scheme, which can be accessed at www.homewarranty.nsw.gov.au.

The NSW Government authorised Fair Trading to be the new single plumbing regulator, complementing Fair Trading's existing role in licensing plumbing, draining and gasfitting. This follows a comprehensive review of over 100 separate regulators in NSW, each able to impose its own technical and regulatory requirements. From August 2010, Fair Trading as the single regulator, will have responsibility for the consistent interpretation of standards, on-site regulation and licensing.

Retail tenancy

In 2009/10, retail tenancy became part of Fair Trading's responsibilities. The Department assists the Minister for Small Business to administer the *Retail Leases Act 1994*. Fair Trading now provides advice to callers and conducts informal dispute resolution in relation to retail shop leases. Fair Trading also directs, coordinates and facilitates the dispute resolution processes between parties to a retail lease, who may include tenants, landlords, shopping centre managers, agents and guarantors. During the year 5,831 calls and 241 applications for mediation were received and 375 informal disputes were handled.

Compliance with fair trading laws

Fair Trading promotes a fair marketplace by maximising traders' compliance with regulatory requirements. In doing so, Fair Trading also seeks to educate and engage with both consumers and traders on issues that affect their rights and obligations. Proactive inspection programs are an effective way of doing this.

Through 2009/10, Fair Trading carried out a total of 15,435 inspections across NSW. Fair Trading refocused its efforts on more complex investigations rather than inspections of minor matters. These inspections targeted real estate agents, the home building industry, motor dealers and repairers, product safety and trade measurement

Fair Trading received 51 complaints in 2009/10 concerning the real estate industry related to allegations of dummy bidding, under-quoting, collusive practices, harassment or an agent's conduct. To ensure consumers can be confident in the integrity of the property auction process, Fair Trading carried out a series of covert inspections at real estate auctions across inner Sydney on the lookout for under-quoting and dummy bidding. Investigators attended 20 auctions in April 2010. Penalty notices were issued to five agents and auctioneers for failing to comply with legal requirements relating to auctions. Two blitzes on western Sydney real estate agents resulted in Fair Trading issuing 27 penalty notices and 39 warning letters for unlicensed activities and trust account breaches.

Fair Trading conducted inspections of 30 residential parks in the Hunter region and 34 parks in the Illawarra region in September 2009. The inspections focused on legislative obligations, including the use of prescribed written agreements for permanent residents of residential parks to ensure park owners are not engaging in misleading or deceptive conduct. Fourteen penalty notices and 24 warning letters were issued.

Educational campaigns for motor vehicle repairers were conducted at Campbelltown and Liverpool in September 2009 by Fair Trading and the Motor Traders' Association. These were followed in January 2010 with 193 inspections of repairers in the Liverpool and Macarthur regions, which identified 126 breaches of legislation at 73 premises. Fines to the value of \$36,550 and formal warnings were issued, although an improvement in the level of compliance in the Liverpool region was noted.

In 2009/10, in a comprehensive survey, 32 samples of babies' dummies were purchased from discount variety stores and pharmacies across Sydney and taken to an accredited laboratory to test compliance with product safety laws. Only ten of the dummies complied fully with the law. Of the remaining 22 non-compliant dummies, 15 were clearly dangerous and seven failed for minor technical reasons. All 22 dummies were immediately withdrawn from sale and Fair Trading negotiated the recall of the 15 dummies which failed dimensional and performance requirements.

In the largest state-wide sweep of toy retailers and markets by Fair Trading, 103 dangerous toys were removed from sale in NSW. Fair Trading inspectors visited 661 retail outlets in 163 towns and inspected more than half a million toys.

Offences against fair trading legislation are detected through inspections, intelligence gathering and as a consequence of formal investigations of complaints. During the year, 637 traders were issued with penalty notices in relation to 943 offences, resulting in financial penalties of \$1,145,550. Formal prosecutions, with 90 per cent of cases successful, resulted in \$728,352 in fines and penalties involving 91 defendants.

Key Performance Indicators: Goal 3 Promote a fair marketplace for consumers and traders

Key Result Indicators	06/07 Actual	07/08 Actual	08/09 Actual	09/10 Target	09/10 Actual	Comment	10/11 Target
% of public who know where to go to get help*	66%	63%	62%	65%	61%	Note 1	65.00%
% of consumers confident in fair operation of marketplace*	73%	79%	74%	68%	75%	Target Achieved	68.00%
Customer satisfaction meets or exceeds the target	90%	85%	85%	≥90%	91%	Target Achieved	≥90%
% accuracy of information provided#	89%	90%	93%	≥95%	96%	Target Achieved	≥95%

% complaints finalised within 30 days	96%	96%	93%	≥85%	92%	Target Achieved	≥85%
% of telephone enquiries answered where published standards met	83%	90%	99%	≥85%	98%	Target Achieved	≥85%
% of licensing and registration services where published standards are met	100%	100%	100%	100%	100%	Target Achieved	100%
Proportion of prosecutions successful	95%	92%	96%	≥90%	90%	Target Achieved	≥90%

* Survey results are accurate to ± 5%.

The target for this indicator was increased from 90% in 2008.

Note 1. The results from 2005/06 to 2009/10 are within the survey tolerance range. Cost-effective education and information strategies to raise awareness about Fair Trading services are constantly being developed and implemented to address this.

Goal 4 Promote fair and productive workplaces

We achieve this goal by:

- setting a best practice framework for interactions between employers and employees in many NSW workplaces
- informing employers and employees of rights, obligations and good practice
- enforcing compliance through investigation, prosecution and other disciplinary action.

The DSTA division of NSW Industrial Relations contributes to meeting this goal. NSW Industrial Relations' activities are designed to provide accessible information, help for employers and employees, and promote compliance with industrial relations legislation.

Assisting small businesses and regional employers

NSW Industrial Relations developed and delivered a comprehensive education program to assist NSW private sector businesses that entered the national workplace relations system on 1 January 2010. The program provided a proactive and timely response delivering key information about emerging workplace changes. As part of its response to support business owners and managers, two workshops were delivered – Fair Work in NSW and Modern Awards and Agreements.

There were 81 free workshops conducted in the Sydney metropolitan area with 2,101 participants registered, and 95 in regional NSW with 2,206 participants registered. Completed evaluations for the workshops indicated that 93 per cent of participants totally agreed or somewhat agreed that they had received enough initial information about the new system and 73 per cent totally agreed that they were confident they knew where to go for more information or assistance.

An additional 50 four-hour workshops delivering practical information on best practice employment advice reached around 450 business owners and managers during the period.

Educating and supporting vulnerable workers

NSW Industrial Relations continued to assist vulnerable workers, including young workers and culturally and linguistically diverse communities to better understand their rights under the national system through improved access to the agency's resources and services. In total, 217 presentations were delivered to over 5,800 attendees providing face to face information on workplace rights and responsibilities under the national industrial relations system.

During the year, NSW Industrial Relations delivered initiatives to broaden its services to the community. For example, the 'Talk to an expert' information service, which is conducted

through two Sydney community centres, helps people from culturally and linguistically diverse communities access workplace information. This service provided tangible results, with significant returns of underpayments being facilitated by NSW Industrial Relations.

NSW Industrial Relations conducted its 'Know the Deal' video competition through NSW high schools. The competition required students to prepare a short video message for their peers about an important workplace issue. The successful prize winners were Toronto High School and Loreto Kirribilli. The winning entries were displayed on the Young People at Work website (www.youngpeopleatwork.nsw.gov.au).

In 2009/10, the video, 'Fair Work for Employees', was produced by NSW Industrial Relations, providing information about the introduction of the national workplace relations system. This video was also provided in captioned versions in Arabic, Chinese and Vietnamese for viewing from the website. A version was also produced for employers.

In addition, the range of translated information available on the NSW Industrial Relations website was increased to 26 languages, ensuring greater community access to workplace rights information and the changes being introduced under the national system.

Online and telephone advice

Despite the implementation of the national system and website information available on other key sites, activity on NSW Industrial Relations' website remained high with 2.83 million visitors to the site during 2009/10. This level of activity clearly demonstrates the continued reliance by NSW employers and employees on the NSW Industrial Relations website as a trusted source for information on workplace issues. NSW Industrial Relations also engaged with NSW businesses by providing accurate and timely information on its website, including the development and distribution of regular email updates to raise awareness of emerging topics.

During the year, NSW Industrial Relations' information service received over 96,000 telephone calls from employers and employees seeking information on pay rates and employment conditions. A further 4,000 email enquiries were handled by the service during the year. A customer survey in June 2010 showed that over 80 per cent of customers were either very satisfied or satisfied with the overall quality of the website and telephone services.

Inspecting NSW workplaces

NSW Industrial Relations undertakes the largest targeted workplace compliance program of its type in Australia. In 2009/10, over 14,100 workplace visits and investigations were completed in order to meet the NSW Government's commitment for 50,000 workplace inspections over a four-year period.

These investigations covered the working arrangements of more than 35,000 workers under the NSW legislation. Inspectors identified 9,591 breaches of NSW industrial relations legislation committed by 2,938 employers. This included over 1,300 employers who were underpaying workers.

Compliance campaigns provide an effective and efficient way to assist large numbers of employers and employees to understand their employment rights and responsibilities. The compliance program also returned more than \$3 million in back-pay to workers.

After the commencement of the national workplace relations system for the private sector on 1 January 2010, NSW Industrial Relations worked in partnership with the Commonwealth's Fair Work Ombudsman to support and educate NSW businesses and their employees on the implementation of the national system into New South Wales.

During the first six months of 2010, NSW Industrial Relations conducted 5,201 educational visits to employers that became part of the national industrial relations system. These educational visits explained the national industrial relations system to employers to help them understand the changes and their new responsibilities. More educational visits are planned for 2010/11.

Key Performance Indicators: Goal 4 Promote fair and productive workplaces

Key Result Indicators	06/07 Actual	07/08 Actual	08/09 Actual	09/10 Target	09/10 Actual	Comment	*10/11 Target
% employers and employees confident in fair operation of NSW Industrial Relations system	76%	76%	67%	70%	69%	Note 1	70%
NSW Industrial Relations client satisfaction meets or exceeds benchmark	90%	97 %	87%	85%	81%	Note 1	85%
% of employers who know where to get help for the services offered	31%	54 %	49%	30%	81%	Note 1	85%
% of employees who know where to get help for the services offered	27%	27 %	24%	25%	26%	Target Achieved	25%
% of non-compliant employers who comply or are prosecuted within six months after being notified they don't comply	87%	87 %	88%	85%	91%	Target Achieved	85%
% client assessment that NSW IR public information provided is accurate	90%	88 %	88%	80%	88%	Target Achieved	80%
% of enquiries and complaints satisfactorily resolved within targeted timeframes.	92%	89 %	87%	85%	89%	Target Achieved	85%

Note 1: From 1 January 2010, introduction of the national IR system impact on jurisdictional coverage and clients were advised to contact Fair Work Ombudsman after contact with NSWIR.

*Targets for the 2010/11 year have been revised due to NSW participating in the national industrial relations system.

Goal 5 Contribute to a credible efficient and effective organisation

We achieve this goal by:

- establishing a framework for how we operate internally to achieve our goals
- setting priorities for shared corporate services across DSTA to ensure they support the activities of our business units.

The divisions that primarily contribute to meeting this goal are Corporate Services, and Legal and Governance division.

Governance

The Enterprise Risk Management Framework that DSTA has in place complies with the core requirements of NSW Treasury's *Internal Audit and Risk Management Policy for the NSW Public Sector* (TPP 09-05). An extensive review of this framework was made during 2010 to ensure compliance with TPP 09-05, align the framework to the requirements of the Audit and Risk Committee and to ensure the appropriateness of the framework to DSTA's governance arrangements. The framework was also reviewed for compliance with risk management standard ISO3100:2009.

As part of the corporate governance framework, the DSTA Corporate Compliance Framework was established in 2009/10 to provide overall assurance to the Department's Executive team, the Director General and the Audit and Risk Committee, of its external legislative and policy compliance. The framework is designed to assist DSTA to manage legal, commercial and reputational risk associated with non-compliance.

In 2009/10, DSTA established a system to identify and monitor recommendations directed to the Department and its divisions where reviews have been undertaken (other than by the Department's Internal Audit Branch). The system is designed to ensure the capture of recommendations that may have a significant risk implication for the Department, monitor the implementation status of recommendations and to establish a reporting and accountability mechanism to the Executive with oversight by the Audit and Risk Committee.

During 2009/10, the Department established a Contracts Register Policy, to assist it to manage its contract administration risk. The policy is designed to assist managers to manage contracts entered into by DSTA for the supply of goods or services by or to the Department; and record information to assist in the management of the contracts and particular elements or risks, such as compliance with key dates, and notice requirements.

Corporate services

During 2009/10, the management of DSTA's leased property portfolio achieved recurrent savings of more than \$1 million a year by collocating services and terminating leases without replacement, or by replacing expiring under-utilised leases with appropriately sized premises. In order to work towards sustainability and improve its office utilisation, DSTA has continued the rollout of accommodation standards designed to provide accommodation that meets DSTA workplace management principles, is fit-for-purpose and complies with sector-wide accommodation strategies.

DSTA has established the Collaborative Libraries and Information Network Group (CLING), representing library and information services across DSTA. In 2009/10, the CLING's library and information management specialists produced subject specific collection management statements and commenced a review of print and online subscriptions to identify potential savings. In 2010/11, the CLING will be developing a standard suite of library metrics to measure, benchmark, and compare service delivery.

The strategy to implement an Electronic Document and Records Management System (EDRMS) application across the department, the e-dock project, commenced in 2008/09. This strategy was revised to align with the government direction in 2009/10 to reduce the number of systems and platforms across the sector. The aim of the project remains and the revised strategy is for the department to use an EDRMS application provided by the Department's shared services provider, ServiceFirst.

The Cleaner NSW Government Fleet initiative recognises that 14 per cent of greenhouse emissions are produced by transport. DSTA's 2009/10 Fleet Improvement Plan addresses the

targets for noxious and greenhouse emission reductions required to be met by NSW government agencies. In 2009/10, DSTA's fleet achieved the following results:

- 12.5/20 'green score' rating for DSTA's passenger vehicle fleet, increased from 12.3/20 in 2008/09 (Target for 2009–2011 is 13.5)
- 9.4/20 'green score' rating for DSTA's commercial vehicle fleet (Target for 2009–2011 is 9.0)
- two per cent of the fleet is green/hybrid vehicles (Target for 2009/10 was at least 1 per cent, target for 2010/11 is 1 per cent)
- 35 per cent of fuel purchases were for E10 fuel, up from 27 per cent in 2008/09 for the former Department of Commerce fleet (Target for 2009/10 was 20 per cent, target for 2010/11 is 20 per cent).

Corporate governance

DSTA governance principles and framework

The Department has a range of policies and guidelines to assist employees to understand and comply with government and agency directives. With the formation of DSTA, the following governance principles were adopted:

- clear role and responsibilities
- transparent and accountable decision-making
- effective, efficient and ethical decision-making
- respect for the law and high probity standards

The Legal and Governance division of DSTA is currently undertaking a review of DSTA's governance principles and corporate governance framework.

Corporate performance management

The Department's corporate planning and performance framework is a suite of key strategic plans and reports that outline the short, medium and long-term objectives and strategies to deliver NSW Government priorities. The Department's planning and performance framework includes:

- the *Corporate Plan*
- the *Results and Services Plan*
- the *Total Asset Management Plan*
- strategic plans to manage corporate services delivery including the People Strategy and Information and Communications Technology Strategic Plan
- Service Implementation Plans outlining each division's goals and objectives are currently under development for 2010/11
- Performance Development Plans for staff.

Performance is reported through:

- external reporting to NSW Government agencies and the public on governance, financial, services delivery and other measures
- quarterly reports to the DSTA Executive on performance in achieving strategic objectives
- monthly Dashboard Reports on key performance indicators
- staff performance is monitored via SES Agreements and Performance Development Plans
- annual reporting requirements.

Plans are regularly reviewed and are a vital component of the Department's management of identified strategic risks.

Corporate Plan

A new corporate plan for the principal department of DSTA is due for release in 2011. Following the formation of DSTA on 1 July 2009, the former administrative divisions of the Department of Commerce have continued reporting under the *Department of Commerce Corporate Plan 2006-2010*.

The *Department of Commerce Corporate Plan 2006-2010* set the directions and strategies for the Department and shows how the Department contributes to the goals, priorities and targets of the NSW State Plan. These goals and objectives are detailed in the Department's *Results and Services Plan*.

Results and Services Plan

The *Results and Services Plan* (RSP) is the service delivery and funding plan that identifies what the Department seeks to achieve with current resources. Within the RSP, the Department's strategic objectives in fulfilling its charter are outlined together with strategies on how it will support the Government's goals and priorities. The RSP also details the key performance indicators and service measures which the Department will monitor, such as the

effectiveness and efficiency of service implementation and the quality, access, timeliness and cost of service delivery.

Indicators, service measures and service group expenses in the RSP are presented annually through the NSW Government's budget planning process. This process provides a framework for improving disclosure of the Department's service delivery performance and is an annual public presentation of those aspects of the Department's RSP which can be directly linked to its annual budget. Key performance indicators and services measures are published in the budget papers as well as in the Department's annual report.

Total Asset Management Plan

The *Total Asset Management Plan* (TAM Plan) is revised annually and comprises the following key components:

- capital investment strategy
- asset maintenance strategy
- asset disposal strategy
- office accommodation strategy.

Together, these asset management strategies identify what assets the Department requires to deliver effective, efficient and cohesive services. The TAM Plan aligns the Department's asset management strategies with the RSP and corporate objectives whilst ensuring that risks associated with these assets are being effectively managed.

Ethical culture

The Department has a major role in the delivery of NSW government services, including procurement, construction, consumer protection and industrial relations. It is committed to promoting integrity, ethical conduct and accountability in all areas of public administration and, to do its job well, it relies on business partners and suppliers. Just as the Department expects its staff to behave ethically and comply with its code of conduct, it expects high standards of behaviour from firms and individuals that do business with it.

The Department's Business Ethics Statement gives clear guidelines on how it expects its business partners and suppliers to behave and it tells them what to expect of it. All individuals and organisations that deal with Department must adopt these standards of ethical behaviour. The Statement is available on the Department's website (www.services.nsw.gov.au/about-us/business-ethics). The Statement is to be reviewed as part of the Department's Fraud and Corruption Control Strategy.

Code of Conduct

DSTA is committed to the highest standards of conduct. To meet this commitment, DSTA has a Code of Conduct to cover all departmental units and to more closely align staff conduct with the organisational values and ethics which underpin the Department's policies and procedures.

Risk management

The NSW Treasury policy *Internal Audit and Risk Management Policy for the NSW Public Sector* (TPP 09-05) aims to ensure that NSW departments maintain organisational arrangements that provide additional assurance, independent from operational management, on internal audit and risk management. In accordance with TPP 09-05 the following attestation is provided:

Internal Audit and Risk Management Statement for the 2009/10 Financial Year for the NSW Department of Services, Technology and Administration:

I, Peter Duncan, Director General of the Department of Services, Technology and Administration (DSTA) am of the opinion that DSTA has internal audit and risk management processes in place that are, in all material respects, compliant with the core requirements set out in Treasury Circular NSW TC 09/08 Internal Audit and Risk Management Policy.

I, Peter Duncan, Director General of DSTA am of the opinion that the Audit and Risk Committee for DSTA is constituted and operates in accordance with the independence and

governance requirements of Treasury Circular NSW TC 09/08. The Chair and Members of the Audit and Risk Committee are:

- Mr Peter Whitehead, Independent Chair
(period of appointment from 1 September 2009 to 31 August 2012)
- Ms Carolyn Burlew, Independent Member
(period of appointment from 1 September 2009 to 31 August 2011)
- Dr Gul Izmir, Independent Member
(period of appointment from 8 October 2009 to 7 October 2011)
- Ms Anne Skewes, Non-independent member
(period of appointment from 24 March 2010 to 23 March 2013)
- Mr Michael Silk, Non-independent member
(period of appointment from 24 March 2010 to 23 March 2013)

These processes provide a level of assurance that enables the senior management of DSTA to understand, manage and satisfactorily control risk exposures.



Peter Duncan
Director General

Separate attestations for the following statutory bodies are included in their Annual Reports:

- Building Insurers' Guarantee Corporation
- Fair Trading Administration Corporation
- Internal Audit Bureau of New South Wales
- Motor Vehicle Repair Industry Authority
- New South Wales Government Telecommunications Authority
- NSW Architects Registration Board
- Rental Bond Board
- State Records Authority
- Teacher Housing Authority of New South Wales

DSTA has in place an Enterprise Risk Management Framework which complies with the core requirements of TPP 09-05. An extensive review of this framework was made during 2010 to ensure compliance with TPP 09-05, align the framework to the requirements of the Audit and Risk Committee and to ensure the appropriateness of the framework to DSTA's governance arrangements. The framework was also reviewed for compliance with risk management standard ISO3100:2009. The objectives of the Enterprise Risk Management Framework are to:

- integrate risk management principles and processes into corporate, division and business unit planning to increase the likelihood of DSTA achieving its corporate objectives
- create and support proactive management that seeks to identify risk throughout the organisation and ensure that an appropriate level of resources is allocated to control risks, with the aim of reducing risk to as low a level as reasonably practicable
- create and support a management culture that is risk aware, not risk averse, and which encourages and supports innovation by ensuring that management decisions are informed by a balanced analysis of both opportunity and risk
- improve governance and reporting to ensure that information about risks to the organisation and its objectives are efficiently and effectively communicated to the appropriate decision-making level
- improve organisational resilience through the application of audit and review processes which are designed to ensure that the systems and procedures in place to identify and control risks are being applied in accordance with this policy

- highlight risk management practice in all of DSTA's business processes and support this by instilling an awareness of risk management in all our employees
- articulate roles and responsibilities for the management of risk.

The DSTA Enterprise Risk Management Framework will underpin strategic planning (*Results and Services Plan, Corporate Plan, Total Asset Management Plan and People Strategy*).

These plans are reviewed by DSTA's Executive and are a vital component in the management of identified strategic risks.

The Legal and Governance division facilitated risk assessments across DSTA divisions during 2009/10 and is currently working to integrate risk assessment into the corporate planning process. This work will be supported by the facilitation of risk analysis and risk assessments of divisional and business unit plans across DSTA during 2010/11.

During 2009/10, Legal and Governance division also established systems to strengthen DSTA's internal processes in relation to monitoring the implementation of recommendations. A Corporate Compliance Framework and the DSTA Contracts Register were established to assist in managing DSTA's legal, commercial and reputational risk.

Business Risk Insurance

DSTA protects its insurable asset and liability exposures through participation in the NSW Treasury Managed Fund (TMF), a self insurance scheme. Insurable risk lines covered are property, liability, motor vehicle, workers' compensation, travel and personal accident. DSTA continues its close association with TMF and is committed to improving business risk insurance performance.

Total insurable risk deposit premiums increased by 5.68 per cent or \$282,280 compared to 2008/09. Despite the increase, premium performance generally exceeded the TMF Primary Pool of which DSTA is a member. The exception was the workers' compensation line, where premiums were higher than the TMF Primary Pool. A combination of factors contributed to the result, including changes in the target premium, wage costs and claim experience. Strong results were achieved for the property and liability lines.

Claims performance

While the total number of registered claims was lower, net incurred costs increased 2.98 per cent compared to 2008/09.

Claims history

Number of claims	2006/07	2007/08	2008/09	2009/10
Workers' compensation	148	128	125	169
Motor Vehicle	233	223	232	177
Property	19	20	17	17
Liability	5	6	10	1
Other	0	1	0	3
Total	405	378	384	367

Claims cost

Net incurred cost	2006/07	2007/08	2008/09	2009/10
Workers' compensation	2,836,220	2,539,655	910,240	797,697
Motor Vehicle	683,072	574,168	488,806	445,179
Property	142,042	194,555	167,332	460,701
Liability	507,969	769,953	104,629	14,980
Other	0	0	0	3,712
Total	4,169,303	4,078,331	1,671,007	1,722,269

Average claims cost

Net incurred cost	2006/07	2007/08	2008/09	2009/10
Workers' compensation	19,164	19,841	7,282	4,720
Motor Vehicle	2,932	2,575	2,107	2,515
Property	7,476	28,708	28,753	27,100
Liability	101,594	128,326	10,463	14,980
Other	0	0	0	1,237

Audit and compliance

DSTA Audit and Risk Committee

During 2009/10, DSTA reconstituted its Audit and Risk Committee in line with the core requirements of NSW Treasury's Internal Audit and Risk Management Policy for the NSW Public Sector (TPP 09-05). During this period the Audit and Risk Committee met six times to oversee financial reporting, internal control systems, risk management, corruption prevention, compliance systems and other regulatory requirements, and the internal and external audit functions.

Internal audit

DSTA Audit Branch plays an important role in the governance framework by reviewing the compliance, efficiency and effectiveness of priority programs and processes and the adequacy of internal controls. The Annual Audit Plan is endorsed by the Audit and Risk Committee and approved by the Director General.

The formation of DSTA as a cluster agency, integration of its related entities and restructures within its divisions has seen a significant increase in the number and variety of projects undertaken by DSTA Audit Branch. In addition to its planned program of work, DSTA Audit Branch provides services on matters ranging from investigations arising from complaints including protected disclosures, inappropriate practices, potential fraud, and also requests for advice on policy matters, IT security, internal control improvements, process and procedural enhancements.

DSTA Audit Branch provides significant value through this work by helping improve the internal control environment, strengthening business processes and procedures and promoting ethical culture.

During 2009/10, DSTA Audit Branch was engaged in a range of audit related projects, including 43 planned audits (compliance and operational/performance), 125 special projects and 30 investigations. Some of the significant projects included:

- suite of ServiceFirst audits (2009/10) - Accounts Payable, Payroll and General Computer Controls – Government Services

- StateFleet - performance review of governance arrangements, financial accounting and operational processes and systems; and audit of general computer controls – Government Services
- Home Building Services Licensing System – NSW Fair Trading
- implementation of SAP Governance, Risk and Compliance Module – Corporate Services
- business monitoring and reporting including Executive Information System – Corporate Finance
- financial management and reporting - Government Chief Information Office
- compliance with Legal Policy – Legal and Governance
- air travel expenditure – NSW Industrial Relations
- SAP configuration and security settings health check – Government Services
- computer security reviews of key business application and IT infrastructure including Rental Bond, Asset.gov and StateFleet
- ARIBA implementation including TenderMax Pro – NSW Procurement
- transfer of Plumbing Inspection and Assurance Service operations to NSW Fair Trading – NSW Fair Trading
- External Database Usage Certification – NSW Fair Trading
- Annual Credit Card Usage certification 2009/10 – Corporate Finance
- DSTA Fraud & Corruption Control Strategy – Project work by Audit Branch.

External audit

During 2009/10, the Audit Office of NSW carried out a comprehensive audit of the Department of Service Technology and Administration (DSTA) and its controlled entities.

The Audit Office issued the statutory audit report on 20 October 2010 for DSTA and its controlled entities for 2009/10 financial year. There are no significant issues relating to DSTA and NSW Government Telecommunications Authority, however, the following significant matters relating to Australian Centre for Advanced Computing and Communications Pty Ltd (ac3) were identified in the statutory report for ac3:

- whilst ac3 has recorded small profits in recent years it does not have a robust history of profitability and has significant accumulated losses
- as in prior years, the Board has budgeted for a profit in 2011. We note there is a history of not achieving budgeted results.

The Department's response to the above audit observations are as follows:

- ac3's accumulated losses reflect the period when ac3 was required to comply with funding grant requirements to provide and own supercomputing facilities. Since winding down its supercomputing activity (which represents a financial write-down of over \$12 million, the size of the original grant) ac3 has had a positive Balance Sheet and in the last four years has recorded a profit. The lack of robust profitability is noted and is being closely monitored by the Board.
- ac3's performance last year was adversely affected by the restructure in Government agencies, which delayed some expected new Government business. In addition the global financial crisis affected ac3's non-government business last financial year, with the result that there was no appreciable increase in non-Government revenue last year. The Board will also closely monitor all future budgets and cash flow projections.

The Auditor General's 2009/10 Audit Report to Parliament is expected to be tabled in November 2010.

Accessing DSTA information

Freedom of Information

DSTA received 201 freedom of information (FOI) applications during the year under the NSW *Freedom of Information Act 1989*, (FOI Act). A full report and the required FOI statistics are included in the appendices of this report.

Under the FOI Act, DSTA is required to publish an annual Statement of Affairs. The Statement of Affairs was issued in November 2009, in the 2008/09 Department of Commerce Annual Report. An FOI Summary of Affairs was published in the NSW Government Gazette Number 85 on 25 June 2010.

Reforms to the New South Wales right to information system

Government Information (Public Access) Act 2009

On 1 July 2010, the *Government Information (Public Access) Act 2009* (GIPA Act) replaced the *Freedom of Information Act 1989*. The GIPA Act applies to all NSW Government agencies, including government departments, Ministers and their personal staff, public authorities, public offices, local authorities, courts and persons or entities deemed to be an agency under the regulations.

The new right to information system encourages government agencies to release information proactively. The new system also makes it easier for individuals to access government and personal information from government agencies.

The Department has developed departmental policy titled Release of Government Information under the *Government Information (Public Access) Act 2009* and a Procedure for Dealing with Formal Access Applications under the *Government Information (Public Access) Act 2009*.

Programs and activities

The structure and functions of DSTA and how these functions affect the public are described in this annual report. Information about DSTA programs and activities, publications and its policies can also be found on the website www.services.nsw.gov.au.

Documents held

The Department holds the following categories of documents:

- policy and planning documents.
- procedures and guidelines.
- documents on internal administration of the Department.
- project plans and strategy documents.
- internal working papers of the Department.
- Ministerial briefing papers.
- correspondence with Ministers and other Members of Parliament.
- correspondence with members of the public
- personal information under the *Privacy and Personal Information Protection Act 1998*.

Accessing the Department's documents

Policies and publications can be accessed in several ways:

- internet www.services.nsw.gov.au.
- Right to Information Officers (previously known as FOI Coordinators) - see below.

Applications for access to documents under the provisions of the GIPA Act must be in writing, either on an application form or by letter, accompanied by the \$30 application fee and sent to:

Commerce Portfolio	Fair Trading Portfolio	Industrial Relations Portfolio
Right to Information Officer DSTA Level 22, McKell Building 2-24 Rawson Place Sydney NSW 2000 Tel: (02) 9372 8720	Right to Information Officer NSW Fair Trading DSTA P O Box 972 Parramatta NSW 2124 Tel: (02) 9895 0362	Right to Information Officer NSW Industrial Relations DSTA Level 23, McKell Building 2-24 Rawson Place Sydney NSW 2000 Tel: (02) 9020 4505

GIPA Act application forms are available on the DSTA internet site (www.services.nsw.gov.au) or by contacting the Right to Information Officer who can assist with completion of the application.

Processing access requests

The Right to Information Officers must acknowledge the request within five working days and decisions on access are normally made within 20 working days of receipt. If the processing time has to be extended, the applicant must be kept informed about the processing of their application. The applicant may be required to clarify the request and sometimes a request may be referred to another department if the request is more closely connected to the functions of that department.

An applicant's right to access is restricted only when there is an overriding public interest against disclosing the particular information. The Department's Right to Information Officers will provide an 'access decision' letter giving reasons why access to information is restricted. If the request is restricted the applicant has rights of review and appeal and this information is disclosed with the decision. Reviews by the Information Commissioner and the Administrative Decisions Tribunal apply under the GIPA Act.

Charges for access

The charge for access to documents is a \$30 application fee. There is a 50 per cent discount for financial hardship (copy of Pension card issued by Commonwealth or Centrelink card), full-time student (copy of current education enrolment), non-profit organisation or where a special benefit to the public can be demonstrated. A processing charge may be imposed for dealing with an access application at a rate of \$30 per hour for each hour of 'processing time' for the application.

Privacy management

The *Privacy and Personal Information Protection Act 1998* (the Privacy Act) introduced binding privacy standards for the NSW public sector. These standards, known as information protection principles, regulate the way public sector agencies deal with the collection, storage, use and disclosure of personal information.

Three privacy management plans, covering NSW Fair Trading, NSW Industrial Relations and Commerce portfolio areas, have been lodged with the Privacy Commissioner and the Attorney General has approved the code of practices related to the Department's operations. The plans set out the policies and practices adopted to ensure compliance with the legislative provisions as well as establishing procedures to deal with complaints about DSTA's conduct and the disclosure of personal information held on public registers. Copies of the plan documents and further information about the Privacy Act are available to the public on request.

In 2010, work commenced on the preparation of a consolidated Privacy Management Plan for DSTA, and this Plan will be lodged with the Privacy Commissioner.

Individuals can apply under the Privacy Act for access to personal information held by the Department. A complaint, or internal review, can be lodged if a person believes DSTA has breached an information protection principle under the Privacy Act or its Code of Practice.

Codes of practice – NSW Fair Trading

A Code of Practice is in place that modifies the application of the Privacy Act for NSW Fair Trading. The Code of Practice authorises non-compliance with the information protection principles where they prevent NSW Fair Trading from carrying out its functions. NSW Fair Trading is also covered by the provisions of the Investigation Code of Practice, the Code of Practice for Inter-agency Transfers of Information and the Privacy Code of Practice for the NSW Public Sector Workforce Profile.

Applications made under the Privacy Act 2009/10

There were no access applications received and there were no appeals to the Administrative Decisions Tribunal during the financial year.

Fees and charges

The current privacy management plans provide for the payment of an application fee of \$30 (plus GST). The fee is applicable to requests for access to personal information, which may be held by the department. A processing charge of \$30 per hour (plus GST) is applied after

the first 20 hours of work. No fees or charges apply for applications for reviews under Part 5 of the Privacy Act.

Further information is available from:

Commerce Portfolio	Fair Trading	Industrial Relations
Privacy Coordinator DSTA Level 22 McKell Building 2-24 Rawson Place Sydney NSW 2000 Tel: (02) 9372 8720	Privacy Coordinator NSW Fair Trading DSTA P O Box 972 Parramatta NSW 2124 Tel: (02) 9895 0362	Privacy Coordinator NSW Industrial Relations DSTA Level 23, McKell Building 2-24 Rawson Place Sydney NSW 2000 Tel: (02) 9020 4505

People and organisation

Organisational change

On 1 July 2009, the Department of Services Technology and Administration (DSTA) was formed pursuant to Public Sector Employment Management (Departmental Amalgamations) Order 2009. The orders had the effect of bringing together the former Department of Commerce, with the Internal Audit Bureau and the Teacher Housing Authority, and a number of other staffing groups and functions. The change was a result of the restructure of NSW Government agencies implemented by the Department of Premier and Cabinet.

During 2009/10, a number of organisational change initiatives were completed, which resulted in these changes to the principal Department's structure:

- Government Services division consolidated NSW Procurement, ServiceFirst and State Fleet, all of whom provide services to the government
- Policy, Ministerial and Executive Services has combined certain policy and Ministerial and executive services functions to improve service delivery
- Corporate Services division brought together a range of corporate services functions within DSTA into a single division
- NSW Fair Trading (National Reform Agenda) division was formed and is responsible for coordinating DSTA's response to Council of Australian Governments' (COAG) issues affecting NSW Fair Trading
- Plumbing Industry Advisory Services transitioned from Sydney Water and were integrated into the Home Building Service within NSW Fair Trading
- NSW Fair Trading Trade Measurement functions transitioned to the Commonwealth's National Measurement Institute as part of the COAG Business Competition and Regulation Working Group Plan
- the management structure of Customer and Property Services in NSW Fair Trading was restructured to achieve enhanced organisational efficiency and improve flexibility in meeting community requirements
- Compliance & Legal within Fair Trading (Operations) was restructured to provide enhanced compliance and enforcement functions
- Fair Trading Legal Services was integrated into the Legal and Governance division to maximise efficiencies in the provision of legal services
- the Consumer Trader and Tenancy Tribunal within Fair Trading (Operations) was realigned to more appropriately respond to service delivery requirements
- Insurance Services within the Home Building Service in NSW Fair Trading was reviewed as part of the planned cessation of functions associated with the Government's home warranty scheme under the Fair Trading Administration Corporation (FTAC). It is anticipated the unit will remain responsible for overseeing the HIH Rescue Package and the Building Insurers' Guarantee Corporation, and will also provide enhanced support to the Home Warranty Insurance Scheme Board
- the Office of Public Works and Services was renamed NSW Public Works and a realignment of the division's Sydney Region unit and the establishment of the Strategic Services & Business Performance was implemented to allow the division to better respond to changing business needs and to provide a better foundation for future development.

DSTA Executive

(at 30 June 2010)

Director General

Peter Duncan

Peter Duncan was appointed in April 2010, his previous roles include appointments as the Deputy Director General of the Government Coordination Division of the Department of Premier and Cabinet; Executive Director of the Infrastructure Implementation Group within the NSW Premier's Department; Chief Executive Officer of Forests NSW and Chief Executive and Director of the Centennial Park and Moore Park Trust.

Deputy Director General, Corporate Services and Chief Financial Officer

Paul Dexter

Paul Dexter has broad commercial experience providing strategic and financial advice and driving organisational performance management and change within large organisations. He has worked as Chief Financial Officer for WorkCover NSW and as a consultant in the private sector electricity, manufacturing and distribution markets in Australia and New Zealand.

Government Chief Information Officer

Emmanuel Rodriguez

Emmanuel Rodriguez has previously held roles within the global financial services industry, becoming the global Chief Information Officer of the Société Générale investment bank in Tokyo, successfully implementing a single trading platform across 52 countries and rationalising their ICT systems in the Asia Pacific region. In 2002, he was appointed the Asia Pacific Chief Information Officer of the Prudential group (UK), streamlining its wealth management ICT platform/services onto a centralised services hub. He has led significant modernisation and benefits achieved by the NSW Chief Information Officer Executive Council since his appointment.

Deputy Director General, Government Services

Anne Skewes

Anne Skewes was appointed to this position in November 2009. Prior to joining DSTA she was Chief Executive Officer, State Property Authority and former Chief Executive of the Land Development Agency in the Australian Capital Territory. She has had extensive experience as a chief executive and general manager in commercial government enterprises spanning roles across three government jurisdictions.

General Counsel, Legal and Governance

Anthony Lean

Anthony Lean has 17 years experience in legal, legislative and policy roles in the public sector in a range of agencies, including the Department of Premier and Cabinet, WorkCover NSW, NSW Health and The Cabinet Office. He has advised on a wide range of significant and complex legal issues across government and has developed or overseen the passage of a number of significant legislative reforms.

Acting Deputy Commissioner, NSW Fair Trading Operations

Stephen Griffin

Stephen Griffin has worked in the NSW public sector for 25 years, including senior roles with the NSW Police Force and Inspector-General of Corrective Services. His career focus has been in the area of regulatory compliance. He has been with Fair Trading since 2003 and has held various senior strategic roles, including Assistant Commissioner, Home Building and Director, Mediation Services & Compliance.

Assistant Commissioner, Compliance & Enforcement, NSW Fair Trading
Don Jones

Don Jones was appointed Assistant Commissioner in May 2010. He has over 23 years experience in the NSW public sector and was previously a member of the Executive in the position of Executive Director of NSW Industrial Relations. His recent public sector experience includes senior roles relating to workplace reform, compliance and service delivery.

Deputy Commissioner, NSW Fair Trading (National Reform Agenda)
Rod Stowe

Rod Stowe has worked in the Fair Trading portfolio for over 21 years where he has had a variety of roles including Policy Advisor, Director of Customer Services and Assistant Commissioner for Policy and Strategy. In a public sector career spanning 33 years, he has gained wide experience in government following previous postings in portfolios covering environmental protection, education, local government and state superannuation.

Acting Executive Director, NSW Industrial Relations
Lolita Keparas

Lolita Keparas has worked for NSW Industrial Relations and its predecessor organisations for over 11 years and was for a number of years the head of the policy area of NSW Industrial Relations. She has worked on a range of issues, most recently arrangements for the participation of NSW in the national workplace relations system for the private sector.

Deputy Director General, NSW Public Works
Brian Baker

Brian Baker has over 30 years experience in developing and delivering major infrastructure projects. A significant component of his career has related to the delivery of public infrastructure, including water supply, sewerage, bulk material export, transport, education and health. Brian also worked for non-government entities, including a major engineering and construction company and in various consulting roles.

Assistant Director General, Policy
Anthea Kerr

Anthea Kerr has extensive high level policy experience within the NSW public sector, particularly in relation to inter-jurisdictional negotiations, and has worked within a number of agencies, including the Department of Premier and Cabinet and the former Department of Fair Trading.

Director, Strategic Communications and Government Advertising
Alun Probert

Alun Probert has over 25 years experience in the publishing and media industry. Prior to his appointment, Alun was responsible for the launch of a number of successful magazines internationally as well as the creation of an independent marketing consultancy with clients in Europe, the UAE and Australasia. Alun is a member of the Circulation Audit Board.

Changes to the Executive in 2009/10

Graeme Head, Director General, Department of Services, Technology and Administration, Chair of the Executive to 1 April 2010. *Dennis O'Keefe*, Acting Deputy Director General, NSW Procurement member of the Executive to 15 November 2009.

Employment relations policies and practices

DSTA participated in a formal and informal program of consultation with unions and other stakeholders during 2009/10. During the year, seven formal organisational-wide peak consultative meetings were held. A similar number of local consultative forums were also convened in NSW Fair Trading, NSW Industrial Relations, the State Records Authority and with Ministerial day labour staff employed in the Sydney Region, NSW Public Works.

Of the significant number of issues and matters discussed as part of the formal consultative processes, only four formal disputes went to the NSW Industrial Relations Commission in 2009/10, all of which were resolved through conciliation. No matters were lodged by unions or staff members under the relevant award provisions, pursuant to the disputes avoidance clauses.

The current Memorandum of Understanding (MoU) on consultative processes within the Department has been in effect for five years. Following agreement between the parties, the MoU is currently being reviewed and is anticipated to be finalised in 2010.

Consultative programs and organisational wide initiatives

A program was introduced to manage excess recreation leave balances (defined as greater than thirty days accumulated recreation leave). Employment Relations staff assisted DSTA managers to develop management plans to reduce the number of staff with excess recreation leave. By 31 January 2010, only two per cent of staff had balances of more than 40 days recreation leave and the focus on reducing excess recreation leave balances to less than 30 days will continue in 2010/11.

Redeployment of displaced officers

Considerable efforts and resources were dedicated to the management of officers who have been declared excess as a result of the major restructuring programs in DSTA. DSTA prepares and assists excess staff to apply for vacancies in the public and private sector through a structured program, including career coaching and case management support, in accordance with the public sector policy for managing excess employees.

At 30 June 2010, there were 33 excess officers within DSTA. Of these, 73 per cent were performing meaningful and valuable work for DSTA or another NSW government agency. Of the remainder, 12 per cent were actively job seeking and participating in relevant training programs whilst the remaining 15 per cent were on leave without pay. During 2009/10, five excess officers were redeployed into permanent positions.

Engaged and capable people

The knowledge, skills and attitudes of our people determine how effectively DSTA can provide services to its clients and customers.

People Strategy

The principle objective of the Department's *People Strategy* (2006–2010) is to have a workforce of engaged and capable people. The *People Strategy* will be reviewed in 2010/11. In 2009/10, DSTA continued to develop systems, policies and practices that support the capability of our people and our organisation, including:

- building leadership capability through a tiered program for staff with leadership responsibilities and by supporting participation in sector wide leadership development programs
- improving the business and public administration capabilities of staff by providing a range of targeted learning events
- establishing networks to maximise the potential of individuals within the organisation and to foster relationships across technical expertise and hierarchical boundaries
- recognising and rewarding the achievements of our people
- consolidating our recruitment and selection strategies to attract the appropriate people to relevant jobs
- creating a workplace which values and utilises the contribution of people with different backgrounds, experiences and perspectives
- aligning our corporate planning, performance management and staff development processes
- reviewing our human resource policies and procedures.

Leadership Development Program

The Leadership Development Program provides a range of core programs and learning events to develop the leadership and management capabilities of our managers and leaders. This represents a significant investment in our people and our organisation, as DSTA develops a pool of people ready to undertake management and leadership roles and assist with our succession management strategy as executives, managers and leaders retire over the next five years.

The Program commenced in 2008, and to date 293 managers and leaders have participated. It is expected that by the end of 2012, 500 staff will have participated in the Program, which is designed to build on their core skills in leadership and managing business and people. During 2009/10, the Leadership Development Program provided a comprehensive range of programs including:

- new managers program – 39 people attended two programs
- business managers program – 30 people attended two programs
- senior managers programs – 62 people attended five programs
- executive program – 8 people attended one program
- mentoring program – 14 mentor/mentee pairs.

Improving business and public administration capabilities

In 2009/10, DSTA has continued to invest in the development of its people by offering skills development training courses in the following areas:

- business skills – 655 people attended 73 courses
- foundation courses – 1,381 people attended 140 courses
- Learning Bites – 230 people attended 17 seminars.

Staff are encouraged to attend non-DSTA (external) training with 35 staff declaring their attendance at a range of external training courses this year.

DSTA is committed to the ongoing learning and development of its employees. Study Time Leave and Financial Study Assistance form part of this commitment, with 174 applications received in 2009/10.

JumpSTART NSW Cadets

DSTA participated in JumpSTART NSW a NSW Government cadetship program and 20 cadets were recruited. DSTA has supported the entry of the cadets into the public sector workforce by providing:

- a tailored orientation program
- supporting their membership in the DSTA Young Professional's Network
- counselling and support provided via assigned Cadet Program Co-ordinator, workplace buddies, supervisors and regular cadet meetings
- access to relevant in-house learning and development programs.

Recruitment and selection

In 2009/10, DSTA instituted use of e-recruitment for all DSTA jobs. e-Recruitment is a comprehensive and fully automated recruitment system that streamlines the recruitment process, from the creation of a job vacancy, through the full selection process to the final candidate offer. DSTA participated in a pilot manager use of e-recruitment to administer and complete recruitment in a more timely and efficient way. In addition it reviewed and improved organisational-wide recruitment and engagement processes and practices.

Performance Development Program

The Performance Development Program is the principal tool by which DSTA links its strategic objectives with staff goals and achievements. The process focuses on improving performance by aligning individual, team and organisational objectives; developing the needs of its staff at all levels. All divisions received training about the Performance Development Program, with

all staff required to have in place a Work Plan and a Development Plan that links to the achievement of division and business plan goals.

Equity and diversity

DSTA acknowledges and embraces the diversity of its staff and the skills, knowledge and experience they contribute within the workplace and to the NSW community. DSTA's effectiveness as an agency is enriched by this diversity and it is committed to addressing equity for staff to ensure they receive appropriate development to achieve their potential.

In 2009/10 DSTA continued its active contribution towards achieving access and equity for staff and the community it serves. DSTA will continue to place greater emphasis on ensuring that equity and diversity principles are integrated into the way that it plans for the services it delivers and for the needs of its current and future workforce.

Employment equity

In 2009/10, DSTA continued to develop strategies that maximised opportunities for all DSTA staff and enhanced its standing as an employer of choice. The Department was successful in improving its employees' knowledge and appreciation of equity and diversity principles. This was achieved through raising awareness of diversity and equity of staff with customer service responsibilities, providing information on policies and initiatives to staff in relation to equity issues and implementing a range of strategies to improve equity outcomes for staff.

DSTA's goals for 2010/11 will be to address any gaps in how it attracts and retains talent from diversity and equity groups for its workforce. To enable staff to progress in their careers, opportunities in the form of higher duties and secondments were provided and supported by DSTA. Achievements for 2009/10 included:

- maintaining the representation of women at 45 per cent
- Aboriginal employees represent two per cent of our workforce
- using flexible work practices to enable staff to balance life's priorities
- supporting staff with work and personal life issues by continuing the contract with Families at Work, a work/life consultancy that provides information on childcare, vacation care, dependent and elder care
- coordinating the provision of reasonable adjustments for people with a disability
- enabling current and former employees' views to be heard on DSTA's diversity and equity practices through a number of survey instruments
- surveying employees within diversity and equity groups to determine their professional development needs
- Ninety four staff participating in the Community Language Allowance Scheme and providing translation and assistance to the community in 32 languages.

Workforce planning

Workforce planning provides an overall strategy for meeting workforce needs now and in the future. The workforce profiles generated via this process provide an increasingly useful tool for tracking changes to workforce characteristics and identifying trends. A significant challenge for the organisation is that 58 per cent of the workforce is over 45 years old and 21.4 per cent is predicted to retire in the next five years.

The Department's workforce planning strategies are being developed to create a workforce that is representative of the community diversity of NSW and delivers services to that community. The Department aims to achieve this through:

- *Diversity and Equity Plan*
- *Women's Employment and Development Plan*
- *Aboriginal Employment Strategy*
- *Disability Action Plan*
- Graduate Program
- Young Professional Network and mentoring program
- becoming an 'employer of choice'

- attracting and recruiting young people to our workforce
- managing an ageing workforce
- capability development strategies
- learning and development programs
- knowledge sharing and talent management.

Women

The Department's *Women's Employment and Development Plan 2008-2012* focuses on strategies to attract, retain and develop women. The Plan was developed to support the NSW Government's *Making the Public Sector Work Better for Women Plan 2008-2012*. During 2009/10, the following activities were undertaken as part of the *Women's Employment and Development Plan*:

- renewal of Australian Breastfeeding Association accreditation as a Breastfeeding Friendly Workplace
- sponsored attendance at conferences and networking events including the Women's Leadership Symposium
- developed and conducted gender specific mentoring programs for women
- implemented an innovative mentoring program using teleconferences to support and develop women located in regional areas
- delivered targeted professional development programs for women
- celebrated International Women's Day with events held throughout DSTA
- hosted a NSW Senior Women's Network meeting
- provided access to the Managing Work-life Balance Childcare Kit.

People with a disability

The Department has a strong commitment to creating an inclusive working environment in which people with a disability share fully in organisational life. DSTA's *Disability Action Plan 2010 – 2012* outlines our commitment to improving access to services and employment opportunities for people with a disability. Activities in 2009/10 implementing the Plan included:

- providing reasonable adjustments to employees with a disability through work and job redesign, provision of equipment and job support
- supporting employment for people with a significant mental disability through accessing the JobSupport program
- purchasing specialised software and equipment through the Department of Education Technical Equipment Program and the Employment Modifications Scheme
- providing sign language interpreters at meetings for staff who are deaf or hearing impaired
- making a central source of funding available through the DSTA Reasonable Adjustment Corporate Fund to provide financial assistance to staff with a disability
- sponsoring the 'Don't DIS My Ability' campaign to celebrate International Day of People with a Disability
- facilitating Disability Network meetings for staff with a disability and staff with an interest in disability issues
- consulting with the Disability Network regarding the *Disability Action Plan 2010 – 2012*
- supporting staff with a disability to build their capability and career confidence through the Career Management Program for People with a Disability
- providing professional development opportunities for people with a disability including a presentation skills seminar
- facilitating a staff awareness session entitled "Changing Lenses: From Ability to Disability" to create awareness of attitudinal barriers.

Aboriginal and Torres Strait Islander People

DSTA acknowledges that Aboriginal people and culture are central to Australian history. With this in mind, DSTA remains committed to increasing employment and participation of Aboriginal people in everything it does.

Aboriginal Employment Strategy

The DSTA *Aboriginal Employment Strategy 2010-2013* was developed in early 2009, to increase the representation of Aboriginal people in the DSTA workforce to three per cent. It focuses on providing career development opportunities to Aboriginal staff and strengthening support mechanisms that will assist in retaining staff and becoming an employer of choice for Aboriginal people.

Aboriginal staff continue to provide advice and support in relation to the implementation of the Employment Strategy, giving staff the opportunity to be involved in the strategic direction for increased participation and employment of Aboriginal people in DSTA.

The Aboriginal Staff Network

The DSTA Aboriginal Staff Network meets three times a year. The Network meetings are an opportunity for Aboriginal employees of DSTA from across the state to come together for professional development, networking and an opportunity to meet the DSTA Executive and raise issues directly with them.

Indigenous Cadetship Program

DSTA continued to support three cadets through their fulltime study during 2009/10. Two of these cadets successfully completed their degree qualification and moved into fulltime employment. A further two cadetship positions have been established through this program.

Employment programs

DSTA participated in the 2009 Elsa Dixon Aboriginal Employment Program and supported the establishment of an Indigenous Project Officer in NSW Public Works. The successful applicant is relocating from Darwin to take up this permanent position.

DSTA also had three trainees successfully complete their studies in Records Management, Information Technology and Finance, one of who moved to permanent employment with DSTA. The Department is currently recruiting trainees for 2010/11.

NAIDOC Week events

DSTA continued to sponsor the NAIDOC Week School Initiatives competition, providing an educational component to cultural awareness and assisting in reconciliation. A NAIDOC Week celebration held in Sydney featured a bush tucker demonstration where staff could learn about the various uses of native plants and foods.

Aboriginal cultural education

Three Aboriginal cultural education courses were offered to managers and supervisors of Aboriginal staff and 17 staff attended these accredited TAFE NSW courses.

Multicultural Policies and Services Program Plan

In 2009/10, the Community Relations Commission issued an updated Multicultural Planning Framework to replace the former Ethnic Affairs Priorities Statement Framework. DSTA submitted its *Multicultural Policies and Services Program Plan 2010-2014* (MPSP Plan) to the Community Relations Commission and was assessed as a Range 2 agency. Strategies implemented under the MPSP Plan include:

- continuing to provide appropriate language assistance
- continuing implementation of appropriate education, community awareness, consultation, liaison and communication strategies
- appropriate cultural diversity strategies in business planning
- establishing a departmental MPSP Coordinating Committee

- implementation of the strategies within the DSTA Employment and Development Strategy for people from culturally and linguistically diverse (CALD) backgrounds.

Equal Employment Opportunity (EEO) Statistics

Table A - Trends in the representation of EEO groups¹

% of total staff²					
EEO group	Benchmark or target	2007	2008	2009	2010
Women	50%	44%	45%	45%	45%
Aboriginal people and Torres Strait Islanders	2.6% ³	2%	3%	2%	2%
People whose first language was not English	19%	25%	25%	25%	26%
People with a disability	12%	10%	9%	8%	8%
People with a disability requiring work-related adjustment	7%	4%	3%	3%	3%

Table B – Trends in the distribution of EEO groups⁴

Distribution Index⁵					
EEO group	Benchmark or target	2007	2008	2009	2010
Women	100	88	88	89	90
Aboriginal people and Torres Strait Islanders	100	79	76	78	85
People whose first language was not English	100	96	96	97	96
People with a disability	100	94	96	97	97
People with a disability requiring work-related adjustment	100	87	89	88	89

Information for the above tables is provided by the Workforce Profile Unit, Public Sector Workforce Branch, Department of Premier and Cabinet.

Notes

- 1 Staff numbers are at 30 June 2010
- 2 Excludes casual staff
- 3 Minimum target by 2015
- 4 The distribution index measures the extent to which the distribution of EEO groups across salary levels are equivalent to that of other staff. Values less than 100 mean that the EEO group tends to be concentrated at lower salary levels than is the case for other staff. The more pronounced this tendency is, the lower the index will be. In some cases, the index may be more than 100, indicating that EEO group is less concentrated at lower salary levels. This Distribution Index is automatically calculated by the software provided by The Department of Premier and Cabinet.
- 5 Excludes casual staff.

Occupational Health Safety and Injury Management

DSTA is committed to ensuring the Occupational Health and Safety (OHS) and effective Injury Management (IM) of all employees and workplace visitors (including customers and agency staff).

The following initiatives were undertaken or begun in 2009/10:

- developed the *DSTA OHS and IM Strategic Plan (2009–2012)*, which includes key performance indicators that are reported to the Executive on a quarterly basis
- developed and submitted for the DSTA Executive approval an Action Plan to address requirements of the NSW Government's *Working Together: Public Sector Workplace Health and Safety and Injury Management Strategy 2010–2012*
- supported the completion of mandatory online training in DSTA's OHS Management System (OHSMS) by all available staff
- provided corporate training in manual handling and occupational stress for DSTA managers, supervisors and employees, in which 250 staff participated
- commenced an audit of OHSMS implementation throughout the Department, due to be finalised in early 2010/11
- supported a network of OHS committees and representatives to improve consultation and to ensure that OHS issues are addressed
- held regular meetings with WorkCover NSW to share information and experiences
- provided support for staff to return to work following both work related and non-work related illness and injury
- promoted use of the Department's Employee Assistance Program for injured or ill staff.

Staff health and wellbeing initiatives

In support of the NSW Government's Healthy Workforce: Policy on Improving the Health and Wellbeing of all Public Sector Employees and as part of the Department's commitment to staff health and wellbeing, the following programs were implemented in 2009/10:

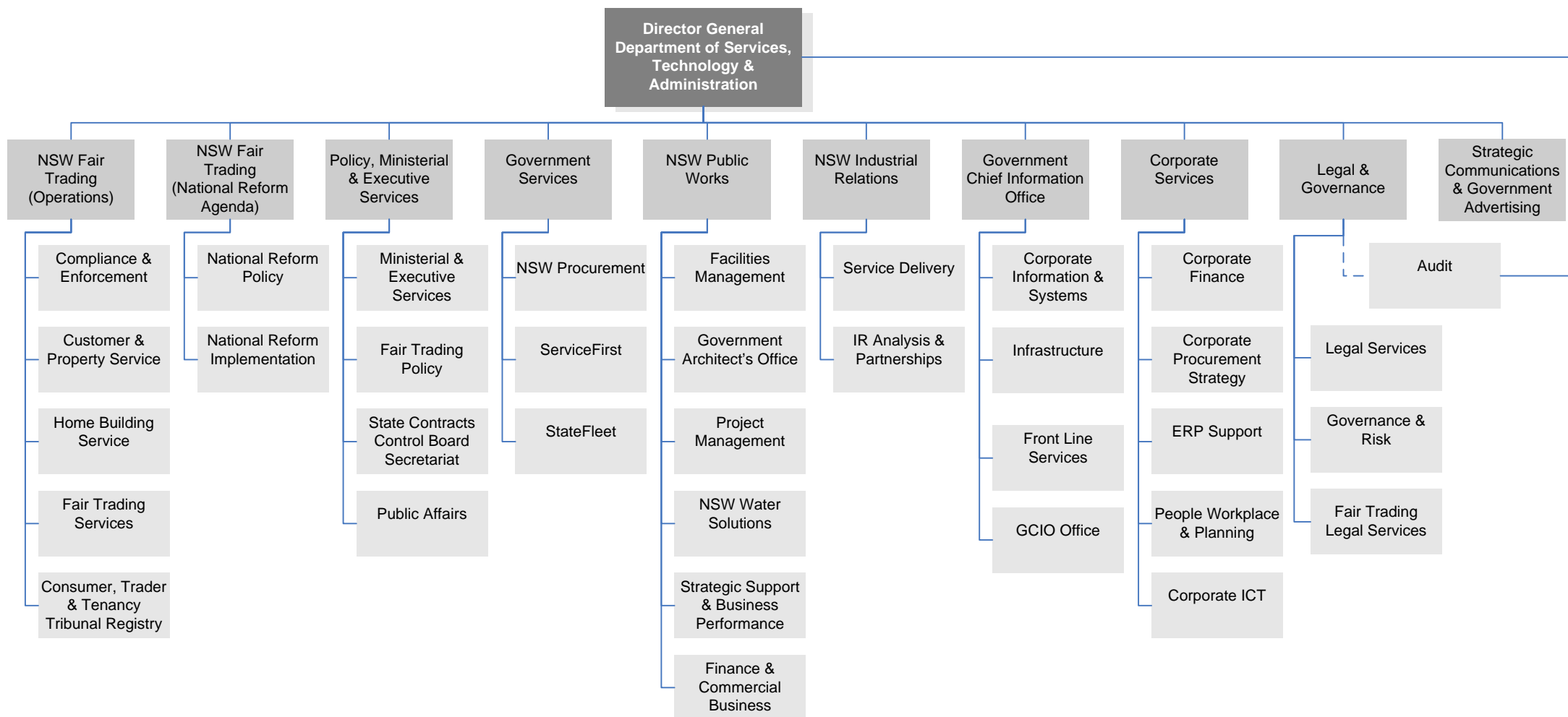
- over 1,000 staff participated in the Department's annual influenza vaccination program, which was available to all staff across NSW; a program that minimises the risk of contracting the influenza virus, thereby contributing to reduced staff absenteeism and improving workplace productivity
- 470 staff are participating in the 2010 Global Corporate Challenge. The Challenge is a 'Live Life Well' initiative that encourages sedentary workers to undertake regular exercise to improve their health and reduce their risk of chronic disease. In 2009, the 364 DSTA participants reported increased energy levels, increased fitness and weight loss
- healthy lifestyle activities, such as yoga, pilates and soccer competitions, were supported in order to promote physical activity, fitness and wellbeing
- health and wellbeing seminars for staff were held on a range of topics including body awareness, healthy eating and self defence, along with presentations by NSW Cancer Council and Nutrition Australia.

Table A – Workers Compensation Claims

	05/06	06/07	07/08	08/09	09/10	09/10	09/10	09/10
	No. of injuries resulting in claims	No. of injuries resulting in claims	No. of injuries resulting in claims	No. of injuries resulting in claims	No. of injuries resulting in claims ²	No. of injuries resulting in lost time	Total time lost due to injuries (in days) ³	Average time lost per injury (in days)
NSW Fair Trading	39	53	47	37	48	29	366.1	12.6
NSW Industrial Relations	5	6	11	12	9	5	17.9	3.6
NSW Procurement	1	1	2	4	2	2	43	21.5
ServiceFirst	10	8	13	12	12	7	159.6	22.8
DSTA ¹	56	76	51	43	54	21	147.0	7.0
Total	111	144	124	108	125	64	733.6	11.5

Notes

1. DSTA includes all other divisions within the Department not specifically itemised in this table
2. Claim numbers may increase for late notification of injury
3. Time lost data will continue to change as claims mature and data is updated by the Insurer with payment of wage reimbursement schedules.



Department of Services, Technology & Administration
30 June 2010

DSTA related entities reports and other reporting requirements

State Contracts Control Board 2009/10 Annual Report

Legislation

The State Contracts Control Board is established under section 135 of the *Public Sector Employment and Management Act 2002*. Section 136 of the Act provides that the Board has the functions conferred on it by the Act and the regulations made under the Act. In 2009/10, the *Public Sector Management (Goods and Services) Regulation 2000* specified the Board's functions. Clause 16 of the Regulation provides that the Board is solely responsible for arranging the supply of goods and services necessary for the operation of the public sector service. The Board is also responsible for the disposal of any goods by the public sector service that are either unserviceable or no longer required.

Section 142 of the Act specifies that the Board must, on or before 31 October in each year, prepare and present to the Minister a report of its work and activities for the year ending on the preceding 30 June. The report may be included in any annual report of the Department for which the Minister is responsible.

NSW State Plan

Under the NSW State Plan, *Supporting Business and Jobs: Cut Red Tape*,

“... a renewed State Contracts Control Board [is] to streamline the procurement of goods and services and improve how Government communicates procurement opportunities.”

Membership

On 1 July 2009, amendments to the *Public Sector Employment and Management Act 2002* commenced that restructured the Board's membership.

Members at 30 June 2010 were:

- Dr Kerry Schott, Managing Director, Sydney Water, Chairperson
- Ms Sally Barnes, Deputy Director General, Parks and Wildlife Group, Department of Environment, Climate Change and Water
- Mr Barry Buffier, Deputy Director General, State and Regional Development and Tourism, Department of Industry and Investment
- Mr Michael Coutts-Trotter, Director General, Department of Education and Training and Managing Director of TAFE NSW
- Mr Peter Duncan, Director General, DSTA
- Mr Michael Schur, Secretary, NSW Treasury.

Meetings

The Board schedules eleven meetings per year. In 2009/10, the Board met on 10 occasions and held one teleconference.

Administration

The Board's administrative support and its costs are met by DSTA.

Activities

The restructured Board started on its program to deliver more effectively on the Government's procurement reforms and to re-establish the Board's primacy in Government's procurement of goods and services. These activities included:

- establishing the Board's secretariat as an independent unit within DSTA
- reviewing its operational arm, NSW Procurement, DSTA, and overseeing the implementation of the review's recommendations
- developing the *State Contracts Control Board Business Plan 2010-2013*, released in July 2010

- commissioning a review of the Board's Agency Accreditation Scheme for Goods & Services (due to report in late 2010)
- approving Board tenders and contracts
- supervising closely tenders for major board contracts, including the contracts for government cleaning and facilities maintenance and the contract for fit-for-purpose data centres to satisfy the Government's current and future data capacity needs
- approving policy changes leading to the draft *Public Sector Employment and Management (Goods and Services) Regulation 2010*
- delivering the NSW Government's *Local Jobs First Plan*
- delivering and reporting on the recommendations of the NSW Government's red tape review relating to procuring goods and services
- reviewing the Board's standard contract conditions, commencing with Procure IT
- reviewing and amending the Board's delegations and authorisations
- amending reporting requirements on Board tenders and other upcoming procurement programs.

Procurement policies

The Government's procurement policies and related matters, which inform the Board's work, are available at www.nswprocurement.com.au.

Contracts awarded in 2009/10

In 2009/10, the Board awarded twelve state contracts:

- Contract 2020 B - GSAS – Information Asset Management Systems (IAMS) Systems Integration and Managed Services (SIMS)
- Contract 2846 – Supply of Server Platforms, Storage, UPS and Virtualisation Technologies
- Contract 702190 – Maintenance of Fire Extinguishing Equipment & Provision of Professional Services
- Contract 2603 – Enterprise Resource Planning (ERP) Application - Mincom
- Contract 777 – Retail Supply of Electricity - Large Sites
- Contract 1006 – Workplace Supplies
- Contract 2311 – Large Account Resellers (LARs) for Microsoft Products
- Contract 9683 – Sanitary Napkins, Nappy and Sharps Waste Disposal Services
- Contract 4005 – Provision of CTP Greenslips
- Contract 366 – Fuel and associated products (Bulk Fuel) – Additional Supplier Intake
- Contract 4000 – Retail Supply of Natural Gas for Customers (site consumption less than 10 terra joules per annum)
- Contract 9698 – Integrated Waste Management (Merger of 697, 6034 & 6083)

In addition, NSW Procurement, DSTA, assisted other government agencies with awarding of 26 agency contracts.

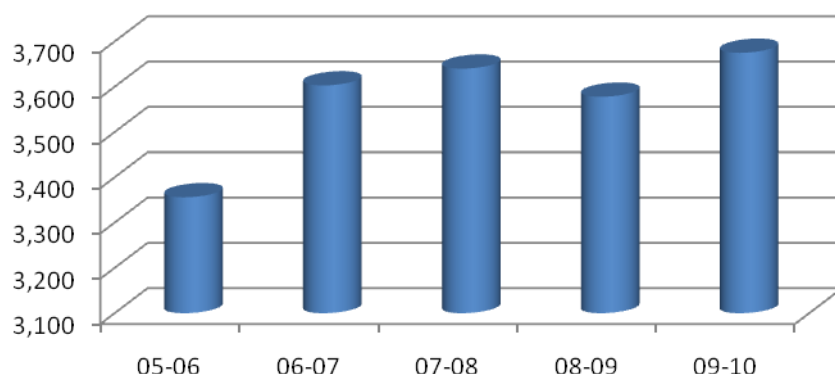
Board contracts

All current state contracts are listed in the *2010 Guide to Purchasing from State Contracts*. The information is also available at www.nswbuy.com.au.

Expenditure through Board contracts

In 2009/10, expenditure by government agencies and other clients through state contracts totaled \$3,675 million. The graph and table below set out the expenditure over the last five years:

Expenditure through Board contracts (\$million)



Year	2005/06	2006/07	2007/08	2008/09	2009/10
Spend (\$million)	3,356	3,603	3,640	3,578	3,675
Annual variation (%)	-	7.4%	1.0%	-1.7%	2.7%

The top 10 contracts in terms of expenditure in 2009/10 are set in the table below.

Rank	Contract	Expenditure (\$)
1	Contract 653 Acquisition of Motor Vehicles	458,109,000
2	Contract 100 Contingent Workforce	397,482,144
3	Contract 366 Fuel and Associated Products	357,872,056
4	Contract 2360 Government Telecommunications Agreements	256,740,575
5	Contract 0702185 Disposal of Motor Vehicles	212,203,200
6	Contract 777 Retail Supply of Electricity	152,936,485
7	Contract 2007 Computers – Servers, Desktops & Portable Computers	122,818,437
8	Contract DITM 2000-01 Telecommunications Services	100,197,350
9	Contract 902 Pharmaceuticals	88,086,258
10	Contract 801 Food Services	79,949,821
Total		2,226,395,326

Savings through using state contracts

By using State Contracts, government agencies have avoided additional expenditure of up to \$322.5 million in 2009/10.

Complaints

The Board deals with complaints about NSW Government tenders and contracts. The Board Chairperson investigates complaints to determine whether processes were appropriate and in accordance with NSW Government procurement policies and procedures and contract conditions.

During 2009/10, the Chairperson received 20 complaints in relation to the procurement of goods and services. All complaints were investigated and agencies advised where any departures from NSW government procurement policies or procedures were identified.

Statutory reporting requirements

The Board has a statutory requirement to report:

- details of investigations relating to competitive neutrality tendering complaints referred to it by the relevant Minister
- details of any directions given to the Board by the Minister under the *Public Sector Management (Goods and Services) Regulation 2000*.

In 2009/10, the Board did not deal with any matters under these provisions.

State Contracts Control Board

State Contract Control Board Secretariat
Level 22 McKell Building
2-24 Rawson Place
Sydney NSW 2000
Tel: (02) 9372 8840
Fax: (02) 9372 7533
Secretariat.SCCB@services.nsw.gov.au.

NSW Government Telecommunications Authority

The NSW Government Telecommunications Authority (Authority) is constituted by the *NSW Government Telecommunications Act, 1991*. The objects of the Act are to:

- integrate the various telecommunications networks of NSW government agencies and to provide for the common carriage of the communications of government agencies
- establish a NSW Government Telecommunications Authority, and to vest that integrated telecommunications network and its control and management in the Authority as agent for the Government
- enable the NSW Government (through the Authority) to operate and maintain in an efficient and economical manner that integrated telecommunications network
- enable the best commercial advantage to be obtained from any excess capacity of that integrated telecommunications network
- enable government agencies to obtain the best commercial advantage from any infrastructure or facilities required by the operators of the public telecommunications networks and other licensees.

Functions of the Board

The Board of the Authority is established under the Act to:

- determine the policies and long-term strategic plans of the Authority
- oversee the effective, efficient and economical management of the Authority
- advise the Minister (at the request of the Minister or on its own initiative) on any matter relating to the telecommunication requirements of the Government or on the commercial advantages available to the Government with respect to telecommunications.

Membership of the Board

The Board is currently not constituted. The affairs of the Authority are managed by an acting Managing Director. Mr Peter Duncan, Director General, DSTA, was appointed Acting Managing Director of the NSW Government Telecommunications Authority in May 2010.

Administration

The Government Chief Information Office, DSTA, provides administrative support to the Authority.

Report on operations

To date no assets have been vested in the Authority. The Authority is the majority shareholder in the Australian Centre for Advanced Computing and Communications (ac3), holding 57 per cent of the shares in the company on behalf of the NSW Government.

Internal Audit and Risk Management Statement for the 2009/10 Financial Year for NSW Government Telecommunications Authority

I, Peter Duncan, Acting Managing Director of the NSW Government Telecommunications Authority (Telco) am of the opinion that the Telco has internal audit and risk management processes in place that are, in all material respects, compliant with the core requirements set out in Treasury Circular NSW TC 09/08 Internal Audit and Risk Management Policy.

I, Peter Duncan, Acting Managing Director of the NSW Government Telecommunications Authority, am of the opinion that the Audit and Risk Committee for the NSW Department of Services, Technology & Administration which oversees the Telco is constituted and operates in accordance with the independence and governance requirements of Treasury Circular NSW TC 09/08. The Chair and Members of the Audit and Risk Committee are:

- Mr Peter Whitehead, Independent Chair (period of appointment from 1 September 2009 to 31 August 2012)
- Ms Carolyn Burlew, Independent Member (period of appointment from 1 September 2009 to 31 August 2011)
- Dr Gul Izmir, Independent Member (period of appointment from 8 October 2009 to 7 October 2011)
- Ms Anne Skewes, Non-independent member (period of appointment from 24 March 2010 to 23 March 2013)
- Mr Michael Silk, Non-independent member (period of appointment from 24 March 2010 to 23 March 2013).

These processes provide a level of assurance that enables the senior management of the NSW Government Telecommunications Authority to understand, manage and satisfactorily control risk exposures.



Peter Duncan
Acting Managing Director
NSW Government Telecommunications Authority

Contact

Peter Duncan
Acting Managing Director
NSW Government Telecommunications Authority
Department of Services, Technology and Administration
McKell Building
2-24 Rawson Place
Sydney NSW 2000
Tel: (02) 9372 8877
Fax: (02) 9372 7070
Hours: 8.30am – 5.30pm
www.services.nsw.gov.au

Australian Centre for Advanced Computing and Communications

The mission of Australian Centre for Advanced Computing and Communications (ac3) is to provide managed information technology services for the information and communications technology (ICT) needs of NSW government agencies and commercial organisations.

The function of ac3 is to provide:

- secure data centre facilities, located at the Australian Technology Park in Eveleigh, and at Global Switch in Ultimo
- competitive services for use by commercial clients, including government agencies, for the hosting and management of computing and network equipment
- high-speed communications to the Internet and access to the NSW Government's Private Network
- infrastructure as a service to NSW Government agencies.

Its aims and objectives are to:

- become the preferred provider for companies and government agencies requiring professional management of computing servers and networks
- operate profitably on commercially generated revenues.

Structure of ac3

The Australian Centre for Advanced Computing and Communications Pty Ltd (ac3) was registered as a proprietary company limited by shares under the Corporations Act on 10 November 2000.

Currently, the NSW Government Telecommunications Authority holds 57 per cent of the shares in the company on behalf of the NSW Government, with the remaining 43 per cent being held by eight NSW universities.

ac3 has its own staff and reports to a Board of 11 Directors who represent the owners of the company.

Directors' Report

Review of operations

In 2009/10, the company recorded another profit. Total income was \$11.4 million, an increase of approximately \$2.3 million over 2008/09.

The NSW Government continues to be the company's largest client, representing 77 per cent of revenue. Contractual arrangements are in place with 43 entities. Private sector revenue was \$2.56 million from 51 clients, representing 23 per cent of turnover.

The number of staff employed at June 30 2010 was 41, up from 37 at the beginning of the financial year. Staff costs represent the biggest single expense at \$4.6 million, or 41 per cent of all expenses.

Future developments and results

At the date of this report, there are no future developments that the directors are aware of that could affect the future operations of the company.

Significant events after balance date

There were no significant events occurring after balance date.

Meetings of directors

The following table sets out the numbers of meetings of the company's directors held during the year ended 30 June 2010 and the number of meetings attended by each director.

	A	B	C	D
Neville Robert Stevens (Chair)	4	4	9	8
Professor Masud Behnia	4	4		
Ms Rachel Frances Dixon	4	3	9	9
Mr Emmanuel Rodriguez	1	1		
Mr Colin Griffith	3	3		
Mr Christopher Edwin Howells	4	4	9	9
Professor Timothy Robert Marchant	4	2		
Professor Elizabeth Agnes More	4	3		
Mr Robert Charles Wheeler	4	4		

A = Directors' meetings held whilst a director

B = Directors' meetings attended

C = Audit and Finance meetings held whilst a director

D = Audit and Finance meetings attended

Contact

ac3

Suite 7002, Locomotive Workshop

Australian Technology Park

Eveleigh, Sydney

Tel: (02) 9209 4600

Email: info@ac3.com.au

Other annual reporting requirements

Annual reporting requirements under:

- *Community Land Management Act 1989*
- *Strata Schemes Management Act 1996*
- *Residential Tenancies Act 1987*

Provisions within the *Community Land Management Act 1989*, the *Strata Schemes Management Act 1996* and the *Residential Tenancies Act 1987* require the Director General of the Department of Services, Technology & Administration to prepare a report to Parliament on the respective operations of the Director General (including as Tenancy Commissioner) under these Acts. The Director General's actions or activities relating to these Acts are not conducted in isolation, but are fully integrated across all the operations of NSW Fair Trading. The annual reporting obligations for the three Acts are therefore discharged by the inclusion of the following information in this annual report in accordance with section 6 (Inclusion of other reports in annual reports) of the *Annual Reports (Departments) Act 1985*.

Community Land Management Act 1989

The following information addresses section 109G of the Act in connection with annual reporting of the operations of the Director General in the areas of resolving complaints and disputes, investigating alleged breaches of the Act, taking legal action, providing information on community schemes and reporting on any other matter, including those referred to the Director General by the Minister for Fair Trading.

Resolving complaints and disputes

Community land management enquiries and dispute mediations are counted jointly with strata scheme enquiries and mediations – see next section on Strata Schemes Management Act.

Legal action taken

	2005/06	2006/07	2007/08	2008/09	2009/10
Community land management prosecutions	0	0	0	0	0
Community land management penalty notices	0	1	0	0	0
Community land management civil litigation	0	0	0	0	0

Community Land Management information

Community land management information was available through the Fair Trading website at www.fairtrading.nsw.gov.au/Tenants_and_home_owners/Community_and_neighbourhood_schemes.html. Fair Trading also provides the following community scheme publications for proprietors, occupiers, associations, managing agents and members of the public:

- Living in a community scheme
- Strata and community disputes
- Strata and community mediation.

Review of the *Community Land Management Act 1989*

The Land and Property Management Authority (formerly Department of Lands) and NSW Fair Trading jointly reviewed the *Community Land Management Act* and the *Community Land Development Act*. The review examined a range of matters, including whether changes to the strata legislation should be adopted for community schemes.

Strata Schemes Management Act 1996

The following information addresses section 216 of the Act in connection with annual reporting of the operations of the Director General in the areas of resolving complaints and disputes, investigating alleged breaches of the Act, taking legal action, providing information on strata schemes and reporting on any other matter referred to the Director General by the Minister for Fair Trading.

Resolving complaints and disputes

	2005/06	2006/07	2007/08	2008/09	2009/10
Strata scheme enquiries	35,580	32,464	33,955	33,766	36,865
Strata scheme dispute mediations	1,153	1,194	1,380	1,226	1,284

Legal action taken

	2005/06	2006/07	2007/08	2008/09	2009/10
Strata scheme prosecutions	0	0	0	0	0
Strata scheme penalty notices	0	0	0	0	0
Strata scheme civil litigation	9	5	0	0	0

Mediation

Mediation is a successful way for parties to settle strata and community scheme disputes. People can resolve their disputes without the need for formal adjudication and many side issues are resolved along with the main dispute.

During 2009/10, 445 applications did not proceed as at least one party did not agree to mediation. One hundred and thirty two cases were successfully managed prior to mediation. Of the remaining 410 applications, 70 per cent were successfully mediated.

Strata schemes information

A range of strata schemes information was also available through the Fair trading website at www.fairtrading.nsw.gov.au/Tenants_and_home_owners/Strata_schemes.html. During the year, the following strata scheme publications were available for members of the public, owners, occupiers, owners' corporations, lessors of leasehold strata schemes and strata managing agents:

- Buying into a strata scheme
- Buying off the plan
- Strata and community disputes
- Strata and community mediation
- Strata living
- Sinking funds in a strata scheme
- Strata retirement villages.

Strata washing by-law review

A review of the model strata by-law that restricts the hanging of washing in strata schemes was completed in 2009. A proposed new model by-law was included in the draft Strata Schemes Management Regulation 2010 and released for public consultation. The new by-law, due to come into effect from 1 September 2010, allows strata residents to hang their washing anywhere in their lot, including on balconies, as long as it cannot be seen from street level outside of the strata complex. The aim of the new by-law is to help strata residents reduce their energy costs and greenhouse gas emissions.

Residential Tenancies Act 1987

The following information addresses section 119E of the Act in connection with annual reporting of the operations of the Tenancy Commissioner (Director General) in the areas of research into tenant/landlord relationships, resolving tenancy disputes, taking legal action, providing information, reporting on other matters, including those referred to the Director General by the Minister for Fair Trading, as well as providing assistance to agencies and individuals who provide tenancy advice and information and carry out research into relationships between tenants and landlords.

Resolving complaints and disputes

	2005/06	2006/07	2007/08	2008/09	2009/10
Tenancy enquiries	126,000	117,200	121,250	112,504	106,703

Note: tenancy disputes are determined in the independent Consumer, Trader & Tenancy Tribunal

Legal action taken

	2005/06	2006/07	2007/08	2008/09	2009/10
Residential Tenancies Act prosecutions	1	0	0	0	0
Residential Tenancies Act penalty notices	0	0	0	0	0
Residential Tenancies Act civil litigations	0	0	0	0	0

Residential tenancy information

Residential tenancy information was available for tenants and landlords through the Fair Trading website at: http://www.fairtrading.nsw.gov.au/Tenants_and_home_owners.html.

Fair Trading also provided the following publications for tenants and landlords:

- The Renting Guide (29 community language versions)
- Tenant databases (tenant and landlord editions)
- Using an agent to manage your rental property
- Living there – information for renters
- Moving in – information for renters
- Moving out – information for renters
- Discrimination and renting.

Assistance and funding for tenancy services

In 2009/10, the 23 community organisations funded under the Tenants' Advice and Advocacy Program (TAAP) provided advice and advocacy assisting 35,278 people. Also, 1,139 people living in residential parks were provided with advice about their rights and responsibilities by TAAP services. (For further information about the Tenants' Advice and Advocacy Program see in the appendices of this report under Funds granted to non-government community organisations).

Residential Tenancy Law Reforms

Following an extensive review of the NSW residential tenancy laws, the *Residential Tenancies Act 2010* was passed by Parliament on 10 June 2010. New regulations are being developed for public consultation before the commencement of the new Act, proposed for later in 2010. The commencement of the new Act will be accompanied by a program of information seminars to be conducted by NSW Fair Trading around NSW.

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Financial Statements

NSW Department of Services, Technology & Administration

NSW Government Telecommunications Authority (Telco)

Australian Centre for Advanced Communications and Computing (ac3)



GPO BOX 12
Sydney NSW 2001

INDEPENDENT AUDITOR'S REPORT

Department of Service, Technology and Administration and controlled entities

To Members of the New South Wales Parliament

I have audited the accompanying financial statements of the Department of Services, Technology and Administration (the Department), which comprises the statement of financial position as at 30 June 2010, the statement of comprehensive income, statement of changes in equity, statement of cash flows, service group statements and summary of compliance with financial directives for the year then ended, a summary of significant accounting policies and other explanatory notes for both the Department, and the Department and controlled entities (the consolidated entity). The consolidated entity comprises the Department and the entities it controlled at the year's end or from time to time during the financial year.

Auditor's Opinion

In my opinion, the financial statements:

- present fairly, in all material respects, the financial position of the Department and the consolidated entity as at 30 June 2010, and of their financial performance for the year then ended in accordance with Australian Accounting Standards (including the Australian Accounting Interpretations)
- are in accordance with section 45E of the *Public Finance and Audit Act 1983* (the PF&A Act) and the Public Finance and Audit Regulation 2005.

My opinion should be read in conjunction with the rest of this report.

Director-General's Responsibility for the Financial Statements

The Director-General is responsible for the preparation and fair presentation of the financial statements in accordance with Australian Accounting Standards (including the Australian Accounting Interpretations) and the PF&A Act. This responsibility includes establishing and maintaining internal controls relevant to the preparation and fair presentation of the financial statements that are free from material misstatement, whether due to fraud or error; selecting and applying appropriate accounting policies; and making accounting estimates that are reasonable in the circumstances.

Auditor's Responsibility

My responsibility is to express an opinion on the financial statements based on my audit. I conducted my audit in accordance with Australian Auditing Standards. These Auditing Standards require that I comply with relevant ethical requirements relating to audit engagements and plan and perform the audit to obtain reasonable assurance whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal controls relevant to the Department's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Department's internal controls. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by the Director-General, as well as evaluating the overall presentation of the financial statements.

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

My opinion does *not* provide assurance:

- about the future viability of the Department or consolidated entity,
- that they have carried out their activities effectively, efficiently and economically,
- about the effectiveness of their internal controls, or
- on the assumptions used in formulating the budget figures disclosed in the financial statements.

Independence

In conducting this audit, the Audit Office of New South Wales has complied with the independence requirements of the Australian Auditing Standards and other relevant ethical requirements. The PF&A Act further promotes independence by:

- providing that only Parliament, and not the executive government, can remove an Auditor-General, and
- mandating the Auditor-General as auditor of public sector agencies but precluding the provision of non-audit services, thus ensuring the Auditor-General and the Audit Office of New South Wales are not compromised in their role by the possibility of losing clients or income.



Heather Watson
Director, Financial Audit Services

20 October 2010
SYDNEY

DEPARTMENT OF SERVICES, TECHNOLOGY AND ADMINISTRATION

FINANCIAL STATEMENTS FOR THE PERIOD ENDED 30 JUNE 2010

STATEMENT BY THE DIRECTOR-GENERAL

Pursuant to Section 45F of the *Public Finance and Audit Act 1983*, I state that:

- (a) The accompanying consolidated financial statements have been prepared in accordance with the provisions of the *Public Finance and Audit Act 1983*, the Financial Reporting Code for Budget Dependent General Government Sector Agencies, the *Public Finance and Audit Regulation 2005* and the Treasurer's Directions;
- (b) The financial statements exhibit a true and fair view of the financial position and transactions of the Department for the period ended 30 June 2010;
- (c) At the date of this statement there are no circumstances, which would render any particulars included in the financial statements to be misleading or inaccurate.

 20.10.10

Director-General
Department of Services, Technology and Administration

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DEPARTMENT OF SERVICES, TECHNOLOGY & ADMINISTRATION

**STATEMENT OF COMPREHENSIVE INCOME
FOR THE YEAR ENDED 30 JUNE 2010**

	Notes	Consolidated	Department of Services, Technology & Administration	
		Actual 2010 \$'000	Actual 2010 \$'000	Budget 2010 \$'000
Expenses excluding losses				
Operating Expenses				
Employee related	2(a)	350,155	345,529	343,558
Other operating expenses	2(b)	185,785	180,641	200,428
Depreciation and amortisation	2(c)	190,335	189,015	188,811
Grants and subsidies	2(d)	13,937	13,937	18,444
Finance costs	2(e)	37,481	37,255	43,329
Book value of motor vehicles sold	2(f)	127,805	127,805	149,099
Other expenses	2(g)	2,995	2,995	4,011
Total Expenses excluding losses		908,493	897,177	947,680
Revenue				
Sale of goods and services	3(a)	594,328	582,974	588,835
Investment revenue	3(b)	14,238	14,184	10,014
Retained taxes, fees and fines	3(c)	44,979	44,979	45,519
Grants and contributions	3(d)	12,234	12,234	10,707
Proceeds from sale of motor vehicles	3(e)	155,553	155,553	161,469
Other revenue	3(f)	235	235	-
Total Revenue		821,567	810,159	816,544
Gain/(loss) on disposal	4(a)	(1,184)	(1,184)	-
Other gains/(losses)	4(b)	(2,344)	(2,344)	-
Net Cost of Services		90,454	90,546	131,136
Government Contributions				
Recurrent appropriation	5	75,665	75,665	153,456
Capital appropriation	5	2,094	2,094	3,394
Acceptance by the Crown Entity of employee benefits and other liabilities	6	7,732	7,732	8,019
Total Government Contributions		85,491	85,491	164,869
SURPLUS/(DEFICIT) FOR THE YEAR BEFORE TAX		(4,963)	(5,055)	33,733
Deferred Tax Benefit/(Expense)		54	-	-
SURPLUS/(DEFICIT) FOR THE YEAR AFTER TAX		(4,909)	(5,055)	33,733
Outside Equity Interest		(63)	-	-
Other comprehensive income				
Superannuation actuarial losses		(49,136)	(49,136)	-
Other comprehensive income for the year		(49,136)	(49,136)	-
TOTAL COMPREHENSIVE INCOME FOR THE YEAR		(54,108)	(54,191)	33,733

The accompanying notes form part of these statements.

DEPARTMENT OF SERVICES, TECHNOLOGY & ADMINISTRATION

**STATEMENT OF FINANCIAL POSITION
FOR THE YEAR ENDED 30 JUNE 2010**

	Notes	Consolidated	Department of Services, Technology & Administration	
		Actual 2010 \$'000	Actual 2010 \$'000	Budget 2010 \$'000
ASSETS				
Current Assets				
Cash and cash equivalents	10	467,171	465,371	520,450
Receivables	11	293,712	292,214	199,184
Inventories	12	6,272	6,272	345
Financial assets at fair value	13	23,929	23,929	26,463
Other	14	4,857	4,244	2,847
Total Current Assets		795,941	792,030	749,289
Non-Current Assets				
Inventories	12	3,942	3,942	4,267
Property, plant and equipment	15			
Land and Buildings		21,429	21,429	26,242
Plant and Equipment		610,359	609,634	608,136
Leasehold Improvements		23,305	19,765	20,710
Total property, plant and equipment		655,093	650,828	655,088
Intangible assets	16	53,667	53,667	63,617
Other Non-Current Assets	14	711	-	-
Total Non-Current Assets		713,413	708,437	722,972
Total Assets		1,509,354	1,500,467	1,472,261
LIABILITIES				
Current Liabilities				
Payables	17	349,868	348,795	297,902
Borrowings	18	224,173	222,857	220,032
Provisions	19	91,247	90,951	87,210
Other	20	23,860	23,257	1,010
Total Current Liabilities		689,148	685,860	606,154
Non-Current Liabilities				
Borrowings	18	320,093	317,818	340,909
Other	20,21	128,896	128,051	88,516
Total Non-Current Liabilities		448,989	445,869	429,425
Total Liabilities		1,138,137	1,131,729	1,035,579
Net Assets		371,217	368,738	436,682
EQUITY				
Accumulated funds		373,646	368,738	436,682
Outside equity interest		(2,429)	-	-
Total Equity		371,217	368,738	436,682

The accompanying notes form part of these statements.

DEPARTMENT OF SERVICES, TECHNOLOGY & ADMINISTRATION

**STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 30 JUNE 2010**

	Notes	Consolidated			Department of Services, Technology & Administration	
		Accumulated Funds \$'000	Outside Equity Interest Total \$'000	Total \$'000	Accumulated Funds \$'000	Total \$'000
Surplus/(deficit) for the year		(4,972)	63	(4,909)	(5,055)	(5,055)
Other comprehensive income		(49,136)	-	(49,136)	(49,136)	(49,136)
Total comprehensive income for the year		(54,108)	63	(54,045)	(54,191)	(56,542)
Transfers with owners in their capacity as owners						
Increase/(decrease) in net assets from equity transfers		427,754	(2,492)	425,262	422,929	422,929
Balance as at 30 June 2010		373,646	(2,429)	371,217	368,738	368,738

The accompanying notes form part of these statements.

DEPARTMENT OF SERVICES, TECHNOLOGY & ADMINISTRATION

**STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 30 JUNE 2010**

	Notes	Consolidated	Department of Services, Technology & Administration	
		Actual 2010 \$'000	Actual 2010 \$'000	Budget 2010 \$'000
CASH FLOWS FROM OPERATING ACTIVITIES				
Payments				
Employee related		383,308	378,715	375,331
Grants and subsidies		11,236	11,236	18,444
Finance costs		37,654	37,255	43,329
Other		1,594,776	1,590,081	504,970
Total Payments		2,026,974	2,017,287	942,074
Receipts				
Sale of goods and services		2,016,990	2,006,432	631,804
Retained taxes, fees and fines		42,387	42,387	239
Interest received		14,105	14,051	9,966
Other		13,937	13,937	361,994
Total Receipts		2,087,419	2,076,807	1,004,003
Cash Flows from Government				
Recurrent appropriation		96,684	96,684	153,456
Capital appropriation		2,667	2,667	3,394
Net Cash Flows from Government		99,351	99,351	156,850
NET CASH FLOWS FROM OPERATING ACTIVITIES	26	159,796	158,871	218,779

The accompanying notes form part of these statements.

DEPARTMENT OF SERVICES, TECHNOLOGY & ADMINISTRATION

**STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 30 JUNE 2010**

	Notes	Consolidated	Department of Services, Technology & Administration	
		Actual 2010 \$'000	Actual 2010 \$'000	Budget 2010 \$'000
CASH FLOWS FROM INVESTING ACTIVITIES				
Proceeds from sale of Land and Buildings, Plant and Equipment and Infrastructure Systems		155,629	155,629	161,469
Proceeds from sale of investments		-	-	-
Purchases of Land and Buildings, Plant and Equipment and Infrastructure Systems		(309,475)	(309,161)	(322,667)
Purchases of investments		-	-	(700)
Other		-	-	(20,532)
NET CASH FLOWS FROM INVESTING ACTIVITIES		(153,846)	(153,532)	(182,430)
CASH FLOWS FROM FINANCING ACTIVITIES				
Proceeds from borrowings and advances		273,143	274,155	405,490
Repayment of borrowings and advances		(284,421)	(284,421)	(395,490)
Transfer to NSW Treasury		(19,095)	(19,095)	(15,000)
NET CASH FLOWS FROM FINANCING ACTIVITIES		(30,373)	(29,361)	(5,000)
NET INCREASE/(DECREASE) IN CASH		(24,423)	(24,022)	31,349
Opening cash and cash equivalents		491,594	489,393	489,101
CLOSING CASH AND CASH EQUIVALENTS	10	467,171	465,371	520,450

The accompanying notes form part of these statements.

Department of Services, Technology & Administration
Service Group Statements (Parent Entity) - Expenses and Revenue for the Year Ended 30 June 2010

EXPENSES AND INCOME	Public Works 2010 \$'000	Procurement 2010 \$'000	Fair Trading 2010 \$'000	Industrial Relations 2010 \$'000	Corporate Services 2010 \$'000	Government Chief Information Office 2010 \$'000	Strategic Communications and Government Advertising 2010 \$'000	Not Attributable 2010 \$'000	DSTA Total 2010 \$'000
Expenses excluding losses									
Operating Expenses									
• Employee related	133,396	27,969	114,896	17,119	32,125	15,903	4,121		345,529
• Other operating expenses	61,222	27,295	40,599	5,471	9,227	33,704	3,123		180,641
Depreciation and amortisation	8,912	152,682	13,175	1,359	1,486	11,103	298		189,015
Grants and subsidies	407	-	12,333	-	242	955	-		13,937
Finance costs	-	37,255	-	-	-	-	-		37,255
Book value of motor vehicles sold	-	127,805	-	-	-	-	-		127,805
Other expenses	1,432	6	1,552	2	-	2	1		2,995
Total Expenses excluding losses	205,369	373,012	182,555	23,951	43,080	61,667	7,543		897,177
Revenue									
Sale of goods and services	217,954	264,281	51,169	2,092	32,505	12,314	2,659		582,974
Investment revenue	3,036	3,135	7,172	408	64	255	114		14,184
Retained taxes, fees and fines	2	-	44,977	-	-	-	-		44,979
Grants and contributions	3	1	12,115	-	-	115	-		12,234
Proceeds from sale of motor vehicles	-	155,553	-	-	-	-	-		155,553
Other revenue	26	70	23	2	8	27	79		235
Total Revenue	221,021	423,040	115,456	2,502	32,577	12,711	2,852		810,159
Gain/(loss) on disposal	(238)	(35)	(244)	(633)	(4)	(24)	(6)		(1,184)
Other gains/(losses)	(347)	(71)	(1,317)	-	(447)	(162)	-		(2,344)
NET COST/(SURPLUS) OF SERVICES	(15,067)	(49,922)	68,660	22,082	10,954	49,162	4,697		90,546
Government contributions	-	-	-	-	-	-	-	85,491	85,491

Department of Services, Technology & Administration

Service Group Statements (Parent Entity) - Expenses and Revenue for the Year Ended 30 June 2010 (cont'd)

EXPENSES AND INCOME	Public Works 2010 \$'000	Procurement 2010 \$'000	Fair Trading 2010 \$'000	Industrial Relations 2010 \$'000	Corporate Services 2010 \$'000	Government Chief Information Office 2010 \$'000	Strategic Communications and Government Advertising 2010 \$'000	Not Attributable 2010 \$'000	DSTA Total 2010 \$'000
SURPLUS/(DEFICIT) FOR THE YEAR	7,722	49,922	(62,931)	(21,127)	(10,961)	(48,546)	(4,625)	85,491	(5,055)
Other comprehensive income	-	-	-	-	-	-	-	(49,136)	(49,136)
Total other comprehensive income	-	-	-	-	-	-	-	(49,136)	(49,136)
TOTAL COMPREHENSIVE INCOME	7,722	49,922	(62,931)	(21,127)	(10,961)	(48,546)	(4,625)	36,355	(54,191)

Department of Services, Technology & Administration

Service Group Statements (Parent Entity) - Expenses and Revenue for the Year Ended 30 June 2010 (cont'd)

EXPENSES AND INCOME	Public Works 2010 \$'000	Procurement 2010 \$'000	Fair Trading 2010 \$'000	Industrial Relations 2010 \$'000	Corporate Services 2010 \$'000	Government Chief Information Office 2010 \$'000	Strategic Communications and Government Advertising 2010 \$'000	Not Attributable 2010 \$'000	DSTA Total 2010 \$'000
Administered Expenses	-	-	-	-	5,406	-	-	-	5,406
Total Administered Expenses	-	-	-	-	5,406	-	-	-	5,406
Administered Revenues	-	-	-	-	-	-	-	-	-
Consolidated Fund	-	-	-	-	-	-	-	-	-
Licences, taxes, fees and fines	-	-	53,558	2	-	-	-	-	53,560
Total Administered Revenues	-	-	53,558	2	-	-	-	-	53,560
Administered Revenues less Expenses	-	-	53,558	2	(5,406)	-	-	-	48,154

The name and purpose of each program is summarised in Note 8.

Appropriations are made on an agency basis and not to individual programs. Consequently, Government contributions must be included in the "Not Attributable" column.

Department of Services, Technology & Administration
Service Group Statement (Parent Entity) - Assets and Liabilities for the Year Ended 30 June 2010

ASSETS AND LIABILITIES	Public Works 2010 \$'000	Procurement 2010 \$'000	Fair Trading 2010 \$'000	Industrial Relations 2010 \$'000	Corporate Services 2010 \$'000	Government Chief Information Office 2010 \$'000	Strategic Communications and Government Advertising 2010 \$'000	Not Attributable 2010 \$'000	DSTA Total 2010 \$'000
Current Assets									
Cash and cash equivalents	270,032	72,833	113,124	162	14	7,021	2,185	-	465,371
Receivables	211,406	55,415	12,472	457	6,073	2,128	2,737	1,526	292,214
Inventories	495	3,454	-	-	-	-	-	-	3,949
Financial assets at fair value	-	-	23,929	-	-	-	-	-	23,929
Other	171	265	516	-	97	1,532	-	1,663	4,244
Total Current Assets	482,104	131,967	150,041	619	6,184	10,681	4,922	3,189	789,707
Non Current Assets									
Inventories	3,942	-	-	-	-	-	-	-	3,942
Property, plant and equipment	26,455	535,808	9,797	1,209	492	47,178	6	32,206	653,151
Intangibles	538	1,665	10,912	295	823	10,420	-	29,014	53,667
Total Non Current Assets	30,935	537,473	20,709	1,504	1,315	57,598	6	61,220	710,760
TOTAL ASSETS	513,039	669,440	170,750	2,123	7,499	68,279	4,928	64,409	1,500,467

Administered Assets and Liabilities are disclosed in Note 29.

Department of Services, Technology & Administration

Service Group Statement (Parent Entity) - Assets and Liabilities for the Year Ended 30 June 2010 (cont'd)

ASSETS AND LIABILITIES	Public Works 2010 \$'000	Procurement 2010 \$'000	Fair Trading 2010 \$'000	Industrial Relations 2010 \$'000	Corporate Services 2010 \$'000	Government Chief Information Office 2010 \$'000	Strategic Communications and Government Advertising 2010 \$'000	Not Attributable 2010 \$'000	DSTA Total 2010 \$'000
Current Liabilities									
Payables	268,549	24,016	9,319	412	4,451	5,591	1,779	34,678	348,795
Borrowings	-	222,857	-	-	-	-	-	-	222,857
Provisions	58,591	10,204	13,175	1,721	4,507	1,476	1,277	-	90,951
Other	91	1,614	436	-	187	624	175	20,130	23,257
Total Current Liabilities	327,231	258,691	22,930	2,133	9,145	7,691	3,231	54,808	685,860
Non Current Liabilities									
Borrowings	-	317,818	-	-	-	-	-	-	317,818
Other	95,434	27,691	-	176	1,164	-	3,586	-	128,051
Total Non Current Liabilities	95,434	345,509	-	176	1,164	-	3,586	-	445,869
TOTAL LIABILITIES	422,665	604,200	22,930	2,309	10,309	7,691	6,817	54,808	1,131,729
NET ASSETS	90,374	65,240	147,820	(186)	(2,810)	60,588	(1,889)	9,601	368,738

Administered Assets and Liabilities are disclosed in Note 29.

Department of Services, Technology & Administration
Summary of Compliance with Financial Directives

	2010			
	Recurrent Appropriation \$'000	Expenditure / Net Claim on Consolidated Fund \$'000	Capital Appropriation \$'000	Expenditure / Net Claim on Consolidated Fund \$'000
Original Budget Appropriation / Expenditure				
• Section 24 PF&AA - transfer of functions between Departments	153,456	128,872	3,394	1,943
• Additional Appropriations / Section 21A reductions	(3,851)	-	-	-
• Section 26 PF&AA - Commonwealth specific purpose payments	460	460	-	-
• Contribution to Treasury paid by Budget Dependant Agencies	(20,000)	-	-	-
	130,065	129,332	3,394	1,943
Other Appropriations / Expenditure				
• Treasurer's Advance	7,980	7,694	731	496
• StateFleet Motor Vehicle Reserve - replacement of appropriation	(56,300)	(56,300)	-	-
	(48,320)	(48,606)	731	496
Total Appropriations / Expenditure / Net Claim on Consolidated Fund (includes transfer payments)	81,745	80,726	4,125	2,439
Amount drawn down against Appropriation	-	101,745	-	3,012
Liability to Consolidated Fund*	-	(21,019)	-	(573)

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

* The "Liability to Consolidated Fund" is the difference between the "Amount drawn down against Appropriation" and the "Total Expenditure / Net Claim on Consolidated Fund" including transfer payments (refer Note 20). This also includes \$20M to be transferred to NSW Treasury in 2010/11 (refer Note 1(m)).

DEPARTMENT OF SERVICES, TECHNOLOGY & ADMINISTRATION
NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2010

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

(a) Reporting Entity

The Department of Services, Technology & Administration as a reporting entity, comprises:

- NSW Public Works
- NSW Procurement
- NSW Fair Trading
- NSW Industrial Relations
- Government Chief Information Office
- Strategic Communications and Government Advertising
- Corporate Units.

The reporting entity also includes NSW Government Telecommunications Authority (TELCO) which is controlled by the Department. TELCO holds 57% of the shares of the Australian Centre for Advanced Computing and Communications Pty Ltd (ac3) on behalf of the NSW Government. Eight NSW based universities hold the remaining 43% of shares.

In the process of preparing the consolidated financial statements for the economic entity consisting of the controlling and controlled entities, all inter-entity transactions and balances have been eliminated.

The Department of Services, Technology & Administration is a NSW Government department. The Department is a not-for-profit entity (as profit is not its principal objective) and it has no cash generating units. The reporting entity is consolidated as part of the NSW Total State Sector Accounts.

This consolidated financial report for the year ended 30 June 2010 has been authorised for issue by the Director-General on 20 October 2010.

(b) Administrative Restructure

On 1 July 2009 the Department of Services, Technology & Administration was created as a result of the *Public Sector Employment and Management (Departmental Amalgamations) Order 2009* from:

- the former Department of Commerce,
- the Personnel Services function of the Teacher Housing Authority, from the Department of Education and Training and
- the Personnel Services function of the Internal Audit Bureau, from the NSW Treasury
- the Retail Tenancy Unit from Department of State and Regional Development (refer Note 26(b))
- the Personnel Services function for the Office of Businesslink, that was held within the Department of Commerce, was transferred to the new Department of Human Services and does not form part of the Department of Services, Technology & Administration.

This is an administrative restructure, which is treated as a contribution by owners and recognised as an adjustment to Accumulated Funds. The transfers are recognised at the amount at which the assets and liabilities were recognised by the transferor immediately prior to the restructure, which approximates fair value.

(c) Basis of Preparation

The Department of Services, Technology & Administration's financial statements are a general purpose financial report which has been prepared in accordance with:

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

Property, plant and equipment, investment property, assets (or disposal groups) held for sale and financial assets at "fair value through profit or loss" and available for sale are measured at fair value. Other financial report items are prepared in accordance with the historical cost convention.

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

All amounts are rounded to the nearest one thousand dollars and are expressed in Australian currency.

(d) Statement of Compliance

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

(e) Administered Activities

The Department of Services, Technology & Administration administers, but does not control, certain activities on behalf of the Crown Entity. It is accountable for the transactions relating to those administered activities but does not have the discretion, for example, to deploy the resources for the achievement of the Department's own objectives.

Transactions and balances relating to the administered activities are not recognised as the Department's revenues, expenses, assets and liabilities, but are disclosed in the accompanying schedules as "Administered Revenues", "Administered Expenses", "Administered Assets" and "Administered Liabilities".

The accrual basis of accounting and applicable accounting standards have been adopted.

(f) Borrowing Costs

Borrowing costs are recognised as expenses in the period in which they are incurred, in accordance with Treasury's mandate to General Government Sector Agencies.

(g) Insurance

The agency's insurance activities are conducted through the NSW Treasury Managed Fund Scheme of self insurance for Government agencies. The expense (premium) is determined by the Fund Manager based on past claim experience.

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

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

- the amount of GST incurred by the agency as a purchaser that is not recoverable from the Australian Taxation Office is recognised as part of the cost of acquisition of an asset or as part of an item of expense; and
- receivables and payables are stated with the amount of GST included except for Work in Progress, amounts due to contractors for work in progress and advance billings.

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 receivable from, or payable to, the Australian Taxation Office are classified as operating cash flows.

(i) Income Recognition

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

(i) Parliamentary Appropriations and Contributions

Parliamentary appropriations and contributions from other bodies (including grants and donations) are generally recognised as revenue when the agency obtains control over the assets comprising the appropriations / contributions. Control over appropriations and contributions is normally obtained upon the receipt of cash. Appropriations are not recognised as revenue in the following circumstances:

- "Equity appropriations" to fund payments to adjust a for-profit entity's capital structure are recognised as equity injections (ie contribution by owners) on receipt and equity withdrawals on payment to a for-profit entity. The reconciliation between the Statement of Comprehensive Income, statement of summary of compliance with financial directives and the total appropriations is disclosed in Note 5.

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

The liability is disclosed in Note 20 as part of “Current/Non-Current Liabilities - Other”. The amount will be repaid and the liability will be extinguished next financial year.

(ii) Sale of Goods

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

(iii) Rendering of Services

Revenue is recognised when the service is provided or by reference to the stage of completion.

Fee revenue earned from management and delivery of client funded building, engineering, maintenance and other service projects, has historically been recognised over the duration of the project, based on the progressive value of fee funded hours charged to the project by DSTA resources.

For all new client funded projects commenced after 1 April 2007 with the former Department of Commerce, as supported by conversion to new SAP project management system, project fee revenues are recognised equivalent to the value of earned fees progressively invoiced to clients.

The amount of revenue recognised at project completion is the same under either model.

Motor Vehicle Leasing Income includes lease fee and fleet management fee and is invoiced to client agencies on a monthly basis and is recognised as revenue in the Department’s Statement of Comprehensive Income. The book value of motor vehicles sold and proceeds from sale of motor vehicles are disclosed on the Statement of Comprehensive Income (refer Note 1(q)).

(iv) Investment Revenue

Interest revenue is recognised using the effective interest method as set out in AASB 139 *Financial Instruments: Recognition and Measurement*.

(j) Assets

(i) Acquisitions of Assets

The cost method of accounting is used for the initial recording of all acquisitions of assets controlled by the Department. Cost is the amount of cash or cash equivalents paid or the fair value of the other consideration given to acquire the asset at the time of its acquisition or construction or, where applicable, the amount attributed to that asset when initially recognised in accordance with the requirements of other Australian Accounting Standards.

Assets acquired at no cost, or for nominal consideration, are initially recognised as assets and revenues at their fair value at the date of acquisition (see also assets transferred as a result of an administrative restructure - Note 1(k)).

Fair value means the amount for which an asset could be exchanged between knowledgeable, willing parties in an arm’s length transaction.

Where payment for an item is deferred beyond normal credit terms, its cost is the cash price equivalent, ie the deferred payment amount is effectively discounted at an asset-specific rate.

(ii) Capitalisation Thresholds

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

(iii) Revaluation of Property, Plant and Equipment

Physical non-current assets are valued in accordance with the “Valuation of Physical Non-Current Assets at Fair Value” Policy and Guidelines Paper (TPP 07-01). This policy adopts fair value in accordance with AASB 116 *Property, Plant and Equipment* and AASB 140 *Investment Property*.

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.

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 there is no available market evidence, the asset's fair value is measured at its market buying price, the best indicator of which is depreciated replacement cost.

The Department's land and buildings are revalued every three years. Other non-current assets are assessed by the management to ensure that the carrying amount of each asset in the class does not differ materially from its fair value at reporting date.

Non-specialised assets with short useful lives are measured at depreciated historical cost, as a surrogate for fair value.

When revaluing non-current assets by reference to current prices for assets newer than those being revalued (adjusted to reflect the present condition of the assets), the gross amount and the related accumulated depreciation is separately restated.

For other assets, any balances of accumulated depreciation existing at the revaluation date in respect of those assets are credited to the asset accounts to which they relate. The net asset accounts are then increased or decreased by the revaluation increments or decrements.

Revaluation increments are credited directly to the asset revaluation reserve, except that, to the extent that an increment reverses a revaluation decrement in respect of that class of asset previously recognised as an expense in the surplus / deficit, the increment is recognised immediately as revenue in the surplus / deficit.

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

As a not-for-profit entity, revaluation increments and decrements are offset against one another within a class of non-current assets, but not otherwise.

Where an asset that has previously been revalued is disposed of, any balance remaining in the asset revaluation reserve in respect of that asset is transferred to accumulated funds.

(iv) Impairment of Property, Plant and Equipment

As a not-for-profit entity with no cash generating units, the Agency is effectively exempted from AASB 136 *Impairment of Assets* and impairment testing. This is because AASB 136 modifies the recoverable amount test to the higher of fair value less costs to sell and depreciated replacement cost. This means that, for an asset already measured at fair value, impairment can only arise if selling costs are material. Selling costs are regarded as immaterial.

(v) Depreciation of Property, Plant and Equipment

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

All material separately identifiable component assets are recognised and depreciated over their shorter useful lives. Land is not a depreciable asset.

The depreciation rates used for 2009/10 for each class of assets are:

Buildings	2.5%
Motor vehicles	8.0% to 33.3%
Government Radio Network	10.0%
Mainframe computers	20.0%
Major computer systems	10.0% to 12.5%
Computer equipment	33.3%
Furniture and fittings	10.0% to 20.0%
Office equipment	20.0% to 33.3%
Other plant and equipment	4.0% to 33.3%

(vi) Major Inspection Costs

When major inspection is performed, the labour cost of performing major inspections for faults is recognised in the carrying amount of an asset as a replacement of a part, if the recognition criteria are satisfied.

(vii) Restoration Costs

The estimated cost of dismantling and removing an asset and restoring the site is included in the cost of an asset, to the extent it is recognised as a liability.

(viii) Maintenance

Day-to-day servicing costs or maintenance are charged as expenses as incurred, except where they relate to the replacement of a part or component of an asset, in which case the costs are capitalised and depreciated.

(ix) Leased Assets

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

Where a non-current asset is acquired by means of a finance lease, the asset is recognised at its fair value at the commencement of the lease term. The corresponding liability is established at the same amount. Lease payments are allocated between the principal component and the interest expense.

Operating lease payments are charged to the Statement of Comprehensive Income in the periods in which they are incurred.

(x) Intangible Assets

The agency recognises intangible assets only if it is probable that future economic benefits will flow to the agency and the cost of the asset can be measured reliably. Intangible assets are measured initially at cost. Where an asset is acquired at no or nominal cost, the cost is its fair value as at the date of acquisition.

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

The useful lives of intangible assets are assessed to be finite. Intangible assets are subsequently measured at fair value only if there is an active market. As there is no active market for the agency's intangible assets, the assets are carried at cost less any accumulated amortisation.

The agency's intangible assets (computer software) are amortised using the straight line method over a period of 4 to 10 years.

Intangible assets are tested for impairment where an indicator of impairment exists. If the recoverable amount is less than its carrying amount, the carrying amount is reduced to recoverable amount and the reduction is recognised as an impairment loss.

(xi) Loans and Receivables

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

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

(xii) Inventories

Inventories held for distribution are stated at the lower of cost, adjusted when applicable, for any loss of service potential. A loss of service potential is identified and measured based on the existence of a current replacement cost that is lower than the carrying amount. Inventories (other than those held for distribution) are stated at the lower of cost and net realisable value. Cost is calculated using the weighted average cost or "first in first out" 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 costs is the cost the agency would incur to acquire the asset on the reporting date. Net realisable value is the estimated selling price in the ordinary course of business less the estimated costs of completion and the estimated costs necessary to make the sale.

Motor vehicles held for sale are recognised as part of inventory (refer Note 1(b)).

(xiii) Investments

Investments are initially recognised at fair value plus, in the case of investments not at fair value through profit or loss, transaction costs. The agency determines the classification of its financial assets after initial recognition and, when allowed and appropriate, re-evaluates this at each financial year end.

- *Fair value through profit or loss* - the agency subsequently measures investments classified as “held for trading” or designated upon initial recognition “at fair value through profit or loss” at fair value. Financial assets are classified as “held for trading” if they are acquired for the purpose of selling in the near term.
- *The Hour-Glass Investment Facilities* - are designated at fair value through profit or loss using the second leg of the fair value option ie these financial assets are managed and their performance is evaluated on a fair value basis, in accordance with a documented risk management strategy, and information about these assets is provided internally on that basis to the agency’s key management personnel.

The movement in the fair value of the Hour-Glass Investment Facilities incorporates distributions received as well as unrealised movements in fair value and is reported in the line item “investment revenue”.

- *Held to maturity investments* - non-derivative financial assets with fixed or determinable payments and fixed maturity that the agency has the positive intention and ability to hold to maturity are classified as “held to maturity”. These investments are measured at amortised cost using the effective interest method. Changes are recognised in the Statement of Comprehensive Income when impaired, derecognised or through the amortisation process.
- *Available for sale investments* - any residual investments that do not fall into any other category are accounted for as available for sale investments and measured at fair value directly in equity until disposed or impaired, at which time the cumulative gain or loss previously recognised in equity is recognised in the Statement of Comprehensive Income. However, interest calculated using the effective interest method and dividends are recognised in the Statement of Comprehensive Income.

Purchases or sales of investments under contract that require delivery of the asset within the timeframe established by convention or regulation are recognised on the trade date ie the date the entity commits itself to purchase or sell the asset.

The fair value of investments that are traded at fair value in an active market is determined by reference to quoted current bid prices at the close of business on the Statement of Financial Position date.

(xiv) Impairment of Financial Assets

All financial assets, except those measured at fair value through profit and loss, are subject to an annual review for impairment. An allowance for impairment is established when there is objective evidence that the entity will not be able to collect all amounts due.

For financial assets carried at amortised cost, the amount of the allowance is the difference between the asset’s carrying amount and the present value of estimated future cash flows, discounted at the effective interest rate. The amount of the impairment loss is recognised in the Statement of Comprehensive Income.

When an available for sale financial asset is impaired, the amount of the cumulative loss is removed from equity and recognised in the Statement of Comprehensive Income, based on the difference between the acquisition cost (net of any principal repayment and amortisation) and current fair value, less any impairment loss previously recognised in the Statement of Comprehensive Income.

Any reversals of impairment losses are reversed through the Statement of Comprehensive Income, where there is objective evidence, except reversals of impairment losses on an investment in an equity instrument classified as “available for sale” must be made through the reserve. Reversals of impairment losses of financial assets carried at amortised cost cannot result in a carrying amount that exceeds what the carrying amount would have been had there not been an impairment loss.

(xv) Derecognition of Financial Assets and Financial Liabilities

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

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

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

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

(xvi) Trust Funds

The Department receives monies in a trustee capacity for various trusts as set out in Note 26. As the agency performs only a custodial role in respect of these monies, and because the monies cannot be used for the achievement of the agency's own objectives, these funds are not recognised in the financial statements.

(xvii) Other Assets

Other assets are recognised on a cost basis.

(k) Liabilities

(i) Payables

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

(ii) Borrowings

Loans are not held for trading or designed at fair value through profit or loss and are recognised at amortised cost using the effective interest method. Gains or losses are recognised in the Statement of Comprehensive Income on derecognition.

(iii) Employee Benefits and Other Provisions

(a) Salaries and Wages, Annual Leave, Sick Leave and On-Costs

Liabilities for salaries and wages (including non-monetary benefits), annual leave and paid sick leave that fall due wholly within 12 months of the reporting date are recognised and measured in respect of employees' services up to the reporting date at undiscounted amounts based on the amounts expected to be paid when the liabilities are settled.

Unused non-vesting sick leave does not give rise to a liability as it is not considered probable that sick leave taken in the future will be greater than the benefits accrued in the future.

The outstanding amounts of payroll tax, workers' compensation insurance premiums and fringe benefits tax, which are consequential to employment, are recognised as liabilities and expenses where the employee benefits to which they relate have been recognised.

(b) Long Service Leave and Superannuation

The Department's liabilities for long service leave and defined benefit superannuation for Fair Trading, Industrial Relations and Government Chief Information Office are assumed by the Crown Entity.

Long service leave and superannuation liabilities for the commercial activities of the Department are funded by the Department and are not assumed by the Crown Entity.

Long service leave is measured at present value in accordance with AASB 119 Employee Benefits. This is based on the application of certain factors (specified in NSWTC 09/04) to employees with five or more years of service, using current rates of pay. These factors were determined based on an actuarial review to approximate present value.

The superannuation expense for the financial year is determined by using the formulae specified in the Treasurer's Directions. The expense for certain superannuation schemes (ie Basic Benefit and First State Super) is calculated as a percentage of the employees' salary. For other superannuation schemes (ie State Superannuation Scheme and State Authorities Superannuation Scheme), the expense is calculated as a multiple of the employees' superannuation contributions.

Long Service Leave and Superannuation Liabilities Assumed by the Crown Entity

The agency accounts for the liability as having been extinguished resulting in the amount assumed being shown as part of the non-monetary revenue item described as "Acceptance by the Crown Entity of employee benefits and other liabilities".

Long Service Leave and Superannuation Liabilities Funded by the Department

The cost of employee entitlements for long service leave, relating to the commercial operations of the Department, is met by the payment of a contribution based on salaries and wages to the NSW Treasury. The payment is made into the "Non-Budget Sector Long Service Leave Pool Scheme" and leave taken is reimbursed from the Scheme.

(c) Other Provisions

Other provisions exist when the agency has a present legal or constructive obligation as a result of a past event; it is probable that an outflow of resources will be required to settle the obligation; and a reliable estimate can be made of the amount of the obligation.

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

(l) **Equity Transfers**

The transfer of net assets between agencies as a result of an administrative restructure, transfers of programs / functions and parts thereof between NSW public sector agencies and 'equity appropriations' are designated or required by Accounting Standards to be treated as contributions by owners and recognised as an adjustment to "Accumulated Funds". This treatment is consistent with AASB 1004 Contributions and Australian Interpretation 1038 Contributions by Owners Made to Wholly-Owned Public Sector Entities.

Transfers arising from an administrative restructure between Government departments are recognised at the amount at which the asset was recognised by the transferor Government department 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 agency recognises the asset at the transferor's carrying amount. Where the transferor is prohibited from recognising internally generated intangibles, the agency does not recognise that asset.

(m) **Transfers to NSW Treasury**

A transfer of \$20M from the operating surplus of non-budget funded business units of the Department for the current financial year has been agreed with NSW Treasury. This amount is disclosed as a liability to the Consolidated Fund (refer Note 20).

(n) **Work in Progress**

Australian Accounting Standard AASB 111 *Construction Contracts* requires the amount due from customers for contract work to be disclosed as an asset and the amount due to customers for contract work as a liability. Accordingly, amount due from customers is shown as Work in Progress in Current Assets and amount due to customers is shown as Advance Claims in Current Liabilities.

(o) Budgeted Amounts

The budgeted amounts are drawn from the budgets as formulated at the beginning of the financial year and with any adjustments for the effects of additional appropriations, S21A, S24 and/or S26 of the *Public Finance and Audit Act 1983*.

The budgeted amounts in the Statement of Comprehensive Income and the Statement of Cash Flows are generally based on the amounts disclosed in the NSW Budget Papers (as adjusted above). However, in the Statement of Financial Position, the amounts vary from the Budget Papers, as the opening balances of the budgeted amounts are based on carried forward actual amounts ie per the audited financial statements (rather than carried forward estimates).

The budget figures were reclassified to reflect changes in accounting policy relating to StateFleet motor vehicles (refer Note 1(q)).

(p) Comparative Information

Comparative information is not provided, other than that given in Note 9, given that this is the first financial year of the Department of Services, Technology & Administration.

(q) Change in Accounting Policy

The application of amendments to the following Accounting Standards are relevant to the Department:

- AASB 116 *Property, Plant and Equipment*. The addition of Paragraph 68A now requires “an organisation, that in the course of its ordinary activities routinely sells items of property, plant and equipment that it has held for rental to others, shall transfer such assets to inventories at their carrying amount when they cease to be rented and become held for sale. The proceeds from the sale of such assets shall be recognised as revenue in accordance with AASB 118 *Revenue*.”

The change in accounting policy is applicable to StateFleet motor vehicles and therefore proceeds from sale of motor vehicles and book value of motor vehicles sold are reported in the Statement of Comprehensive Income. In addition, cars held for sale as at the end of the financial year are now disclosed as inventory in the Statement of Financial Position. The effect of this change on the Department is limited to these disclosures and has no impact on the Department's surplus/deficit and net cost of services.

(r) New Australian Accounting Standards Issued But Not Effective

The following new Accounting Standards have not been applied and are not yet effective:

- AASB 9 and AASB 2009-11 regarding financial instruments
- AASB 2009-5 regarding annual improvements
- AASB 2009-8 regarding share based payments
- AASB 2009-9 regarding first time adoption
- AASB 2009-10 regarding classification of rights
- AASB 124 and AASB 2009-12 regarding related party transactions
- Interpretation 19 and AASB 2009-13 regarding extinguishing financial liability with equity instruments
- AASB 2009-14 regarding prepayments of a minimum funding requirement
- AASB 2010-1 regarding AASB 7 comparatives for first time adopters.

It is considered that the implementation of these Standards will not have any material impact on the Department's financial results.

2. EXPENSES EXCLUDING LOSSES

(a) Employee Related Expenses

	Consolidated	Department of Services, Technology & Administration
	2010	2010
	\$'000	\$'000
Salaries and wages (including recreation leave)	302,897	298,871
Superannuation - defined benefit plans	(4,695)	(4,695)
Superannuation - defined contribution plans	16,722	16,355
Long service leave	12,580	12,564
Workers compensation insurance	3,017	3,017
Payroll tax and fringe benefits tax	18,484	18,267
Voluntary redundancy	1,150	1,150
	350,155	345,529

(b) Other Operating Expenses

	Consolidated	Department of Services, Technology & Administration
	2010	2010
	\$'000	\$'000
Auditor's remuneration		
- audit of the financial reports	548	515
Cost of sales	44,236	42,496
Government Radio Network operating expenses	23,124	23,124
Advertising	443	443
Bad and doubtful debts	424	424
Operating lease rental expense - minimum lease payments	32,569	32,091
Maintenance	2,817	2,650
Insurance	2,380	2,380
Fees and charges	22,688	22,688
Postage and telephone	6,975	6,520
Printing, stationery and stores	3,810	3,810
Consultants	2,127	2,127
Books and periodicals	1,299	1,299
Travel and motor vehicle expenses	2,083	2,083
Computer expenses	27,436	27,436
Minor equipment	2,717	2,717
Training	3,880	3,880
Other	6,229	3,958
	185,785	180,641

	Consolidated	Department of Services, Technology & Administration
	2010	2010
	\$'000	\$'000
Reconciliation - Total Maintenance		
Maintenance expense, as above	2,817	2,650
Maintenance related employee expenses included in Note 2(a)*	-	-
Total maintenance expenses included in Notes 2(a) and 2(b)	2,817	2,650

* Maintenance related services are generally provided by external service providers and therefore maintenance related employee expenses are minimal.

(c) Depreciation and Amortisation Expense

	Consolidated	Department of Services, Technology & Administration
	2010	2010
	\$'000	\$'000
Depreciation		
- Buildings	171	171
- Plant and equipment	172,701	171,381
	172,872	171,552
Amortisation		
- Leasehold Improvements	4,476	4,476
- Intangible Assets	12,987	12,987
	17,463	17,463
	190,335	189,015

(d) Grants and Subsidies

	Consolidated	Department of Services, Technology & Administration
	2010	2010
	\$'000	\$'000
Information and Community Technology Grant	945	945
Subsidies to Fair Trading Admin Corporation	5,600	5,600
Tenancy Advice and Advocacy Program	4,526	4,526
Other	2,866	2,866
	13,937	13,937

(e) Finance Costs

	Consolidated	Department of Services, Technology & Administration
	2010	2010
	\$'000	\$'000
Interest on borrowings	37,481	37,255

(f) Book Value of Motor Vehicles Sold

	Consolidated	Department of Services, Technology & Administration
	2010	2010
	\$'000	\$'000
Book value of motor vehicles sold	127,805	127,805

(g) Other Expenses

	Consolidated	Department of Services, Technology & Administration
	2010	2010
	\$'000	\$'000
Other minor expenses	2,995	2,995

3. REVENUE

(a) Sale of Goods and Services

	Consolidated	Department of Services, Technology & Administration
	2010	2010
	\$'000	\$'000
Rendering of services		
- Project and asset management services	208,414	208,414
- Supply Fees	51,161	51,161
- Business and personnel services	37,726	37,726
- Advertising	1,993	1,993
- Motor vehicle leasing	215,584	215,584
- Administrative assistance	29,386	29,386
- Other services	50,064	38,710
	594,328	582,974

(b) Investment Revenue

	Consolidated	Department of Services, Technology & Administration
	2010	2010
	\$'000	\$'000
Interest on investments	10,314	10,314
Interest on bank accounts	3,924	3,870
	14,238	14,184

(c) Retained Taxes, Fees and Fines

	Consolidated	Department of Services, Technology & Administration
	2010	2010
	\$'000	\$'000
Statutory interest	31,482	31,482
Building Licensing Fees	7,805	7,805
Owner Builder Permit Fees	1,467	1,467
Motor Dealers Compensation Fees	1,006	1,006
Fines / Penalties	(41)	(41)
Other Fees	3,260	3,260
	44,979	44,979

(d) Grants and Contributions

	Consolidated	Department of Services, Technology & Administration
	2010	2010
	\$'000	\$'000
Contribution from Rental Bond Board*	11,919	11,919
Other	315	315
	12,234	12,234

* The cost of running the residential tenancy function of the Consumer Trader and Tenancy Tribunal is split 50/50 by the Rental Bond Board and the Property Services Statutory Interest Fund. This grant reflects the Rental Bond Board's contribution to the cost of administering this function.

(e) Proceeds of sale of motor vehicles

	Consolidated	Department of Services, Technology & Administration
	2010	2010
	\$'000	\$'000
Gross proceeds of sale of motor vehicles	158,695	158,695
Less: Selling costs	(3,142)	(3,142)
	155,553	155,553

(f) Other Revenue

	Consolidated	Department of Services, Technology & Administration
	2010	2010
	\$'000	\$'000
Other	235	235

4. (a) GAIN/(LOSS) ON DISPOSAL

	Consolidated	Department of Services, Technology & Administration
	2010	2010
	\$'000	\$'000
Gain/(loss) on disposal of property, plant and equipment		
Proceeds from disposal	58	58
Written down value of assets disposed	(1,242)	(1,242)
Net gain/(loss) on disposal of property, plant and equipment	(1,184)	(1,184)

(b) OTHER GAINS/(LOSSES)

	Consolidated	Department of Services, Technology & Administration
	2010	2010
	\$'000	\$'000
Increase in allowance for impairment		
Sale of goods and services	(1,028)	(1,028)
Retained taxes, fees and fines	(1,316)	(1,316)
Net other gains/(losses)	(2,344)	(2,344)

5. APPROPRIATIONS

	Consolidated	Department of Services, Technology & Administration
	2010	2010
	\$'000	\$'000
Recurrent appropriations		
Total recurrent draw-downs from Treasury (per Summary of Compliance)	101,745	101,745
Less: Liability to Consolidated Fund (per Summary of Compliance)	21,019	21,019
	80,726	80,726
Comprising:		
Recurrent appropriations (per Statement of Comprehensive Income)	75,665	75,665
Transfer payments	5,061	5,061
	80,726	80,726

	Consolidated	Department of Services, Technology & Administration
	2010	2010
	\$'000	\$'000
Capital appropriations		
Total capital draw-downs from Treasury (per Summary of Compliance)	3,012	3,012
Less: Liability to Consolidated Fund (per Summary of Compliance)	573	573
	2,439	2,439
Comprising:		
Capital appropriations (per Statement of Comprehensive Income)	2,094	2,094
Transfer payments	345	345
	2,439	2,439

6. ACCEPTANCE BY THE CROWN ENTITY OF EMPLOYEE BENEFITS AND OTHER LIABILITIES

The following liabilities and/or expenses have been assumed by the Crown Entity or other Government agencies:

	Consolidated	Department of Services, Technology & Administration
	2010	2010
	\$'000	\$'000
Superannuation	3,425	3,425
Long service leave	4,109	4,109
Payroll tax	198	198
	7,732	7,732

7. TRANSFER PAYMENTS

The Department received \$5.4M in 2009/10 for payment to State Records Authority. The Department has no control of the funds and the funds are transferred to State Records upon receipt from NSW Treasury.

8. PROGRAMS / ACTIVITIES OF THE AGENCY

1. Public Works and Services

This service group covers the commercial services provided to government agencies, including the provision of planning and building, design services, management of construction projects and finding sustainable solutions to the problems of capturing, treating and distributing water.

2. Procurement

This service group covers the implementation of procurement policy and tendering services, provision of operational support for the State Contracts Control Board, delivery of electronic procurement tools and solutions and the management of motor vehicle fleets for Government agencies.

3. Fair Trading

This service group covers fair trading policy development and regulatory review, provision of information to consumers and traders and enforcement of compliance with fair trading laws and impartial dispute resolution through an independent tribunal.

4. Industrial Relations

This service group covers industrial relations policy development and review, provision of information to employers and employees, enforcement of compliance with industrial relations laws through inspection of NSW workplaces and administration of the process for appeals against promotion and disciplinary decisions in the public sector.

5. Corporate Services

This service group covers the provision of corporate services to a selection of government agencies including accounting and financial services, payroll and human resource services, information technology services, asset facilities management, information and research services, mail and records management and switchboard services.

6. Government Chief Information Office

This service group covers the provision of strategic whole of government information communication technology policy advice and guidelines. Government Chief Information Office initiatives include the provision and management of the NSW Government internet web portal, the provision of the online licence application and renewal system, maintaining the government mobile radio communications network, and the government broadband service.

7. Strategic Communications and Government Advertising

This service group covers the provision of public awareness advertising, providing all recruitment advertising and public notices including the publication of the Government Gazette, advertising public sector job vacancies and managing the government recruitment website.

9. TRANSFER OF PROGRAMS

Administrative Restructure

This note includes comparative information of Statement of Comprehensive Income and Statement of Financial Position of the former Department of Commerce and personnel services functions for the Teacher Housing Authority and the Internal Audit Bureau as part of the administrative restructure of the personnel services functions of NSW Businesslink that was transferred to Department of Human Services.

**Statements of Comprehensive Income for Former Department and Transferred Functions
for the Year Ended 30 June 2009**

	Former Department of Commerce (Consolidated)	Personnel Services for Teacher Housing Authority (transfer from Department of Education)	Personnel Services for Internal Audit Bureau (transfer from NSW Treasury)	Personnel Services for Office of NSW Businesslink (transfer to Department of Human Services)
	2009 \$'000	2009 \$'000	2009 \$'000	2009 \$'000
Expenses excluding losses				
Operating Expenses				
Employee related	386,827	2,345	1,961	(57,158)
Other operating expenses	187,718	-	4	(60)
Depreciation and amortisation	188,497	-	-	-
Grants and subsidies	11,718	-	-	-
Finance costs	41,265	-	-	-
Other expenses	1,012	-	-	-
Total Expenses excluding losses	817,037	2,345	1,965	(57,218)
Revenue				
Sale of goods and services	670,060	2,345	2,683	(75,002)
Investment revenue	17,392	-	-	(17)
Retained taxes, fees and fines	45,049	-	-	-
Grants and contributions	14,584	-	-	(3,209)
Other revenue	1,012	-	-	-
Total Revenue	748,097	2,345	2,683	(78,228)
Gain/(loss) on disposal	12,234	-	-	-
Other gains/(losses)	(2,340)	-	-	-
Net Cost of Services	59,046	-	(718)	(21,010)
Government Contributions				
Recurrent appropriation	147,421	-	-	(141)
Capital appropriation	6,499	-	-	-
Acceptance by the Crown Entity of employee benefits and other liabilities	7,143	-	-	-
Total Government Contributions	161,063	-	-	(141)
SURPLUS/(DEFICIT) FOR THE YEAR BEFORE TAX	102,017	-	718	(21,151)
Deferred Tax Benefit/(Expense)	50	-	-	-
SURPLUS/(DEFICIT) FOR THE YEAR AFTER TAX	102,067	-	718	(21,151)
Other comprehensive income	-	-	(718)	21,151
Total other comprehensive income for the year	-	-	(718)	21,151
TOTAL COMPREHENSIVE INCOME FOR THE YEAR	102,067	-	-	-

**Statements of Financial Position for Former Department and Transferred Functions
as at 30 June 2009**

	Former Department of Commerce (Consolidated)	Personnel Services for Teacher Housing Authority (transfer from Department of Education)	Personnel Services for Internal Audit Bureau (transfer from NSW Treasury)	Personnel Services for Office of NSW Businesslink (transfer to Department of Human Services)
	2009 \$'000	2009 \$'000	2009 \$'000	2009 \$'000
ASSETS				
Current Assets				
Cash and cash equivalents	491,594	-	-	(339)
Receivables	279,461	769	1,452	(39,026)
Inventories	345	-	-	-
Financial assets at fair value	25,810	-	-	-
Other	6,750	-	-	-
Total Current Assets	803,960	769	1,452	(39,365)
Non-Current Assets				
Inventories	4,567	-	-	-
Property, plant and equipment				
Land and Buildings	21,600	-	-	-
Plant and Equipment	622,876	-	-	-
Leasehold Improvements	20,710	-	-	-
Total property, plant and equipment	665,186	-	-	-
Intangible assets	51,058	-	-	-
Other Non-Current Assets	443	-	-	-
Total Non-Current Assets	721,254	-	-	-
Total Assets	1,525,214	769	1,452	(39,365)
LIABILITIES				
Current Liabilities				
Payables	293,655	-	270	(1,381)
Borrowings	215,032	-	-	-
Provisions	143,646	769	652	(18,965)
Other	2,306	-	-	-
Total Current Liabilities	654,639	769	922	(20,346)
Non-Current Liabilities				
Borrowings	335,909	-	-	-
Other	109,384	-	530	(19,019)
Total Non-Current Liabilities	445,293	-	530	(19,019)
Total Liabilities	1,099,932	769	1,452	(39,365)
Net Assets	425,282	-	-	-
EQUITY				
Reserves	12,957	-	-	-
Accumulated funds	414,817	-	-	-
Outside equity interest	(2,492)	-	-	-
Total Equity	425,282	-	-	-

10. CURRENT ASSETS - CASH AND CASH EQUIVALENTS

	Consolidated	Department of Services, Technology & Administration
	2010	2010
	\$'000	\$'000
Cash at bank and on hand	144,237	142,437
Hour Glass Cash Facility	278,000	278,000
Motor vehicle reserve	44,934	44,934
	467,171	465,371

For the purposes of the Statement of Cash Flows, cash includes cash on hand, cash at bank, deposit with TCorp, Cash Facility and Cash Plus Facility.

Cash assets recognised in the Statement of Financial Position are reconciled to cash at the end of the financial year as shown in the Statement of Cash Flows as follows:

	Consolidated	Department of Services, Technology & Administration
	2010	2010
	\$'000	\$'000
Cash (per Statement of Financial Position)	467,171	465,371
Closing cash and cash equivalents (per Statement of Cash Flows)	467,171	465,371

11. CURRENT / NON-CURRENT ASSETS - RECEIVABLES

	Consolidated	Department of Services, Technology & Administration
	2010	2010
	\$'000	\$'000
Sale of goods and services	186,030	184,532
Less: Allowance for impairment	(1,308)	(1,308)
	184,722	183,224
Retained taxes, fees and fines	6,490	6,490
Less: Allowance for impairment	(2,638)	(2,638)
	3,852	3,852
Accrued bank interest	2,230	2,230
Long service leave reimbursable by the Crown Entity	49,812	49,812
Work in Progress*	35,748	35,748
Employee provisions recoverable from other agencies	3,415	3,415
Accrued income	9,274	9,274
Other	4,659	4,659
	293,712	292,214

Movement in the allowance for impairment

	Consolidated	Department of Services, Technology & Administration
	2010	2010
	\$'000	\$'000
Sale of goods and services - allowance for impairment		
Balance at July 1	2,998	2,998
Amounts written off during the year	(2,528)	(2,528)
Amounts recovered during the year	(190)	(190)
Increase/(decrease) in allowance recognised in profit or loss	1,028	1,028
Balance at 30 June	1,308	1,308
Retained taxes, fees and fines - allowance for impairment		
Balance at July 1	2,518	2,518
Amounts written off during the year	(1,197)	(1,197)
Increase/(decrease) in allowance recognised in profit or loss	1,317	1,317
Balance at 30 June	2,638	2,638

Details regarding credit risk, liquidity risk and market risk, including financial assets that are either past due or impaired, are disclosed in Note 32.

* Work in Progress

The NSW Department of Services, Technology & Administration acts as principal in the contract for construction works undertaken for clients. The role of the Department includes the payment of contractors on the clients' behalf.

Work in Progress represents the cost of all works in progress less progress billings to clients and is net of a provision for uncollectable work in progress of \$4.1M. At 30 June 2010, work in the ground was valued at \$143.6M and this accrual is reflected in current liabilities (refer Note 17).

The contract conditions allow the Department to require performance bonds from the contractors in the form of cash deposit, unconditional bank guarantee or insurance bonds to cover the Department against losses that may arise from uncompleted or faulty jobs.

Australian Accounting Standard AASB 111 *Construction Contracts* requires the amount due from customers for contract work to be disclosed as an asset (Work in Progress) and the amount due to customers for contract work as a liability (Advance Claim). The Standard also requires disclosure of the aggregate of contract costs and aggregate of consideration received and receivable as progress billings. Gross Work in Progress and billings to date are as follows:

	Department of Services, Technology & Administration	
	Consolidated	
	2010	2010
	\$'000	\$'000
Gross work in progress as at 30 June	935,573	935,573
Billings to date	(895,770)	(895,770)
Net work in progress	39,803	39,803
Allowance for uncollectable work in progress	(4,055)	(4,055)
Work in progress as per Statement of Financial Position	35,748	35,748

Under the security of payment legislation, General Conditions of Contract AS 2124 and GC21 contracts, there are specific conditions relating to the payment of contractor claims for work completed. Penalties for failure to adhere to these conditions include payment of interest. To ensure contractual payment obligations are met, agreements have been made for major clients to pay according to a monthly cash flow determined on the basis of client funds being lodged in the Department of Services, Technology & Administration's bank account to facilitate the payment of contractors claims. The Standard requires advances received from clients to be disclosed as a liability. Cash received against advance claims is estimated to be \$1.1M as at 30 June 2010.

Advance claims shown in the Statement of Financial Position as a current liability are as follows:

	Department of Services, Technology & Administration	
	Consolidated	
	2010	2010
	\$'000	\$'000
Advance Claims as per Statement of Financial Position (refer Note 17)	63,536	63,536

12. CURRENT / NON-CURRENT ASSETS - INVENTORIES

	Department of Services, Technology & Administration	
	Consolidated	
	2010	2010
	\$'000	\$'000
Current		
Finished goods - at cost	495	495
Motor vehicle inventory (refer Note 1(q))	5,777	5,777
	6,272	6,272
Non-current		
Finished goods - at cost	3,942	3,942

13. CURRENT ASSETS - FINANCIAL ASSETS AT FAIR VALUE

	Consolidated	Department of Services, Technology & Administration
	2010	2010
	\$'000	\$'000
Financial assets		
TCorp Hour-Glass investment facilities	23,929	23,929

14. CURRENT / NON-CURRENT ASSETS - OTHER

	Consolidated	Department of Services, Technology & Administration
	2010	2010
	\$'000	\$'000
Current Assets		
Other prepayments	4,302	4,244
Deferred tax assets	555	-
	4,857	4,244
Non-Current Assets		
Deferred tax assets	711	-

15. NON-CURRENT ASSETS - PROPERTY, PLANT AND EQUIPMENT

As at 30 June 2010	Consolidated	Department of Services, Technology & Administration
	2010	2010
	\$'000	\$'000
Land and Buildings		
At fair value	21,600	21,600
Accumulated depreciation and impairment	(171)	(171)
	21,429	21,429

As at 30 June 2010	Consolidated	Department of Services, Technology & Administration
	2010	2010
	\$'000	\$'000
Plant and Equipment		
At fair value	781,961	781,015
Accumulated depreciation and impairment	(171,602)	(171,381)
	610,359	609,634

Leasehold Improvements		
At fair value	28,880	24,241
Accumulated depreciation and impairment	(5,575)	(4,476)
	23,305	19,765

Total Property, Plant and Equipment at Net Carrying Amount	655,093	650,828
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Reconciliation - Consolidated Entity

Reconciliations of the carrying amounts of each class of property, plant and equipment at the beginning and end of the current and previous reporting period is set out below:

Year Ended 30 June 2010 - Consolidated Entity	Land and Buildings \$'000	Plant and Equipment \$'000	Leasehold Improvements \$'000	Total \$'000
Assets transferred on administrative restructure	21,600	620,660	22,906	665,166
Additions	-	295,205	5,974	301,179
Disposals	-	(129,047)	-	(129,047)
Depreciation expense	(171)	(171,602)	(5,575)	(177,348)
Reclassifications / write off	-	(4,857)	-	(4,857)
Carrying amount at end of year	21,429	610,359	23,305	655,093

Reconciliation - Parent Entity

Reconciliations of the carrying amounts of each class of property, plant and equipment at the beginning and end of the current and previous reporting period is set out below:

Year Ended 30 June 2010 - Parent Entity	Land and Buildings \$'000	Plant and Equipment \$'000	Leasehold Improvements \$'000	Total \$'000
Assets transferred on administrative restructure	21,600	620,028	20,710	662,338
Additions	-	294,891	3,531	298,422
Disposals	-	(129,047)	-	(129,047)
Depreciation expense	(171)	(171,381)	(4,476)	(176,028)
Reclassifications / write off	-	(4,857)	-	(4,857)
Carrying amount at end of year	21,429	609,634	19,765	650,828

16. INTANGIBLE ASSETS

	Consolidated 2010 \$'000	Department of Services, Technology & Administration 2010 \$'000
Gross carrying amount	66,654	66,654
Accumulated amortisation and impairment	(12,987)	(12,987)
Net carrying amount	53,667	53,667

Reconciliation - Consolidated Entity

Reconciliations of the carrying amounts of each class of property, plant and equipment at the beginning and end of the current and previous financial years are set out below:

Year Ended 30 June 2010 - Consolidated Entity	Software \$'000	Total \$'000
Assets transferred on administrative restructure	51,058	51,058
Additions	16,516	16,516
Reclassifications	(920)	(920)
Depreciation	(12,987)	(12,987)
Carrying amount at end of year	53,667	53,667

Reconciliation - Parent Entity

Reconciliations of the carrying amounts of each class of property, plant and equipment at the beginning and end of the current and previous financial years are set out below:

Year Ended 30 June	Software \$'000	Total \$'000
2010 - Parent Entity		
Assets transferred on administrative restructure	51,058	51,058
Additions	16,516	16,516
Reclassifications	(920)	(920)
Depreciation / write off	(12,987)	(12,987)
Carrying amount at end of year	53,667	53,667

17. CURRENT LIABILITIES - PAYABLES

	Consolidated	Department of Services, Technology & Administration
	2010	2010
	\$'000	\$'000
Accrued salaries, wages and on-costs	10,518	10,518
Creditors	107,128	106,459
Advance claims (refer Note 11)	63,536	63,536
Amounts due to contractors for work in progress (refer Note 11)	143,613	143,613
Other	25,073	24,669
	349,868	348,795

18. CURRENT / NON-CURRENT LIABILITIES - BORROWINGS

	Consolidated	Department of Services, Technology & Administration
	2010	2010
	\$'000	\$'000
Current Liabilities		
TCorp borrowings	224,173	222,857
Non-Current Liabilities		
TCorp borrowings	317,818	317,818
Other borrowings	2,275	-
	320,093	317,818
Total Borrowings	544,266	540,675

The Department has a loan facility with TCorp with a limit of \$650M to fund the State Fleet Leasing Arrangement. Each month funds are drawn from this facility to cover the purchase price of motor vehicles purchased during the previous month. Monthly settlement of principal and interest are made in respect of loan funds drawn down in prior months based on repayment schedules calculated according to individual vehicle lease terms, residuals and capital costs. The monthly settlement also includes repayment of outstanding principal for vehicles disposed of during the preceding month. (Borrowings are recognised at amortised cost using the effective interest method in AASB 139.)

Out of this facility \$540.7M (parent entity) was utilised as at 30 June 2010.

19. CURRENT LIABILITIES - PROVISIONS

	Consolidated	Department of Services, Technology & Administration
	2010	2010
	\$'000	\$'000
Employee benefits and related on-costs		
Recreation leave	25,411	25,174
Long service leave	50,663	50,604
Other on-costs	12,289	12,289
	88,363	88,067
Other Provisions		
Provision for outstanding claims	2,884	2,884
	2,884	2,884
Total Current Provisions	91,247	90,951
	Consolidated	Department of Services, Technology & Administration
	2010	2010
	\$'000	\$'000
Aggregate employee benefits and related on-costs		
Provisions - current	88,363	88,067
Accrued salaries, wages and on-costs (Note 17)	10,518	10,518
	98,881	98,585
Employee benefits expected to be settled within 12 months from the reporting date		
Recreation leave	21,799	21,562
Long service leave	10,012	10,012
	31,811	31,574
Employee benefits expected to be settled in more than 12 months from the reporting date		
Recreation leave	3,612	3,612
Long service leave	40,651	40,592
	44,263	44,204
Movements in provisions (other than employee benefits)		
Movements in each class of provision during the financial year, other than employee benefits are set out below:		
Provision for Property Services Compensation Fund claims		
Carrying amount as at beginning of the year	2,736	2,736
Increase/(decrease) in provision from remeasurement	148	148
Carrying amount at end of financial year	2,884	2,884

20. CURRENT / NON-CURRENT LIABILITIES - OTHER

	Consolidated	Department of Services, Technology & Administration
	2010	2010
	\$'000	\$'000
Current Liabilities		
Contribution to NSW Treasury	20,000	20,000
Excess Consolidated Fund draw down	1,592	1,592
	21,592	21,592
Other creditors and accruals	1,846	1,665
Deferred tax liabilities	422	-
	2,268	1,665
	23,860	23,257
Non Current Liabilities		
Unfunded superannuation	127,688	127,688
Other	363	363
Deferred tax liabilities	845	-
	128,896	128,051

21. UNFUNDED / PREPAID SUPERANNUATION

Accounting Policy

Actuarial gains and losses are recognised immediately in Other Comprehensive Income in the year in which they occur.

Fund Information

The Pooled Fund holds in trust the investments of the closed NSW public sector superannuation schemes:

- State Superannuation Scheme (SSS);
- State Authorities Superannuation Scheme (SASS);
- State Authorities Non Contributory Superannuation Scheme (SANCS).

These schemes are all defined benefit schemes - at least a component of the final benefit is derived from a multiple of member salary and year of membership. All the schemes are closed to new members.

Reconciliation of the Present Value of the Defined Benefit Obligations

A reconciliation of the present value of the defined benefit obligation for the financial year to 30 June 2010 is as follows:

	SASS \$'000	SANCS \$'000	SSS \$'000	Total \$'000
Present value of defined benefit obligations at beginning of the year	111,217	28,731	753,409	893,357
Current service cost	3,312	1,371	4,155	8,838
Interest cost	6,032	1,538	41,158	48,728
Contributions by fund participants	1,853	-	3,954	5,807
Actuarial (gains)/losses	6,246	2,048	47,675	55,969
Benefits paid	(4,644)	(2,582)	(28,217)	(35,443)
Present value of defined benefit obligations at end of the year	124,016	31,106	822,134	977,256

Reconciliation of the Fair Value of Fund Assets

A reconciliation of the fair value of fund assets for the financial year to 30 June 2010 is as follows:

	SASS \$'000	SANCS \$'000	SSS \$'000	Total \$'000
Fair value of fund assets at beginning of the year	104,972	30,159	670,625	805,756
Expected return on fund assets	8,738	2,486	56,184	67,408
Actuarial gains/(losses)	1,497	204	5,131	6,832
Employer contributions	-	-	184	184
Contributions by fund participants	1,854	-	3,954	5,808
Benefits paid	(4,644)	(2,582)	(28,217)	(35,443)
Fair value of fund assets at end of the year	112,417	30,267	707,861	850,545

Reconciliation of Assets and Liabilities

A summary of assets and liabilities recognised in the Statement of Financial Position as at 30 June 2010 is as follows:

	SASS \$'000	SANCS \$'000	SSS \$'000	Total \$'000
Present value of partly funded defined benefit obligation at end of year	124,016	31,106	822,134	977,256
Fair value of fund assets at end of year	(112,417)	(30,267)	(707,861)	(850,545)
Sub Total	11,599	839	114,273	126,711
Adjustment for limitation on net asset	-	-	-	-
Net (asset)/liability (refer Note 21)	11,599	839	114,273	126,711

Expense Recognised in Comprehensive Income Statement

Total expense recognised in Income Statement for the year ended 30 June 2010 is summarised below:

	SASS \$'000	SANCS \$'000	SSS \$'000	Total \$'000
Current service cost	3,313	1,371	4,155	8,839
Interest cost	6,031	1,538	41,158	48,727
Expected return on fund assets (net of expenses)	(8,738)	(2,487)	(56,184)	(67,409)
Expense/(income) recognised	606	422	(10,871)	(9,843)

Amount Recognised in Other Comprehensive Income

Total amount recognised in Other Comprehensive Income during 2010 is as follows:

	SASS \$'000	SANCS \$'000	SSS \$'000	Total \$'000
Actuarial losses/(gains) recognised in year	4,749	1,844	42,543	49,136
Adjustment for limit on net asset	-	-	-	-
	4,749	1,844	42,543	49,136

Cumulative Amount Recognised in Other Comprehensive Income

Cumulative amount of actuarial gain and losses recognised in the Statement of Comprehensive Income during 2009/10 is as follows:

	SASS \$'000	SANCS \$'000	SSS \$'000	Total \$'000
Cumulative amount of actuarial (gains)/losses	7,680	1,981	226,613	236,274
Cumulative adjustment for limitation on net asset	-	-	-	-

Fund Assets

The percentage invested in each asset class at the Statement of Financial Position date:

	30 June 2010
Australian equities	31.0%
Overseas equities	26.8%
Australian fixed interest securities	6.1%
Overseas fixed interest securities	4.3%
Property	9.5%
Cash	9.6%
Other	12.7%

Fair Value of Fund Assets

All Fund assets are invested by Superannuation Trustee Corporation at arm's length through independent fund managers.

Expected Rate of Return on Assets

The expected return on assets assumption is determined by weighting the expected long-term return for each asset class by the target allocation of assets to each class. The returns used for each class are net of investment tax and investment fees.

Actual Return on Fund Assets

A summary of actual return on fund assets for the year ended 30 June 2010 is provided below:

	SASS \$'000	SANCS \$'000	SSS \$'000	Total \$'000
Actual return on fund assets	9,767	2,691	60,650	73,108

Valuation Method and Principal Actuarial Assumptions at the Statement of Financial Position Date

Details of valuation method and principal actuarial assumptions as at the reporting date are as follows:

a) Valuation Method

The Projected Unit Credit valuation method was used to determine the present value of the defined benefit obligations and the related current service costs. This method sees each period of service as giving rise to an additional unit of benefit entitlement and measures each unit separately to build up the final obligation.

b) Economic Assumptions

	30 June 2010
Salary increase rate (excluding promotional increases)	3.5% per annum
Rate of CPI increase	2.5% per annum
Expected rate of return on assets	8.6% per annum
Discount rate	5.17% per annum

c) Demographic Assumptions

The demographic assumptions at 30 June 2010 are those that were used in the 2009 triennial actuarial valuation. The triennial review report will be available from the NSW Treasury website.

Historical Information

Historical information for the current and previous four annual reporting periods are to be reported. However, as this is the first reporting period for the Department of Services, Technology & Administration, only the current year information is provided below:

2009/10	SASS \$'000	SANCS \$'000	SSS \$'000	Total \$'000
Present value of defined benefit obligation	124,017	31,106	822,134	977,257
Fair value of fund assets	(112,417)	(30,267)	(707,861)	(850,545)
(Surplus)/Deficit in Fund	11,600	839	114,273	126,712
Experience adjustments - fund liabilities	6,246	2,048	47,675	55,969
Experience adjustments - fund assets	(1,497)	(204)	(5,131)	(6,832)

Expected Contributions

Expected employer contributions to be paid in the next reporting period are as follows:

	SASS \$'000	SANCS \$'000	SSS \$'000	Total \$'000
Expected contributions	0	0	0	0

Funding Arrangements for Employer Contributions

a) *Surplus/(Deficit)*

The following is summary of the 30 June 2010 financial position of the Fund calculated in accordance with AAS 25 - Financial Reporting by Superannuation Plans.

	SASS \$'000	SANCS \$'000	SSS \$'000	Total \$'000
Accrued benefit	111,926	28,279	584,936	725,141
Net market value of Fund assets	(112,417)	(30,267)	(707,861)	(850,545)
Net (surplus)/deficit	(491)	(1,988)	(122,925)	(125,404)

b) *Contribution Recommendations*

Recommended contribution rates for the entity are:

SASS	SANCS	SSS
Multiple of member contributions	Percentage member salary	Multiple of member contributions
0%	0%	0%

During 2009/10 the commercial business units of the Department, including NSW Public Works and NSW Procurement, were on a contribution holiday. This is expected to continue for the 2010/11 financial year.

c) *Funding Method*

Contribution rates are set after discussions between the employer, SAS Trustees Corporation and NSW Treasury.

d) *Economic Assumptions*

The economic assumptions adopted for the 2009 actuarial review of the Fund are:

Weighted Average Assumptions	
Expected rate of return on Fund assets backing pension liabilities	8.3% per annum
Expected rate of return on Fund assets backing other liabilities	7.3% per annum
Expected salary increase rate	4.0% per annum
Expected rate of CPI increase	2.5% per annum

Nature of Asset/Liability

If a surplus exists in the employer's interest in the Fund, the employer may be able to take advantage of it in the form of a reduction in the required contribution rate, depending on the advice of the Fund's actuary.

Where a deficiency exists, the employer is responsible for any difference between the employer's share of fund assets and the defined benefit obligation.

22. COMMITMENTS FOR EXPENDITURE

(a) Capital Commitments

	Consolidated	Department of Services, Technology & Administration
	2010	2010
	\$'000	\$'000
Aggregate capital expenditure for the acquisition of information technology equipment and other equipment contracted for at balance date and not provided for:		
Not later than one year	8,524	8,524
Later than one year and not later than five years	-	-
Later than five years	-	-
Total (including GST)	8,524	8,524

(b) Other Expenditure Commitments

	Consolidated	Department of Services, Technology & Administration
	2010	2010
	\$'000	\$'000
Aggregate other expenditure for the acquisition of office supplies contracted for at balance date and not provided for:		
Not later than one year	8,443	8,390
Later than one year and not later than five years	83	-
Later than five years	-	-
Total (including GST)	8,526	8,390

(c) Operating Lease Commitments

	Consolidated	Department of Services, Technology & Administration
	2010	2010
	\$'000	\$'000
Future non-cancellable operating lease rentals not provided for and payable:		
Not later than one year	28,740	28,144
Later than one year and not later than five years	85,734	83,831
Later than five years	110,819	110,819
Total (including GST)	225,293	222,794

The total commitments above include input tax credits of \$22M that are expected to be recovered from the Australian Taxation Office.

The Department has entered into operating lease agreements with government agencies and private companies for provision of accommodation, motor vehicles, computers and plant and equipment for the Department's use.

Property Leases

Accommodation leases are entered into with the State Property Authority and private sector companies. The term of accommodation leases range from two to five years with the option for renewal for further terms. The lease agreement allows the lessor to review rents on specified dates. There is no option for the purchase of buildings at the expiry of the lease term. Recurrent outgoings including cleaning, electricity, rates, management fee and public liability insurance is the responsibility of the Department and all repairs and maintenance of a structural or capital nature is the responsibility of the lessor.

Equipment Leases

The Department leases equipment, including document reproduction machines and scanning machines, from private sector companies. The lease term is generally five years with the option for renewal for further term. Early termination fee is applicable for termination of the contract before the expiry of the contract term. There is no option for the purchase of equipment at the expiry of the lease term.

23. LEASE REVENUE COMMITMENTS

	Consolidated	Department of Services, Technology & Administration
	2010	2010
	\$'000	\$'000
Aggregate lease revenue for StateFleet motor vehicles:		
Not later than one year	43,814	43,814
Later than one year and not later than five years	222,191	222,191
Later than five years	-	-
Total (including GST)	266,005	266,005

The above lease commitment includes GST of \$24.2M that is expected to be paid to the Australian Taxation Office.

The NSW Government introduced the StateFleet Leasing Arrangement in 2003 for the provision of passenger and commercial motor vehicles to budget sector and other approved agencies.

All new motor vehicles delivered to the approved client agencies are financed under the StateFleet Leasing Arrangement. This arrangement is financed by the NSW Treasury Corporation and managed by StateFleet.

The lease agreement is a long term rental arrangement which provides clients with a vehicle in return for a fixed monthly payment. StateFleet retains all the capital risks and costs associated with ownership of vehicle. When the client returns the vehicle there is no residual liability on sale.

24. CONTINGENT LIABILITIES AND CONTINGENT ASSETS

	Consolidated	Department of Services, Technology & Administration
	2010	2010
	\$'000	\$'000
Contingent liabilities		
Estimated legal liability	200	200

25. BUDGET REVIEW

Net Cost of Services

Actual net cost of services for the Department for 2009/10 is \$90.5M compared to the budget of \$131.1M, a favourable variance of \$40.6M. The improvement is mainly attributed to a favourable variance of \$15.4M from the profit on sale of motor vehicles and savings of \$8.1M from the superannuation contribution holiday. In addition, better than budgeted operating results across various Divisions of the Department contributed to the favourable variance.

Assets and Liabilities

The Department's total assets as at 30 June 2010 were \$1,500.5M compared to the original budget of \$1,472.3M. The increase is attributed to an increase in current assets, mainly receivables, partly offset by a reduction in non-current assets. Total liabilities were \$96.2M higher than the original budget of \$1,035.6M, due to increases in current liabilities by \$79.7M and non-current liabilities by \$16.5M.

Cash Flows

Net decrease in cash during the year is \$24M compared to a budgeted net increase in cash of \$31.3M. A major factor contributing to the unfavourable variance is a reduction in consolidated fund receipts due to the offset of StateFleet motor vehicle cash reserves of \$56.3M against the confund allocation.

26. RECONCILIATION OF CASH FLOWS FROM OPERATING ACTIVITIES TO NET COST OF SERVICES

	Consolidated	Department of Services, Technology & Administration
	2010	2010
	\$'000	\$'000
Net cash used on/(from) operating activities	(159,796)	(158,871)
Cash Flows from Government / Appropriations	85,491	85,491
Depreciation	190,335	189,015
(Decrease)/increase in provisions	(33,310)	(33,376)
(Increase)/decrease in Work in Progress	(4,832)	(4,832)
(Increase)/decrease in debtors and prepayments	(10,756)	(10,054)
Increase/(decrease) in advance billings	5,666	5,666
Increase/(decrease) in creditors	44,318	44,089
Net (gain)/loss on sale of plant and equipment	(26,582)	(26,582)
Net cost of services	90,454	90,546

27. TRUST FUNDS

(a) Funeral Fund

The Department administers money in a Miscellaneous Trust Fund held at Treasury which is used for payments to Funeral Fund claimants. These monies are excluded from the financial statements as the Department cannot use them for the achievement of its objectives. The following is a summary of the transactions in the trust account:

	Consolidated	Department of Services, Technology & Administration
	2010	2010
	\$'000	\$'000
Funeral Fund		
Cash balance at the beginning of the financial year	111	111
Cash balance at the end of the financial year	111	111

There were no transactions in this account during the year.

(b) Retail Tenancy Trust Fund

The Retail Tenancy Unit was transferred to DSTA as at 1 July 2009 (refer Note 1(b)).

The Department holds money in the Retail Leases Security Bonds Trust and Interest Accounts with NSW Treasury Corporation. Retail lease Security Bonds are lodged with the Director-General of DSTA in accordance with Section 16C of the Retail leases Act 1994. These monies are excluded from the financial statements of the Department as the Department cannot use them for the achievement of its objectives other than the recovery of expenses relating to administration of the Retail Leases Act. The following is a summary of the transactions in the trust account:

	Interest Account	Trust Account	2010 Total
	\$'000	\$'000	\$'000
Cash balance at the beginning of the financial year	892	98,936	99,828
Add: Bond lodgements	-	32,679	32,679
Interest Revenue	4,735	-	4,735
Less: Bond released	-	(19,589)	(19,589)
Transfer to NSW Treasury Consolidated Funds*	-	-	-
Transfer to Department to administer Retail Leases Act 1994	(1,479)	-	(1,479)
Cash balance at the end of the financial year	4,148	112,026	116,174

* Agreed amount of transfer to NSW Treasury for 2009/10 is \$4M and this will be paid in 2010/11.

Retail Tenancy Bonds are held as follows:

	2010 \$'000
Cash at bank	1,118
TCorp Hour-Glass Facility	115,056
	116,174

28. SPECIAL PURPOSE FUNDS ADMINISTERED BY THE DEPARTMENT

	Motor Dealers Compensation Fund \$'000	Property Services Compensation Fund \$'000	Statutory Interest Account \$'000	Home Building Administration Fund \$'000	Entertainment Industry Bonds \$'000	George Proudman Stonemasonry Fellowship Trust \$'000
Balance as at the beginning of the year	1,435	26,239	83,657	5,410	186	74
Receipts	705	4,170	30,394	6,878	20	17
Expenditure - Administrative	(534)	(4,582)	(23,182)	(9,963)	(30)	-
Expenditure - Capital	-	-	(1,094)	-	-	-
Balance as at the end of the year	1,606	25,827	89,775	2,325	176	91

The Motor Dealers Act 1974 established the **Motor Dealers Compensation Fund** to provide protection to persons who have suffered a loss in connection with a motor vehicle through their dealings with a motor dealer or a car-market operator. Licensing fees paid by full dealers and car-market operators finance the fund. Claims are usually made on the fund when a motor dealer ceases to trade either on a voluntary basis or a forced closure.

The Property, Stock and Business Agents Act 2002 established the **Property Services Compensation Fund** which is supported by:

- (i) investment income earned on the investments of the fund;
- (ii) contributions or levies paid by licensees; and
- (iii) other lawful receipts.

Under Section 167, the money in the Compensation Fund is applied to:

- (i) payment of claims, as provided by the Act;
- (ii) legal expenses in relation to claims, licensing objections and complaints for cancellation, incurred in relation to the Fund;
- (iii) the expense involved in the administration of the Fund; and
- (iv) other lawful expenses.

The **Statutory Interest Account** is supported, under Part 11 of the Property, Stock and Business Agents Act 2002, by interest earned on trust money held by agents and investments made by the Department.

Under Section 189, the Statutory Interest money may be applied to:

1. Any purpose for which it is required or permitted to be applied by or under this or any other Act.
2. The Director-General may, with the consent of the Minister, apply money held in the Statutory Interest Account for all or any of the following purposes:
 - (i) supplementing the Compensation Fund by such amount as may be needed to enable the current liabilities of the fund to be met;
 - (ii) providing grants or loans for providing or undertaking education or research programs relating to the property services industry (as defined in Section 251 of the *Fair Trading Act 1987*) and approved by the Minister;

- (iii) providing money for the establishment or administration of rental advisory services;
- (iv) meeting the costs of administering this Act, the *Conveyancers Licensing Act 2003*, the *Valuers Registration Act 2003* and any other Act prescribed by the regulations for the purposes of this paragraph (or the prescribed provisions of any other Act);
- (v) meeting the costs of the administration of the Property Services Advisory Council;
- (vi) meeting the costs of operating a scheme or schemes for resolving disputes arising between consumers and providers of property services;
- (vii) investing in schemes that relate to the provision of residential accommodation or, subject to such terms and conditions as may be prescribed by the regulations, in loans to authorised deposit-taking institutions.

3. The Treasurer may determine whether any such money is to be invested in any such scheme or loan and the amount to be invested in a scheme or loan.

The **Home Building Administration Fund** is supported by:

- (i) prescribed fees for contractor licences, registration certificates, owner-builder permits and building consultancy licences;
- (ii) investment income earned on the investments of the Fund; and
- (iii) other lawful receipts.

Under Section 114 of the Home Buildings Act 1989, money in the Home Building Administration Fund is applied to:

- (i) meeting the costs of operating the scheme;
- (ii) meeting the costs of administering the Home Building Act 1989; and
- (iii) the making of any authorised investments.

Under Section 40 of the **Entertainment Industry Act 1989**, entertainment industry agents and managers are to establish trust accounts for performers' monies and lodge a bond with the Entertainment Industry Council. Section 41 of the Act deals with the Application/Release of bonds lodged with the Council. The Office of Industrial Relations maintains a register of the bonds lodged/released.

The initiative to set up the **George Proudman Stonemasonry Fellowship Trust** was undertaken in 2000 with \$20,000 contributions from the Department of Education and Training, the Department of Planning, DSTA and friends of Mr Proudman. Funds will be used for two Fellowships for two stonemasons to undertake successive overseas study tours.

29. ADMINISTERED ASSETS AND LIABILITIES

	Consolidated	Department of Services, Technology & Administration
	2010	2010
	\$'000	\$'000
Administered Assets		
Licensing Fees	1,108	1,108
Administered Liabilities		
Liability to Consolidated Fund	1,108	1,108

30. ADMINISTERED REVENUE AND EXPENSES

(a) Public and Trust Monies

	Public Monies	Unclaimed Wages
	\$'000	\$'000
Balance as at the beginning of the year	54	341
Receipts	213	62
Expenditure	(214)	(341)
Balance as at the end of the year	53	62

(i) Public Monies

This represents amounts collected, by Industrial Inspectors acting as intermediaries, in disagreements between employees and employers. The amounts are paid by one party to be onforwarded to the other.

(ii) Unclaimed Wages

Under Section 122 of the *Industrial Relations Act 1996*, if an employer is unable to make full payment of remuneration to an employee because that employee cannot be found, must after 30 days send that money to Treasury. Treasury requires that this money be sent to the Office of Industrial Relations for payment to employees upon application.

(b) Crown Revenue

	Consolidated	Department of Services, Technology & Administration
	2010	2010
	\$'000	\$'000
Certificate and Licences*	53,024	53,024
Fines and Fees	536	536
	53,560	53,560

* Certificate and Licences income includes income received in advance of \$7.6M as at 30 June 2010 due to the three year home building licences received during the financial year.

31. ADMINISTERED REVENUE - DEBTS WRITTEN OFF

	Consolidated	Department of Services, Technology & Administration
	2010	2010
	\$'000	\$'000
Business Name Registration	16	16
Home Building Penalties	3	3
	19	19

32. ADMINISTERED REVENUE - SCHEDULE OF UNCOLLECTED AMOUNTS

Schedule of Uncollected Amounts

	Consolidated	Department of Services, Technology & Administration
	2010	2010
	\$'000	\$'000
Home building fees	129	129
Business registrations	11	11
Trade measurement	27	27
Other	7	7
Total Administered Assets	174	174

Aged Analysis of Administered Revenue

	Consolidated	Department of Services, Technology & Administration
	2010	2010
	\$'000	\$'000
Current	51	51
Between 30 days and 59 days old	8	8
Between 60 days and 89 days old	8	8
Over 90 days old	107	107
Total Administered Assets	174	174

33. FINANCIAL INSTRUMENTS

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

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

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

(a) Financial Instrument Categories

Financial Assets	Note	Category	Consolidated	Department of Services, Technology & Administration
			2010 \$'000	2010 \$'000
			Carrying Amount	Carrying Amount
Class: Cash and cash equivalents	10	Not applicable	467,171	465,371
Receivables*	11	Loans and receivable (at amortised cost)	184,722	183,224
Financial assets at fair value	13	At fair value through profit or loss - designated as such upon initial recognition	23,929	23,929
Class: Payables**	17	Financial liabilities measured at amortised cost	338,112	337,039
Borrowings	18	Financial liabilities measured at amortised cost	542,950	540,675

* Excludes statutory receivables and prepayments (ie not within scope of AASB 7)

** Excludes statutory payables and unearned revenue (ie not within scope of AASB 7)

(b) Credit Risk

Credit risk arises when there is the possibility of the Department's debtors defaulting on their contractual obligations, resulting in a financial loss to the Department. The maximum exposure to credit risk is generally represented by the carrying amount of the financial assets (net of any allowance for impairment).

Credit risk arises from the financial assets of the Department, including cash, receivables, and authority deposits. No collateral is held by the Department. The Department has not granted any financial guarantees.

Credit risk associated with the Department's financial assets, other than receivables, is managed through the selection of counter parties and establishment of minimum credit rating standards. Authority deposits held with NSW TCorp are guaranteed by the State.

Cash

Cash comprises cash on hand and bank balances within the NSW Treasury Banking System. Interest is earned on daily bank balances at the monthly average NSW Treasury Corporation (TCorp) 11am unofficial cash rate, adjusted for a management fee to NSW Treasury. The TCorp Hour Glass cash facility is discussed in paragraph (d) below.

Receivables - Trade Debtors

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

The Department is not materially exposed to concentrations of credit risk to a single trade debtor or group of debtors. Based on past experience, debtors that are not past due (2010 \$162.3M) and not less than three months past due (2010 \$8.4M) are not considered impaired and together these represent 92.5% of the total trade debtors. Most of the Department's debtors have a AAA credit rating. There are no debtors which are currently not past due or impaired whose terms have been renegotiated.

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

	Consolidated			Department of Services, Technology and Administration		
	Total ^{1,2} \$'000	Past Due But Not Impaired ^{1,2} \$'000	Considered Impaired ^{1,2} \$'000	Total ^{1,2} \$'000	Past Due But Not Impaired ^{1,2} \$'000	Considered Impaired ^{1,2} \$'000
2010						
< 3 months overdue	8,433	8,433	-	8,124	8,124	-
3 months - 6 months overdue	15,605	15,237	368	15,605	15,237	368
> 6 months overdue	6,185	4,821	1,364	5,876	4,512	1,364

Notes:

- Each column in the table reports "gross receivables".
- The ageing analysis excludes statutory receivables, as these are not within the scope of AASB 7 and excludes receivables that are not past due and not impaired. Therefore, the "total" will not reconcile to the receivables total recognised in the Statement of Financial Position.

(c) Liquidity Risk

Liquidity risk is the risk that the Department will be unable to meet its payment obligations when they fall due. The Department continuously manages risk through monitoring future cash flows and maturities planning to ensure adequate holding of high quality liquid assets. The objective is to maintain a balance between continuity of funding and flexibility through the use of overdrafts, loans and other advances.

The Department has a loan facility with TCorp with a limit of \$650M to fund the State Fleet Leasing Arrangement. Out of this facility \$540.7M was utilised as at 30 June 2010.

During the current year there were no defaults or breaches on any loans payable. No assets have been pledged as collateral. The Department's exposure to liquidity risk is deemed insignificant based on 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 219.01. 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. Treasurer's Direction 219.01 allows the Minister to award interest for late payment.

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

	Weighted Average Effective Interest Rate	Nominal Amount*	\$'000 Interest Rate Exposure			Maturity Dates		
			Fixed Interest Rate	Variable Interest Rate	Non-interest Bearing	< 1 Year	1-5 Years	> 5 Years
2010								
<i>Payables Borrowings</i>								
Bank overdraft	-	-	-	-	-	-	-	-
Advances repayable	-	-	-	-	-	-	-	-
TCorp borrowings	-	-	540,675	-	-	222,857	317,818	-
Other loans and deposits	-	-	-	-	-	-	-	-
Finance leases	-	-	4,128	-	-	1,606	2,522	-
	-	-	544,803	-	-	224,463	320,340	-

* The amounts disclosed are the contractual undiscounted cash flows of each class of financial liabilities and therefore will not reconcile to the Statement of Financial Position.

(d) **Market Risk**

Market risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices. The Department's exposures to market risk are primarily through interest rate risk on the Department's borrowings and other price risks associated with the movement in the unit price of the Hour Glass Investment Facilities. The Department has no exposure to foreign currency risk and does not enter into commodity contracts.

The effect on profit and equity due to a reasonably possible change in risk variable is outlined in the information below, for interest rate risk and other price risk. A reasonably possible change in risk variable has been determined after taking into account the economic environment in which the Department operates and the time frame for the assessment (ie 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.

Interest Rate Risk

Exposure to interest rate risk arises primarily through the Department's interest bearing liabilities. This risk is minimised by undertaking mainly fixed rate borrowings, primarily with NSW TCorp. The Department does not account for any fixed rate financial instruments at fair value through profit or loss or as available-for-sale. Therefore, for these financial instruments, a change in interest rates would not affect profit or loss or equity. A reasonably possible change of +/- 1% is used, consistent with current trends in interest rates. The basis will be reviewed annually and amended where there is a structural change in the level of interest rate volatility. The Department's exposure to interest rate risk is set out below.

	\$'000				
	Carrying Amount	Profit -1%	Equity -1%	Profit 1%	Equity 1%
2010					
<i>Financial Assets</i>					
Cash and cash equivalents	467,171	(4,672)	(4,672)	4,672	4,672
Financial assets at fair value	23,930	(239)	(239)	239	239
<i>Financial Liabilities</i>					
Borrowings	542,950	(5,430)	(5,430)	5,430	5,430

Other Price Risk - TCorp Hour-Glass Facilities

Exposure to "other price risk" primarily arises through the investment in the TCorp Hour-Glass Investment Facilities, which are held for strategic rather than trading purposes. The Department has no direct equity investments. The Department holds units in the following Hour-Glass investment trusts:

			Consolidated
Facility	Investment Sectors	Investment Horizon	2010 \$'000
Cash facility	Cash, money market instruments	Up to 1.5 years	467,171
Strategic cash facility	Cash, money market and other interest rate instruments	1.5 years to 3 years	23,930

The unit price of each facility is equal to the total fair value of the net assets held by the facility divided by the number of units on issue for that facility. Unit prices are calculated and published daily.

NSW TCorp is trustee for each of the above facilities and is required to act in the best interest of the unit holders and to administer the trusts in accordance with the trust deeds. As trustee, TCorp has appointed external managers to manage the performance and risks of each facility in accordance with a mandate agreed by the parties. However, TCorp acts as manager for part of the Cash Facility. A significant portion of the administration of the facilities is outsourced to an external custodian.

Investment in the Hour-Glass facilities limits the Department's exposure to risk, as it allows diversification across a pool of funds with different investment horizons and a mix of investments.

NSW TCorp provides sensitivity analysis information for each of the investment facilities, using historically based volatility information collected over a ten year period, quoted at two standard deviations (ie 95% probability). The TCorp Hour-Glass Investment facilities are designated at fair value through profit or loss and therefore any change in unit price impacts directly on profit (rather than equity). A reasonably possible change is based on the percentage change in unit price (as advised by TCorp) multiplied by the redemption value as at 30 June each year for each facility (balance from Hour-Glass statement).

	Impact on Profit/Loss	
	Change in Unit Price	2010 \$'000
Hour-Glass Investment - Cash Facility	+/- 1.0%	4,672
Hour-Glass Investment - Strategic Cash Facility	+/- 2.0%	478

(e) Fair Value

Financial instruments are generally recognised at cost, with the exception of the TCorp Hour-Glass facilities, which are measured at fair value. As discussed, the value of the Hour-Glass Investments is based on the Department's share of the value of the underlying assets of the facility, based on the market value. All of the Hour-Glass facilities are valued using "redemption" pricing.

The amortised cost of financial instruments recognised in the Statement of Financial Position approximates the fair value, because of the short-term nature of many of the financial instruments.

	2010 \$'000 Carrying Amount	2010 \$'000 Fair Value
Financial Assets		
TCorp Hour Glass Investment Facility	23,929	23,929
	23,929	23,929

(f) Fair Value Recognised in the Statement of Financial Position

The department uses the following hierarchy for disclosing the fair value of financial instruments by valuation technique.

- Level 1 - Derived from quoted prices in active markets for identical assets/liabilities.
- Level 2 - Derived from inputs other than quoted prices that are observable directly or indirectly.
- Level 3 - Derived from valuation techniques that for the asset/liability not based on observable market data (unobservable inputs).

	Level 1 \$'000	Level 2 \$'000	Level 3 \$'000	2010 Total \$'000
TCorp Hour Glass Investment Facility	23,929	-	-	23,929
	23,929	-	-	23,929

34. AFTER BALANCE DATE EVENTS

The Department is not aware of any circumstances that occurred after balance date which would render particulars included in the financial statements to be misleading.

END OF AUDITED FINANCIAL STATEMENTS

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GPO BOX 12
Sydney NSW 2001

INDEPENDENT AUDITOR'S REPORT

New South Wales Government Telecommunications Authority and controlled entity

To Members of the New South Wales Parliament

I have audited the accompanying financial statements of New South Wales Government Telecommunications Authority (the Authority), which comprises the statement of financial position as at 30 June 2010, and the statement of comprehensive income, statement of recognised changes in equity and statement of cash flows for the year then ended, and a summary of significant accounting policies and other explanatory notes for both the Authority and the consolidated entity. The consolidated entity comprises the Corporation and the entity it controlled during the financial year.

Auditor's Opinion

In my opinion, the financial statements:

- present fairly, in all material respects, the financial position of Authority and the consolidated entity as of 30 June 2010, and of their financial performance for the year then ended in accordance with Australian Accounting Standards (including the Australian Accounting Interpretations)
- are in accordance with section 41B of the *Public Finance and Audit Act 1983* (the PF&A Act) and the Public Finance and Audit Regulation 2010.

My opinion should be read in conjunction with the rest of this report.

Managing Director's Responsibility 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 (including the Australian Accounting Interpretations) and the PF&A Act. This responsibility includes establishing and maintaining internal control relevant to the preparation and fair presentation of the financial statements that are free from material misstatement, whether due to fraud or error; selecting and applying appropriate accounting policies; and making accounting estimates that are reasonable in the circumstances.

Auditor's Responsibility

My responsibility is to express an opinion on the financial statements based on my audit. I conducted my audit in accordance with Australian Auditing Standards. These Auditing Standards require that I comply with relevant ethical requirements relating to audit engagements and plan and perform the audit to obtain reasonable assurance whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal controls relevant to the Authority's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Authority's internal controls. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by the Managing Director, as well as evaluating the overall presentation of the financial statements.

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

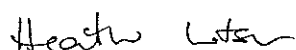
My opinion does *not* provide assurance:

- about the future viability of the Authority or consolidated entity,
- that they have carried out their activities effectively, efficiently and economically, or
- about the effectiveness of their internal controls.

Independence

In conducting this audit, the Audit Office of New South Wales has complied with the independence requirements of the Australian Auditing Standards and other relevant ethical requirements. The PF&A Act further promotes independence by:

- providing that only Parliament, and not the executive government, can remove an Auditor-General, and
- mandating the Auditor-General as auditor of public sector agencies but precluding the provision of non-audit services, thus ensuring the Auditor-General and the Audit Office are not compromised in their role by the possibility of losing clients or income.



Heather Watson
Director, Financial Audit Services

20 October 2010
SYDNEY

NSW GOVERNMENT TELECOMMUNICATIONS AUTHORITY (TELCO)

FINANCIAL STATEMENTS FOR THE PERIOD ENDED 30 JUNE 2010

STATEMENT BY THE MANAGING DIRECTOR

Pursuant to the requirements of the *Public Finance and Audit Act, 1983*, I declare that in my opinion:

- (a) The accompanying financial statements exhibit a true and fair view of the financial position and transactions of the NSW Government Telecommunications Authority and its subsidiaries as at 30 June 2010 and the transactions for the period then ended.
- (b) The statements have been prepared in accordance with the provisions of the *Public Finance and Audit Act 1983*, the *Public Finance and Audit (General) Regulation, 2005* and the Treasurer's Directions.

Further, I am not aware of any circumstances that would render any particulars included in the financial statements to be misleading or inaccurate.

On behalf of the Authority



Peter Duncan
Managing Director
NSW Government Telecommunications Authority

Dated 20 October 2010 at Sydney

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NSW GOVERNMENT TELECOMMUNICATIONS AUTHORITY
CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME
FOR THE YEAR ENDED 30 JUNE 2010

	Notes	Consolidated		Telco	
		2010 \$'000	2009 \$'000	2010 \$'000	2009 \$'000
Revenue					
Services and sale of goods	2(a)	11,354	9,027	-	-
Interest received	2(b)	54	80	-	-
Total Revenue		11,408	9,107	-	-
Expenses					
Operating expenses					
Employee related expenses	3(a)	4,626	3,915	-	-
Other operating expenses	3(c)	5,144	3,958	-	-
Depreciation expenses	8	1,320	970	-	-
Financing expenses	3(b)	226	201	-	-
TOTAL EXPENSES		11,316	9,044	-	-
PROFIT BEFORE TAX		92	63	-	-
Current tax expense	4(a)	-	-	-	-
Deferred tax benefit	4(a)	54	50	-	-
NET PROFIT AFTER TAX		146	113	-	-
Total Comprehensive Income		146	113	-	-
Total Comprehensive Income attributable to:					
NON-CONTROLLING INTEREST		63	49	-	-
OWNERS OF THE PARENT		83	64	-	-

The accompanying notes form part of these statements.

NSW GOVERNMENT TELECOMMUNICATIONS AUTHORITY

**CONSOLIDATED STATEMENT OF FINANCIAL POSITION
AS AT 30 JUNE 2010**

	Notes	Consolidated		Telco	
		2010 \$'000	2009 \$'000	2010 \$'000	2009 \$'000
ASSETS					
Current Assets					
Cash and cash equivalents	5	1,800	2,201	-	-
Trade and other receivables	6	1,498	757	-	-
Prepayments	7	58	95	-	-
Deferred tax assets	4(b)	555	366	-	-
Total Current Assets		3,911	3,419	-	-
Non-Current Assets					
Plant and equipment	8	4,265	2,828	-	-
Deferred tax assets	4(b)	711	443	-	-
Other financial assets	9	-	-	870	870
Total Non-Current Assets		4,976	3,271	870	870
Total Assets		8,887	6,690	870	870
LIABILITIES					
Current Liabilities					
Trade and other payables	10	1,073	768	-	-
Short-term provisions	11	296	224	-	-
Interest bearing liabilities	12,18	1,316	816	-	-
Other	13	181	258	-	-
Deferred tax liabilities	4(b)	422	276	-	-
Total Current Liabilities		3,288	2,342	-	-
Non-Current Liabilities					
Long-term provisions	11	96	135	-	-
Other	13	110	153	-	-
Interest bearing liabilities	12,18	2,275	1,344	-	-
Deferred tax liabilities	4(b)	639	383	-	-
Total Non-Current Liabilities		3,120	2,015	-	-
Total Liabilities		6,408	4,357	-	-
Net Assets		2,479	2,333	870	870
EQUITY					
Retained earnings		4,908	4,825	870	870
Equity attributable to Parent		4,908	4,825	870	870
Non-Controlling Interest	14	(2,429)	(2,492)	-	-
Total Equity		2,479	2,333	870	870

The accompanying notes form part of these statements.

NSW GOVERNMENT TELECOMMUNICATIONS AUTHORITY

**CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 30 JUNE 2010**

		Consolidated		Telco
		Retained Earnings	Non-Controlling Interest	Retained Earnings
	Notes	\$'000	\$'000	\$'000
Balance at 1 July 2009		4,825	(2,492)	870
Surplus/(Deficit) for the year		83	63	-
Total comprehensive income for the year		83	63	-
Balance at 30 June 2010		4,908	(2,429)	870
Balance at 1 July 2008		4,761	(2,541)	870
Surplus/(Deficit) for the year		64	49	-
Other comprehensive income		-	-	-
Total comprehensive income for the year		64	49	-
Balance at 30 June 2009		4,825	(2,492)	870

The accompanying notes form part of these statements.

NSW GOVERNMENT TELECOMMUNICATIONS AUTHORITY

**CONSOLIDATED STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 30 JUNE 2010**

	Notes	Consolidated		Telco	
		2010 \$'000	2009 \$'000	2010 \$'000	2009 \$'000
CASH FLOWS FROM OPERATING ACTIVITIES					
Payments to suppliers and employees		(9,288)	(7,813)	-	-
Financing costs		(399)	(201)	-	-
Total Payments		(9,687)	(8,014)	-	-
Receipts from customers, grants and rentals		10,558	8,782	-	-
Interest received		54	80	-	-
Total Receipts		10,612	8,862	-	-
NET CASH PROVIDED BY OPERATING ACTIVITIES	16	925	848	-	-
CASH FLOWS FROM INVESTING ACTIVITIES					
Payments for plant and equipment		(314)	(322)	-	-
Proceeds from disposal of assets		-	1	-	-
NET CASH USED IN INVESTING ACTIVITIES		(314)	(321)	-	-
CASH FLOWS FROM FINANCING ACTIVITIES					
Net repayment of interest bearing liabilities		(1,012)	(690)	-	-
NET CASH USED IN FINANCING ACTIVITIES		(1,012)	(690)	-	-
NET DECREASE IN CASH AND CASH EQUIVALENTS HELD		(401)	(163)	-	-
Cash and cash equivalents at the beginning of the financial year		2,201	2,364	-	-
Cash and cash equivalents at the end of the financial year	5	1,800	2,201	-	-

The accompanying notes form part of these statements.

NSW GOVERNMENT TELECOMMUNICATIONS AUTHORITY

NOTES TO AND FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 JUNE 2010

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

(a) Reporting Entity

The NSW Government Telecommunications Authority (Telco), as a reporting entity, comprises Telco in its own right and the Australian Centre for Advanced Computing and Communications Pty Ltd (ac3) in which Telco has a controlling interest.

The mission of Telco, which is a wholly owned subsidiary of the Department of Services, Technology and Administration, is to enable the use of telecommunication infrastructure networks of Government agencies for the common carriage of Government communications and to enable the best commercial advantage to be obtained from any excess network capacity, infrastructure or facilities of Government agencies. Telco is classified as a not-for-profit entity as profit is not its principal objective.

The Australian Centre for Advanced Computing and Communications Pty Ltd (ac3) was registered as a proprietary company limited by shares under the Corporations Act 2001 on 10 November 2000. Telco holds 57% of the shares on behalf of the NSW Government and the remaining 43% are held by eight NSW based Universities. ac3 is a for-profit entity.

This Consolidated Financial Statements for the year ended 30 June 2010 has been authorised for issue by the Managing Director on 20 October 2010.

(b) Basis of Preparation

The Consolidated Financial Statements of the consolidated entity are general purpose Consolidated Financial Statements which have been prepared in accordance with:

- (i) applicable Australian Accounting Standards, which include Australian Accounting Interpretations;
- (ii) the requirements of the Public Finance and Audit Act 1983 and Regulation; and
- (iii) the Financial Reporting Directions issued by the Treasurer.

Judgements, key assumptions and estimations management has made are disclosed in the relevant notes to the Consolidated Financial Statements.

The Consolidated Financial Statements have been prepared on an accrual basis and are based on historical costs modified by the revaluation of selected non-current assets, financial assets and financial liabilities for which the fair value basis of account has been applied.

All amounts are rounded to the nearest one thousand dollars and are expressed in Australian currency.

At the reporting date, a number of Accounting Standards adopted by the AASB had been issued but are not yet operative and have not been early adopted by Telco.

It is considered that the implementation of these Standards will not have any material impact on Telco's financial results.

(c) Basis of Consolidation

The Consolidated Financial Statements are prepared by combining the financial statements of all the entities that comprise the consolidated entity, being Telco (the parent entity) and its controlled entities as defined in the Accounting Standard AASB 127 Consolidated and Separate Financial Statements. Consistent accounting policies are employed in the preparation and presentation of the Consolidated Financial Statements.

The Consolidated Financial Statements include the information and results of each controlled entity from the date on which Telco obtains control and until such time as Telco ceases to control such entity.

In preparing the Consolidated Financial Statements, all intercompany balances and transactions, and unrealised profits arising within the consolidated entity are eliminated in full.

(d) Cash and Cash Equivalents

Cash and cash equivalents include cash on hand, deposits held at call with banks, other short-term highly liquid investments with original maturities of three months or less and bank overdrafts.

(e) Trade Receivables

Trade receivables are recognised and carried at original invoice amount less allowance for doubtful debts. Trade receivables are due for settlement no more than 30 days from the date of recognition.

Collectability of trade receivables is reviewed on an ongoing basis. Receivables which are known to be uncollectible are written off. An allowance for doubtful receivables is established when there is objective evidence that Telco will not be able to collect all amounts due according to the original terms of receivables. The amount of the allowance is recognised in the profit/loss.

(f) Acquisition of Assets

Assets acquired are recorded at the cost of acquisition, being the purchase consideration determined as at the date of acquisition plus costs incidental to the acquisition.

Items of plant and equipment are capitalised when their costs exceed the threshold of \$1,000 and they meet the definition and recognition criteria for an asset.

(g) Plant and Equipment

Each class of plant and equipment is carried at cost less, where applicable, any accumulated depreciation and impairment losses.

Physical plant and equipment is valued in accordance with the "Guidelines for the Valuation of Physical Non-Current Assets at Fair Value" (TPP 07-01). Telco's non-current assets are non-specialised assets with short useful lives. They are measured at depreciated historical cost, as a surrogate for fair value.

The carrying amount of plant and equipment is reviewed annually by management to ensure it is not in excess of the recoverable amount from these assets. The recoverable amount is assessed on the basis of the expected net cash flows that will be received from the assets employment and subsequent disposal.

Subsequent costs are recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the entity and the cost of the item can be measured reliably. All other repairs and maintenance are charged to the profit/loss during the financial period they are incurred.

(h) Depreciation of Plant and Equipment

The depreciable amount of all fixed assets including capitalised leased assets is depreciated or amortised on a straight line basis over their useful lives commencing from the time the asset is held ready for use. Leasehold improvements are amortised over the shorter of either the unexpired period of the lease or the estimated useful lives of the improvements.

Major depreciation periods are:

Plant and Equipment	4-10 years
Furniture and Fittings	5-8 years

The assets' residual value and useful lives are reviewed, and adjusted if appropriate, at each reporting date. An asset's carrying amount is written down immediately to its recoverable amount if the asset's carrying amount is greater than its estimated recoverable amount.

(i) Impairment of Assets

At each reporting date, Telco reviews the carrying values of its assets to determine whether there is any indication that those assets have been impaired. If such an indication exists, the recoverable amount of the asset, being the higher of the asset's fair value less costs to sell and value in use, is compared to the asset's carrying value. Any excess of the asset's carrying value over its recoverable amount is expensed to profit/loss.

(j) Leases

Leases of plant and equipment, where substantially all the risks and benefits incidental to ownership of the asset, but not legal ownership, are transferred to Telco are classified as finance leases. Finance leases are capitalised recording an asset and a liability equal to the fair value of the leased property.

Leased assets are depreciated on a straight-line basis over their estimated useful lives where it is likely that the economic entity will obtain ownership of the asset or over the term of the lease. Lease payments are allocated between the reduction of the lease liability and the lease interest expense for the period.

Lease payments under operating leases, where substantially all the risks and benefits remain with the lessor, are charged as expenses in the periods in which they are incurred.

(k) Financial Instruments

Recognition

Financial instruments are initially measured at cost on trade date, which includes transaction costs, when the related contractual rights or obligation exist. Subsequent to initial recognition these instruments are measured as set out below.

Loans and receivables

Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market and are stated at amortised cost using the effective interest rate method.

Financial liabilities

Non-derivative financial liabilities are recognised at amortised cost, comprising of original debt less principal payments and amortisation.

Impairment

At each reporting date, Telco assesses whether there is objective evidence that a financial instrument has been impaired. Impairment losses are recognised in profit/loss.

(l) Other Financial Assets

Telco's investment in ac3 is classified as a financial asset carried at impaired cost. Investments in equity instruments must be measured at fair value, unless they do not have a quoted market price in an active market and then must be valued at cost. ac3 is a proprietary company and does not have a quoted market price, nor is there an active market for ac3 shares.

(m) Trade and Other Payables

Liabilities for trade creditors and other amounts are carried at cost, which is the fair value of the consideration to be paid in the future for goods and services received.

(n) Revenue Recognition

Revenue is recognised to the extent that it is probable that the economic benefits will flow to the entity and the revenue can be reliably measured.

The following specific recognition criteria must also be met before revenue is recognised:

Sale of goods - Control of goods has passed to the buyer.

Rendering of Services - Where the contract outcome can be reliably measured, control of the right to be compensated for the services and the stage of completion can be reliably measured. Where the contract outcome cannot be reliably measured, revenue is recognised only to the extent that costs have been incurred.

Interest - Control of the right to receive the interest payment.

(o) Income Tax

Telco is a tax-exempt entity. Telco's subsidiary is not tax exempt and applies the following policy:

The income tax expense for the year comprises current income tax expense and deferred tax expense. Current income tax expense charged to the profit or loss is the tax payable on taxable income calculated using applicable income tax rates enacted, or substantially enacted, as at reporting date. Current tax liabilities are therefore measured at the amounts expected to be paid. Deferred income tax expense reflects movements in deferred tax asset and deferred tax liability balances during the year as well unused tax losses. Current and deferred income tax expense is charged or credited directly to equity instead of the profit or loss when the tax relates to items that are credited or charged directly to equity.

Deferred tax assets and liabilities are ascertained based on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the financial statements. Deferred tax assets also result where amounts have been fully expensed but future tax deductions are available. No deferred income tax will be recognised from the initial recognition of an asset or liability where there is no effect on accounting or taxable profit or loss.

Deferred tax assets and liabilities are calculated at the tax rates that are expected to apply to the period when the asset is realised or the liability is settled, based on tax rates enacted or substantively enacted at reporting date. Their measurement also reflects the manner in which management expects to recover or settle the carrying amount of the related asset or liability.

Deferred tax assets relating to temporary differences and unused tax losses are recognised only to the extent that it is probable that future taxable profit will be available against which the benefits of the deferred tax asset can be utilised.

Tax assets and liabilities are offset where a legally enforceable right of set-off exists and it is intended that net settlement or simultaneous realisation and settlement of the respective asset and liability will occur.

(p) Employee Entitlements

Provision is made for employee benefits accumulated as a result of employees rendering services up to the reporting date. These benefits include wages and salaries, annual leave and sick leave. Liabilities arising in respect of wages and salaries, annual leave, sick leave and any other employee benefits are measured at their nominal amounts using remuneration rates expected to apply at the time of settlement.

Long service leave is measured on a nominal basis. The nominal method is based on the remuneration rates at year-end for all employees with five or more years of service. It is considered that this measurement technique produces results not materially different from the estimate determined by using the present value basis of measurement.

(q) Provisions

Provisions are recognised when Telco has a legal or constructive obligation, as a result of past events, for which it is probable that an outflow of economic benefits will result and that outflow can be reliably measured. The provisions are discounted to present value when they will be settled later than one year.

(r) Goods and Services Tax (GST)

Revenues, expenses and assets are recognised net of the amount of GST, except where the amount of GST incurred is not recoverable from the Australian Taxation Office. In these circumstances the GST is recognised as part of the cost of acquisition of the asset or as part of an item of the expense. Receivables and payables in the Consolidated Statement of Financial Position are shown inclusive of GST.

(s) Administrative and Managerial Support

The Department of Services, Technology and Administration continues to provide expertise, assistance and administrative support to Telco at no charge. Telco's operations are minimal and thus so would be the administration cost. ac3 manages its own affairs.

2. REVENUES

(a) Services and Sale of Goods

	Consolidated		Telco	
	2010 \$'000	2009 \$'000	2010 \$'000	2009 \$'000
Rendering of Services	10,422	8,300	-	-
Sale of Goods	932	727	-	-
	11,354	9,027	-	-

(b) Interest Received

	Consolidated		Telco	
	2010 \$'000	2009 \$'000	2010 \$'000	2009 \$'000
Interest	54	80	-	-
	54	80	-	-

3. EXPENSES

(a) Employee Related Expenses

Employee Related Expenses comprise the following specific items:

	Consolidated		Telco	
	2010	2009	2010	2009
	\$'000	\$'000	\$'000	\$'000
Salaries and wages	4,016	3,368	-	-
Superannuation	367	310	-	-
Staff recruitment	10	17	-	-
Payroll tax	217	184	-	-
Annual and long service leave provided	16	36	-	-
	4,626	3,915	-	-

(b) Financing Cost

	Consolidated		Telco	
	2010	2009	2010	2009
	\$'000	\$'000	\$'000	\$'000
Interest	226	201	-	-
	226	201	-	-

(c) Other Operating Expenses

	Consolidated		Telco	
	2010	2009	2010	2009
	\$'000	\$'000	\$'000	\$'000
Operating lease rental - minimum lease payments	133	127	-	-
Rent	345	310	-	-
Repairs and maintenance	167	166	-	-
Telecommunications	455	468	-	-
Audit Fees	33	30	-	-
Director's remuneration	79	79	-	-
Cost of goods sold	1,740	867	-	-
Other	2,192	1,911	-	-
	5,144	3,958	-	-

4. INCOME TAX EXPENSE

(a) The components of tax expenses comprise

	Consolidated		Telco	
	2010	2009	2010	2009
	\$'000	\$'000	\$'000	\$'000
Prima facie tax payable (30% on profit from ordinary activities before tax)	27	19	-	-
Adjustment for temporary differences	54	50	-	-
Recoupment of prior year tax losses	(81)	(69)	-	-
	-	-	-	-

(b) Deferred tax asset/(Deferred tax liability)

Deferred tax items recognised in the consolidated statement of comprehensive income

	Consolidated		Telco	
	2010	2009	2010	2009
	\$'000	\$'000	\$'000	\$'000
Provision for employee entitlements	106	100	-	-
Other provisions	84	61	-	-
Lease Liability	1,076	648	-	-
	1,266	809	-	-
Plant and equipment subject to lease	(1,061)	(659)	-	-
Net deferred tax asset	205	150	-	-

Deferred tax asset recognised in the consolidated statement of financial position

	Consolidated		Telco	
	2010	2009	2010	2009
	\$'000	\$'000	\$'000	\$'000
Current asset	555	366	-	-
Non-current asset	711	443	-	-
	1,266	809	-	-

Deferred tax liability recognised in the consolidated statement of financial position

	Consolidated		Telco	
	2010	2009	2010	2009
	\$'000	\$'000	\$'000	\$'000
Current liability	422	276	-	-
Non-current liability	639	383	-	-
	1,061	659	-	-

5. CASH AND CASH EQUIVALENTS

	Consolidated		Telco	
	2010	2009	2010	2009
	\$'000	\$'000	\$'000	\$'000
Cash at bank and on hand	1,800	2,201	-	-
	1,800	2,201	-	-

(a) Reconciliation to cash and cash equivalents at the end of year

Cash assets recognised in the Consolidated Statement of Financial Position are reconciled to cash and cash equivalents at the end of the financial year as shown in the Consolidated Statement of Cash Flows as follows:

Cash and cash equivalents (per Consolidated Statement of Financial Position)	1,800	2,201	-	-
Closing cash and cash equivalents (per Consolidated Statement of Cash Flows)	1,800	2,201	-	-

(b) Cash at bank and on hand

The deposits are bearing floating interest rate of 2.69.% (2009 - 3.51%). These funds are at call.

6. TRADE AND OTHER RECEIVABLES

	Consolidated		Telco	
	2010	2009	2010	2009
	\$'000	\$'000	\$'000	\$'000
Current				
Trade debtors	1,498	757	-	-
	1,498	757	-	-

7. PREPAYMENTS

	Consolidated		Telco	
	2010	2009	2010	2009
	\$'000	\$'000	\$'000	\$'000
Current				
Prepayments - General	58	95	-	-
	58	95	-	-

8. PLANT AND EQUIPMENT

	Consolidated		Telco	
	2010	2009	2010	2009
	\$'000	\$'000	\$'000	\$'000
Plant and Equipment				
At fair value	1,098	1,052	-	-
Accumulated depreciation	(439)	(476)	-	-
Total written down value plant and equipment	659	576	-	-

	Consolidated		Telco	
	2010	2009	2010	2009
	\$'000	\$'000	\$'000	\$'000
Furniture and Fittings				
At fair value	136	104	-	-
Accumulated depreciation	(70)	(48)	-	-
Total written down value furniture and fittings	66	56	-	-

	Consolidated		Telco	
	2010	2009	2010	2009
	\$'000	\$'000	\$'000	\$'000
Leased Assets				
At fair value	6,246	3,812	-	-
Accumulated amortisation	(2,706)	(1,616)	-	-
Total written down value leased assets	3,540	2,196	-	-

	Consolidated		Telco	
	2010	2009	2010	2009
	\$'000	\$'000	\$'000	\$'000
Plant and Equipment				
At fair value	7,480	4,969	-	-
Accumulated depreciation and amortisation	(3,215)	(2,141)	-	-
Total written down value plant and equipment	4,265	2,828	-	-

Reconciliation - 2010

	Plant and Equipment \$'000	Furniture and Fittings \$'000	Leased Assets \$'000	Total \$'000
Carrying amount at the beginning of year	576	56	2,196	2,828
Additions	282	32	2,443	2,757
Depreciation and amortisation expense	(199)	(22)	(1,099)	(1,320)
Carrying amount at the end of year	659	66	3,540	4,265

Reconciliation - 2009

	Plant and Equipment \$'000	Furniture and Fittings \$'000	Leased Assets \$'000	Total \$'000
Carrying amount at the beginning of year	412	49	2,120	2,581
Additions	297	25	896	1,218
Disposals	(1)	-	-	(1)
Depreciation and amortisation expense	(132)	(18)	(820)	(970)
Carrying amount at the end of year	576	56	2,196	2,828

9. OTHER FINANCIAL ASSETS

	Consolidated		Telco	
	2010	2009	2010	2009
	\$'000	\$'000	\$'000	\$'000
Non-current assets				
Other Financial Assets carried at impaired cost				
Shares in ac3 (see Note 1(a))	-	-	870	870
	-	-	870	870

10. TRADE AND OTHER PAYABLES

	Consolidated		Telco	
	2010	2009	2010	2009
	\$'000	\$'000	\$'000	\$'000
Current				
Trade creditors	669	425	-	-
Sundry creditors and accruals	328	255	-	-
Net GST payable	76	88	-	-
	1,073	768	-	-

11. PROVISIONS

	Consolidated		Telco	
	2010	2009	2010	2009
	\$'000	\$'000	\$'000	\$'000
Current				
Long service leave	59	31	-	-
Annual leave	237	193	-	-
	296	224	-	-

	Consolidated		Telco	
	2010	2009	2010	2009
	\$'000	\$'000	\$'000	\$'000
Non-current				
Liability for Long Service Leave	56	112	-	-
Provision for premises relocation	40	23	-	-
	96	135	-	-

12. INTEREST BEARING LIABILITIES

	Consolidated		Telco	
	2010	2009	2010	2009
	\$'000	\$'000	\$'000	\$'000
For equipment relating to varying contract periods and suppliers				
<i>Equipment</i>				
Minimum commitments payable are as follows:				
Within one year	1,606	981	-	-
Later than one but not later than five years	2,522	1,472	-	-
Later than five years	-	-	-	-
Minimum lease payments	4,128	2,453	-	-
Future finance charges	(537)	(293)	-	-
Present value of minimum lease payments	3,591	2,160	-	-
Finance leases are included in the consolidated Statement of Financial Position as follows:				
Current interest bearing liability	1,316	816	-	-
Non-Current interest bearing liability	2,275	1,344	-	-
	3,591	2,160	-	-

Details regarding credit risk, including a maturity analysis of the above borrowings are disclosed in Note 18.

13. OTHER LIABILITIES

	Consolidated		Telco	
	2010	2009	2010	2009
	\$'000	\$'000	\$'000	\$'000
Current				
Revenue in advance	181	258	-	-
	181	258	-	-

	Consolidated		Telco	
	2010	2009	2010	2009
	\$'000	\$'000	\$'000	\$'000
Non-current				
Revenue in advance	110	153	-	-
	110	153	-	-

14. NON-CONTROLLING INTEREST

Non-Controlling interest in controlled entity comprises:
Australian Centre for Advanced Computing and
Communications Pty Ltd
Represented by:
Interest in accumulated losses at beginning of financial
year
Share of profit for the year
Balance at end of year

Consolidated		Telco	
2010	2009	2010	2009
\$'000	\$'000	\$'000	\$'000
(2,429)	(2,492)	-	-
(2,492)	(2,541)	-	-
63	49	-	-
(2,429)	(2,492)	-	-

15. COMMITMENTS FOR EXPENDITURE

(a) Other Expenditure Commitments

Aggregate other expenditure for the acquisition of items
as detailed below contracted for at reporting date and
not provided for:

Agreements with various communications suppliers

Minimum commitments payable are as follows:

Within than one year

Later than one but not later than five years

Later than five years

Consolidated		Telco	
2010	2009	2010	2009
\$'000	\$'000	\$'000	\$'000
53	219	-	-
83	6	-	-
-	-	-	-
136	225	-	-

The total other expenditure commitments above includes input tax credits of \$12,391 (2009 - \$20,393) that are expected to be recovered from the Australian Taxation Office.

(b) Operating Leases

Future non-cancellable operating lease rentals not
provided for and payable for accommodation and
equipment relating to varying contract periods and
suppliers

Accommodation and equipment

Minimum commitments payable are as follows:

Within than one year

Later than one but not later than five years

Later than five years

Consolidated		Telco	
2010	2009	2010	2009
\$'000	\$'000	\$'000	\$'000
596	381	-	-
1,903	1,619	-	-
-	353	-	-
2,499	2,353	-	-

The total accommodation and equipment commitments include input tax credits of \$185,336 (2009 - \$213,881) that are expected to be recovered from the Australian Taxation Office.

16. RECONCILIATION OF PROFIT TO NET CASH INFLOWS FROM OPERATING ACTIVITIES

Net Profit before tax

Depreciation and amortisation

Changes in Operating Assets and Liabilities

(Increase) in trade and other receivables

(Increase) in other assets

(Decrease) in prepaid revenue

Increase in trade creditors and provisions

Increase/ (Decrease) in other liabilities

Net Cash Flow provided by Operating Activities

Consolidated		Telco	
2010	2009	2010	2009
\$'000	\$'000	\$'000	\$'000
92	63	-	-
1,320	970	-	-
(742)	(30)	-	-
(40)	(11)	-	-
(120)	(215)	-	-
349	75	-	-
66	(4)	-	-
925	848	-	-

17. SEGMENT REPORTING

The consolidated entity operates in one business and geographical segment, being the provision of Managed Co-location Services in New South Wales.

18. FINANCIAL INSTRUMENTS

	Weighted Average Interest Rate		Floating Interest Rate		Fixed Interest Rate Maturing				Non Interest Bearing		Total	
	%				Within 1 Year		1 - 5 Years					
	2010	2009	2010	2009	2010	2009	2010	2009	2010	2009	2010	2009
Financial Assets												
Cash	2.69	3.51	1,800	2,201	-	-	-	-	-	-	1,800	2,201
Receivables	-	-	-	-	-	-	-	-	1,498	757	1,498	757
Total Financial Assets	-	-	1,800	2,201	-	-	-	-	1,498	757	3,298	2,958
Financial Liabilities												
Payables	-	-	-	-	-	-	-	-	(1,073)	(768)	(1,073)	(768)
Lease Liabilities	-	-	-	-	(1,606)	(981)	(2,522)	(1,472)	-	-	(4,128)	(2,453)
Total Financial Liabilities	-	-	-	-	(1,606)	(981)	(2,522)	(1,472)	(1,073)	(768)	(5,201)	(3,221)
Net Financial Asset/(Liability)	-	-	1,800	2,201	(1,606)	(981)	(2,522)	(1,472)	425	(11)	(1,903)	(263)

Market risk

The only component of market risk to which Telco is exposed to is interest rate risk. The interest rate risk is minimal due to fixed interest rates with all loans related to equipment lease agreements through Capital Finance.

Liquidity risk

The liquidity risk is minimal as Telco has cash reserves available at call in addition to readily accessible stand-by facilities. Receivables are on terms of no more than 30 days payable from invoice date.

Price risk

Price risk is minimal due to 80% of revenue being derived from services provided. All capital equipment purchased by Telco on behalf of customers was done so under the agreement of a signed contract and purchase order.

Credit risk

The maximum exposure to credit risk, excluding the value of any collateral or other security, at balance date to recognise financial assets is the carrying amount of those assets, net of any for doubtful receivables, as disclosed in the Consolidated Statement of Financial Position and notes to the Consolidated Financial Statements.

Telco does not have any material credit risk exposure to any single debtor or group of debtors under financial instruments entered into by ac3.

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

	Total \$'000	Past Due But Not Impaired \$'000	Considered Impaired \$'000
2010			
Less than 3 months overdue	309	309	-
3 months - 6 months overdue	49	49	-
Greater than 6 months overdue	-	-	-
2009			
Less than 3 months overdue	85	85	-
3 months - 6 months overdue	21	21	-
Greater than 6 months overdue	-	-	-

Net Fair Values

The aggregate fair values and carrying amounts of financial assets and financial liabilities are disclosed in the Consolidated Statement of Financial Position and in the notes to the financial statements.

19. TRANSACTIONS INVOLVING RELATED ENTITIES

In 2009/10 the Telco controlled entity, ac3, received revenue from Department of Services, Technology and Administration for provision of managed services amounting to \$1,240,000 (2009 - \$1,220,000). Service Desk support income amounting to \$67,000 was received from Macquarie University (2009 - \$98,000).

20. AUDIT FEES

(a) Telco Audit Fees

The Department of Services, Technology and Administration paid the audit fees for Telco.

	2010 \$	2009 \$
Telco audit fees	5,000	5,000
	5,000	5,000

(b) ac3's Audit Fee

	2010 \$	2009 \$
ac3 audit fees (Note 3(c) Other Operating Expenses)	33,000	30,000
	33,000	30,000

21. PAYMENTS TO DIRECTORS

No payment was made to the Directors of Telco in the current financial year and the previous financial year.

Fees paid to the Directors of ac3 totalled \$85,000. (Four in the band \$10,000 - \$19,000; one in the band \$20,000 - \$29,999).

22. KEY MANAGEMENT PERSONNEL

(a) Details of Key Management Personnel

Details of the executive officers of ac3 are as follows:

Philip McCrea, Chief Executive Officer and Eric Whitehouse, Chief Operating Officer

(b) Compensation of Key Management Personnel

	2010 \$'000	2009 \$'000
Short term benefits	399	365
Post-employment benefits	12	9
Other long-term employee benefits	-	44
	411	418

23. CONTINGENT LIABILITIES AND ASSETS

The consolidated entity is not aware of any contingent liabilities or assets associated with its operations.

24. SUBSEQUENT EVENTS

A Cabinet decision was made in October 2010 to transfer the Government Radio assets to NSW Telecommunications Authority. Details of the transfer are expected to be finalised during 2010/11 financial year.

END OF AUDITED FINANCIAL STATEMENTS

Australian Centre for Advanced Computing and Communications Pty Ltd

ABN 27 095 046 923

Annual Report 30 June 2010

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Australian Centre for Advanced Computing and Communications Pty Ltd

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GPO BOX 12
Sydney NSW 2001

INDEPENDENT AUDITOR'S REPORT

Australian Centre for Advanced Computing and Communications Pty Limited

To Members of the New South Wales Parliament

I have audited the accompanying financial statements of Australian Centre for Advanced Computing and Communications Pty Limited (the Company), which comprises the statement of financial position as at 30 June 2010, the statement of comprehensive income, statement of changes in equity and statement of cash flows, a summary of significant accounting policies and other explanatory notes.

Auditor's Opinion

In my opinion, the financial statements:

- present fairly, in all material respects, the financial position of the Company as at 30 June 2010, and its financial performance for the year then ended in accordance with Australian Accounting Standards (including the Australian Accounting Interpretations)
- are in accordance with section 41B of the *Public Finance and Audit Act 1983* (the PF&A Act) and the Public Finance and Audit Regulation 2010.
- also comply with International Financial Reporting Standards as disclosed in Note 1b.

My opinion should be read in conjunction with the rest of this report.

The Directors' Responsibility for the Financial Statements

The Directors are responsible for the preparation and fair presentation of the financial statements in accordance with Australian Accounting Standards (including the Australian Accounting Interpretations), International Financial Reporting Standards and the PF&A Act. This responsibility includes establishing and maintaining internal controls relevant to the preparation and fair presentation of the financial statements that are free from material misstatement, whether due to fraud or error; selecting and applying appropriate accounting policies; and making accounting estimates that are reasonable in the circumstances.

In Note 1b, the directors also state, in accordance with Accounting Standard AASB 101 'Presentation of Financial Statements', that compliance with the Australian equivalents to International Financial Reporting Standards ensures that the financial statements, comprising the financial statements and notes, comply with International Financial Reporting Standards.

Auditor's Responsibility

My responsibility is to express an opinion on the financial statements based on my audit. I conducted my audit in accordance with Australian Auditing Standards. These Auditing Standards require that I comply with relevant ethical requirements relating to audit engagements and plan and perform the audit to obtain reasonable assurance whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal controls relevant to the Company's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal controls. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by the members of the Directors, as well as evaluating the overall presentation of the financial statements.

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

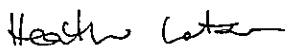
My opinion does *not* provide assurance:

- about the future viability of the Company,
- that it has carried out its activities effectively, efficiently and economically, or
- about the effectiveness of its internal controls.

Independence

In conducting this audit, the Audit Office of New South Wales has complied with the independence requirements of the Australian Auditing Standards and other relevant ethical requirements. The PF&A Act further promotes independence by:

- providing that only Parliament, and not the executive government, can remove an Auditor-General, and
- mandating the Auditor-General as auditor of public sector agencies but precluding the provision of non-audit services, thus ensuring the Auditor-General and the Audit Office of New South Wales are not compromised in their role by the possibility of losing clients or income.



Heather Watson
Director, Financial Audit Services

7 October 2010
SYDNEY

Statement of Comprehensive Income

for the year ended 30 June 2010

Australian Centre for Advanced Computing and Communications Pty Ltd

	Note	2010 \$'000	2009 \$'000
Revenue	2	11,408	9,107
Employee benefits expense	3	(4,626)	(3,915)
Depreciation expenses		(1,320)	(970)
Financing expenses		(226)	(201)
Other operating expenses	3	(5,144)	(3,958)
		-----	-----
Profit for the year before tax		92	63
Current tax expense	4a	-	
Deferred tax benefit	4a	54	50
		-----	-----
NET PROFIT AFTER TAX		146	113
		=====	=====
TOTAL COMPREHENSIVE INCOME		146	113
		=====	=====

The above statement of comprehensive income should be read in conjunction with the accompanying notes.

Statement of Financial Position

as at 30 June 2010

Australian Centre for Advanced Computing and Communications Pty Ltd

	Note	2010 \$'000	2009 \$'000
ASSETS			
Current assets			
Cash and cash equivalents	5	1,800	2,201
Trade and other receivables	6	1,498	757
Prepayments	7	58	95
Deferred tax assets	4b	555	366
		-----	-----
Total current assets		3,911	3,419
		-----	-----
Non-current assets			
Plant and equipment	8	4,265	2,828
Deferred tax assets	4b	711	443
		-----	-----
Total non-current assets		4,976	3,271
		-----	-----
TOTAL ASSETS		8,887	6,690
		=====	=====
LIABILITIES			
Current liabilities			
Trade and other payables	9	1,073	768
Provisions	10	296	224
Interest bearing liabilities	11	1,316	816
Other current liabilities	12	181	258
Deferred tax liabilities	4b	422	276
		-----	-----
Total current liabilities		3,288	2,342
		-----	-----
Non-current liabilities			
Provisions	10	96	135
Interest bearing liabilities	11	2,275	1,344
Other non-current liabilities	12	110	153
Deferred tax liabilities	4b	639	383
		-----	-----
Total non-current liabilities		3,120	2,015
		-----	-----
TOTAL LIABILITIES		6,408	4,357
		=====	=====
NET ASSETS		2,479	2,333
		=====	=====
EQUITY			
Issued capital		14,920	14,920
Accumulated losses		(12,441)	(12,587)
		-----	-----
		2,479	2,333
		=====	=====

The above statement of financial position should be read in conjunction with the accompanying notes

Statement of Changes in Equity

for the year ended 30 June 2010

Australian Centre for Advanced Computing and Communications Pty Ltd

	2010 \$'000	2009 \$'000
Issued Capital		
Opening balance	14,920	14,920
Shares issued during the year	-	-
	-----	-----
Closing balance	14,920	14,920
	=====	=====
Accumulated Losses		
Opening balance	(12,587)	(12,700)
Net Profit for the year after tax	146	113
	-----	-----
Closing balance	(12,441)	(12,587)
	=====	=====

The above statement of changes in equity should be read in conjunction with the accompanying notes.

Statement of Cash Flows

for the year ended 30 June 2010

Australian Centre for Advanced Computing and Communications Pty Ltd

	Note	2010 \$'000	2009 \$'000
Cash flows from operating activities			
Receipts from customers, grants and rentals		10,558	8,778
Payments to suppliers and employees		(9,288)	(7,681)
Financing costs		(399)	(329)
Interest received		54	80
Net cash provided by operating activities	16	925	848
Cash flows from investing activities			
Payments for plant and equipment		(314)	(322)
Proceeds from disposal of assets		-	1
Net cash used in investing activities		(314)	(321)
Cash flows from financing activities			
Borrowings/(net repayments of interest bearing liabilities)		(1,012)	(690)
Net cash provided by financing activities		(1,012)	(690)
Net decrease in cash and cash equivalents held		(401)	(163)
Cash and cash equivalents at the beginning of the financial year		2,201	2,364
Cash and cash equivalents at the end of the financial year	5	1,800	2,201
		=====	=====

The above statement of cash flows should be read in conjunction with the accompanying notes.

Notes to the Financial Statements

for the year ended 30 June 2010

Australian Centre for Advanced Computing and Communications Pty Ltd

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Notes to the Financial Statements

for the year ended 30 June 2010

Australian Centre for Advanced Computing and Communications Pty Ltd

1 Summary of significant accounting policies

(a) Reporting entity

The Australian Centre for Advanced Computing and Communications Pty Ltd (ac3) was registered as a proprietary company limited by shares under the Corporations Act 2001 on 10 November 2000 and it is a for profit company. Currently 57% of the shares in this company are held on behalf of the NSW Government by NSW Government Telecommunications Authority (Telco), with the remaining 43% being held by 8 NSW based Universities.

Its registered office and principal place of business is Suite 7002, 2 Locomotive Street, Eveleigh NSW 2015.

These financial statements for the year ended 30 June 2010 have been authorised for issue by the Directors on 28 September 2010.

(b) Basis of preparation

Reporting Basis and Conventions

Due to its size of operations the company is a small proprietary company under the *Corporations Act 2001* and is not required under that Act to prepare general purpose financial statements. Because the company is controlled by a statutory authority (The NSW Government Telecommunications Authority) the company is also a statutory authority under the *Public Finance and Audit Act 1983*. This Act requires the company to prepare general purpose financial statements.

The financial statements have been prepared on an accruals basis and are based on historical costs modified by the revaluation of selected non-current assets, financial assets and financial liabilities for which the fair value basis of account has been applied.

All amounts are rounded to the nearest one thousand dollars and are expressed in Australian currency.

The financial statements comply with Australian Accounting Standards, which include Australian Accounting Interpretations. The financial statements comply with International Financial Reporting Standards (IFRS).

At the reporting date, a number of Accounting Standards adopted by the AASB had been issued but are not yet operative and have not been early adopted by the company.

It is considered that the implementation of these Standards will not have any material impact on the company's financial results

Notes to the Financial Statements

for the year ended 30 June 2010

Australian Centre for Advanced Computing and Communications Pty Ltd

1 Summary of significant accounting policies (continued)

(c) Income tax

The income tax expense for the year comprises current income tax expense and deferred tax expense. Current income tax expense charged to the profit or loss is the tax payable on taxable income calculated using applicable income tax rates enacted, or substantially enacted, as at reporting date. Current tax liabilities are therefore measured at the amounts expected to be paid. Deferred income tax expense reflects movements in deferred tax asset and deferred tax liability balances during the year as well as unused tax losses. Current and deferred income tax expense is charged or credited directly to equity instead of the profit or loss when the tax relates to items that are credited or charged directly to equity.

Deferred tax assets and liabilities are ascertained based on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the financial statements. Deferred tax assets also result where amounts have been fully expensed but future tax deductions are available. No deferred income tax will be recognised from the initial recognition of an asset or liability where there is no effect on accounting or taxable profit or loss.

Deferred tax assets and liabilities are calculated at the tax rates that are expected to apply to the period when the asset is realised or the liability is settled, based on tax rates enacted or substantively enacted at reporting date. Their measurement also reflects the manner in which management expects to recover or settle the carrying amount of the related asset or liability.

Deferred tax assets relating to temporary differences and unused tax losses are recognised only to the extent that it is probable that future taxable profit will be available against which the benefits of the deferred tax asset can be utilised.

Tax assets and liabilities are offset where a legally enforceable right of set-off exists and it is intended that net settlement or simultaneous realisation and settlement of the respective asset and liability will occur.

(d) Cash and cash equivalents

Cash and cash equivalents include cash on hand, deposits held at call with banks, other short-term highly liquid investments with original maturities of three months or less and bank overdrafts.

Notes to the Financial Statements

for the year ended 30 June 2010

Australian Centre for Advanced Computing and Communications Pty Ltd

1 Summary of significant accounting policies (continued)

(e) Trade receivables

Trade receivables are recognised and carried at original invoice amount less allowance for doubtful debts. Trade receivables are due for settlement no more than 30 days from the date of recognition.

Collectability of trade receivables is reviewed on an ongoing basis. Receivables which are known to be uncollectible are written off. An allowance for doubtful receivables is established when there is objective evidence that the company will not be able to collect all amounts due according to the original terms of receivables. The amount of the allowance is recognised in the profit/loss.

(f) Acquisition of assets

Assets acquired are recorded at the cost of acquisition, being the purchase consideration determined as at the date of acquisition plus costs incidental to the acquisition.

(g) Plant and equipment

Each class of plant and equipment is carried at fair value, where applicable, any accumulated impairment losses.

Physical plant and equipment is valued in accordance with the "Guidelines for the Valuation of Physical Non-Current Assets at Fair Value" (TPP 07-01). ac3's non current assets are non-specialised assets with short useful lives. They are measured at depreciated historical cost, as a surrogate for fair value.

The carrying amount of plant and equipment is reviewed annually by management to ensure it is not in excess of the recoverable amount from these assets. The recoverable amount is assessed on the basis of the expected net cash flows that will be received from the assets employment and subsequent disposal.

Subsequent costs are recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the entity and the cost of the item can be measured reliably. All other repairs and maintenance are charged to profit/loss during the financial period they are incurred.

Notes to the Financial Statements

for the year ended 30 June 2010

Australian Centre for Advanced Computing and Communications Pty Ltd

1 Summary of significant accounting policies (continued)

(h) Depreciation and Amortisation

The depreciable amount of all fixed assets including capitalised leased assets is depreciated or amortised on a straight line basis over their useful lives commencing from the time the asset is held ready for use. Leasehold improvements are amortised over the shorter of either the unexpired period of the lease or the estimated useful lives of the improvements.

Major depreciation periods are:-

Plant and equipment	4-10 years
Furniture and fittings	5-8 years

The assets' residual value and useful lives are reviewed, and adjusted if appropriate, at each reporting date. An asset's carrying amount is written down immediately to its recoverable amount if the asset's carrying amount is greater than its estimated recoverable amount.

(i) Impairment of assets

At each reporting date, the company reviews the carrying values of its assets to determine whether there is any indication that those assets have been impaired. If such an indication exists, the recoverable amount of the asset, being the higher of the asset's fair value less costs to sell and value in use, is compared to the asset's carrying value. Any excess of the asset's carrying value over its recoverable amount is expensed to profit/loss.

(j) Leases

Leases of plant and equipment, where substantially all the risks and benefits incidental to ownership of the asset, but not legal ownership, are transferred to the company are classified as finance leases. Finance leases are capitalised recording an asset and a liability equal to the fair value of the leased property.

Leased assets are amortised on a straight line basis over their estimated useful lives where it is likely that the economic entity will obtain ownership of the asset or over the term of the lease. Lease payments are allocated between the reduction of the lease liability and the lease interest expense for the period.

Lease payments under operating leases, where substantially all the risks and benefits remain with the lessor, are charged as expenses in the periods in which they are incurred.

Notes to the Financial Statements

for the year ended 30 June 2010

Australian Centre for Advanced Computing and Communications Pty Ltd

1 Summary of significant accounting policies (continued)

(k) Financial instruments

Recognition

Financial instruments are initially measured at cost on trade date, which includes transaction costs, when the related contractual rights or obligation exist. Subsequent to initial recognition these instruments are measured as set out below.

Loans and receivables

Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market and are stated at amortised cost using the effective interest rate method.

Financial liabilities

Non-derivative financial liabilities are recognised at amortised cost, comprising of original debt less principal payments and amortisation.

Impairment

At each reporting date, the company assess whether there is objective evidence that a financial instrument has been impaired. Impairment losses are recognised in profit/loss.

(l) Employee entitlements

Provision is made for employee entitlement benefits accumulated as a result of employees rendering services up to the reporting date. These benefits include wages and salaries, annual leave, and long service leave for employees with five or more years' services. Liabilities arising in respect of wages and salaries, annual leave, long service leave and any other employee entitlements are measured at their nominal amounts using remuneration rates at rates expected to be paid at. It is considered that this measurement technique produces results not materially different from the estimate determined by using the present value basis of measurement.

(m) Provisions

Provisions are recognised when the company has a legal or constructive obligation, as a result of past events, for which it is probable that an outflow of economic benefits will result and that outflow can be reliably measured. The provisions are discounted to present value when they will be settled later than one year.

Notes to the Financial Statements

for the year ended 30 June 2010

Australian Centre for Advanced Computing and Communications Pty Ltd

1 Summary of significant accounting policies (continued)

(n) Revenue recognition

Revenue is recognised to the extent that the economic benefits will flow to the entity and the revenue can be reliably measured:

Sale of goods

Control of the goods has passed to the buyer.

Rendering of services

Where the contract outcome can be reliably measured, control of the right to be compensated for the services and the stage of completion can be reliably measured. Where the contract outcome cannot be reliably measured, revenue is recognised only to the extent that costs have been incurred.

Interest

Control of the right to receive the interest payment.

(o) Goods and services tax (GST)

Revenues, expenses and assets are recognised net of the amount of GST, except where the amount of GST incurred is not recoverable from the Australian Taxation Office. In these circumstances the GST is recognised as part of the cost of acquisition of the asset or as part of an item of the expense. Receivables and payables in the statement of financial position are shown inclusive of GST.

(p) Dividends

Dividends are recorded when paid or declared.

Notes to the Financial Statements

for the year ended 30 June 2010

Australian Centre for Advanced Computing and Communications Pty Ltd

	2010 \$'000	2009 \$'000
2 Revenue		
Revenue from continuing operations		
Provision of services	10,422	8,300
Sales of goods	932	727
	-----	-----
	11,354	9,027
	-----	-----
Other revenue		
Interest received	54	80
	-----	-----
	54	80
	-----	-----
Total revenue	11,408	9,107
	=====	=====
3 Expenses	2010	2009
The profit before tax	\$'000	\$'000
Includes the following specific expenses:		
<i>Employee benefits expense</i>		
Annual and long service leave provided	16	36
Payroll tax	217	184
Salaries and wages	4,016	3,368
Staff recruitment	10	17
Superannuation	367	310
	-----	-----
Total employee benefits expense	4,626	3,915
	=====	=====
<i>Other expenses</i>		
Audit fees	33	30
Cost of goods sold	1,740	867
Co-Location fee	844	800
Directors' remuneration	79	79
Operating lease rental – minimum lease payments	133	127
Other expenses	592	559
Power	756	552
Rent	345	310
Repairs and maintenance	167	166
Telecommunications	455	468
	-----	-----
Total other expenses	5,144	3,958
	=====	=====

Notes to the Financial Statements

for the year ended 30 June 2010

Australian Centre for Advanced Computing and Communications Pty Ltd

4 Income tax expense

	2010 \$'000	2009 \$'000
(a) The components of tax expense comprise:		
Prima facie tax payable (30% on profit from ordinary activities before tax)	27	19
Deferred tax benefit resulting from temporary differences	54	50
Recoupment of prior year tax losses	(81)	(69)
	-----	-----
	-	-
	=====	=====
(b) Deferred tax asset/(Deferred tax liability)		
Deferred tax items recognised in the statement of comprehensive income		
Provisions for employee entitlements	106	100
Other provisions	84	61
Lease liability	1,076	648
	-----	-----
	1,266	809
Plant and equipment subject to lease	(1,061)	(659)
	-----	-----
Net deferred tax asset	205	150
	=====	=====
Deferred tax asset recognised in the statement of financial position		
Current asset	555	366
Non-current asset	711	443
	-----	-----
	1,266	809
	=====	=====
Deferred tax liability recognised in the statement of financial position		
Current liability	422	276
Non-current liability	639	383
	-----	-----
	1,061	659
	=====	=====

Notes to the Financial Statements

for the year ended 30 June 2010

Australian Centre for Advanced Computing and Communications Pty Ltd

5 Cash and cash equivalents

	2010 \$'000	2009 \$'000
Cash at bank and on hand	1,800	2,201
		=====
=====		

(a) Reconciliation to cash and cash equivalents at the end of the year

The above figures are reconciled to cash at the end of the financial year as shown in the statement of cash flows as follows:

Balance per statement of cash flows	1,800	2,201
	=====	=====

(b) Cash at bank and on hand

The deposits bear a floating interest rate of 2.69% (2009–3.51%). These funds are at call.

6 Trade and other receivables

	2010 \$'000	2009 \$'000
Current		
Trade debtors	1,498	757
	=====	=====

7 Prepayments

	2010 \$'000	2009 \$'000
Current		
Prepayments - general	58	95
	=====	=====

Notes to the Financial Statements

for the year ended 30 June 2010

Australian Centre for Advanced Computing and Communications Pty Ltd

8 Plant and equipment

	2010	2009
	\$'000	\$'000
Plant and Equipment		
At fair value	1,098	1,052
Accumulated depreciation	(439)	(476)
	-----	-----
Total written down value plant and equipment	659	576
	=====	=====
 Furniture and Fittings		
At fair value	136	104
Accumulated depreciation	(70)	(48)
	-----	-----
Total written down value furniture and fittings	66	56
	=====	=====
 Leased Assets		
At fair value	6,246	3,812
Accumulated amortisation	(2,706)	(1,616)
	-----	-----
Total written down value leased assets	3,540	2,196
	=====	=====
 Total Plant and equipment		
At fair value	7,480	4,969
Accumulated depreciation & amortisation	(3,215)	(2,141)
	-----	-----
Total written down value	4,265	2,828
	=====	=====

Notes to the Financial Statements

for the year ended 30 June 2010

Australian Centre for Advanced Computing and Communications Pty Ltd

8 Plant and equipment (continued)

Reconciliation - 2010	Plant & Equipment \$'000	Furniture & Fittings \$'000	Leased Assets \$'000	Total \$'000
Carrying amount at the beginning of year	576	56	2,196	2,828
Additions	282	32	2,443	2,757
Disposals	-	-	-	-
Depreciation/amortisation	(199)	(22)	(1,099)	(1,320)
	-----	-----	-----	-----
Carrying amount at the end of year	659	66	3,540	4,265
	=====	=====	=====	=====
Reconciliation - 2009				
Carrying amount at the beginning of year	412	49	2,120	2,581
Additions	297	25	896	1,218
Disposals	(1)	-	-	(1)
Depreciation/amortisation	(132)	(18)	(820)	(970)
	-----	-----	-----	-----
Carrying amount at the end of year	576	56	2,196	2,828
	=====	=====	=====	=====

Notes to the Financial Statements

for the year ended 30 June 2010

Australian Centre for Advanced Computing and Communications Pty Ltd

	2010 \$'000	2009 \$'000
9 Trade and other payables		
Current		
Net GST payable	76	88
Sundry creditors and accruals	328	255
Trade creditors	669	425
	-----	-----
	1,073	768
	=====	=====
10 Provisions		
	2010 \$'000	2009 \$'000
Current		
Liability for annual leave	237	193
Liability for long service leave	59	31
	-----	-----
	296	22
	=====	=====
Non-Current		
Liability for long service leave	56	112
Provision for premises relocation	40	23
	-----	-----
	96	135
	=====	=====
Employee numbers		
Average number of employees during the financial year	41	37
	=====	=====

Notes to the Financial Statements

for the year ended 30 June 2010

Australian Centre for Advanced Computing and Communications Pty Ltd

11 Interest bearing liabilities

Future non-cancellable finance lease payments for equipment relating to varying contract periods and suppliers.

Equipment

Minimum commitments payable are as follows:

	2010	2009
	\$'000	\$'000
Within one year	1,606	981
Later than one year but not later than five years	2,522	1,472
Later than five years	-	-
	-----	-----
Minimum lease payments	4,128	2,453
Future finance charges	(537)	(293)
	-----	-----
Present value of minimum lease payments	3,591	2,160
	=====	=====

Finance leases are disclosed in the statement of financial position as follows:

Current interest bearing liability	1,316	816
Non-current interest bearing liability	2,275	1,344
	-----	-----
	3,591	2,160
	=====	=====

Details regarding credit risk, including a maturity analysis of the above borrowings are disclosed in Note 18.

Notes to the Financial Statements

for the year ended 30 June 2010

Australian Centre for Advanced Computing and Communications Pty Ltd

	2010 \$'000	2009 \$'000
12 Other liabilities		
Current		
Income in advance	181 =====	258 =====
Non-current		
Income in advance	110 =====	153 =====

13 Related party disclosures

(a) Details of director remuneration

Details of the remuneration of each non-executive director of Australian Centre for Advanced Computing and Communications Pty Ltd are set out in the following table.

	Short-term	Post-employment	
Name	Cash Salary and Fees (\$'000)	Superannuation (\$'000)	Total (\$'000)
R. Dixon	13	1	14
C. Howells	13	1	14
E. More	13	1	14
N. Stevens	27	2	29
R. Wheeler	13	1	14
Total	79	6	85

None of the other directors listed in the directors' report received any remuneration for the financial year ended 30 June 2010.

Notes to the Financial Statements

for the year ended 30 June 2010

Australian Centre for Advanced Computing and Communications Pty Ltd

13 Related party disclosures (continued)

(b) Details of key management personnel

The names of each person holding the position of director of the company during the financial year are listed in the Directors' Report.

Details of the executive officers are as follows:

Philip McCrea, Chief Executive Officer and Monique McIntosh, Chief Operating Officer

(c) Compensation of key management personnel

	2010	2009
	\$'000	\$'000
Short term benefits	399	365
Post-employment benefits	12	9
Other long-term employee benefits	-	44
	-----	-----
Key management personnel compensation	411	418
	=====	=====

The remuneration and other terms of employment are formalised in contracts of employment.

(d) Transactions involving our related entities

The company received revenue from the Department of Services, Technology and Administration, our ultimate parent entity, for the provision of managed services, and from Macquarie University for the provision of Service Desk support during fiscal 2009 and 2010.

	2010	2009
	\$'000	\$'000
Department of Services, Technology & Administration	1,240	1,220
Macquarie University	67	98
	-----	-----
Related entities transaction	1,307	1,318
	=====	=====

Notes to the Financial Statements

for the year ended 30 June 2010

Australian Centre for Advanced Computing and Communications Pty Ltd

14 Commitments for expenditure

Other Expenditure commitments

Aggregate other expenditure for the acquisition of items as detailed below contracted for at balance date and not provided for:

Agreements with various communication suppliers:

	2010 \$'000	2009 \$'000
Minimum commitments payable are as follows:		
Within one year	53	219
Later than one year but not later than five years	83	6
Later than five years	-	-
	-----	-----
	136	225
	=====	=====

The total other expenditure commitments includes input tax credits of \$12,391 that are expected to be recoverable from the Australian Taxation Office.

Operating leases

Future non-cancellable operating lease rentals not provided for and payable for accommodation and equipment relating to varying contract periods and suppliers.

	2010 \$'000	2009 \$'000
<i>Accommodation and equipment</i>		
Minimum commitments payable are as follows:		
Within one year	596	381
Later than one year but not later than five years	1,903	1,619
Later than five years	-	353
	-----	-----
	2,499	2,353
	=====	=====

The total accommodation and equipment commitments include input tax credits of \$185,336.

Notes to the Financial Statements

for the year ended 30 June 2010

Australian Centre for Advanced Computing and Communications Pty Ltd

15 Segment reporting

The company operates in one business and geographical segment, being the provision of Managed Co-location Services in New South Wales.

	2010	2009
	\$'000	\$'000
16 Reconciliation of profit to net cash inflows from operating activities		
Profit before tax	92	63
Depreciation of plant and equipment	1,320	970
Changes in operating assets and liabilities		
(Increase) in trade and other receivables	(742)	(30)
(Increase) in other assets	(40)	(11)
(Decrease) in prepaid revenue	(120)	(215)
Increase in trade creditors and provisions	349	75
Increase/ (Decrease) in other liabilities	66	(4)
	-----	-----
Net cash provided by operating activities	925	848
	=====	=====

17 Auditor's remuneration

The auditor of the Australian Centre for Advanced Computing and Communications Pty Ltd is the Audit Office of NSW.

Amounts due and receivable by the Audit Office of NSW:

Assurance services	2010	2009
	\$'000	\$'000
<i>Audit services</i>		
Audit of the financial statements	33	30
	=====	=====

Notes to the Financial Statements

for the year ended 30 June 2010

Australian Centre for Advanced Computing and Communications Pty Ltd

18 Financial instruments

2010

Fixed interest maturing in:

	Floating interest rate	1 year or less	1 year to 5 years	More than 5 years	Non- interest bearing 1 year or less	Total
<i>Financial assets</i>						
Cash and cash equivalents	1,800	-	-	-	-	1,800
Trade and other receivables	-	-	-	-	1,499	1,499
Total financial assets	1,800	-	-	-	1,499	3,299
Weighted average interest rate	2.69%	n/a	n/a	n/a	n/a	
<i>Financial liabilities</i>						
Trade and other payables	-	-	-	-	1,073	1,073
Lease liabilities	-	1,606	2,522	-	-	4,128
Total financial liabilities	-	1,606	2,522	-	1,073	5,201
Weighted average interest rate	n/a	n/a	n/a	n/a	n/a	
Net financial assets	1,800	(1,606)	(2,522)	-	426	(1,902)

2009

Fixed interest maturing in:

	Floating interest rate	1 year or less	1 year to 5 years	More than 5 years	Non- interest bearing 1 year or less	Total
<i>Financial assets</i>						
Cash and cash equivalents	2,201	-	-	-	-	2,201
Trade and other receivables	-	-	-	-	757	757
Total financial assets	2,201	-	-	-	757	2,958
Weighted average interest rate	3.51%	n/a	n/a	n/a	n/a	
<i>Financial liabilities</i>						
Trade and other payables	-	-	-	-	768	768
Lease liabilities	-	981	1,472	-	-	2,453
Total financial liabilities	-	981	1,472	-	768	3,221
Weighted average interest rate	n/a	n/a	n/a	n/a	n/a	
Net financial assets	2,201	(981)	(1,472)	-	(11)	(263)

Notes to the Financial Statements

for the year ended 30 June 2010

Australian Centre for Advanced Computing and Communications Pty Ltd

18 Financial instruments (continued)

Market risk

The only component of market risk to which we are exposed is interest rate risk.

Our Interest rate risk is minimal due to fixed interest rates with all loans related to equipment lease agreements.

Liquidity risk

The liquidity risk is minimal as the company has cash reserves available at call in addition to readily accessible standby facilities. Receivables are on terms of no more than 30 days payable from invoice date.

Price risk

Price risk is minimal due to 80% of revenue being derived from services provided. All capital equipment purchased by the company on behalf of customers was done so under the agreement of a signed contract and purchase order.

Credit risk

The maximum exposure to credit risk, excluding the value of any collateral or other security, at balance date to recognise financial assets is the carrying amount of those assets, net of any allowance for impairment, as disclosed in the statement of financial position and notes to the financial statements.

The company does not have any material credit risk exposure to any single debtor or group of debtors under financial instruments entered into by the company.

Notes to the Financial Statements

for the year ended 30 June 2010

Australian Centre for Advanced Computing and Communications Pty Ltd

18 Financial instruments (continued)

The only financial assets that are past due or impaired are 'sales of goods and services' in the 'receivables' category of the statement of financial position as per table below.

	Total \$'000	Past Due But Not Impaired \$'000	Considered Impaired \$'000
2010			
Less than 3 months overdue	309	309	-
3 months to 6 months overdue	49	49	-
Greater than 6 months overdue	-	-	-
2009			
Less than 3 months overdue	85	85	-
3 months to 6 months overdue	21	21	-
Greater than 6 months overdue	-	-	-

Fair values

The carrying amount of the company's financial instruments is approximate its fair value.

19 Contingent liabilities and assets

ac3 is not aware of any contingent liabilities or assets associated with its operations.

20 Subsequent events

There were no events occurring after reporting date requiring disclosure.

END OF AUDITED FINANCIAL STATEMENTS

Directors' Declaration

In accordance with a resolution of the directors of the Australian Centre for Advanced Computing and Communications Pty Ltd and pursuant to Section 41C(1C) of the Public Finance and Audit Act 1983, in the opinion of the directors:


1. The accompanying financial statements exhibit a true and fair view of the financial position of the company as at 30 June 2010 and the transactions for the year ended 30 June 2010.
2. The financial statements have been prepared in accordance with the provisions of the Public Finance and Audit Act 1983 and Regulation 2010.

In the directors' opinion, the company will be able to pay its debts as and when they fall due.

Further, we are not aware of any circumstances which would render any particulars in the financial statements to be misleading or inaccurate.

This statement is made in accordance with a resolution of the directors.


Director


Director

Sydney
Dated 28/09/2010



Appendices

Appendices

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Appendix 1 Accounts payable performance

Aged analysis at the end of each quarter

Quarter	Current \$'000	Less than 30 days overdue \$'000	Between 30 and 60 days overdue \$'000	Between 60 and 90 days overdue \$'000	More than 90 days overdue \$'000	Total \$'000
September 2009	31,802	115	160	0	83	32,160
December 2009	16,551	62	143	20	92	16,868
March 2010	37,789	188	133	52	67	38,229
June 2010	51,786	2,805	2	0	1	54,594

Percentage paid on time within each quarter

Quarter	Target %	Actual %	Amount paid on time \$'000	Total amount paid \$'000
September 2009	85	94	519,388	554,527
December 2009	85	93	518,207	555,125
March 2010	85	86	324,637	378,181
June 2010	85	90	403,793	450,765

There was no late payment penalty interest paid by the Department during 2009/10.

Appendix 2 Annual report preparation

The annual report was prepared in-house. Production costs were \$3,092.10 and included editing, cover design, printing and binding. The report is also available online in pdf at <http://services.nsw.gov.au/about-us/library>.

Appendix 3 Consultants

Engagements over \$50,000

Consultant	Office	Category & Purpose	Expenditure
Ernst & Young	Government Services Division	Information Technology - Procure-2-Pay Solution	\$93,669
PricewaterhouseCoopers	Government Chief Information Office	Information Technology - Providing financial and commercial advice about Data Centre Reform project's Request for Tender	\$389,326
AAS - Gibson Quai	Government Chief Information Office	Information Technology - Valuation of assets regarding National Broadband Network Survey	\$179,870
Booz & Co.	Government Chief Information Office	Information Technology - VISION 2020: Develop a proposed ICT vision for NSW to 2020	\$195,000
Ernst & Young	Government Services Division	Organisational Review - Fixed Asset Review including solution options for StateFleet motor vehicles	\$62,612
PricewaterhouseCoopers	Corporate Services	Organisational Review - Review of corporate and shared services in line with the NSW Government 's Blueprint for Corporate and Shared Services	\$405,594
Ernst & Young	Government Services Division	Organisational Review - Review on structure and operations of NSW Procurement	\$426,041
KPMG Australia	Government Chief Information Office & NSW Fair Trading	Organisational Review - Services in relation to Government Licensing Service and the National Reform Agenda	\$67,590
Ernst & Young	Government Services Division	Organisational Review - To develop a Governance Structure for Government Services division	\$77,420
KPMG Australia	Corporate Services	Organisational Review - Review of Governance Arrangements with Departments Related Entities	\$68,182
Total Engagements over \$50,000			\$1,965,304

Engagements under \$50,000

Category	Number of engagements	Expenditure
Information Technology	3	\$77,840.00
Organisational Review	2	\$84,128.00
Total Engagements under \$50,000		\$161,968
Total cost of consultancies		\$2,127,272

Appendix 4 Consumer response

Departmental customer feedback management

In 2009/10, a department wide customer feedback management policy was developed, and will be implemented during 2010/11. The policy outlines the Department's customer feedback process, which aims to:

- affirm and support the right of customers of DSTA to provide feedback (both negative and positive), and to have any dissatisfaction with DSTA's services dealt with fairly, consistently and confidentially
- enable customer satisfaction levels to be measured and to provide a source of information and feedback for improving DSTA's services
- improve service delivery through better customer satisfaction outcomes.

The *Customer Feedback Management Policy* also supports *NSW State Plan* objectives designed to improve customer service and satisfaction for the NSW community.

NSW Fair Trading

NSW Fair Trading publishes Customer Service Standards, which detail the delivery standards that the public can expect when interacting with DSTA. During 2009/10, all published standards were met. NSW Fair Trading operates a customer feedback system, known as 'Your Opinion Counts', providing forms that can be lodged at a counter, through the mail or on the NSW Fair Trading website (www.fairtrading.nsw.gov.au)

In 2009/10, 266 customer feedback responses were lodged by consumers and traders, comprised of 109 (41%) compliments, 37 (14%) suggestions, 120 (45%) complaints. Compliments expressed praise for various aspects of customer service, especially staff helpfulness and professionalism. The 120 complaints were reviewed and addressed through a process overseen by DSTA senior management. Fair Trading actively monitors its customer complaint handling performance and evaluates customer complaint volumes and trends for service improvement purposes.

The complaints related to:

Service quality	15%	Information accuracy	14%
Staff actions	23%	Website	13%
Timeliness of service	6%	Other/Misc	29%

Government Chief Information Office

Government Chief Information Office Website

The Government Chief Information Office (GCIO) website (www.gcio.nsw.gov.au) received approximately 185 messages via email to info.gcio@commerce.nsw.gov.au requesting further information. No complaints were received.

NSW Government Directory

The NSW Government Directory received over 1.5 million visits and 500 requests for updates. No complaints were received.

Government Services

NSW Procurement Client Support Centre

The NSW Procurement Client Support Centre (Client Support Centre) usage continued to grow with a 19 per cent increase in activity. This year the focus has been on quality and customer service with a higher level of compliments being received.

The support function has grown and matured over the past five years, and this is reflected by the number of calls received. In 2009, the Client Support Centre was a finalist in the Government Contact Centre Awards in two categories and has further implemented several new systems to improve its customer response.

The introduction of the new Jobs NSW system in 2009 led to an increase in the volume of calls/requests, and required changes to systems and skills to provide suitable support. This had an impact on the initial ability to meet first level resolution targets during the first half of the year and impacted on the total year statistics for first level resolution. Improvements have led to first level resolution being 80 per cent at the end of the financial year.

2009/10 Client Support Centre statistics

	2008/09	2009/10
Total number of enquiries	24,397	29,108
Total number resolved first level	18,341	22,104
% first level	76.12%	75.94%
Total number resolved in Service Level Agreement (SLA)*	22,375	27,026
% calls resolved in SLA	92.87%	92.85%
Compliments	25	471
Complaints	13	7

The complaints received by the Client Support Centre were mostly related to contracts. These complaints were forwarded to the State Contracts Control Board for further action. Complaints regarding advice provided by the Client Support Centre were all resolved within 24 hours of receipt.

*The percentage resolved in SLA reflects incidents being resolved in less than two hours, or up to a maximum of 20 working days.

ServiceFirst

One Service Centre

ServiceFirst has successfully implemented a single IT Service Centre call management system to establish a scalable, sustainable service management solution for all shared services clients.

Phase I of the project covered IT services, encompassing the implementation of the call management system, the introduction of new call management processes and the establishment of a knowledge base centre to assist with call management efficiency.

Over 97,500 calls have been logged since the system was established in August 2009, of which 97 per cent of calls have been resolved.

2009/10 Performance indicators

Service Group	Indicator Measure	2008/09 Actual	2009/10 Target	2009/10 Actual	Comment	2010/11 Target
IT Service Centre – Assisted end user services	Percentage of Service Centre calls resolved at the first level	51%	60% of calls resolved at the first level	66%	Achieved	60% of calls resolved at the first level
IT Data Centre – Application server availability	Percentage of application availability	99.3%	Availability target 99.95%	99.5%	Marginally below target. Improved on 08/09 actual.	Availability target 99.95%
IT Data Centre – Network availability	Percentage of Wide Area Network availability	99.4%	Availability target 99.7%	99.4%	Marginally below target.	Availability target 99.7%
Client satisfaction	ServiceFirst IT overall client satisfaction level	90%	80%	90%	Achieved	80%

Client relationship

ServiceFirst convenes regular meetings with clients including an annual contract and service planning meeting, and monthly or quarterly service management meetings which gather client feedback and resolve client issues. A formal client issues log is managed across ServiceFirst.

StateFleet

Eighty per cent of StateFleet staff have frontline contact with clients primarily contacted by phone, with some face to face contact as required.

StateFleet account managers maintain regular contact with clients. Account managers are contactable during business hours and they regularly visit clients under a formal visiting program. Issues are resolved as they arise and if a system issue is identified, it is rectified in consultation with an in-house working party.

Several compliments were received by StateFleet staff across various areas. One formal complaint was received which has been acknowledged and the matter was clarified through a formal response to the complainant.

StateFleet client survey

In March 2010, StateFleet conducted its bi-annual client satisfaction survey. Seventy respondents from 28 agencies across NSW Government completed the survey, which was administered by an external market research agency.

The survey included a range of questions intended to gauge respondents' awareness, usage and satisfaction relating to features, benefits and services provided by StateFleet Leasing Arrangement. Ten areas were assessed and the survey results indicated an overall high satisfaction level, with the strongest area being the ease with which people could access StateFleet personnel.

Dissatisfaction levels were low across all ten areas with the highest dissatisfaction relating to lease billings and vehicle delivery. StateFleet has initiated processes to improve these two areas.

StateFleet annual client conference

In October 2009, StateFleet held its annual conference and 83 clients from 41 agencies attended the event, the theme of which was 'Safety'. The agenda involved a presentation by StateFleet staff and external presenters from WorkCover and QFleet, followed by a Driver

Training Program on occupant and vehicle safety. The feedback received by clients was positive with 97.7 per cent of clients rating the conference as excellent/good and 93.3 per cent rating the Driver Training Program as excellent/good.

NSW Industrial Relations

NSW Industrial Relations (NSW IR) has an integrated complaint handling system which enables people using NSW IR's services to understand and be aware of avenues to raise concerns about the quality and timeliness of the services. NSW IR also provides clients with information about avenues of appeal against decisions made by the division.

Through the DSTA Results and Services Plan, NSW IR has a range of performance standards for the delivery of its major services. During 2009/10, NSW IR met its major performance targets.

No formal requests were received by NSW IR seeking a review of a complaint file. Eight informal requests were received seeking clarification and explanation of actions, interpretation of industrial instruments and outcomes of the investigation of an industrial complaint. These requests were dealt with and overseen by DSTA senior management.

A total of 21 internet feedback forms were lodged by employees and employers which comprised of ten compliments or suggestions and eleven complaints. Compliments expressed praise for ease of use and content and helpful service by NSW IR staff. The 11 complaints were mainly concerned with technical problems with the website and service delivery, which were reviewed and addressed through a process overseen by DSTA senior management. NSW IR actively monitors its customer complaint handling performance and evaluates customer complaint volumes and trends for service improvement purposes.

NSW Public Works

NSW Water Solutions

NSW Water Solutions conducts annual project-level surveys to assess client satisfaction. In 2009/10, NSW Water Solutions' clients expressed a high level of satisfaction with an average rating of 87 per cent which exceeded the target level of 80 per cent.

Project Management

The Project Management Group conducts client surveys throughout the year. For 2009/10 the Project Management Group Client Satisfaction Score is 83.3 per cent and is above the target of 80 per cent. The measure is based on random project level surveys and reflects client satisfaction with management of project risks, staff responsiveness and capability and project outcomes.

Government Architect's Office

The Government Architect's Office (GAO) conducts client satisfaction surveys each year. In 2009/10, surveys were undertaken to measure client satisfaction with the provision of strategic advice, heritage advice and services, and integrated building design solutions undertaken by GAO. As at 30 June 2010, clients reported high levels of overall satisfaction on these indicators of 77.5 per cent, 96.5 per cent and 85.0 per cent respectively.

Appendix 5 Credit card certification

In accordance with Treasurer's Directions and Premier's Memoranda, the Director General, DSTA, certified that corporate credit card use during 2009/10 has been in accordance with established Government requirements and practices.

This certification was qualified to the extent that detected instances of non-compliance with established departmental policies and procedures were considered as isolated and minor.

Appendix 6 Employment statistics

Table 1 DSTA Staff numbers (full time equivalent)

Category	At 30 June 2006 ¹	At 30 June 2007 ¹	At 30 June 2008 ¹	At 30 June 2009 ¹	At 30 June 2010 ¹
Archivist		32.15	33.61	32.31	29.1
Clerical Assistant	2	2	2	2	2
Clerical Officer	45.6	142.47	124.15	6.2	4
Clerk	2,517.03	3,029.13	3,071.70	3,253.05	2692.62
Conservator	0	2.4	2.82	2	2
Legal Officer	24.3	26.3	24.9	28.6	25.6
Professional ⁶	244.83	243.55	242.54	256.74	251.81
Project	4	2	2	2	2
Senior Executive Service	44.8	48.8	51.6	33.9	31
Senior Management	50	46	41.6	23.6	25.6
Senior Officer	86.1	154.3	174.3	198	154.3
Technical	24.8	19.8	19.2	13.2	11.6
Wages	131	136	136	137	136
Other General Division		10.37	11.5	11.57	10.1
Total	3,174.46	3,895.27	3,937.92^{2,3,4}	4,000.17^{4,5}	3377.73⁴

Notes

1. Full time equivalent staff (excludes chairpersons, casuals, contractor/agency staff, statutory appointments, trustees, council committee members, staff on secondment to other agencies and staff on long term leave without pay)
2. 125.92 of total are made up of Corporate Shared Services figures
3. 582 of total made up of NSW BusinessLink
4. Total does not include Tribunal chairpersons
5. 613 of total made up of NSW Businesslink (included in the Department of Commerce till 30 June 2010)
6. Includes Librarians.

Table 2 Senior Executive Service

Senior Executive Service positions by level	At 30 June 2009	At 30 June 2010
8	1	1
7	0	0
6	2	3
5	6	6
4	10	9
3	11	8
2	2	4
1	0	0
Total	32	31
Positions filled by women	3	3
Unattached staff	0	0

Appendix 7 Energy management

In accordance with the NSW Government Sustainability Policy, DSTA has a corporate Energy Management Plan and reports energy and water use to the Department of Environment, Climate Change and Water. DSTA is committed to achieving savings in energy usage and the use of sustained energy management principles. In 2009/10, the Department's purchase of electricity in the contestable market lowered costs and reduced greenhouse gas emissions with DSTA occupied facilities and buildings recording:

- 60,553 gigajoules of total energy consumption, including 889,086 kWh of green energy, 12 per cent reduction compared to the revised 2008/09 results for the former Department of Commerce sites*
- 15,566 tonnes of CO₂ in greenhouse gas emissions, 11.4 per cent reduction compared to the revised 2008/09 results for the former Department of Commerce sites*
- \$2,275,404 in energy costs, 10.3 per cent reduction compared to the 2008/09 costs for the former Department of Commerce sites*.

The reductions resulted from DSTA's relocation and collocation strategy, the relinquishment of leases throughout the year and the transfer of assets to other Government agencies. In addition, DSTA has increased the number of sites that purchase electricity in the contestable market. Since 2008, approximately 85 per cent of DSTA small sites have been moved to the small sites contract, with the remainder to be moved in 2010/11.

As required by the NSW government, National Australian Built Environment Rating System (NABERS) accreditation has been gained for all tenancies greater than 1,000m². Improvement plans are being developed to meet the targets set out for all Government agencies. Energy sustainability initiatives include:

- increased energy awareness by participating in the 'Earth Hour' Campaign and continuation of the 'Switch Me Off' initiative to reduce energy consumption and CO₂ emissions
- the McKell building, our largest tenancy, is participating in the 'CitySwitch Green Office' program, with the aim of improving the NABERS ratings for the building by progressively carrying out sustainability initiatives for the building.

Notes

* The figures provided are based on billing information available at the time of the report. Some information was extrapolated from data received, or estimated over the full year.

2008/09 figures for the former Department of Commerce were revised and updated as more billing information became available.

Greenhouse gas emissions factors have been revised in accordance with the Department of Environment, Climate Change and Water – National Greenhouse Accounts (NGA) Factors. All figures exclude State Records NSW and Government Services Data Centre consumption.

Appendix 8 Freedom of Information report and statistics

Freedom of Information

DSTA received 201 freedom of information (FOI) applications during the year under the NSW *Freedom of Information Act 1989* (FOI Act).

Fourteen applications were brought forward from 2008/09, resulting in 215 applications to be processed. Of these:

- one application was transferred to another agency
- 20 applications were withdrawn at the applicants' request
- 13 applications were carried forward to 2010/11
- 90 were granted full access
- 55 were granted partial access
- 23 were refused access
- eight notices were issued confirming no documents were held
- five applicants failed to pay processing charge advance deposits.

During 2009/10, 21 personal applications were received. Of these:

- four applications were carried forward to the next reporting period
- five were granted full access
- six were granted partial access
- six were refused access.

In the 2008/09, 150 determinations were made, resulting in 85 being granted full access, 46 partial access, 11 were refused access to held information and in relation to eight matters, no documents were held by the Department. There were eight internal review applications received during 2009/10 compared to seven in 2008/09. The resulting determinations upheld five of the original decisions and three were varied.

In 2009/10, the Ombudsman's Office conducted two reviews. In relation to one matter the recommendations made by the investigating officer were supported and the applicant was provided with additional information. In relation to the second matter, the advice of the Ombudsman is being acted on and the matter will be completed in 2010/11.

During 2009/10, there was one appeal matter to the Administrative Decisions Tribunal (ADT) and the ADT affirmed DSTA's original decision on the matter.

Statistical information complying with Appendix B of the Freedom of Information Manual is shown in the appendices of this report.

Summary of Affairs

The FOI Act gives the public the legal right to:

- obtain access to information held by the Department
- request amendments to records of a personal nature that are inaccurate
- appeal against a decision not to grant access to information or to amend personal records.

An FOI Summary of affairs was published in the *NSW Government Gazette Number 85* on 25 June 2010.

FOI statistics

Section A – New FOI Applications

How many FOI applications were received, discontinued or completed?	Number of applications					
	Personal		Other		Total	
	(previous year)	(current year)	(previous year)	(current year)	(previous year)	(current year)
A1 New	15	21	174	180	189	201
A2 Brought Forward	2	0	4	14	6	14
A3 Total to be processed	17	21	178	194	195	215
A4 Completed	17	17	133	159	150	176
A5 Discontinued	0	0	31	26	31	26
A6 Total processed	17	17	164	185	181	202
A7 Unfinished (carried forward)	0	4	14	9	14	13

Section B – Discontinued applications

Why were FOI applications discontinued?	Number of discontinued FOI applications					
	Personal		Other		Total	
	(previous year)	(current year)	(previous year)	(current year)	(previous year)	(current year)
B1 Request transferred out to another agency (s.20)	0	0	9	1	9	1
B2 Applicant withdrew request	0	0	20	20	20	20
B3 Applicant failed to pay advance deposit (s.22)	0	0	1	5	1	5
B4 Applicant failed to amend a request that would have been an unreasonable diversion of resources to complete (s.25(a)(a1))	0	0	1	0	1	0
B5 Total discontinued	0	0	31	26	31	26

Note: If request discontinued for more than one reason, select the reason first occurring in the above table. The figures in B5 should correspond to those in A5.

Section C – Completed Applications

What happened to completed FOI applications?	Number of completed FOI applications					
	Personal		Other		Total	
	(previous year)	(current year)	(previous year)	(current year)	(previous year)	(current year)
C1 Granted or otherwise available in full	8	5	77	85	85	90
C2 Granted or otherwise available in part	7	6	39	49	46	55
C3 Refused	1	6	10	17	11	23
C4 No documents held	1	0	7	8	8	8
C5 Total completed	17	17	133	159	150	176

Note: A request is granted or otherwise available in full if all documents requested are either provided to the applicant (or the applicant's medical practitioner) or are otherwise publicly available. The figures in C5 should correspond to those in A4.

Section D – Applications granted or otherwise available in full

How were the documents made available to the applicant?	Number of FOI applications (granted or otherwise available in full)					
	Personal		Other		Total	
	(previous year)	(current year)	(previous year)	(current year)	(previous year)	(current year)
All documents requested were:						
D1 Provided to the applicant	8	5	76	81	84	86
D2 Provided to the applicant's medical Practitioner	0	0	0	0	0	0
D3 Available for inspection	0	0	1	2	1	2
D4 Available for purchase	0	0	0	0	0	0
D5 Library material	0	0	0	0	0	0
D6 Subject to deferred access	0	0	0	2	0	2
D7 Available by a combination of any of the reasons listed in D1-D6 above	0	0	0	0	0	0
D8 Total granted or otherwise available in full	8	5	77	85	85	90

Note: the Figures in D8 should correspond to those in C1.

Section E – Applications granted or available in part

How were the documents made available to the applicant?	Number of FOI applications (granted or otherwise available in part)					
	Personal		Other		Total	
Documents made available were:						
E1 Provided to the applicant	7	5	39	47	46	52
E2 Provided to the applicant's medical Practitioner	0	1	0	0	0	1
E3 Available for inspection	0	0	0	0	0	0
E4 Available for purchase	0	0	0	0	0	0
E5 Library material	0	0	0	0	0	0
E6 Subject to deferred access	0	0	0	2	0	2
E7 Available by a combination of any of the reasons listed in E1-E6 above	0	0	0	0	0	0
E8 Total granted or otherwise available in part	7	6	39	49	46	55

Note: The Figures in E8 should correspond to those in C2.

Section F – Refused FOI applications

Why was access to the documents refused?	Number of refused FOI applications					
	Personal		Other		Total	
	(previous year)	(current year)	(previous year)	(current year)	(previous year)	(current year)
F1 Exempt	0	6	10	17	10	23
F2 Deemed refused	1	0	0	0	1	0
F3 Total refused	1	6	10	17	11	23

Note: The Figures in F3 should correspond to those in C3.

Section G – Exempt documents

Why were the documents classified as exempt?	Number of FOI applications (refused or access granted or otherwise available in part only)					
	Personal		Other		Total	
	(previous year)	(current year)	(previous year)	(current year)	(previous year)	(current year)
Restricted documents:						
G1 Cabinet documents medical (Clause 1)	0	0	1	4	1	4
G2 Executive Council documents (Clause 2)	0	0	0	0	0	0
G3 Documents affecting law enforcement and public safety (Clause 4)	0	2	11	13	11	15
G4 Documents affecting counter terrorism measures (Clause 4A)	0	0	0	0	0	0
Documents requiring consultation:						
G5 Documents affecting intergovernmental relations (Clause 5)	0	0	0	0	0	0
G6 Documents affecting personal affairs (Clause 6)	7	4	18	28	25	32
G7 Documents affecting business affairs (Clause 7)	0	1	8	9	8	10
G8 Documents affecting the conduct of research (Clause 8)	0	0	0	0	0	0
Documents otherwise exempt:						
G9 Schedule 2 exempt agency	0	0	0	0	0	0
G10 Documents containing information confidential to Olympic Committees (Clause 22)	0	0	0	0	0	0
G11 Documents relating to threatened species, Aboriginal objects or Aboriginal places (Clause 23)	0	0	0	0	0	0
G12 Documents relating to threatened species conservation (Clause 24)	0	0	1	0	1	0
G13 Plans of management containing information of Aboriginal significance (Clause 25)	0	0	0	0	0	0
G14 Private documents in public library collections (Clause 19)	0	0	0	0	0	0
G15 documents relating to judicial functions (Clause 11)	0	0	1	3	1	3
G16 Documents subject to contempt (Clause 17)	0	0	0	0	0	0
G17 Documents arising out of companies and securities legislation (Clause 18)	0	0	0	0	0	0
G18 Exempt documents under interstate FOI Legislation (Clause 21)	0	0	0	0	0	0

Why were the documents classified as exempt?	Number of FOI applications (refused or access granted or otherwise available in part only)					
G19 Documents subject to legal professional privilege (Clause 10)	0	3	2	5	2	8
G20 Documents containing confidential material (Clause 13)	0	1	2	0	2	1
G21 Documents subject to secrecy provisions (Clause 12)	0	0	1	0	1	0
G22 Documents affecting the economy of the State (Clause 14)	0	0	0	0	0	0
G23 Documents affecting financial or property interests of the State or an agency (Clause 15)	0	0	0	0	0	0
G24 Documents concerning operations of agencies (Clause 16)	0	0	0	2	0	2
G25 Internal working documents (Clause 9)	0	1	4	2	4	3
G26 Other exemptions (eg. Clauses 20 22A and 26)	0	0	0	0	0	0
G27 Total applications including exempt documents	7	12	49	66	56	78

Note: Where more than one exemption applies to a request select the exemption category first occurring in the above table. The figures in G27 should correspond to the sum of the figures in C2 and F1.

Section H – Ministerial Certificates (S.59)

How many Ministerial Certificates were issued?	Number of Ministerial Certificates	
	(previous year)	(current year)
H1 Ministerial Certificates issued	0	0

Section I – Formal consultations

How many formal consultations were conducted?	Number	
	(previous year)	(current year)
I1 Number of applications requiring formal consultation	107	17
I2 Number of persons formally consulted	328	234

Note: Includes all formal offers to consult issued irrespective of whether a response was received.

Section J – Amendment of personal records

How many applications for amendment of personal records were agreed or refused?	Number of applications for amendment of personal records	
	(previous year)	(current year)
J1 Agreed in full	0	0
J2 Agreed in part	1	0
J3 Refused	0	0
J4 Total	1	0

Section K – Notation of personal records

How many applications for notation of personal records were made (s.46)?	Number of applications for notation	
	(previous year)	(current year)
K1 Applications for notation	0	0

Section L – Fees and costs

What fees were assessed and received for FOI applications processed (excluding applications transferred out)?	Assessed costs		Fees received	
	(previous year)	(current year)	(previous year)	(current year)
L1 All completed applications	\$14,242.50	\$15,835.00	\$7,967.75	\$6,617.50

Section M – Fee discounts

How many fee waivers or discounts were allowed and why?	Number of FOI applications (where fees were waived or discounted)					
	Personal		Other		Total	
	(previous year)	(current year)	(previous year)	(current year)	(previous year)	(current year)
M1 Processing fees waived in full	0	0	1	3	1	3
M2 Public interest discounts	0	0	3	2	3	2
M3 Financial hardship discounts – pensioner or child	0	0	4	5	4	5
M4 Financial hardship discounts – non profit organisation	0	0	0	0	0	0
M5 Total	0	0	8	10	8	10

Section N – Fee refunds

How many fee refunds were granted as a result of significant correction of personal records?	Number of applications for notation	
	(previous year)	(current year)
N1 number of fee refunds granted as a result of significant correction of personal records	1	0

Section O – Days taken to complete request

How long did it take to process completed application (Note: calendar days)	Number of completed FOI applications					
	Personal		Other		Total	
	(previous year)	(current year)	(previous year)	(current year)	(previous year)	(current year)
O1 0-21 days – statutory determination period	10	9	44	43	54	52
O2 22-35 days – extended statutory determination period for consultation or retrieval of archived records (S.59B)	7	2	79	76	86	78
O3 Over 21 days – deemed refusal where no extended determination period applies	0	3	3	6	3	9
O4 Over 35 days – deemed refusal where extended determination period applies	0	3	7	34	7	37
O5 Total	17	17	133	159	150	176

Note: Figures in O5 should correspond to figures in A4.

Section P – Processing time: hours

How long did it take to process completed applications?	Number of completed FOI applications					
	Personal		Other		Total	
	(previous year)	(current year)	(previous year)	(current year)	(previous year)	(current year)
P1 0-10 hours	14	9	106	119	120	128
P2 11-20 hours	1	4	9	5	10	9
P3 21-40 hours	1	2	12	17	13	19
P4 Over 40 hours	1	2	6	18	7	20
P5 Total	17	17	133	159	150	176

Note: Figures in P5 should correspond to figures in A4.

Section Q – Number of reviews

How many reviews were finalised?	Number of completed reviews	
	(previous year)	(current year)
Q1 Internal reviews	7	8
Q2 Ombudsman reviews	1	2
Q3 ADT reviews	0	1

Section R – Results of internal reviews

What were the results of internal reviews finalised?

Grounds on which the internal review was requested	Number of internal reviews					
	Personal		Other		Total	
	Original Agency Decision	Original Agency Decision	Original Agency Decision	Original Agency Decision	Original Agency Decision	Original Agency Decision
	Upheld	Varied	Upheld	Varied	Upheld	Varied
R1 Access refused	0	0	3	3	3	3
R2 Access deferred	0	0	0	0	0	0
R3 Exempt matter deleted from documents	2	0	0	0	2	0
R4 Unreasonable charges	0	0	0	0	0	0
R5 Failure to consult with third parties	0	0	0	0	0	0
R6 Third parties views disregarded	0	0	0	0	0	0
R7 Amendment of personal records refused	0	0	0	0	0	0
R8 Total	2	0	3	3	5	3

Appendix 9 Funds granted to non-government community organisations

NSW Fair Trading provides grants to not-for-profit organisations for the provision of community education, advice and advocacy services for tenants, retirement village residents, residential parks residents and consumers who need assistance to deal with personal financial difficulties. In line with the NSW Government's social justice policy, these grants promote the principles of access, equity and diversity. Other grants programs target the home building and property services industries. Under these programs, funds are provided to undertake research or training which will enhance the professionalism of those industries and, in turn, enhance outcomes for their consumers.

Program: Tenants Advice and Advocacy Program 2009/10

In 2009/10 community organisations were funded under the Tenants' Advice and Advocacy Program (TAAP) to provide advice and advocacy on tenancy matters, with over 35,000 people assisted. Of these, around 15 per cent required assistance at the Consumer, Trader and Tenancy Tribunal. In 2010 the Minister for Fair Trading approved an extension of funding for the Tenants' Advice and Advocacy Program by a further two years to 30 June 2013. TAAP services report that repairs and maintenance, lease terminations and dealing with rent arrears continue to be the major issues dealt with. Government reforms to the social housing sector -

including the transfer of management and title from Housing NSW to community housing providers - have led to an increase in work and interest in this area.

Funding source: Rental Bond Board Interest (50%), Real Estate Statutory Interest (50%)

Funded organisation	Purpose	Funding
Tenants Union of NSW Co-operative Limited	Tenants Union of NSW	\$644,669.35
Tenants Union of NSW Co-operative Limited	Residential Parks Solicitor	\$90,883.77
Tenants Union of NSW Co-operative Limited	Aboriginal Legal Officer	\$132,064.63
Dtarawarra Pty Ltd	Aboriginal Resource Unit	\$159,748.76
Combined Pensioners & Superannuants Association of NSW Inc	Older Persons Tenants Service	\$202,636.65
Combined Pensioners & Superannuants Association of NSW Inc	Park and Village Service	\$212,063.27
Redfern Legal Centre	Inner Sydney Tenants Advice & Advocacy Service	\$268,696.33
Eastern Area Tenants Service Incorporated	Eastern Area Tenants Service Inc	\$271,254.40
Marrickville Legal Centre	Inner West Tenants Advice and Advocacy Service	\$277,010.09
Northern Area Tenants Service Incorporated	Northern Area Tenants Service	\$375,184.10
Metro Migrant Resource Centre Inc	Southern Sydney Tenants Advice & Advocacy Service	\$417,368.98
Macarthur Legal Centre	South West Sydney Tenants Advice and Advocacy Service	\$340,408.27
Northern Area Tenants Service Incorporated	North Western Sydney Tenants Service	\$261,478.82
Macquarie Legal Centre	Western Sydney Tenants Service (WESTS - Parramatta)	\$305,058.62
Elizabeth Evatt Community Legal Centre	Western Sydney Tenants Service (WESTS - Blue Mountains)	\$52,295.76
Central Coast Tenants Advice and Advocacy Service Inc	Central Coast Tenants Advice and Advocacy Service	\$265,498.74
Hunter Regional Neighbourhood Centre Forum Inc	Hunter Tenants Advice & Advocacy Service	\$382,471.66
Illawarra Legal Centre	Illawarra Tenants Service	\$303,339.54
Port Macquarie Neighbourhood Centre Inc	Mid Coast Tenants Advice and Advocacy Service	\$313,064.98
Northern Rivers Community Legal Centre Inc	Northern Rivers Tenants Advice and Advocacy Service	\$313,064.98
Central West Community College	South Western NSW Tenants Service	\$822,098.84
New England and Western Tenants Advice and Advocacy Service Incorporated	New England and Western Tenants Advice and Advocacy Service	\$493,074.14
Northern NSW Aboriginal Tenants Advice and Advocacy Service Inc	Northern NSW Aboriginal Tenants Advice and Advocacy Service	\$509,297.25

Funded organisation	Purpose	Funding
Murdi Paaki Regional Enterprise Corporation	Western Aboriginal Tenants Advice and Advocacy Service	\$495,718.72
Management and Advisory Services Aboriginal Corporation	Murra Mia Tenants Advice and Advocacy Service	\$447,052.14
Dtarawarra Pty Ltd	Greater Sydney Aboriginal Tenants Service	\$282,126.25
Tenants Advice and Advocacy Program - Special Purpose Fund 2009/10	Unforeseen expenditure which is directly linked to the provision of service to tenants	\$139,775.48
Total		\$8,777,404.5

Program: Financial Counselling Services Program

During 2009/10, NSW Fair Trading provided record levels of funding for financial counselling in NSW. The NSW Government announced a funding increase of \$1.6 million per annum for the Financial Counselling Services Program from 1 July 2009, making a total of \$5.4 million per annum. The additional funding has been allocated directly to financial counselling and legal services, allowing them to expand and improve the vital services they provide to the community. This increase was timely as demand created by the global financial crisis, in addition to the already high demand, has presented a challenge to the sector. The issues reported by funded services revealed a significant increase in the number of people seeking advice about bankruptcy due to credit over-commitment. Demand for assistance in relation to home mortgages also continues to increase. There has also been a significant rise in the number of older clients due to a significant drop in the value of superannuation funds.

Funding source: Rental Bond Board Interest (53%), Financial Counselling Trust Fund (24%), Consolidated Funding (23%)

Funded organisation	Purpose	Funding
Anglicare North Coast	Anglicare North Coast - Coffs Harbour Service and Grafton Outreach Service	\$104,337.97
Anglicare South East	Anglicare South East Financial Counselling Service	\$40,007.26
C.A.R.E. Incorporated	Care Inc. Financial Counselling Service - Queanbeyan	\$66,173.35
Centacare Wilcannia-Forbes	Centacare Wilcannia - Forbes Financial Counselling Service	\$77,939.05
Centacare Wilcannia-Forbes	Manage Your Income Financial Counselling Service (Broken Hill)	\$43,050.00
Christian Community Aid Service Inc (CCAS)	CCAS Financial Counselling Program	\$73,492.31
Consumer Credit Legal Centre (NSW) Inc	Consumer Credit Legal Centre - Hotline	\$343,769.23
Consumer Credit Legal Centre (NSW) Inc	Consumer Credit Legal Centre - Legal Service	\$183,611.63
Creating Links Co-operative Ltd	Creating Links Co-operative Financial Counselling Service	\$99,437.50
Eastlakes Family Support Service Inc	Eastlakes Family Support Financial Counselling Service	\$29,418.64
Eurobodalla Family Support Service Inc	Eurobodalla Financial Counselling Service	\$54,403.93
Financial Counselling Hunter Valley Project Inc	Hunter Valley Project Financial Counselling Service	\$107,394.06

Funded organisation	Purpose	Funding
Financial Counselling Hunter Valley Project Inc	Hunter Valley Project NESB / CALD / ATSI Financial Counselling Service	\$27,434.13
Gosford City Community Information Service Ltd	Gosford / Wyong Financial Counselling Service	\$100,988.61
Granville Multicultural Community Centre Inc	Granville Financial Counselling Service	\$84,369.61
Illawarra Legal Centre Inc	Illawarra Legal Centre - Legal Service	\$35,654.59
Illawarra Legal Centre Inc	Illawarra Legal Centre - Financial Counselling Service	\$55,406.97
Jesmond Neighbourhood Centre Inc.	Jesmond Neighbourhood Centre Financial Counselling Service	\$75,241.16
Kempsey Neighbourhood Centre Inc	Kempsey Financial Counselling Service	\$120,696.79
Kempsey Neighbourhood Centre Inc	Kempsey Financial Counselling Service - Indigenous Outreach	\$43,050.00
Lifeline Broken Hill Inc	Far West Credit Counselling Service	\$106,846.03
Lifeline Central West Incorporated	Lifeline Central West Counselling Services	\$141,291.09
Lifeline Central West Incorporated	Lifeline Central West NESB / CALD / ATSI Financial Counselling Service	\$15,518.50
Lifeline Harbour to Hawkesbury Inc.	Lifeline Harbour to Hawkesbury Financial Counselling Service	\$93,170.25
Lismore & District Financial Counselling Service Inc	Lismore Financial Counselling Service and Mullumbimby / Byron Bay Outreach Service	\$149,584.32
Macarthur Legal Centre Inc	Macarthur Legal Centre Financial Counselling Service	\$43,576.74
Macarthur Legal Centre Inc	Macarthur Legal Centre NESB / CALD / ATSI Financial Counselling Service	\$43,050.00
Mission Australia	Mission Australia Campbelltown Financial Counselling Service	\$96,843.31
Mission Australia	Mission Australia Campbelltown - South Western NSW Financial Counselling Outreach Service	\$71,088.45
Mission Australia	Mission Australia Creditworthy Wollongong Financial Counselling Service	\$42,523.44
Mission Australia	Mission Australia Creditworthy Wollongong - Dapto/Warilla Financial Counselling Outreach Service	\$42,734.18
Mission Australia	Mission Australia Creditworthy Wollongong Financial Counselling Service - Moss Vale Outreach Service	\$101,258.61
Mission Australia	Mission Australia Creditworthy Wollongong Financial Counselling Service - Dapto, Bulli, Warilla & Moss Vale Outreach Service	\$147,681.73
Mission Australia	Mission Australia Financial Counselling Service - Griffith	\$45,347.55
Mission Australia	Mission Australia Financial Counselling Service - Wagga Wagga	\$45,347.55

Funded organisation	Purpose	Funding
Mission Australia	Mission Australia Financial Counselling Service - Wagga Wagga - Young, Harden, Boorowa & Bland Outreach Service	\$71,088.45
Murwillumbah Community Support Centre Inc	Murwillumbah Financial Counselling Service	\$64,771.06
Redfern Legal Centre Ltd	Redfern Legal Centre Financial Counselling Service	\$165,495.71
San Remo Neighbourhood Centre Incorporated	San Remo Financial Counselling Service	\$98,948.86
The Salvation Army (NSW) Property Trust	Moneycare Financial Counselling Service - Campbelltown	\$39,354.80
The Salvation Army (NSW) Property Trust	Moneycare Financial Counselling Service - Lethbridge Park	\$43,771.43
The Salvation Army (NSW) Property Trust	Moneycare Financial Counselling Service - Campsie	\$47,551.49
The Salvation Army (NSW) Property Trust	Moneycare Financial Counselling Service - Campsie (Inner City Outreach - Surry Hills)	\$52,221.25
The Salvation Army (NSW) Property Trust	Moneycare Financial Counselling Service - Hurstville	\$41,453.53
The Salvation Army (NSW) Property Trust	Moneycare Financial Counselling Service - Parramatta	\$43,759.40
The Salvation Army (NSW) Property Trust	Moneycare Financial Counselling Service - Parramatta (Auburn Outreach)	\$45,432.06
The Salvation Army (NSW) Property Trust	Moneycare Financial Counselling Service - Parramatta (Penrith & Blacktown Outreach)	\$23,230.62
The Salvation Army (NSW) Property Trust	Moneycare Financial Counselling Service - Taree/Wingham	\$43,502.64
The Salvation Army (NSW) Property Trust	Moneycare Financial Counselling Service - Forster/Tuncurry	\$27,344.16
The Salvation Army (NSW) Property Trust	Moneycare Financial Counselling Service - North NSW Division, Inland Outreach Service	\$68,823.63
The Salvation Army (NSW) Property Trust	Moneycare Financial Counselling Service - Goulburn	\$31,065.93
The Salvation Army (NSW) Property Trust	Moneycare NESB / CALD / ATSI Financial Counselling Service - Moree	\$43,050.00
The Trustees of the Anglican Diocese of Armidale	Anglican Counselling Service (Diocese of Armidale)	\$76,203.64
The Trustees of the Roman Catholic Church for the Diocese of Lismore	Centacare Port Macquarie Financial Counselling Service	\$42,523.44
The Trustees of the Society of St. Vincent de Paul (NSW)	St Vincent de Paul Broken Bay Financial Counselling Service	\$27,620.27
The Uniting Church in Australia Property Trust (NSW)	Wesley Creditline Financial Counselling - Fairfield	\$86,743.61
The Uniting Church in Australia Property Trust (NSW)	Lifeline South Coast - Creditline Nowra Financial Counselling Service	\$73,461.53

Funded organisation	Purpose	Funding
The Uniting Church in Australia Property Trust (NSW)	Lifeline Financial Counselling Service - Newcastle & Hunter	\$111,176.73
The Uniting Church in Australia Property Trust (NSW)	Wesley Creditline Financial Counselling - Inner Sydney	\$221,024.82
The Uniting Church in Australia Property Trust (NSW)	Wesley Creditline Financial Counselling Service - Penrith (Includes Quakers Hill, Hawkesbury, Blacktown Outreach Services)	\$206,048.40
The Uniting Church in Australia Property Trust (NSW)	Wesley Creditline Financial Counselling - Sutherland / Hurstville Outreach Service	\$87,869.77
The Uniting Church in Australia Property Trust (NSW)	Wesley Creditline Financial Counselling - Newcastle/Hunter Outreach Service	\$90,440.60
The Uniting Church in Australia Property Trust (NSW)	Lifeline Western Sydney Financial Counselling Service	\$79,346.23
The Uniting Church in Australia Property Trust (Vic)	St David's Uniting Care Financial Counselling Service	\$92,659.42
Woodrising Neighbourhood Centre Inc	Lake Macquarie Financial and Gambling Counselling Service	\$87,405.01
Financial Counsellors' Association of NSW	Financial Counsellors' Association of NSW - Indigenous Training Course	\$41,000.00
Financial Counsellors Association of NSW (FCAN)	State-Wide Financial Counsellor Training Program	\$102,500.00
Financial Counsellors Association of NSW (FCAN)	Executive Officer Position: "Manager - Administration"	\$138,375.00
Financial Counselling Services Program - Special Purpose Fund 2009-10	Special Purpose Fund	\$30,684.00
Total		\$5,497,686.03

Program: No Interest Loans Scheme 2009/10

The No Interest Loans Scheme (NILS®) is a community-managed microcredit program developed by the Good Shepherd Youth and Family Services to provide interest free loans to low income earners for the purchase of essential household or medical goods and services such as washing machines and refrigerators, as well as medical or dental services. The NSW Government announced a funding increase of \$0.9 million per annum for the NSW No Interest Loans Scheme Funding Program from 1 July 2009. Over \$1.78 million per annum was allocated to fund NILS® services across NSW to meet the cost of salaries of NILS® workers and a NILS® Co-ordinator position. This has provided employees with additional capacity to service clients and increased coverage across the State through 58 funded Schemes. In addition, funding was provided to upgrade the NILS® NSW website and to set up and staff a 1800 free-call telephone service. Statistics prove that this service has been used by many low income earners to assist in locating their closest NILS® provider.

Funding source: Rental Bond Board Interest (90%), FT Retained Revenue (10%)

Funded organisation	Purpose	Funding
Albury NILS	No Interest Loans Scheme	\$21,904
Orange NILS – Gilgandra / Coonamble	No Interest Loans Scheme	\$21,904
Orange NILS – Mudgee / Kandos / Rylston	No Interest Loans Scheme	\$27,380

Funded organisation	Purpose	Funding
Lithgow NILS	No Interest Loans Scheme	\$21,904
Bathurst NILS	No Interest Loans Scheme	\$27,380
North West NILS	No Interest Loans Scheme	\$27,380
North West NILS (Riverstone Outreach)	No Interest Loans Scheme	\$5,476
North West NILS (Toongabbie Outreach)	No Interest Loans Scheme	\$5,476
Eurobodalla NILS Program	No Interest Loans Scheme	\$10,952
Winmalee Neighbourhood Centre NILS	No Interest Loans Scheme	\$16,428
Lower Mountains Neighbourhood Centre Inc NILS Project	No Interest Loans Scheme	\$10,952
Mid Mountains NILS	No Interest Loans Scheme	\$16,428
Blackheath Area Neighbourhood Centre NILS	No Interest Loans Scheme	\$32,856
Cowra NILS	No Interest Loans Scheme	\$21,904
Young NILS	No Interest Loans Scheme	\$21,904
Macarthur NILS	No Interest Loans Scheme	\$76,664
Macarthur Diversity Services NILS	No Interest Loans Scheme	\$32,856
Mount Annan Church Community Services	No Interest Loans Scheme	\$10,952
Jubilee Resources NILS	No Interest Loans Scheme	\$32,856
Riverside Lifehouse NILS - Dubbo	No Interest Loans Scheme	\$43,808
Riverside Lifehouse NILS – Narromine / Trangie	No Interest Loans Scheme	\$16,428
Orange NILS (Forbes)	No Interest Loans Scheme	\$21,904
Fairfield NILS	No Interest Loans Scheme	\$38,332
Coast Shelter NILS	No Interest Loans Scheme	\$27,380
Highlands Community Centres Inc. NILS	No Interest Loans Scheme	\$38,332
Lismore & Surrounds NILS	No Interest Loans Scheme	\$54,760
Barnardos NILS	No Interest Loans Scheme	\$27,380
Inspire NILS	No Interest Loans Scheme	\$27,380
Marrickville NILS	No Interest Loans Scheme	\$21,904
Anglicare Western Sydney NILS	No Interest Loans Scheme	\$43,808
St Marys Area Community Development Project NILS	No Interest Loans Scheme	\$32,856
Great Lakes NILS	No Interest Loans Scheme	\$21,904
Manning NILS (Taree, Great Lakes & Gloucester)	No Interest Loans Scheme	\$32,856
Josephite – Newcastle NILS	No Interest Loans Scheme	\$10,952
Armidale Neighbourhood Centre NILS	No Interest Loans Scheme	\$10,952
Orange NILS	No Interest Loans Scheme	\$38,332
Riverside Lifehouse NILS - Wellington	No Interest Loans Scheme	\$21,904

Funded organisation	Purpose	Funding
The Bellingen Neighbourhood Centre NILS	No Interest Loans Scheme	\$21,904
Macleay Valley NILS	No Interest Loans Scheme	\$21,904
Nambucca Valley NILS	No Interest Loans Scheme	\$10,952
Telopea Family Resources NILS	No Interest Loans Scheme	\$38,332
Manning NILS (Hastings)	No Interest Loans Scheme	\$43,808
Baptist Community Services Lifecare Services NILS	No Interest Loans Scheme	\$32,856
Anglicare Shoalhaven NILS	No Interest Loans Scheme	\$21,904
Gosford City NILS	No Interest Loans Scheme	\$13,689
Wiradjuri NILS	No Interest Loans Scheme	\$6,844
St Vincent de Paul Society NILS Wagga Wagga	No Interest Loans Scheme	\$21,904
St Vincent de Paul Northern Beaches NILS	No Interest Loans Scheme	\$21,904
Hunter Region NILS	No Interest Loans Scheme	\$82,140
NILS Northern Sydney (St Ives)	No Interest Loans Scheme	\$16,428
Community Loan Scheme – Southern NILS Program	No Interest Loans Scheme	\$54,760
Wyong Shire NILS	No Interest Loans Scheme	\$32,856
Winmalee Neighbourhood Centre NILS	NSW NILS State Coordinator	\$76,875
Winmalee Neighbourhood Centre NILS	NSW NILS Website Redevelopment	\$2,800
Total		\$1,496,588

Program: Aged Care Supported Accommodation Service

This program provides funding to non-profit organisations for the provision of information, community education, and advocacy services for residents in supported accommodation such as boarding houses, hostels, nursing homes and in particular people living in retirement villages.

Funding source: Rental Bond Board Interest (50%), Real Estate Statutory Interest (50%)

Funded organisation	Purpose	Funding
The Aged-Care Rights Service Inc	The Aged-Care Rights Service	\$397,059.38
Total		\$397,059.38

Program: Home Building Grants Program 2009/10

This program provides annual funding for the provision of education and research projects relating to the home building industry and related trades as well as encouraging apprenticeships.

Funding source: Home Building Retained Revenue (34%), Consolidated Funding (66%)

Funded organisation	Purpose	Funding
Swimming Pool and Spa Association of NSW Limited (SPASA)	SPASA Continuing Professional Development Series	\$40,000.00
MBA Newcastle Group Training Pty Ltd	MBA Newcastle Group Training & Personnel	\$50,000.00
DeltaCorp Pty Ltd t/as Home Building	Online Continuing Professional	\$21,000.00

Business Centre (HBBC)	Development Courses	
Confo Pty Ltd t/as Builders CPD	Communication, Contracts, Dispute Resolution	\$15,000.00
National Electrical and Communications Association	The Phase-out of Incandescent Lamps: What are the Alternatives?	\$20,000.00
National Electrical and Communications Association	New Wiring Rules for Electrical Contractors	\$10,000.00
Institute for Sustainable Futures, University of Technology Sydney	Green Trade Skills DVDs for the Housing Industry	\$27,500.00
SED Consulting Pty Ltd	Building Strength in NSW Regional Builders	\$20,000.00
Housing Industry Association Ltd	Business Skills for Trade Contractors - Everyone Wins	\$40,000.00
Housing Industry Association Ltd	Monitoring your Business Cash Flow	\$40,000.00
Total		\$283,500.00

Program: Home Building Advocacy Service 2009/10

This program provides funding for the provision of advice and assistance to consumers who are caught up in complex disputes with home building contractors.

Funding source: Home Building Retained Revenue (100%)

Funded organisation	Purpose	Funding
Macquarie Legal Centre	Home Building Advocacy Service	\$220,375.00
Total		\$220,375.00

Program: Building Contractors Advisory Service 2009/10

Funding has been made available for the establishment and operation of a pilot service for the provision of a business management and insolvency advice via a confidential free-call telephone service.

Funding source: Home Building Retained Revenue (100%)

Funded organisation	Purpose	Funding
CRS Warner Kugel	Building Contractors Advisory Service (Pilot)	\$80,000.00
Total		\$80,000.00

Program: Rental Bond Board Grants Program 2009/10

This program provides annual funding or loans to organisations for the provision of residential rental accommodation, research and other activities into the relationship of landlords and tenants. It also provides for the establishment and administration of rental advisory services.

Funding source: Rental Bond Board Interest (100%)

Funded organisation	Purpose	Funding
Energy & Water Ombudsman (NSW) Pty Ltd	EWON Review of the Guidelines for Water Charging for Public Housing Tenants by the Department of Housing	\$45,000.00
Centacare Youth Services	Responsible Educated New Tenants Course	\$36,784.86
Total		\$81,784.86

Program: Property Services Grants Program 2009/10

This program provides annual funding or loans to eligible organisations to provide or undertake education or research projects relating to the property services industry.

Funding source: Real Estate Statutory Interest (100%)

Funded organisation	Purpose	Funding
Property and Financial Services ITAB	Property Services Industry Information Support Line	\$55,000.00
Australian Institute of Conveyancers NSW Division Ltd	Continuing Education Professional Development Program	\$23,400.00
Australian Property Institute Inc	Continuing Professional Development Program for Valuers, Agents and other Related Property Professionals	\$20,000.00
North Coast TAFE	Additional CPD Options for All Practising Agents	\$25,424.00
North Coast TAFE	Development of Three Units Towards Registration For All New Agents	\$26,976.00
Real Estate Institute of NSW Ltd	Real Estate Agency Compliance Audit and Training: Regional and Metropolitan Roadshow	\$30,000.00
The Institute of Strata Title Management	Governance Training for Owners Corporations, Executive Committees and Property Practitioners	\$41,000.00
Australian Livestock and Property Agents Association	ALPA NSW Professional Development & Education Program 2009-10	\$40,000.00
Owners Corporation Network of Australia Inc	The Essentials of Strata Living - What Everyone Should Know	\$29,400.00
Property and Financial Services ITAB	Development of Strata Management Licensing Implementation Guide	\$8,800.00
Total		\$300,000.00

Program: Cooperative Development Grants Program 2009/10

This program provides annual funding for the conduct of research, provision of education and conduct of feasibility studies to assist in maintaining a viable and economical cooperative sector in New South Wales.

Funding source: Consolidated Funding (100%)

Funded organisation	Purpose	Funding
Co-operative Federation of NSW Ltd	2010 Co-operative Opportunities Conference	\$11,000.00
Total		\$11,000.00

Program: Motor Vehicle Industry Grants Program 2009/10

This program provides annual funding to eligible organisations for education, research and other programs or projects which will assist in maintaining skilled tradespeople, improve industry standards and raise awareness and provide better protection for consumers in the motor vehicle industry.

Funding source: Motor Vehicle Repair Industry Authority (100%)

Funded organisation	Purpose	Funding
Strategic Community Assistance to Refugee Families (SCARF)	Getting Wheels: Education for Refugees as First Car Buyers	\$1,550.00
Automotive Training Board NSW	Moving the Automotive Industry Forward	\$60,000.00
Total		\$61,550.00

Appendix 10 Government and Related Employees Appeals Tribunal & Transport Appeal Boards

Public sector appeals process

The Minister for Industrial Relations had responsibility for the Government and Related Employees Appeals Tribunal (the Tribunal) and the Transport Appeal Boards until 1 July 2010, when the *Industrial Relations Amendment (Public Sector Appeals) Act 2010* effectively transferred the work of the two tribunals to the Industrial Relations Commission of New South Wales.

During 2009/10, the Tribunal heard and determined appeals against decisions relating to the discipline and promotion of NSW public sector employees and employees of certain other statutory authorities. It also heard 'Hurt on Duty' claims by members of the New South Wales Police Service. The Transport Appeal Boards determine appeals by employees against disciplinary or promotion decisions made by public sector transport authorities.

During 2009/10, 613 appeals were made to the Tribunal. This represented a 275 per cent increase on the previous year's total of 224 appeals, while 1,462 appeals were made to the Transport Appeals Boards, representing an increase of 245 per cent on the previous year's total of 590 appeals. The number of appeals lodged with both bodies related directly to the volume and frequency of recruitment campaigns undertaken by NSW public sector employing authorities. This can be reflected in the sometimes large fluctuations of total appeals lodged from year to year.

Promotion appeals

Merit selection is a long standing cornerstone of selection and recruitment processes for the NSW public sector. The Tribunal and Transport Appeal Boards were set up by their respective enabling legislation in 1980 to contribute to the transparency of recruitment and selection processes of the NSW public sector by reviewing decisions made on behalf of department heads to ensure that the most meritorious employee for the position is appointed to the contested position.

The purpose of merit selection for the NSW public sector is articulated in section 19 of the *Public Sector Employment Management Act 2002* and section 2 of the NSW Personnel Handbook.

During 2009/10, 536 promotion appeals were received by the Tribunal and 1,399 promotion appeals were received by the Transport Appeal Boards.

Promotion appeals were generally listed for hearing within 35 days of the expiration of the closing date to lodge an appeal. Tribunal and Board decisions on promotion appeals were mostly made on the day of the merit hearing and then followed by a written decision within 14 days of the hearing.

Disciplinary appeals

Outcomes – Public sector disciplinary appeals

In 2009/10, the Tribunal received 41 appeals in this category, compared to 47 in 2008/09 and 59 in 2007/08.

Conciliation of public sector disciplinary appeals

Of the 41 appeals lodged with the Tribunal during 2009/10, 33 were finalised during 2009/10, including five withdrawn prior to initial conciliation. Of the 28 appeals that progressed through the conciliation stage, 21 were settled and withdrawn by the appellant representing a 75 per cent success rate. Of the seven appeals that progressed to hearing after unsuccessful conciliation, three were allowed, three were withdrawn by the appellant during the hearing and one is listed for hearing in August 2010.

The continued success of conciliation resulted in savings across the public sector as it requires fewer resources from participating agencies and unions, and enables the Tribunal to deal with matters more expeditiously.

Outcomes - Transport Appeal Boards disciplinary appeals

In 2009/10 the Transport Appeal Boards received 63 appeals in this category, compared to 94 in 2008/09 and 75 in 2007/08.

Of the 63 disciplinary appeals lodged with the Transport Appeal Boards during 2009/10, 55 were finalised. Of these, 16 were withdrawn prior to hearing, nine struck out, 13 disallowed, and 17 allowed or allowed with modified penalty.

Website

During 2009/10, visitors to the website totalled 18,347 compared to 17,813 for 2008/09.

Performance results

Outcome: Maximum compliance with regulatory requirements

Measure Government and Related Employees Appeal Tribunal	2005/06	2006/07	2007/08	2008/09	2009/10
Number of appeals received	683	921	1289	224	613

Outcome: Maximum compliance with regulatory requirements

Measure Transport Appeal Boards	2005/06	2006/07	2007/08	2008/09	2009/10
Number of appeals received	267	985	842	590	1462

Future of the Government and Related Employees Appeals Tribunal and the Transport Appeal Boards

During 2009/10 the NSW Government, in consultation with public sector departments and public sector unions, considered legislation to transfer the administration and function of both bodies to the NSW Industrial Relations Commission.

Appendix 11 Implementation of price determination

During 2009/10, the DSTA sought no price determinations from the Independent Pricing and Regulatory Tribunal.

Appendix 12 Land disposal

No properties with a value greater than \$5 million were disposed of during 2009/10.

Appendix 13 Legislation

Legislation administered

Commerce portfolio

The Minister for Commerce has joint administration of all Acts listed for the Minister for Fair Trading (which are not listed again below), and the following Acts

- *Architects Act 2003 No 89*
- *Border Railways Act 1922 No 16*
- *Building and Construction Industry Security of Payment Act 1999 No 46*
- *Contractors Debts Act 1997 No 110*
- *Government Telecommunications Act 1991 No 77*
- *Land Acquisition (Charitable Institutions) Act 1946 No 55*
- *Land Acquisition (Just Terms Compensation) Act 1991 No 22*
- *Partnership Act 1892 No 12* in so far as it relates to the functions of the Registrar of the register of limited partnerships and incorporated limited partnerships and to the setting of fees to be charged for maintaining that register, jointly with the Attorney General and the Minister for Fair Trading (remainder, the Attorney General)
- *Public Sector Employment and Management Act 2002 No 43*, Chapter 7 (jointly with the Treasurer; remainder Premier, except parts, jointly the Premier and Minister for Public Sector Reform)
- *Public Works Act 1912 No 45* (except section 34 (3) and (4), the Minister for Water)
- *State Records Act 1998 No 17*
- *Teacher Housing Authority Act 1975 No 27*

Fair Trading portfolio

The Minister for Fair Trading has joint administration of the following Acts with the Minister for Commerce

- *Associations Incorporation Act 1984 No 143*
- *Associations Incorporation Act 2009 No 7* (not commenced as at 30 June 2010)
- *Business Names Act 2002 No 97*
- *Community Land Management Act 1989 No 202*
- *Consumer Claims Act 1998 No 162*
- *Consumer Credit Administration Act 1995 No 69*
- *Consumer Credit (New South Wales) Act 1995 No 7*
- *Consumer, Trader and Tenancy Tribunal Act 2001 No 82*
- *Contracts Review Act 1980 No 16*
- *Conveyancers Licensing Act 2003 No 3*
- *Co-operative Housing and Starr-Bowkett Societies Act 1998 No 11*
- *Co-operatives Act 1992 No 18*
- *Credit Act 1984 No 94*
- *Credit (Commonwealth Powers) Act 2010*
- *Credit (Home Finance Contracts) Act 1984 No 97*
- *Electricity (Consumer Safety) Act 2004 No 4*
- *Fair Trading Act 1987 No 68*
- *Fitness Services (Pre-paid Fees) Act 2000 No 95*
- *Funeral Funds Act 1979 No 106*
- *Gas Supply Act 1996 No 38*, section 83A (remainder, the Minister for Energy)
- *Holiday Parks (Long-term Casual Occupation) Act 2002 No 88*
- *Home Building Act 1989 No 147*

- *HomeFund Commissioner Act 1993 No 9*
- *HomeFund Restructuring Act 1993 No 112, sections 14, 15, 16 and Schedule 2 (remainder, the Minister for Housing)*
- *Landlord and Tenant Act 1899 No 18*
- *Landlord and Tenant (Amendment) Act 1948 No 25*
- *Landlord and Tenant (Rental Bonds) Act 1977 No 44*
- *Motor Dealers Act 1974 No 52*
- *Motor Vehicle Repairs Act 1980 No 71*
- *Partnership Act 1892 55 Vic No 12 in so far as it relates to the functions of the Registrar of the register of limited partnerships and incorporated limited partnerships and to the setting of fees to be charged for maintaining that register, jointly with the Attorney General and the Minister for Commerce (remainder, the Attorney General)*
- *Pawnbrokers and Second-hand Dealers Act 1996 No 13*
- *Price Exploitation Code (New South Wales) Act 1999 No 55*
- *Prices Regulation Act 1948 No 26*
- *Property, Stock and Business Agents Act 2002 No 66*
- *Registration of Interests in Goods Act 1986 No 37*
- *Residential Parks Act 1998 No 142*
- *Residential Tenancies Act 1987 No 26*
- *Residential Tenancies Act 2010 No 42 (not commenced as at 30 June 2010)*
- *Retirement Villages Act 1999 No 81*
- *Strata Schemes Management Act 1996 No 138*
- *Trade Measurement Act 1989 No 233*
- *Trade Measurement Administration Act 1989 No 234*
- *Travel Agents Act 1986 No 5*
- *Valuers Act 2003 No 4*
- *Warehousemen's Liens Act 1935 No 19*

Industrial Relations portfolio

The Minister for Industrial Relations has administration of the following Acts:

- *Annual Holidays Act 1944 No 31*
- *Associated General Contractors Insurance Company Limited Act 1980 No 38*
- *Banks and Bank Holidays Act 1912 No 43 (except part, the Treasurer)*
- *Broken Hill Trades Hall Site Act of 1898 No 31*
- *Broken Hill Trades Hall Site Extension Act 1915 No 42*
- *Builders Labourers Federation (Special Provisions) Act 1986 No 17*
- *Building and Construction Industry Long Service Payments Act 1986 No 19*
- *Coal Industry (Industrial Matters) Act 1946 No 44*
- *Employment Protection Act 1982 No 122*
- *Entertainment Industry Act 1989 No 230*
- *Essential Services Act 1988 No 41 (except parts, the Premier)*
- *Funeral Services Industry (Days of Operation) Repeal Act 2000 No 14*
- *Hairdressers Act 2003 No 62*
- *Industrial Arbitration (Special Provisions) Act 1984 No 121*
- *Industrial Relations Act 1996 No 17 (except parts, the Attorney General)*
- *Industrial Relations (Child Employment) Act 2006 No 96*
- *Industrial Relations (Commonwealth Powers) Act 2009 No 115*
- *Industrial Relations (Ethical Clothing Trades) Act 2001 No 128*
- *Long Service Leave Act 1955 No 38*

- *Long Service Leave (Metalliferous Mining Industry) Act 1963 No 48*
- *Shop Trading Act 2008 No 49*

Treasurer's portfolio

The Department assists the Treasurer to administer the following Act:

- *Internal Audit Bureau Act 1992 No 20*

Small business portfolio

The Department assists the Minister for Small Business to administer the following Act:

- *Retail Leases Act 1994 No 46*

Legislative change

Commerce portfolio

Architects Act 2003

Minor statute law revision changes were made to the *Architects Act 2003* concerning publication of the making of statutory instruments on the NSW legislation website.

Land Acquisition (Just Terms Compensation) Act 1991

The *Land Acquisition (Just Terms Compensation) Act 1991* was amended effective from 17 July 2009 by the insertion of section 43A. The amendment allows an authority of the State to amend a compensation notice they have issued to correct a clerical error or obvious mistake prior to the acceptance of the offer of compensation.

Public Sector Employment and Management Act 2002

A consequential amendment was made to the *Public Sector Employment and Management Act 2002* to reference the *Government Information (Public Access) Act 2009*.

Public Sector Management (Goods and Services) Regulation 2000

The *Public Sector Management (Goods and Services) Regulation 2000* was amended to allow NSW Government agencies to procure goods and services directly from disability employment organisations without the need for a competitive process.

Industrial Relations portfolio

Industrial Relations Further Amendment (Jurisdiction of Industrial Relations Commission) Act 2009

The object of this Act is to allow Commissioners of the Industrial Relations Commission who are Australian lawyers to hear and determine small claims applications for orders for the recovery of remuneration and other amounts payable by employers. The Act also amends other related legislation by way of statute law revision. Assented to on 19 November 2009, the Act will commence on a date to be proclaimed.

Industrial Relations (Commonwealth Powers) Act 2009

The object of this Act is to refer certain matters relating to workplace relations to the Commonwealth Parliament so as to enable the Commonwealth Parliament to make laws about those matters. The Act is enacted for the purposes of section 51 (xxxvii) of the Commonwealth Constitution, which enables State Parliaments to refer matters to the Commonwealth Parliament. The Act commenced on 1 January 2010.

Industrial Relations Amendment (Consequential Provisions) Act 2010

The object of this Act is to make miscellaneous amendments to the *Industrial Relations Act 1996* (the principal Act) as a consequence of the enactment of the *Industrial Relations (Commonwealth Powers) Act 2009* which referred certain matters relating to workplace

relations to the Commonwealth Parliament. Date of assent and commencement on 15 June 2010.

Industrial Relations Amendment (Public Sector Appeals) Act 2010

The object of this Act is to amend the *Industrial Relations Act 1996* and the *Transport Appeal Boards Act 1980* with respect to the review of decisions concerning the promotion and discipline of public sector employees and transport workers respectively; to repeal the *Government and Related Employees Appeal Tribunal Act 1980* and to make consequential amendments to other legislation. Date of assent and commencement on 28 June 2010.

Shop Trading Amendment (Transitional) Regulation 2009

The object of the Regulation is to provide for the transitional arrangements under the *Shop Trading Act 2008* to extend to exemption orders made under the *Shops and Industries Act 1962* and to enable shops in the Sydney commercial business district to open on Boxing Day 2009. The Regulation ceases to have effect on 1 July 2010.

Industrial Relations (General) Amendment (Fees) Regulation 2010

The object of this Regulation is to amend Schedule 1 of the *Industrial Relations (General) Regulation 2001* to increase certain fees charged by the NSW Industrial Relations Commission. The Regulation is to commence on 1 July 2010.

Appendix 14 Overseas travel

In 2009/10, 15 officers travelled overseas on government business, some at minimal or no cost to government:

Matthew Smith & Kimbyl Mann – Norfolk Island

Purpose: Installation of equipment associated with the global Tsunami warning system.

Benefits: Compliance with contract obligations for the provision of services to the Bureau of Meteorology and strengthening of Manly Hydraulics Laboratory's position as a leading national and state coastal and estuarine data capture agency.

Indra Jayewardene – Singapore

Purpose: Attend the Asia Oceania Geosciences Society Conference 2009.

Benefits: Opportunity to gain best practice knowledge and expertise in numerical modeling of ocean waves, coastal structures and wave sedimentation analysis, including increased awareness of advances and techniques applied in ocean science around the world.

Kimbyl Mann & Phil Clark – Christmas Island

Purpose: Installation of telemetry sensors and communication equipment associated with the global tsunami warning system.

Benefits: Compliance with contract obligations for the provision of services to the Bureau of Meteorology.

Indra Jayewardene – New Zealand

Purpose: Attend and make a presentation to the Australasian Ports and Coasts Conference 2009.

Benefits: Opportunity to obtain information on current best practice coastal engineering design solutions and to promote Manly Hydraulics Laboratory's specialist coastal engineering consultancy services and capabilities.

George Fuller - Germany

Purpose: To witness the testing of pumping machinery for the Mardi Dam Upgrade Works in Wyong.

Benefits: Compliance with contract obligations associated with the provision of technical advice to the client regarding the purchase of pumping machinery needing to be shipped to Australia.

Cassie Findlay – New Zealand

Purpose: To present and participate in the Archives New Zealand conference: Future Perfect: Digital Continuity conference 2010.

Benefits: Opportunity for State Records Authority to obtain information about and access to expert advice on open sources preservation information.

George Samios - Malaysia

Purpose: Conduct inspection and monitoring of Babagon Dam Sabah, Malaysia.

Benefits: Compliance with a request from the dam owners, Corporate Dynamics, to undertake dam surveillance and monitoring work. The former Department of Public Works and Services carried out design services for the dam that was completed in 1999.

Phil Clark – Norfolk Island

Purpose: To undertake scheduled maintenance of Ocean Tide Gauge equipment.

Benefits: Compliance with contract obligations to Department of Environment, Climate Change and Water, regarding the provision of annual maintenance and calibration servicing for the equipment used to capture tide level data.

Vincent Joseph - Singapore

Purpose: Attendance at the Water Convention and Asia Pacific Regional Project Innovation Awards Ceremony and to jointly receive an award for Clarence Valley Coffs Harbour Regional Water Supply project as a 2010 International Water Association Innovation Award winner.

Benefits: An opportunity for NSW Public Works to obtain information and strategic advice on water supply technology and systems, and to promote NSW Public Works position as a leading provider of major water supply and sewerage infrastructure.

Robert Cook & Brett Glover – Papua New Guinea

Purpose: Installation of water and sewer flow monitoring instruments.

Benefits: Manly Hydraulics Laboratory's position as leading state, national and international data monitoring and capture agency will be strengthened and enhanced.

Kirsten Watson & Daniel Hornas – New Zealand

Purpose: To attend the Australian and New Zealand School of Government ANZSOG Executive Masters of Public Administration Masters Course.

Benefits: Provision of NSW public sector personnel with qualifications in public administration.

Appendix 15 Research and development

NSW Industrial Relations

NSW Workplace Industrial Relations Survey 2009

The Workplace Research Centre at the University of Sydney was commissioned to conduct a survey of NSW workplaces on the eve of the commencement of the *Fair Work Act 2009 (Cth)* and the new national workplace relations system. The survey was undertaken prior to the commencement of Fair Work Australia on 1 July 2009 and the final report was provided in October 2009 (total project cost \$66,516.45). The report provides data of industrial arrangements at workplaces that will serve as a benchmark for evaluating the impact and effects of the new national workplace relations laws.

Pathways to Care - Women & Work Research group University of Sydney

This project aimed to identify the gaps in regulatory protection for mature age workers with caring responsibilities for ageing family members and investigate possible remedies. The overall objective of this research proposal is to examine the past five years of significant regulatory change in the field of industrial relations.

It will describe what has been gained and lost in terms of flexible work arrangements which benefited (or if developed further could have benefited) this group of workers. This will lead to identifying possible future policy developments (including drawing on interstate and international developments) to assist this group of workers. Finally, the entry points within the *Fair Work Act 2009* for developing legislation to implement possible policy responses will be investigated. Funding allocated for this project is \$8,250 and the expected release date for this research report is 4th quarter 2010.

NSW Public Works

Early Tenderer Involvement

NSW Public Works developed the Early Tenderer Involvement (ETI) procurement approach during its work on the Shannon Creek Dam. ETI is progressively transforming NSW Government construction contracting, from the traditional, often adversarial approach to a more collaborative style with improved management of project uncertainty. This approach was developed as part of a client specific project and the resources allocated to the research were not separable from the overall project costs.

ETI enables tenderers to participate in finalising tender documents and allocating project risk and the process benefits from the joint expertise brought to the discussion of the project. The contractor has a better understanding of the project, its risks, opportunities for innovation, and the client's objectives from inception. The collaborative relationship established during the ETI process can then be maintained through ongoing and open communication once the contract has been awarded.

NSW Water Solutions

NSW Water Solutions, in conjunction with fish biologists, continued research and development of fish passage designs to improve functionality and meet difficult site constraints and difficult performance requirements at reduced construction costs. Latest developments are expected to further improve "best value for money" fish passage structures at complex sites and continue to demonstrate the Department's commitment to remain at the forefront of fishway design services. This approach was developed as part of a client specific project and the resources allocated to the research were not separable from the overall project costs.

Appendix 16 Senior Executive Service performance

Reporting on Senior Executive Service officers Level 5 and above, as at 30 June 2010:

Brian Baker

Deputy Director General, NSW Public Works

SES 6

\$300,800

Brian Baker was appointed to this role on 15 July 2009.

2009/10 highlights

- contributed to the development of NSW Public Works, ensuring it provides the highest level of capability to Government for capital assets design, delivery and maintenance
- helped develop and maintain public infrastructure by assisting agencies to plan, design and deliver building and engineering projects to the value of approximately \$1 billion while achieving an on time delivery rate of 92 per cent and 92 per cent of projects on budget
- continuation of the graduate development program, cadetships program and apprenticeship program to maintain government expertise in areas of skill shortage including asset management, engineering and architecture
- minimised the risk for government on NSW Public Works contracts managed projects by achieving a loss time injury frequency ratio more than 20 per cent better than the industry average

- provided commercial services to government agencies to help them maximise value, minimise costs and manage risks arising from the services they provide to the community and achieved a client satisfaction rating of 89 per cent for service delivery.

Paul Dexter

Deputy Director General, Corporate Services & Chief Financial Officer

SES 5

\$267,650

Paul Dexter was appointed to this position on 16 November 2009; previously he had been the Department's Chief Financial Officer and had led the Finance and Shared Services office.

2009/10 highlights

- in March 2010, Software Applications and Products (SAP) recognised the DSTA Enterprise Resource Planning Support team as meeting the Primary Certification Requirements of a "Customer Centre of Expertise". DSTA was the first government agency in Australia to receive this accreditation from SAP
- Employee Self Services, Manager Self Service, Travel and Expenses and Time Keeping was implemented in April 2010 and rolled out to 15 government agencies, completing the development of the Shared Services multi-tenanted CLIENT SAP system supporting the reform of Corporate and Shared Services
- in June 2010, completed the implementation and migration of the CLIENT SAP system to new Hewlett Packard hardware with the capacity of hosting over 20,000 end users in preparation of the next phases of the implementation of the Corporate and Shared Service Blueprint developed by the Department of Premier and Cabinet. At completion of migration, a Disaster Recovery simulation of the Production system on the new hardware was successfully executed
- strengthened the financial management culture by implementing key strategies around financial key performance reporting through the dashboard reporting with financial and procurement training to support divisional and business unit managers
- improved the Department's budgeting and forecasting systems through the implementation of a Rolling Resource Planning system
- ensured the Department achieved all savings targets including the 1.5 per cent wage offset savings, mini budget targets and efficiency dividend targets
- developed a road map for Corporate Services Reform to support the Department of Premier and Cabinet Blueprint
- implemented an e-recruitment pilot in late 2009 which aims to streamline and simplify the recruitment process.
- the Leadership Development Program continued its roll out across the organisation, with over 300 managers undertaking or completing their training
- work commenced in 2010, on a Conduct Framework which is an initiative designed to improve and enhance managers and staff understanding of conduct and workplace issues.

Peter Duncan

Director General

SES 8

\$435,800

Peter was appointed Director General of the Department of Services, Technology & Administration on 2 April 2010.

2009/10 highlights

- provided expert advice to the Minister for Industrial Relations and Commerce, the Minister for Fair Trading and the Minister for Small Business on a range of issues across areas within the responsibility of the Department of Services, Technology and Administration (DSTA). This includes a range of legislation reform including the *Residential Tenancies Act 2010*

- reviewed the 2006-2010 Corporate Plan and commenced cross-agency development of the 2010-2015 Corporate Plan
- delivered on a nationally agreed transition of Fair Trading Services to the Commonwealth (NSW Trade Measurement) by end of June 2010
- oversight of the development within NSW Procurement of the State Contracts Control Board Business Plan 2010-2013 and participated as a member of the Board in endorsement of the Plan
- chaired the NSW National Broadband Network (NBN) Taskforce and led the development of strategies in relation to NSW early release NBN sites, state-wide audit of assets and the trial of high speed broadband in a residential setting testing next generation services and applications
- strengthened planning, budget and risk management and audit processes within the DSTA cluster
- commenced implementation of the ServiceFirst Shared Corporate Services Reform in response to the NSW Government's blueprint.

Stephen Griffin

Acting Deputy Commissioner, Fair Trading Operations, NSW Fair Trading

SES 5

\$249,800

Stephen Griffin was appointed as Acting Deputy Commissioner, Fair Trading Operations in January 2010.

2009/10 highlights

- implementation of the Government's decision to make NSW Fair Trading the single regulator for plumbing in NSW. The first tranche of this reform occurred on 29 March 2010 with the transfer of the plumbing inspection service from Sydney Water to NSW Fair Trading, including 35 staff along with the systems and assets required to deliver the inspection service. The creation of the single plumbing regulator is anticipated to be completed early in 2010/11
- assisted with the establishment of the framework for a new home warranty insurance scheme in NSW. From 1 July 2010, the NSW Government will commence to underwrite the provision of home warranty insurance in NSW via the Self Insurance Corporation (an arm of NSW Treasury)
- implemented strategies to improve Fair Trading's compliance capabilities. A compliance forum was held in March 2010 at which a range of strategies were developed to improve Fair Trading's compliance capacity and capabilities. New procedures manuals have been developed along with standardising guarantees of service for the completion of investigations. The number of pro-active compliance campaigns has increased
- finalised the transfer of trade measurement functions to the Commonwealth. From 1 July 2010, the responsibility for trade measurement regulation transfers to the National Measurement Institute, along with majority of the staff. The Department will assist those staff who chose to remain in other positions, where possible
- implemented budget saving strategies, resulting in a budgetary surplus despite a reduction in revenue and challenges of recurrent expenditure savings targets.

Anthony Lean

General Counsel, Legal and Governance

SES 5

\$267,650

Anthony Lean was appointed to his position on 17 August 2009.

2009/10 highlights

- oversaw the delivery of high quality legal services to relevant areas of the Department, including the DSTA Executive to assist them to deliver services and manage legal and other risks

- implemented changes in the reporting arrangements for Fair Trading Legal Services, to consolidate legal resources within the Department, and contributed to the Treasury Review of Legal Services
- oversaw implementation of the Treasury policy (TPP 09-05) on Internal Audit and Risk Management, including development of the Department's Enterprise Risk Management Framework
- oversaw the development and implementation of a range of other components of the Department's Governance frameworks, including the Corporate Compliance Framework, a system to monitor the implementation of recommendations and a Contracts Register.

Emmanuel Rodriguez
Government Chief Information Officer

SES 6

\$315,137 (including annual recruitment allowance of \$28,500)

2009/10 highlights

- led the Chief Information Officers (CIO) Executive Council to improve governance and collaboration for an efficient and relevant working partnership in significantly influencing the success of implementing the NSW Government ICT Strategic Plan
- initiated and delivered ongoing programs of work that will facilitate the day to day operations of individual agencies through the implementation of the NSW Government ICT Strategic Plan
- assisted NSW Government agencies with their ICT-related business case submissions to NSW Treasury through the CIO Executive Council and related sub-committee
- led, coached and developed GCIO staff to ensure effectiveness in operating and delivering objectives of the NSW Government ICT Strategic Plan
- led and coached NSW Government agency CIOs as required to gain a higher profile and recognition within their organisation of objectives met
- facilitated and led several whole-of-government ICT initiatives that will generate efficiencies and savings to NSW Government agencies
- chaired an ICT Industry Taskforce that developed a shared and long-term vision for ICT with recommendations to establish NSW as a major provider of ICT services
- established a NSW National Broadband Network (NBN) Program Office in support of NSW NBN Taskforce objectives to leverage NSW Government assets and skills in order to maximise opportunities associated with NBN rollout.

Anne Skewes
Deputy Director General, Government Services

SES 6

\$322,426 (including recruitment allowance)

Anne Skewes was appointed to this position on 16 November 2009.

2009/10 highlights

- established the Government Services Division comprising NSW Procurement, StateFleet and ServiceFirst to improve the provision of whole of government procurement and shared services to client agencies
- delivered reforms to NSW Procurement including business process redesign and structural review to support the reform objectives of the State Contracts Control Board
- led shared services reform through strategies to redesign ServiceFirst in accord with the NSW Government's Blueprint for Corporate and Shared Services
- promoted policy reform of fleet operations including stakeholder support for strategies to achieve improved sector wide fleet management
- promoted and led strategies for staff engagement and capability development across Government Services business units with a focus on improved customer service and performance

- designed and delivered an effective governance framework for Government Services operations including improving management reporting and risk mitigation across critical externally facing sector wide services.

Rod Stowe

Deputy Commissioner, NSW Fair Trading (National Reform)

SES 5

\$267,650

2009/10 highlights

Rod Stowe successfully managed all aspects of National Reform Agenda Division responsibilities and in particular:

- oversaw the development of financial and business planning models to assess reform impacts and guide decision making on future service delivery
- facilitated development of policy framework for managing employees impacted by COAG national reforms
- implemented successful cross-divisional governance framework for co-ordinating all seven COAG reforms impacting on NSW Fair Trading
- oversaw development and implementation of comprehensive communication strategy targeting internal and external stakeholders
- effectively represented NSW on inter-jurisdictional steering committees responsible for co-ordinating work on reform projects, including development of legislation, Memoranda of Understanding and new business processes
- successfully co-ordinated transfer of regulatory responsibility for trade measurement and consumer credit to the Commonwealth with effect from 1 July 2010
- oversaw implementation of the first stage of Australian Consumer Law (especially the unfair contract terms provisions) in NSW with effect from 1 July 2010.

Sanjay Sridher

Executive Director, Shared Services

SES 5

\$267,650

Sanjay was appointed to this position on 28 June 2010.

Peter Mould

Government Architect and General Manager, Government Architect's Office

SES 5

\$249,800

2009/10 highlights

- influenced and supported architectural issues through representation on NSW Heritage Council, the Sydney Opera House Conservation committee, the Central Sydney Planning Committee and the Architects' Registration Board of NSW
- provided expert advice to government agencies on city planning and architecture through representation on Sydney Olympic Park, Transport Infrastructure Development Corporation and Sydney Metro design review panels and the City of Sydney design advisory panel
- applied environmentally sustainable design principles to government buildings and assisted in the management of designs for major capital works for schools, police stations and courthouses, reducing:
 - greenhouse gas emissions and improved efficiency of electricity use through energy management advice and the monitoring for government agencies
 - water consumption through water audits and management.

Paul Jones
Group General Manager, Project Management

SES 5

\$267,650

Paul Jones was appointed to the role on 21 September 2009.

2009/10 highlights

- contributed to project delivery cost and time savings for client agencies through the development and application of the Early Tenderer Involvement (ETI) procurement approach
- assisted in the development and maintenance of public built assets by helping agencies identify and manage risks associated with the planning, procurement, design and construction of building and engineering projects in excess of \$1 billion while achieving an on time delivery rate of 93 per cent, an on budget delivery rate of 93 per cent and a client satisfaction rating of 89 per cent
- maintained Project Management's engineering response capability to respond to emergency callouts under the NSW State Disaster Plan and assessed council Natural Disaster Relief Assistance claims to the value of \$2.9 million.

Appendix 17 Significant judicial decisions

Fair Trading Portfolio

The following significant judicial decisions affecting the Department and or the users of the services provided by the Department were made during 2009/10:

Fair Trading Administration Corporation ("FTAC") v The Owners-Strata Plan No. 58185 ("the Owners") & Consumer Trader and Tenancy Tribunal ("the Tribunal") [2010] NSWSC 96

The owners of a block of townhouses claimed for rectification work for defects in building work carried out in 1997, prior to the closing of the operation of the Home Warranty Insurance Scheme ("the Scheme"). FTAC declined the claim on the basis that clause 10 of the Scheme prevented FTAC considering claims made to it more than ten years after the commencement of the relevant building work. The meaning of this provision had been unclear, with several obiter statements by judges which suggested it might not apply where a complaint or notification of defects had been made within the ten year period. FTAC appealed to the Supreme Court of NSW. On 8 February 2010 Latham J decided that a claim was necessary for the determination of liability and as no claim had been filed in the required ten year period FTAC could not be liable. A complaint or notification was not sufficient to establish a claim. The decision is important in providing a closing date for liability of FTAC, being up to claims received by 1 May 2007.

The Owners - Strata Plan 58068 v Fair Trading Administration Corporation [2009] NSW 850

The Owners lodged a claim under the Building Services Corporation Comprehensive Insurance Scheme ("the Scheme") with quotations in excess of \$7 million in relation to defective building works in a development located at 184 Forbes Street, Darlinghurst known as "the Horizon Apartments". FTAC refused the claim and the owners sought a review in the Supreme Court of this decision. Justice McDougall determined the issues in favour of FTAC on 26 August 2009, and handed down his final decision dismissing the proceedings with costs on 25 September 2009. Pursuant to the orders on costs, the Owners paid FTAC the sum of \$183,000.

The Owners - Strata Plan 57504 v Building Insurers' Guarantee Corporation [2008] NSWSC 1022

In October 2008 the Supreme Court ruled in effect that the home warranty insurance scheme contained no time limit for notification of claims. In December 2008, under a Court order, the

Guarantee Corporation paid the owners corporation the amount awarded by the Court, but also appealed against the decision.

The *Home Building Act 1989* was amended in May 2009 to overcome the ruling, for all policies already issued and to be issued. In the appeal, the Guarantee Corporation claimed that the amendments applied to the appeal, while the owners relied on a transitional provision which provided that the amendment did not apply where the amount was already paid.

In *Building Insurers' Guarantee Corporation v The Owners – Strata Plan No. 57504* [2010] NSWCA 23, the Court of Appeal upheld the argument of the owners' corporation and dismissed the appeal.

The Owners - Strata Plan 61424 & Anor v Reed Constructons Pty Limited [2009] NSWSC 692

In July 2009, the Building Insurers' Guarantee Corporation brought a recovery action against a builder in the name of the indemnified owners corporation. The builder raised a preliminary issue, that there could be no recovery because the statutory warranties and home warranty insurance did not apply to any owner of land or successor in title to that person if the party which contracted with the builder was someone other than the land owner. The Supreme Court of NSW dismissed the objection. The builder's appeal was successful.

In May 2009, in *Ace Woollahra Pty Ltd v The Owners – Strata Plan 61424 & Anor* [2010] NSWCA 101, the Court of Appeal held, in effect, that only a contracting party and any successors in title to that person are entitled to enforce the statutory warranties and to obtain insurance benefits. Another consequence of the decision was that a claimant must provide evidence to establish an ownership connection back to the contracting party, in order to prove the entitlement. The appeal judgement meant that many claimants, through no fault of their own, could not obtain the benefits intended by the scheme, either because the contracting party was not the land owner or because the contractual documents to prove the necessary ownership connection were not available. In June 2009, the *Home Building Act 1989* was amended, to ensure that, as always intended, a land owner or successor in title would be eligible for the scheme's benefits regardless of the status or identity of the contracting party.

Commissioner for Fair Trading v Peter Todd Garay [2010] NSWSC 218

On 24 November 2003, the NSW Supreme Court made orders by consent restraining Mr Garay from contracting or doing any residential building for five years. These orders were made as a result of injunctive proceedings commenced against Mr Garay who had persistently breached the *Home Building Act 1989* by contracting for and doing residential building work without a licence.

Mr Garay breached the restraining orders and was convicted of contempt in 2005 and again in 2009. The second contempt proceedings were commenced in the NSW Supreme Court in 2008. On 10 November 2009, Mr Garay was convicted of nine charges of contempt. On 25 March 2010, Mr Garay was sentenced by Justice Hidden to imprisonment of 18 months with a non-parole period of six months.

NSW Fair Trading took injunctive and contempt proceedings against Mr Garay in the public interest. A person who contracts to do or undertake home building work must be licensed. This regulatory requirement is a consumer protection measure aimed at ensuring that where consumers contract to have home building work done, whether it be a new construction, restoration, repair or the building of retaining walls as part of a landscaping project, the work is undertaken by qualified and licensed workers.

Industrial Relations Portfolio

State Wage Case 2009 [2009] NSWIR Comm 120

The 2009 State Wage Case was heard between 13 and 15 July 2009. Unions NSW sought a 3.8 per cent increase to certain rates of pay and allowances in NSW awards. In response, the NSW Government advocated a 2.5 per cent increase, which was intended to achieve a balance between maintaining the value of real wages and recognising the ability of employers to meet higher wage costs in the current economic climate. On 30 July 2009, the NSW Industrial Relations Commission decided to grant a 2.8 per cent increase. This equated to a

\$15.50 weekly increase to the NSW minimum wage from \$552.70 to \$568.20 and \$24.40 per week higher than the Federal Government.

Updating state awards transitioning into the new national system

On 18 December 2009, a Full Bench of the Industrial Relations Commission made an order to provide that any private sector state award that had not been varied to receive any past State Wage Case increase would be so varied before 1 January 2010 when the national system commenced in New South Wales. This was consistent with the Minister's submissions in this case. The Commission's order was the culmination of employer organisations and unions in New South Wales working cooperatively together with the Commission to ensure that approximately 150 awards were varied in less than one month.

National Minimum Wage Review 2010

Fair Work Australia (FWA) undertook its inaugural minimum wage review in early 2010, inviting submissions and evidence from interested parties. The NSW Government submitted that any increase should maintain the value of real wages. On 3 June 2010, FWA decided to increase wages in modern awards and transitional instruments by \$26 per week. The National Minimum Wage (NMW) which applies to award/agreement free employees has now increased from \$543.78 to \$569.90 per week, which equates to an increase of 4.8 per cent. The NMW is now \$1.70 per week higher than the NSW state minimum wage. The increases are operative from 1 July 2010. The FWA, however, has chosen not to increase minimum weekly rates of pay contained in Division 2B awards. Employees covered by these awards are those who worked for unincorporated entities and were transferred into the national system on 1 January 2010.

Kirk v Industrial Relations Commission; Kirk Group Holdings Pty Ltd v WorkCover Authority of New South Wales (Inspector Childs) [2010] HCA 1 (3 February 2010)

This matter involved an OH&S prosecution by the NSW WorkCover Authority, focusing on the validity of 'privative clauses', which seeks to limit appeal rights from the decisions of a tribunal, in this case, the NSW Industrial Relations Commission. The High Court held that privative clauses cannot prevent State Supreme Courts from overturning decisions where a court or tribunal of limited jurisdiction has acted without or beyond jurisdiction.

This has implications for section 179 of the *NSW Industrial Relations Act 1996*, which is a privative clause that limits appeals from decisions of the NSW Industrial Relations Commission to the NSW Court of Appeal or the NSW Supreme Court. The NSW Court of Appeal has applied the High Court's decision in a matter before it (*Director General, New South Wales Department of Health v Industrial Relations Commission of New South Wales* [2010] NSWCA 47 (22 March 2010)), quashing an earlier decision of the NSW Industrial Relations Commission regarding an unfair dismissal claim.

Bankstown Handicapped Children's Centre Association Inc v Hillman ([2010] FCAFC 11 (25 February 2010))

The issue to be decided by the Full Federal Court in this matter was whether the Bankstown Handicapped Children's Centre Association Inc was a constitutional corporation, and whether it could therefore be the subject of proceedings that was initiated by its former employee, Mr Hillman, pursuant to the *NSW Industrial Relations Act 1996*. If the Centre was a constitutional corporation, it would be within the national industrial relations system, and therefore not subject to the Act.

The NSW Solicitor-General appeared on behalf of the Attorney-General and the Minister for Industrial Relations.

The Court's decision was that the Centre is a constitutional corporation, on the basis that it sells services to the NSW Government.

This decision would appear to have broader application to the many organisations who similarly sell services to Government. While these and other community sector organisations are now in the national industrial relations system by virtue of referrals of industrial relations powers by NSW and other States, the status of these bodies is still relevant to determining

the conditions that apply during the transitional provisions conferred by the *Fair Work Act 2009*.

Chambers Pty Ltd v State of New South Wales [2010] NSWSC 271

The plaintiff commenced legal action in the Supreme Court of NSW seeking a declaration that the trading restrictions under the *Shop Trading Act 2008* did not apply to the company as the holder of packaged liquor licence under the *Liquor Act 2007*. The Supreme Court held that the *Shop Trading Act 2008* was specific legislation dealing with the closure of shops on specific days of the year and applied to retail liquor shops, unless the shops were exempted under the *Shop Trading Act 2008*.

Inspector Barry Childs (WorkCover Authority of New South Wales) v State of New South Wales (Department of Services, Technology and Administration)

On 2 September 2008, WorkCover commenced prosecution of two counts against the Department in the Industrial Court in relation to an incident in which two men were killed and three were injured at the Lake Cargelligo Reservoir project. On 11 November 2008, the Department entered a plea of guilty to a charge under section 10(1) of the *Occupational Health and Safety Act 2000* that, as a controller of the work premises, it failed to ensure the premises were safe and without risks to health. WorkCover accepted that plea in full satisfaction of the charges.

The matter was listed for sentencing hearing on 20 October 2009. Judgment was delivered by Justice Haylen of the Industrial Court on 27 November 2009 and the Department was fined \$275,000.

Appendix 18 Waste Reduction and Purchasing Policy

The Department's Waste Reduction and Purchasing Plan (WRAPP) incorporates recommended WRAPP principles to conserve resources, promote the use of recycled materials and reduce the waste generated by DSTA's offices.

DSTA continued to apply WRAPP principles in its procurement and operational activities. Specific priorities were:

- continued use of recycled paper
- ongoing minimisation of the consumption of paper by using paperless systems wherever possible.

Ongoing initiatives include:

- use of online purchasing – 100 per cent of transactions supported by electronic purchase orders eliminating the need for paper based approval
- use of online applications and approvals for human resources (e.g. higher duty applications and leave applications)
- continued use of double-sided (duplex) printing and copying as a default in all new multi-function devices throughout DSTA
- use of electronic tendering significantly reducing the general consumption of paper
- continued use of on-line access to information in NSW Fair Trading including consumer/trader fact sheets.

DSTA continues to promote recycling and waste reduction. This includes the provision of segregated wastes bins - paper, metal and plastic - in all offices. DSTA is exploring the implementation of a central waste management strategy that eliminates individual waste bins and encourages staff to take their own rubbish and unwanted stuff to the central system of bins for different types of waste. By doing this, DSTA will better manage the separation of different types of waste for recycling purposes.

DSTA is in the process of implementing more rigorous Key Performance Indicators (KPI) reporting on sustainability issues. These are designed to improve awareness and accountability across business units and location. The KPIs cover issues such as use of recycled paper, CO² generated by air travel, water and energy consumption, use of energy efficient vehicles and public transport. Reporting is frequent, typically monthly, and at business unit and location level.

Teleconferencing is being actively promoted, as is the use of Webinar for the delivery of training to staff and external parties.

In 2008, DSTA installed new bike racks and upgraded men's and women's lockers in a bid to encourage the use of bikes to commute to work. The use of the racks continued to grow in 2009/10.

In 2009/10, DSTA will conduct an audit of various activities in metropolitan and regional offices including energy consumption and water consumption. This exercise will also contribute to a better knowledge of how DSTA manages the use of resources within its tenancies and assist in the formulation of better waste management and energy saving strategies in the Department.

Appendix 19 DSTA offices

Department of Services, Technology & Administration

McKell Building
2-24 Rawson Place
Sydney NSW 2000
Tel: (02) 9372 8877
Fax: (02) 9372 7070
Business Hours: 8.30am – 5.30pm (unless otherwise stated)
www.services.nsw.gov.au

Government Chief Information Office

Level 21
McKell Building
2-24 Rawson Place
Sydney NSW 2000
Tel: (02) 9372 8278
Fax: (02) 9372 8299
Email: info.gcio@services.nsw.gov.au
www.gcio.nsw.gov.au

Strategic Communications and Government Advertising

Level 16 McKell Building
2-24 Rawson Place
Sydney NSW 2000
Tel: (02) 9372 8959
Fax: (02) 9372 7422
Hours: 8.30am – 5.30pm
www.services.nsw.gov.au/advertising/index.html

Advertising

Tel: (02) 9372 7603

Government Gazette

Tel: (02) 9372 7407

jobs.nsw

Tel: (02) 9372 7435
<http://jobs.nsw.gov.au>

Government Services

Head Office

Level 11 McKell Building
2-24 Rawson Place
Sydney NSW 2000
Tel: (02) 9372 9169
Fax: (02) 9372 9030
nswbuy@services.
nsw.gov.au
www.nswbuy.com.au

NSW Procurement Client Support Centre

Level 10 McKell Building
2-24 Rawson Place
Sydney NSW 2000
Tel: 1800 NSW BUY (679
289)
Fax: (02) 9372 8333
Fax: (02) 9372 8687
nswbuy@services.
nsw.gov.au
www.nswbuy.com.au

Tendering Complaints

State Contracts Control
Board
Level 22 McKell Building
2-24 Rawson Place
Sydney NSW 2000
Tel: (02) 9372 8877
Fax: (02) 9372 7533

StateFleet

Level 12 McKell Building
2-24 Rawson Place
Sydney NSW 2000
Tel: (02) 9372 7740
Fax: (02) 9372 7722
Hours: 8.30am - 5.00pm
www.statefleet.nsw.gov.au

StateFleet Repairs Hotline
Tel: 1800 801 523
Hours: 8.00am – 5.00pm

Service First

Business Hours: 8.00am - 5.30pm (24-hour on-call support available)

ServiceFirst Service Centre

ServiceCentre@servicefirst.nsw.gov.au
Tel: (02) 9372 7777

ServiceFirst Business Services

Financial Services, Human Resources & Office Services
Tel: (02) 9228 3400

ServiceFirst Information Technology

Client Services, Operations, Strategy & Business
Tel: (02) 9372 9146

ServiceFirst Service Centre

hsnet@hsnet.nsw.gov.au
Tel: (02) 9228 4200

Grafton

76 Victoria Street
Grafton NSW 2460
Postal Locked Bag 10
Grafton NSW 2460
Tel: (02) 6641 6512
Fax: (02) 6641 6641

Newcastle

Level 2-3,
26 Honeysuckle Drive
Newcastle NSW 2300
PO Box 2213
Dangar NSW 2309
Tel: (02) 4904 2550
Fax: (02) 4904 2501

Orange

161 Kite Street
Orange NSW 2800
Tel: (02) 6391 3480
Fax: (02) 6391 3329

Parramatta

Levels 8, 9 & 13
10 Valentine Ave
Parramatta NSW 2124
PO Box 3720
Parramatta NSW 2124
Tel: (02) 9895 6211

Queanbeyan

Suite 107 Level 1 Riverside
Plaza
131 Monaro Street
Queanbeyan NSW 2620
PO Box 189
Queanbeyan NSW 2620
Tel: (02) 6229 7777

Sydney

McKell Building
2-24 Rawson Place
Sydney NSW 2000
Tel: (02) 9372 8877
Fax: (02) 9372 7070

Sydney

Department of Lands
Building
23 – 33 Bridge Street
Sydney NSW 2000
Tel: (02) 9228 6111

Sydney

Level 15 Governor
Macquarie Tower
1 Farrer Place
Sydney NSW 2000
Tel: (02) 9228 3400
Fax: (02) 9228 3292

Sydney

Level 2, 3 & 11
Bligh House
4-6 Bligh Street
Sydney NSW 2000

Tamworth

155 - 157 Marius Street
Tamworth NSW 2340
PO Box 550
Tamworth NSW 2340
Tel: (02) 6701 9632
Fax: (02) 6701 9682

Wagga Wagga

Level 1 Govt Offices
43-45 Johnston Street
Wagga Wagga NSW 2650
PO Box 10
Wagga Wagga NSW 2650
Tel: (02) 6701 9632
Fax: (02) 6701 9682

Wollongong

Level 3 Block G
84 Crown Street
Wollongong NSW 2520
PO Box 867
Wollongong NSW 2520
Tel: (02) 4224 9620
Fax: (02) 4224 9650

NSW Fair Trading

Fair Trading Head Office

1 Fitzwilliam Street
Parramatta NSW 2150
Tel: (02) 9895 0111
Fax: (02) 9895 0222
Hours: 8.30am – 5.00pm
www.fairtrading.nsw.gov.au

Register of Encumbered Vehicles

1 Fitzwilliam Street
Parramatta NSW 2150
Tel: 13 32 20 (7 days)
Fax: (02) 9891 5135
Hours: 8.30am – 5.00pm

Registry of Cooperatives & Associations

154 Russell Street
Bathurst NSW 2795
Tel: (02) 6333 1400 or
1800 502 042
Fax: (02) 6333 1444
Hours: 8.30am – 5.00pm

Aboriginal Tenancy Information

Tel: 13 32 20 or
1800 500 330

General enquiries for the hearing impaired

(TTY) 1300 723 404

Fair Trading Centres

13 32 20 for all Fair Trading enquiries. Hours: 8.30am – 5.00pm

Calls to this number from within the Sydney metropolitan region and from all mobile telephones will be received at our Fair Trading Information Centre. Callers from outside the Sydney metropolitan region will be directed to their nearest Fair Trading Centre.

Albury

490 David Street
Albury NSW 2640

Armidale

85 Faulkner Street
Armidale NSW 2350

Bathurst

154 Russell Street
Bathurst NSW 2795

Blacktown

Level 3
22 Main Street
Blacktown NSW 2148

Broken Hill

32 Sulphide Street
Broken Hill NSW 2880

Coffs Harbour

22 Park Avenue
Coffs Harbour NSW 2450

Dubbo

50 Wingewarra Street
Dubbo NSW 2830

Gosford

Level 2, 237 Mann Street
Gosford NSW 2250

Goulburn

39 Goldsmith Street
Goulburn NSW 2580

Grafton

50 Victoria Street
Grafton NSW 2460

Hurstville

Level 3
4-8 Woodville Street
Hurstville NSW 2220

Lismore

Suite 5
17 Conway Street
Lismore NSW 2480

Liverpool

Shop 1R
33 Moore Street
Liverpool NSW 2170

Newcastle

Level 5
400 Hunter Street
Newcastle NSW 2300

Orange

184-186 Lords Place
Orange NSW 2800

Parramatta

1 Fitzwilliam Street
Parramatta NSW 2150

Penrith

2-6 Station St
Penrith NSW 2750

Port Macquarie

143 Horton Street
Port Macquarie NSW 2444

Queanbeyan

11 Farrer Place
Queanbeyan NSW 2620

Sydney CBD

McKell Building
2-24 Rawson Place
Sydney NSW 2000

Tamworth

3-5 Kable Corner Complex
Cnr Kable Ave & Darling St,
Tamworth NSW 2340

Tweed Heads

Suite 26, Level 2
75 Wharf St
Tweed Heads NSW 2485

Wagga Wagga

8 Baylis Street
Wagga Wagga NSW 2650

Wollongong

Level 3
43 Burelli Street
Wollongong NSW 2500

Consumer, Trader and Tenancy Tribunal

1300 135 399 for information and enquiries. 9641 6521 (TTY) for the hearing impaired
Hours: 8.30am – 5.00pm

Hurstville

Level 3
4-8 Woodville St
Hurstville NSW 2220

Liverpool

Level 3
33 Moore St
Liverpool NSW 2170

Newcastle

Level 1
175 Scott St
Newcastle NSW 2300

Parramatta

Level 2, 10 Valentine Ave,
Parramatta NSW 2150

Penrith

2-6 Station St
Penrith NSW 2750

Sydney

Level 12
175 Castlereagh St
Sydney NSW 2000

Tamworth

3-5 Kable Corner Complex
Cnr Kable Ave & Darling St
Tamworth NSW 2340

Wollongong

Level 3
43 Burelli St
Wollongong NSW 2520

NSW Industrial Relations

Head Office

Level 23 McKell Building
2-24 Rawson Place
Sydney NSW 2000
Tel: 131 628
Fax: (02) 9020 4700
www.industrialrelations.nsw.gov.au

Award Enquiry Service

Tel: 131 628 (from anywhere in NSW)
1800 356 648 (from outside NSW)
Fax: (02) 9020 4741

Industrial Relations Centres

Bankstown

Suite 1 Main Court Capital
Centre
41-45 Rickard Rd
Bankstown NSW 2200
Tel: 131 628
Fax: (02) 9782 3099
Hours: 8.30am – 5.00pm

Coffs Harbour

22 Park Avenue
Coffs Harbour NSW 2450
Tel: 131 628
Fax: (02) 6652 2863
Hours: 8.30am – 5.00pm

Newcastle

Level 3
97 Scott St
Newcastle NSW 2300
Tel: 131 628
Fax: (02) 4929 1180
Hours: 8.30am – 5.00pm

Penrith

2-6 Station Street
Penrith 2750
Tel: 131628
Fax: (02) 9020 4739
Hours: 8.30am – 5.00pm

Wollongong

Level 2 Block F
84 Crown Street
Wollongong NSW 2500
Tel: 131 628
Fax: (02) 4251 1888
Hours: 8.30am – 5.00pm

NSW Public Works

Head Office

Level 17 McKell Building
2-24 Rawson Place
Sydney NSW 2000
Tel: (02) 9372 8734
Fax: (02) 9372 7255
Hours: 9.00am – 5.00pm
www.publicworks.nsw.gov.au

Government Architect's Office

Level 19 McKell Building
2-24 Rawson Place
Sydney NSW 2000
Tel: (02) 9372 8411
Fax: (02) 9372 8499
Hours: 9.00am - 5.00pm

NSW Water Solutions

Level 14 McKell Building
2-24 Rawson Place
Sydney NSW 2000
Tel: (02) 9372 7960
Fax: (02) 9372 7999
Hours: 9.00am – 5.00pm

Manly Hydraulics Laboratory

110b King Street
Manly Vale NSW 2093
Tel: (02) 9949 0200
Fax: (02) 9948 6185

Project Management

Business & Resource

Level 17 McKell Building
2-24 Rawson Place
Sydney NSW 2000
Tel: (02) 9372 8671
Fax: (02) 9372 8866
Hours: 9:00am - 5.00pm

Project Services Branch

Level 5
234 Sussex St
Sydney NSW 2000
Tel: (02) 9367 0777
Fax: (02) 9367 0728
Hours: 9:00am - 5.00pm

Programs Branch

Level 20 McKell Building
2-24 Rawson Place
Sydney NSW 2000
Tel: (02) 9372 8560
Fax: (02) 9372 8566
Hours: 9:00am - 5.00pm

Project Management regional offices

Hunter New England

Regional Office

117 Bull Street
Newcastle West NSW 2309
Tel: (02) 4908 4999
Fax: (02) 4908 4954
Hours: 8.30am - 4.30pm

Tamworth

454-456 Peel Street
Tamworth NSW 2340
Tel: (02) 6768 4222
Fax: (02) 6768 4233
Hours: 8:30am - 5.00pm

North Coast

Regional Office

120 Dalley Street
Lismore NSW 2480
Tel: (02) 6626 5600
Fax: (02) 6626 5666
Hours: 8.30am – 5.00pm

Coffs Harbour

359 Harbour Drive
Coffs Harbour NSW 2450
Tel: (02) 6648 5911
Fax: (02) 6648 5905
Hours: 8.30am – 5.00pm

Port Macquarie

Maher Street
Port Macquarie NSW 2444
Tel: (02) 6586 7800
Fax: (02) 6586 7811
Hours: 8.30am – 5.00pm

Taree

Shop 17 Valley Fair Centre
112 Victoria Street
Taree NSW 2430
Tel: (02) 6592 6755
Fax: (02) 6592 6767
Hours: 8:30am-4:30pm

Riverina/Western

Regional office

140 William Street
Bathurst NSW 2309
Tel: (02) 4908 4999
Fax: (02) 4908 4954
Hours: 9.00am – 4:30pm

Broken Hill

32 Sulphide Street
Broken Hill NSW 2880
Tel: (08) 8087 9366
Fax: (08) 8087 9365
Hours: 8.00am - 4.30pm

Dubbo

34 White Street
Dubbo NSW 2830
Tel: (02) 6885 9333
Fax: (02) 6885 9300
Hours: 9:00am – 5:00pm

Wagga Wagga

2-6 Coleman Street
Wagga Wagga NSW 2650
Tel: (02) 6938 2880
Fax: (02) 6925 2087
Hours: 8:30am-5:00pm

Hay

414 Moppett Street
Hay NSW 2711
Tel: (02) 6993 1208
Fax: (02) 6993 2137
Hours: 8:30am - 4.30pm

South Coast

Regional Office

Level 3 Block E
84 Crown Street
Wollongong NSW 2500
Tel: (02) 4226 8500
Fax: (02) 4226 8534
Hours: 9:00am - 5.00pm

Goulburn

Level 1 RTA Building
211 Bourke Street
Goulburn NSW 2580
Tel: (02) 4822 2311
Fax: (02) 4822 2315
Hours: 7.30am - 4.00pm

Moruya

66 Campbell Street
Moruya NSW 2537
Tel: (02) 4474 7555
Fax: (02) 4474 7544
Hours: 8:00am - 4.30pm

Sydney Region

Regional Office

Level 5, 2 Burbank Place
Baulkham Hills NSW 2153
PO Box 8320
Baulkham Hills BC, NSW
2153
Tel: (02) 9852 0275
Fax: (02) 9852 0266
Hours: 8.30am - 5.00pm

Heritage & Building

Level 4, 2 Burbank Place
Baulkham Hills NSW 2153
PO Box 8320
Baulkham Hills BC, NSW
2153
Tel: (02) 9852 0064
Fax: (02) 9852 0091
Hours: 8:30am - 5.00pm

Essential Repairs & Services

Level 4, 2 Burbank Place
Baulkham Hills NSW 2153
Tel: 1800 422 110 (24 Hour
Service)
Tel: (02) 9852 0000
Fax: (02) 9852 0011

Heritage Services Stoneyard

92 Burrows Road
Alexandria NSW 2015
Tel: (02) 9565 9000
Fax: (02) 9516 2919
Hours: 9:00am - 5.00pm

Related entities

Australian Centre for Advanced Computing and Telecommunications (ac3)

Suite 7002, Locomotive Workshop
Australian Technology Park
Eveleigh, Sydney
Tel: (02) 9209 4600
Hours: 8.30am – 6.00pm
info@ac3.com.au

Building Insurers Guarantee Corporation

Fair Trading Services
Level 8, 2-24 Rawson Place
Sydney NSW 2000
PO Box 972, Parramatta, NSW 2124
Hours: 8.30am – 5.00pm
secretariat@services.nsw.gov.au

Consumer Trader and Tenancy Tribunal

Level 12, 175 Castlereagh St, Sydney 2000
GPO Box 4005, Sydney 2001
DX 11638 Sydney Downtown
Telephone: 1300 135 399 (toll free)
Fax: 1300 135 247 (toll free)
Hours: 8.30am – 5.00pm
Sydney@cttt.nsw.gov.au

Fair Trading Administration Corporation

Fair Trading Services
Level 8, 2-24 Rawson Place
Sydney NSW 2000
PO Box 972, Parramatta, NSW 2124
Hours: 8.30am – 5.00pm
secretariat@services.nsw.gov.au

Government and Related Employees Appeals Tribunal and Transport Appeal Boards

Level 1
47 Bridge Street
Sydney, NSW 2000
Tel: (02) 9258 0866
Fax: (02) 9258 0058
Hours: 9.00am – 5.00pm
http://www.lawlink.nsw.gov.au/lawlink/irc/ll_irc.nsf/pages/IRC_research_information_announcements_2010_15

Internal Audit Bureau

IAB Services
Level 2
1 Oxford Street Darlinghurst 2010
Tel: (02) 9261 9100
Fax: (02) 9261 9111
Hours: 9.00am – 5.00pm
contactus@iab.nsw.gov.au.

Motor Vehicle Repair Industry Authority

Motor Vehicle Services Unit
NSW Fair Trading
Enterprise House
1 Fitzwilliam St
Parramatta NSW 2150
PO Box 972
Parramatta 2124
Tel: 9895 0111
Fax: 9895 0222
Hours: 8.30am – 5.00pm
secretariat@services.nsw.gov.au

NSW Architects Registration Board

Level 2, 156 Gloucester Street
Sydney NSW 2000 Australia
Tel: (02) 9241 4033
Fax: (02) 9241 6144
Hours: 9.00am – 5.00pm
mail@architects.nsw.gov.au
www.architects.nsw.gov.au

NSW Government Telecommunications Authority

Department of Services, Technology and Administration
McKell Building
2-24 Rawson Place
Sydney NSW 2000
Tel: (02) 9372 8877
Fax: (02) 9372 7070
Hours: 8.30am – 5.30pm
www.services.nsw.gov.au

Rental Bond Board

Renting Services Branch
Locked Bag 19, Darlinghurst NSW 2010
Phone: 13 32 20

Secretariat functions of the Board are carried out by NSW Fair Trading at:

Level 22, 2-24 Rawson Place
Sydney NSW 2000
PO Box 972, Parramatta, NSW 2124
Fax: 9338 8970
Hours: 8.30am – 5.00pm
secretariat@services.nsw.gov.au

State Contracts Control Board

State Contract Control Board Secretariat
Level 22 McKell Building
2-24 Rawson Place
Sydney NSW 2000
Tel: (02) 9372 8840
Fax: (02) 9372 7533
Hours: 8.30am – 5.30pm
Secretariat.SCCB@services.nsw.gov.au
www.nswbuy.nsw.gov.au

State Records Authority

Western Sydney Records Centre

143 O'Connell Street
Kingswood NSW 2747
Tel: (02) 9673 1788
Hours: 9.00am – 5.00pm
(Monday to Friday)
10.00am – 4.00pm (Sat)
info@records.nsw.gov.au
www.records.nsw.gov.au

Sydney Records Centre

2 Globe Street
The Rocks NSW 2000
Tel: (02) 9673 1788
Fax: (02) 9833 4518
Hours: 9.00am – 5.00pm
(Monday to Friday)
10.00am – 4.00pm (Sat)
records@records.nsw.gov.au
www.records.nsw.gov.au

Government Records Repository

143 O'Connell Street
Kingswood NSW 2747
Tel: (02) 9673 1788
Fax: (02) 8805 5306
Hours: 7.00am – 6.00pm
grr.nsw.@records.nsw.gov.au
www.records.nsw.gov.au/grr

Teacher Housing Authority of New South Wales

Level 14, St Martins Tower
31 Market Street
Sydney NSW 2000
Tel: (02) 9260 2000
Hours: 8.30am – 4.30pm
thastaff@tha.nsw.gov.au
www.tha.nsw.gov.au

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This annual report has been prepared by the Department of Services, Technology & Administration for the purposes of *Annual Reports (Departments) Act 1985* including tabling in Parliament and providing the public with access to copies.

Our annual report is available in electronic web-based format and can be downloaded from the Department's website at <http://services.nsw.gov.au/about-us/library>.

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