

ANNUAL REPORT

Department of Premier and Cabinet
2017-18





**Premier
& Cabinet**

The Hon Gladys Berejiklian MP
Premier and Minister for Willoughby
52 Martin Place
Sydney NSW 2000

Dear Premier

I am pleased to submit the 2017-2018 Annual Report of the Department of Premier and Cabinet to you for presentation to the NSW Parliament.

This volume reports on the operations and performance of the Department, together with the financial statements for the period 1 July 2017 to 30 June 2018.

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

Yours sincerely

A handwritten signature in black ink, appearing to read 'Tim Reardon'.

Tim Reardon

Secretary

31 October 2018

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FROM THE SECRETARY

Our Mission

We are here to enhance the lives of the people of NSW. Our job is to drive the Government's priorities, coordinate across government, and deliver programs and services for the NSW community. We are guided by our core values of Integrity, Trust, Service and Accountability.

This annual report outlines what we have achieved during 2017-2018.

Our Customers

As the lead agency in the NSW public service, we coordinate the delivery of services through a whole-of-government approach. We engage directly with the community and we drive delivery to serve customers who rely on NSW public services.

Through our ongoing commitment in placing the customer at the centre of service delivery, we drove the Government's priorities including:

- The Premier's Priorities, including improvement targets for education, health, infrastructure, housing approvals, the environment, government services, and public sector diversity
- The Cost of Living initiative which offers customers across NSW access to significant savings on the things that matter to them – electricity, transport and recreation
- The Western Sydney Airport City Deal which will provide economic growth for Sydney and NSW for decades to come
- The Regional NSW Vision which recognises and supports the economic powerhouse industries across the State
- Coordinated the implementation of the National Disability Insurance Scheme, benefiting tens of thousands of people with disability across the State.

Our People

We rely on a diverse and motivated group of people in Premier and Cabinet to drive delivery and innovation. As the lead agency we attract people who are passionate and committed to making a difference for the communities in which they live.

We strive to make ourselves an employer that offers flexible work practices, meaningful and challenging work, and a collaborative and supportive working environment. We champion gender equality and diverse voices, reflecting the community we serve.

During 2017-18, our people again provided feedback about our positive work environment, including specific areas where we can improve even further. We have again listened and implemented practical changes to make us an ever more contemporary, modern, diverse, inclusive and agile work place.

It is an absolute honour and privilege to lead the NSW public service during this time of significant economic growth, service delivery expansion, infrastructure renewal, and most importantly, increasing customer focus across every part of government.



A stylized, handwritten signature in white ink.

Tim Reardon

Secretary, Department of Premier and Cabinet

ABOUT US



Department of Premier and Cabinet

The Department of Premier and Cabinet (DPC) leads the public sector to deliver on the NSW Government's commitments and priorities.

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

In 2017-18, DPC played a role in:

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

As at 30 June 2018, DPC comprised of groups which work across the spectrum of government to provide policy advice, administer legislation, and deliver projects and corporate services.

Customer, Behavioural Insights and Delivery Group

The Customer, Behavioural Insights and Delivery Group works collaboratively across government to deliver improved outcomes for the people of NSW. The group consists of the Office of the Customer Service Commissioner, the Behavioural Insights Unit and the Premier's Implementation Unit. The group:

- provides independent advice to the Premier, Cabinet and public sector leadership on customer service
- drives customer service reforms across government to ensure that the customer is placed at the centre of government service provision and delivery
- uses behavioural science to improve the effectiveness of public services, policies and communications
- works closely with agencies to support the delivery of the Premier's Priorities by providing independent overview, monitoring progress, managing risks and addressing barriers
- uses insights, data and trials to deliver evidence-based, measurable improvements to the people of NSW.

Economic Policy Group

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

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

Social Policy Group

The Social Policy Group gives advice and strategic support to the government on social policy and intergovernmental matters, and helps coordinate Cabinet business. Supporting the government's agenda to enhance the lives of people in NSW, the group provides active leadership in the policy agenda, collaborating on issues and brokering evidence-based solutions to complex social policy matters.

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

Areas of focus include:

- Aboriginal affairs
- health
- education and skills
- National Disability Insurance Scheme (NDIS) reform
- justice, police and emergency services
- counterterrorism and countering violent extremism
- intergovernmental relations
- family and community services
- social impact investing.

Regional NSW Group

The Regional NSW Group was established within DPC this year to support the Deputy Premier in his role as Minister for Regional NSW. The group includes an economic modelling and analysis team (the Centre for Economic and Regional Development) based in Orange and a regional development network which works across the state. The group:

- leads policy development for the regional NSW portfolio and drives the implementation of the Regional Development Framework
- leads the development and delivery of a suite of regional development and infrastructure grants programs
- engages with business, industry, local councils and the Australian Government to drive the delivery of regional economic development programs
- provides specialist project appraisal and program evaluation services for regional programs
- develops and implements cross-border action plans with the Australian Capital Territory (ACT), Queensland and Victoria
- makes connections across government and within regional communities

- drives and supports significant whole-of-government priorities in the region, responding to emerging opportunities and issues, and leading actions that are cross-government and/or involve multiple agencies
- ensures that regional activities are aligned with the Premier's Priorities, State Priorities and other significant NSW Government priorities in a regional priority setting.

Cabinet and Legal Group

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

- supports the Premier and the Cabinet, and manages the Cabinet and legislative agendas
- develops and implements policy and legislative reforms within the Premier's portfolios, assists with government priority reforms, and manages DPC's litigation and external legal service provision
- includes the Legal branch, Cabinet branch, Sector Governance branch and Information Access Unit (IAU)
- provides strategic oversight of the delivery of government priorities.

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

Operations and Engagement Group

The Operations and Engagement Group provides enabling functions through corporate governance, ministerial support, protocol and events, as well as government functions for advertising and communications. The group:

- is responsible for providing DPC with the mechanisms to transform the way it does business and interacts with customers
- provides human resources, information technology, finance, governance, communications, security, transport, property and facilities support to DPC and the NSW Ministry, and, as needed, to the Premier and Cabinet cluster
- provides communications and media support to the Premier's and Deputy Premier's offices, DPC, relevant portfolio ministers, and other agencies as appropriate

- includes the delivery of major events and protocol support, and leads whole-of-government communications coordination
- supports the Governor of NSW through the provision of staff and corporate services to Government House, Sydney.

Premier and Cabinet cluster

DPC is the lead department of the Premier and Cabinet cluster. The cluster included the following entities as at 30 June 2018:

- Barangaroo Delivery Authority
- Infrastructure NSW
- Natural Resources Commission
- Parliamentary Counsel's Office
- UrbanGrowth NSW Development Corporation.

The cluster also included the following independent entities as at 30 June 2018:

- Audit Office
- Independent Commission Against Corruption (ICAC)
- Independent Pricing and Regulatory Tribunal of NSW
- Inspector of the Independent Commission Against Corruption
- Office of the Inspector of the Law Enforcement Conduct Commission
- NSW Electoral Commission
- NSW Ombudsman's Office
- Public Service Commission.

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



DPC Social Policy



Gabi Carrigan and Caroline Reed at Top 50 Public Sector Women

PERFORMANCE HIGHLIGHTS



Our highlights

Helping the people of NSW manage their cost of living

DPC is helping drive development of the NSW Government's \$19 million Cost of Living initiative. This initiative assists NSW citizens to understand and access NSW Government programs that help manage cost-of-living pressures. Citizens can go to Service NSW to access more than 40 savings programs provided by the NSW Government across 12 separate agencies. Citizens who want more support can also make appointments with Cost of Living Specialists.

DPC is also supporting the delivery of a number of NSW Government programs as part of the Cost of Living initiative, including Active Kids, Toll Relief and Creative Kids.

City Deal signing

On 4 March 2018, the Premier signed the Western Sydney City Deal with the Prime Minister and the eight mayors of the Western Parkland City. This was the culmination of 18 months of work by DPC to coordinate the development of the 38 commitments contained in the City Deal with the relevant NSW agencies, as well as the other levels of government.

The City Deal is a 20-year agreement between the three levels of government to deliver a once-in-a-generation transformation of Sydney's outer west – creating the 'Western Parkland City'. It also includes measures to maintain and enhance Western Sydney's unique character by improving community infrastructure and liveability.

A City Deal Delivery Office has now been established, staffed by the three levels of government, to oversee implementation of the deal. An Implementation Plan is being prepared for release by the end of 2018.

Government response to the State Infrastructure Strategy

In March 2018, the Premier released Infrastructure NSW's *Building Momentum: State Infrastructure Strategy 2018-2038* and the government's response to the strategy.

DPC developed the government's response, the *NSW State Infrastructure Strategy 2018-2038*. The strategy sets out the government's priorities for the next 20 years, and combined with the *Future Transport Strategy 2056* (and other sectoral infrastructure strategies still in development), the Greater Sydney Region Plan and the Regional Development Framework, brings together infrastructure investment and land-use planning for our cities and regions. The strategy is available at nsw.gov.au.

In the course of delivering a large infrastructure program, the NSW Government has learnt better ways to plan for the next tranche of projects and ensure it delivers and uses its infrastructure in the most efficient ways. The practices adopted in NSW will ensure that new infrastructure supports population growth; enhance planning approval and procurement processes so assets are built more quickly and cost effectively; and more effectively maintain, repurpose and upgrade existing assets.

DPC is now working with clusters to implement the 113 commitments the government made under the strategy.

Attracting jobs, skills and investment to regional NSW

The Regional NSW Investment Prospectus was launched by the Deputy Premier, John Barilaro, on 20 February 2018. This is the first time that regional NSW has had a standalone online resource to provide potential investors (domestic and international) with the 'how', 'who' and 'what' to be able to invest with confidence. The aim of the Investment Prospectus is to increase awareness of regional NSW, its economic

strengths and available investment opportunities. The prospectus has been translated into Korean, Japanese and Chinese (Mandarin).

The Investment Prospectus was developed by the DPC Regional Group in collaboration with a cross-agency working group and Australian Government agencies as a key outcome of the Regional Development Framework.

DPC worked closely with relevant NSW Government agencies to develop an investment attraction package aimed at boosting jobs in regional areas. The package includes financial incentives and a business concierge service to support major employers and investors interested in setting up a base in the regions.

Delivering the Regional Growth Fund

DPC supported the launch of the Deputy Premier's Regional Growth Fund, a \$1.3 billion investment in regional infrastructure to boost local economies and improve services in communities. DPC worked with Treasury, Infrastructure NSW, the Department of Industry, the Office of Sport, the NSW Telco Authority and Create NSW to successfully design and implement delivery of the Regional Growth Fund. This fund will invest in infrastructure to grow local economies, support mining communities, improve voice and data connectivity, and improve sporting and cultural infrastructure over the next four years. To support delivery of the fund, DPC has been working with communities and local government to prioritise infrastructure investment decisions. This is the first time this work has been undertaken to coordinate long-term planning across the entire state on this scale.

Aerotropolis Investor Forum

Working closely with the Australian Government, local government, the NSW Department of Industry and the Greater Sydney Commission, DPC led the delivery of the Aerotropolis Investor Forum in Western Sydney on 28 May 2018. The one-day program, attended by both the Prime Minister and the Premier, provided C-suite delegates with an unprecedented opportunity to engage with government and industry leaders in creating Australia's newest 21st century city. It is anticipated that the Aerotropolis will help create 200,000 new jobs across Western Sydney by 2036. On the day, 233 delegates attended the forum, representing 192 organisations from 15 countries across the globe. The area has already attracted public investment of more than \$20 billion across transport, health and education infrastructure over the next four years.

White Ribbon Workplace Accreditation

DPC was officially awarded White Ribbon Accreditation on 8 March 2018, with its submission assessed by two independent White Ribbon workplace assessors. Over 18 months, the department demonstrated effective leadership, resource allocation, communication, HR policy development and training to create a safer and more respectful workplace. The White Ribbon Accreditation program is internationally recognised and has reached more than 600,000 employees through 169 accredited workplaces nationally. The NSW government sector now has six accredited workplaces and two accredited local councils.

DPC is now officially recognised by White Ribbon Australia as a pioneer in contributing to national cultural change to prevent and respond to violence against women. The department has evidenced commitment to gender equality, supporting employees to be more respectful across all spheres.

The DPC White Ribbon Committee continues to ensure sustainable change is achieved, and support is available across the department.

Keeping our environment clean

DPC successfully supported the Environment Protection Authority to reduce litter volume across NSW under the Premier's Priority on Keeping Our Environment Clean. Litter volumes in 2017-18 were down 37 per cent from the 2013-14 baseline, just 3 percentage points away from the target of a 40 per cent reduction by 2020, two years ahead of schedule. An important initiative, the Return and Earn container deposit scheme, targets littered drink containers, which make up 43 per cent of litter in NSW. Since Return and Earn started in December 2017, the volume of littered drink containers has dropped by 30 per cent. By 30 June 2018, the scheme had more than 600 collection points across the state, with the community returning approximately 450 million containers at a rate of nearly three million containers per day, returning around \$45 million in refunds to citizens.

Protecting children from sexual abuse

DPC led a cross-agency taskforce to respond to the final report of the Royal Commission into Institutional Responses to Child Sexual Abuse. The report was released in December 2017 and included 409 recommendations, covering a huge array of complex policy and delivery areas. The NSW Government response was released on 23 June 2018 and accepted the overwhelming majority of recommendations. The response commits to preventing further child abuse and improving survivors' access to justice,

treatment and support. DPC will continue to support agencies to work across government and with non-government organisations to implement the government's response, and report annually to the NSW Parliament on progress.

Leading the NSW transition to the NDIS

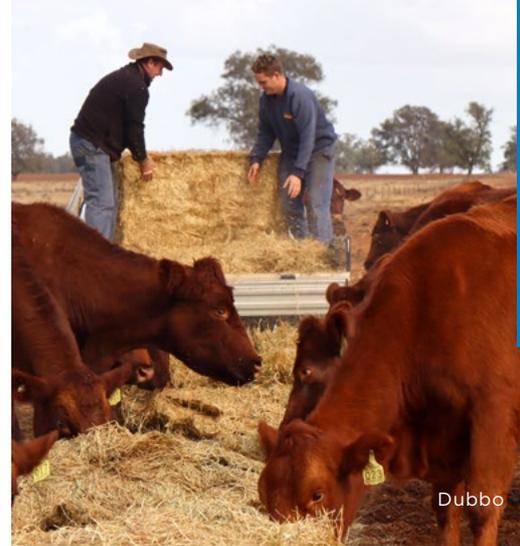
DPC led the whole-of-government effort to successfully transition participants and resources to the National Disability Insurance Scheme (NDIS) by July 2018. The NDIS is a landmark reform introducing a national, person-centred approach to empower people with disability to exercise choice and control over their support services. This year, NSW achieved two significant milestones – it became the first state to achieve full rollout of the NDIS and became the first state to sign a Full Scheme Agreement with the Australian Government. DPC led negotiations for this landmark agreement, which sets out the ongoing governance and financial arrangements for the NDIS in the state. It will see the state commit more than \$3 billion per year to the scheme, with total estimated funding of the NDIS in NSW over the next six years amounting to more than \$45 billion. DPC will continue to work with the Australian Government, and other states and territories to monitor and oversee the NDIS to ensure it remains sustainable and delivers on its promises to people with disability in NSW.

Australia's first modern slavery legislation

DPC supported the Premier with the enactment by the Parliament of the *Modern Slavery Act 2018* – Australia's first specific modern slavery legislation. The Act establishes an Anti-Slavery Commissioner, strengthens relevant provisions of the *Crimes Act 1900*, mandates supply chain transparency in relation to modern slavery risks for specified businesses, improves government procurement practices, and ensures that victims of modern slavery have access to support under the *Victims Rights and Support Act 2013*.

Electoral law reform

DPC supported the development and passage of new electoral laws that reflect modern electoral practices and advances in technology. DPC also supported the development and enactment of new electoral funding laws to improve transparency in relation to political donations and expenditure.



Dubbo



Sydney Metro



Sydney

STATEMENT OF STRATEGIC INTENT 2016–2019



Our mission

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

Areas of focus

We are focused on supporting the NSW Government to deliver on its identified priorities:

- strong budget and economy
- building infrastructure
- protecting the vulnerable
- developing NSW's regions
- better services
- safer communities.

We will support delivery against these priorities through high standards of service delivery and advice to government and the people of NSW, and effective community and stakeholder engagement.

Organisational effectiveness

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

Capabilities in our organisation

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

Capabilities in our people

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

EMBRACING PUBLIC SECTOR CORE VALUES



Our values

DPC embraces and promotes the public sector core values through its Statement of Strategic Intent.

Integrity

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

Trust

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

Service

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

Accountability

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



ACHIEVEMENTS



Strong economic management

Supporting the Premier's Priority on Creating Jobs

Making it easy to do business and increasing apprenticeships

The Customer, Behavioural Insights and Delivery Group contributed to strong economic management through the Premier's Priority on Creating Jobs. This was achieved through two key initiatives: the Easy to do Business program; and working with Training Services NSW and TAFE NSW to apply behavioural insights to increase apprenticeship and traineeship completions from the current rate of 59 per cent (as reported in August 2018 State Priority reporting) towards the State Priority of 65 per cent by 2019.

The Office of the Customer Service Commissioner worked with the Small Business Commissioner and Service NSW to pilot the Easy to do Business program, which makes it easier for new businesses to get going and for existing businesses to grow. The pilot decreased the time it takes to establish a café, restaurant or small bar from 18 months to three months. As at 30 June 2018, 77 local councils had signed up to deliver the Easy to do Business program and 50 were already running it. NSW secured \$95.9 million from the Australian Government's National Partnership on Small Business Regulatory Reform to scale up the Easy to do Business initiative over the next two years.

Signing of the skills national partnership

The NSW Government signed the Skilling Australians Fund National Partnership Agreement in June 2018, after a significant period of negotiation with the Australian Government. DPC worked closely with the NSW Department of Industry and NSW Treasury throughout these negotiations, and achieved a positive outcome for the state. The agreement allows NSW to access up to \$500 million over five years to support apprentices and trainees in NSW. This will help the NSW Government deliver on its record investment in infrastructure projects, meet the skills needs of businesses and prepare the future workforce.

Boosting Indigenous opportunities in Western Sydney

DPC partnered with Australian and NSW government agencies to develop and negotiate commitments for the Western Sydney City Deal. This included important commitments to maximise economic development for Indigenous people and organisations. These were participation and procurement targets, a small business and skills package, and a plan to work with Indigenous organisations to implement the City Deal.

Managing unsolicited proposals

In 2017-18, 11 unsolicited proposals were received (six did not proceed past Stage 1, four are current and one was referred to another agency for consideration). Of the four current proposals, two have progressed to Stage 2. Nearly 200 enquiries were addressed and 16 pre-lodgement meetings were held.

In August 2017, the *Unsolicited Proposals Guide for Submission and Assessment* was updated following the NSW Auditor General's Performance Audit, *Managing Unsolicited Proposals in NSW*. The guide was updated to clarify terminology and process, and to implement greater transparency and public reporting.

Developing an economic vision for the regions

A 20-Year Economic Vision for Regional NSW articulates how the NSW Government will promote sustainable, long-term economic growth in regional NSW. It will guide infrastructure and service provision decisions across government to deliver regional growth over the next two decades.

The NSW Government helped local councils develop Regional Economic Development Strategies based on their 'functional economic regions'. Each strategy provides an economic development strategy for the region, which can be used to inform the economic development activity of council and business. The strategies also enable faster access to dedicated state funding, such as the Growing Local Economies Fund.

Reviewing the NSW regulatory policy framework

On 19 February 2018, the government released the final report of the Greiner Review. An independent panel led by the Hon. Nick Greiner AC conducted an extensive review of the policy framework underpinning regulatory quality across the whole of NSW Government. DPC managed this complex review, including coordinating an extensive consultation process involving some 70 stakeholder groups across government, non-government organisations and the private sector.

The panel's final recommendations were supported by the NSW Government. The government's response included assigning responsibility for regulatory policy to the Treasurer, and appointing former NSW auditor-general Peter Achterstraat AM as NSW's first Productivity Commissioner. The Productivity Commissioner will lead a wide-ranging reform agenda to make it easier for citizens to live, work and run a business in NSW.

Reducing the cost of living

Developing the NSW Government's Cost of Living initiative

The Customer, Behavioural Insights and Delivery Group is helping drive the development of the NSW Government's \$19 million Cost of Living initiative. This initiative helps NSW citizens understand and access NSW Government programs that help manage cost-of-living pressures. For the first time, citizens can go to Service NSW to access more than 40 savings programs provided by the NSW Government across 12 separate agencies. Citizens who want more support can also make appointments with Cost of Living Specialists. The Customer, Behavioural Insights and Delivery Group contributed citizen and behavioural insights to the development of the Cost of Living initiative to ensure it provides the greatest benefit to citizens. The group is also supporting the delivery of a number of NSW Government programs as part of the Cost of Living initiative, including Active Kids, Toll Relief and Creative Kids.

Delivering the parents' package

DPC played a leading role in the development of the NSW Baby Bundle initiative, part of the NSW Government's \$156.5 million package to support new parents. The bundle will provide baby essentials and health advice to all new parents from 1 January 2019. DPC is working closely with NSW Health and Treasury on the delivery of the bundle, and is chairing a cross-agency group to ensure its smooth implementation.

Energy security and affordability

In September 2017, the Premier released the nation's most comprehensive Energy Bill Relief Package. This package boosts energy rebates by 20 per cent, puts an end to paper bill fees, and provides discounts for NSW households and small businesses to upgrade to more energy-efficient appliances and equipment. DPC played a central role in supporting agencies to develop and implement these actions to reduce cost-of-living pressures.

In 2017, the NSW Energy Security Taskforce, chaired by the NSW Chief Scientist, confirmed that NSW is well placed to deal with electricity system reliability and security risks. DPC is supporting the government to implement the recommendations of the taskforce's interim and final reports.

World-class services

Delivering world-class services

The Customer, Behavioural Insights and Delivery Group brings a customer focus, uses behavioural insights and provides delivery support to ensure world-class services to citizens. Customer research undertaken by the Office of the Customer Service Commissioner helps the NSW Government understand and act on key opportunities to ensure services are high quality, easy to use and accessible to all. This research also measures progress against the Premier's Priority to improve satisfaction with key government services (Improving Government Services). The 2017-18 Customer Satisfaction Index for consumers is 78.9, and for businesses is 78.2, which is stable compared with the 2016-17 results.

The group also provides independent support and advice to lead agencies on driving delivery of the Premier's Priorities through the implementation of targeted interventions and strategies. In 2017-18, the Premier's Implementation Unit worked closely with lead agencies on projects which have contributed to improved government services for citizens. For example, the Bump It Up strategy, introduced under the Improving Education Results priority to improve literacy and numeracy skills, saw an improvement of 3.1 percentage points in targeted schools compared with other government primary schools in 2017, and 1.9 percentage points compared with other government secondary schools; and the Guardianship Project, introduced under the Improving Service Levels in Hospitals priority, has seen a reduction in the average time from application for guardianship to hospital discharge by 56 days (from 83 to 27 days).

Building behavioural insights capacity across the NSW Government

DPC continued its successful Behavioural Insights program this year, supporting a wide range of government agencies. This cutting-edge work has increasingly moved into addressing persistent and complex problems, and supporting the Premier's Priorities by applying insights from the behavioural sciences. The Behavioural Insights Unit has worked closely with lead agencies on improving hospital discharge practices, encouraging student teachers to apply to remote and rural areas, improving community consultation and increasing the take-up of digital service channels. The unit is currently working on applying behavioural insights to improve school attendance and encourage more healthy food selections in school canteens.

Developing new policy initiatives to address childhood obesity

DPC is working closely with NSW Health and other NSW Government agencies to deliver the Premier's Priority to reduce childhood overweight and obesity rates by 5 percentage points by 2025 (Tackling Childhood Obesity). DPC's Health Policy team and the Premier's Implementation Unit are supporting NSW Health to deliver new initiatives to support healthier choices. These include:

- enhancing pregnancy and early years programs to support families to give kids a healthy start in life
- leveraging NSW's infrastructure program to increase active travel for children across the state
- developing ways for NSW Health to engage non-government partners to help generate better health outcomes for kids and families.

Improving health outcomes through innovative social impact investments

The Office of Social Impact Investment (OSII), a joint initiative of DPC and NSW Treasury, is responsible for implementing the NSW Government's Social Impact Investments Policy. OSII oversees investments exceeding \$200 million and supporting more than 16,000 people in NSW. In 2017-18, OSII launched social impact investments in mental health and palliative care. The Silver Chain investment (July 2017) is providing patients in Western Sydney with enhanced at-home palliative care through 24/7 services and more support for families. The Resolve Social Benefit Bond (October 2017) offers better community-based mental health supports through a comprehensive recovery-oriented program in Western NSW and the Nepean-Blue Mountains. These innovative investments are outcomes-focused and have been developed through partnerships between the OSII, the Ministry of Health, local health districts, service providers, investors and financial intermediaries. Combined, these social impact investments aim to improve health outcomes for almost 9000 people in NSW and through almost \$95 million in outcomes-based contracts.

Leading initiatives to improve services and amenity in regional communities

The NSW Government has invested \$8 million to create better study environments in regional NSW through the creation of Country University Centres (CUCs). The CUCs provide educational access and opportunities for students in the regions, to help reduce the proportion of talented students leaving the regions for the city. The CUC model allows students to study and remain in their own regional communities, and provides industry and employers with access to a local, skilled and qualified workforce. Five CUCs will have been launched by the 2019 academic year, including those already launched at Broken Hill and Goulburn.

The Our Regions website provides regional communities with information about the NSW Government's investment in their area. The website highlights the difference made by the NSW Government through services in regional communities. An interactive map shows more than 750 infrastructure projects underway in 2017-18 and showcases \$16 billion worth of NSW Government-funded infrastructure projects.

The website describes the activation of local economies through the \$1.3 billion Regional Growth Fund, and progress of the Regional Service Delivery Priorities, targeted to meet each region's specific needs.

Major and local infrastructure

Supporting the delivery of local infrastructure

DPC works collaboratively with lead delivery agencies to track key data on progress, milestones and challenges across a range of significant local infrastructure projects around the state. The Customer, Behavioural Insights and Delivery Group conducts on-the-ground fieldwork at local infrastructure project sites to provide support on delivery challenges, drive progress and improve outcomes for citizens.

Cooling down our schools

DPC engaged with SINSW on classroom heating and cooling, which resulted in the NSW Government announcing a \$500 million funding boost to deliver air conditioning in up to 1000 public school classrooms and libraries across the state. This policy is targeted at schools with the greatest need, and also includes funding for the removal of un-flued gas heaters where new air conditioning is installed.

Delivering more social housing through the Social and Affordable Housing Fund

DPC partnered with the Department of Family and Community Services, and Treasury to establish the \$1.1 billion Social and Affordable Housing Fund (SAHF). The SAHF aims to deliver up to 3400 additional social and affordable homes in metropolitan and regional NSW through two phases of procurement. SAHF 1 procurement was completed in February 2017 and will deliver an additional 2200 social and affordable housing dwellings. Since May 2017, more than 130 families have moved into social and affordable homes funded by the first phase of SAHF. SAHF 2 procurement is underway and aims to deliver an additional 1200 social and affordable housing dwellings, with 30 per cent of these in regional areas of NSW.

Appraising of more than 70 regional infrastructure projects worth \$250 million

DPC estimated the economic benefits and costs for more than 70 regional infrastructure projects with total assistance value of more than \$250 million. These appraisals were in accordance with NSW Treasury guidelines to ensure evidence-based decision-making in the Resources for Regions, Growing Local Economies, and Regional Growth: Environment and Tourism funds. DPC also appraised a number of major regional programs such as Regional Digital Connectivity and Service NSW Regional Network, developed and implemented best-practice program evaluation plans for the evaluation of the \$1.6 billion NSW Regional Growth Fund and developed a number of appraisal tools for use by non-economists in the wider public sector.

Keeping the community safe

Supporting the Premier's Priorities for safer communities

The Customer, Behavioural Insights and Delivery Group supported key agencies to deliver numerous initiatives under the Premier's Priorities on Reducing Domestic Violence Reoffending and Protecting Our Kids.

Domestic violence

Performance against the Premier's Priority on Reducing Domestic Violence Reoffending is showing early signs of improvement in this challenging policy area. The Premier's Implementation Unit and the Behavioural Insights Unit are working with agency partners on a number of behaviourally based initiatives to reduce domestic violence reoffending.

An example of this is work currently underway with the Department of Justice to test whether sending text messages to domestic violence defendants about their scheduled court appearance reduces court non-attendance. On average, one in four defendants do not show up to their court listing, impacting on court and police resources and causing additional stress for victims. The results of the trial revealed that the text message reminder was very successful, reducing court non-attendance by 23 per cent and improving court efficiency.

Other initiatives include the development of a digital app for defendants and a referral card for police to provide to defendants when issuing apprehended domestic violence orders (ADVOs). Also underway is a project aimed at Aboriginal defendants, which draws on the science of goal-setting and implementation intentions to help clients plan for compliance with their ADVO.

Protecting our kids

The Premier's Implementation Unit is partnering with the Department of Family and Community Services to deliver on the Premier's Priority on Protecting Our Kids, by reducing the rate of re-reporting of children at risk of significant harm within 12 months of having a case plan closed. The team is focused on ensuring caseworkers have the tools and support needed to help families achieve meaningful and sustainable change. Key achievements include the following:

- Every caseworker across the state has access to three hours of weekly supervision, supported by specialists, to help improve their casework practice
- By 2019, every caseworker will be receiving regular training and support in key practice tools

- The number of casework support workers has doubled in an effort to free up the amount of time caseworkers spend on administrative tasks, enabling them to spend more time working with vulnerable families and children.

Strengthening collaboration on counterterrorism

DPC led NSW's engagement with all jurisdictions in the lead-up to the October 2017 special counterterrorism (CT) meeting of the Council of Australian Governments (COAG). Leaders agreed to a number of measures to better equip our security and law enforcement agencies to counter the evolving terrorist threat. This included reaching agreement to establish the national facial biometric matching capability, enhance pre-charge detention legislation and develop two new terrorism offences. DPC continues to lead NSW engagement with all jurisdictions to implement the outcomes of the COAG meeting.

Coordinating the government's response to siege inquest

In June 2017, the NSW Government announced it would accept and support all recommendations arising from the Coroner's Inquest into the deaths arising from the Lindt Café siege. DPC, in close cooperation with the NSW Police Force, led a multi-agency working group to oversee the implementation of the government response. The NSW Government addressed the overwhelming majority of recommendations within six months. This included redesigning training programs, upgrading equipment, changing negotiation processes, and revising arrangements for police responses during incidents. DPC has also led discussions with the Australian Government to reform procedures to call out the Australian Defence Force, consistent with the Coroner's recommendations. The reforms will enhance existing arrangements and provide more flexibility to call for assistance where required.

Strengthening the NSW whole-of-government approach to cyber security

DPC continues to strengthen the NSW whole-of-government approach to cyber security through the establishment and ongoing leadership of the Cyber Security Senior Officers Group. The group has supported the Government's Chief Information Security Officer in the development of a NSW strategy for cyber security and in strengthening the NSW

Government's cyber security response capability. This cross-agency collaboration provides a whole-of-government, integrated approach to increasing NSW's capability in managing cyber risk and responding to cyber security threats.

Establishing cross-border collaboration plans for emergencies

Fire and Rescue NSW, and Queensland Fire and Emergency Services signed a memorandum of understanding (MoU) and mutual aid agreement to allow for cross-border collaboration during local emergencies. The MoU ensured emergency services agencies on both sides of the border had the ability to provide a seamless response in the lead-up to and during the 2018 Commonwealth Games on the

Gold Coast. The NSW Cross-Border Commissioner, NSW State Emergency Services, NSW Police Force and NSW Office of Emergency Management worked with partner agencies in Queensland to develop this agreement and improved interoperability with Queensland emergency services.

This MoU is part of a suite of cross-border activities underway through two formal cross-border agreements: the Queensland-NSW Principles and Priorities for Cross-Border Collaboration 2016-19 and the ACT-NSW Memorandum of Understanding for Regional Collaboration 2016-19. Projects planned and underway through these agreements will further align plans for emergency management, prevention, preparedness, response and recovery activities across NSW's borders.

Protecting the environment and local character

Koala strategy

On 6 May 2018, the Premier unveiled an unprecedented state strategy to protect Australia's iconic koala. This included a new koala hospital and major new reserves for the much-loved marsupial.

The NSW Government's Koala Strategy is the biggest commitment by any state government to secure koalas in the wild. It will provide more natural habitat for koalas, tackle diseases, improve research and fix roadkill hotspots. The strategy commits \$44.7 million and 24,000 hectares of land for koala conservation reserves. This land will be managed to ensure prime habitat is conserved, and to provide safe homes for koalas being returned to the wild.

The strategy is the culmination of nearly two years of collaborative work. DPC played a central role supporting agencies to develop a strong koala strategy that would address the Chief Scientist's original recommendations and set the foundations for the government's longer term vision - to increase koala populations across NSW.

Supporting the reduction of litter

The Customer, Behavioural Insights and Delivery Group successfully supported the Environment Protection Authority to reduce litter volumes across NSW. Litter volumes in 2017-18 were down 37 per cent from the 2013-14 baseline - just 3 percentage points away from the target of 40 per cent by 2020, two years ahead of schedule.

An important initiative, Return and Earn targets littered drink containers, which make up 43 per cent of litter in NSW. Since Return and Earn started in December 2017, the volume of littered drink containers has dropped by 30 per cent. By 30 June 2018, the scheme had more than 600 collection points across the state, with approximately 450 million containers returned by the community. This means around \$45 million in refunds has been distributed to citizens.



Koala strategy

Effective government

Driving economic development in the regions

DPC Regional Development aims to leave a lasting legacy for regional NSW by fostering sustainable businesses and vibrant communities, by:

- taking a lead role in the delivery of state-significant economic development projects, including the establishment of Country University Centres in Goulburn and Broken Hill
- identifying and activating economic potential, including through the Bourke abattoir, North Coast food precinct, Global Ag-Tech Ecosystem in Orange, and Eden cruise industry
- overseeing the delivery of a wide range of facilitation programs to help businesses establish, expand and create more jobs, including facilitation services for 893 existing business clients and 680 new clients, and 434 referrals to other agencies under a 'no wrong door' approach
- promoting regional NSW as an attractive investment environment, including through a trade mission involving 14 consuls general to the Northern Rivers region, and launching the Investment Prospectus website (which has received 27,541 page views since its launch in February 2018, with the top four markets being the US, Indonesia, Hong Kong and the UK).

Choice modelling for Stronger Country Communities Fund

Community consultation is a key focus for the Stronger Country Communities Fund. Demonstrating this commitment to consultation, the NSW Government adopted choice modelling as the central assessment tool for projects submitted for funding under the fund. The University of Technology Sydney was engaged to ensure that the methodology was applied rigorously and consistently across all eligible local government areas.

Almost 17,000 respondents from regional NSW stated their preference for projects proposed in their region across both rounds of the fund.

Hosting Guests of Government

DPC provided Guest of Government visit management – including coordination and facilitation of visit programs and media arrangements – for visits by the presidents of the Republic of Croatia, Republic of Ireland, Federal Republic of Germany and the French Republic, and the prime ministers of New Zealand and the Socialist Republic of Vietnam.

Supporting overseas delegations and visitors

DPC continued to support the Premier by providing high-level logistical and communications support for four overseas missions – to Japan and the Republic of Korea, People's Republic of China, the United States of America and India. DPC also successfully delivered seven community Cabinet visits and 14 events hosted by the Premier for the community of NSW or visiting dignitaries.

A stronger Independent Commission Against Corruption

DPC supported the Premier in relation to the commencement of amendments to the *Independent Commission Against Corruption Act 1998* in August 2017, to strengthen ICAC's structure, governance, decision-making and oversight; and the appointment of the Hon. Peter Hall QC as the inaugural Chief Commissioner of ICAC, and Patricia McDonald SC and Stephen Rushton SC as Commissioners of ICAC.

Finalising the separation of Urban Growth and Landcom

On 20 October 2017, the government finalised the establishment of the new UrbanGrowth NSW Development Corporation (UGDC). DPC led the process that included the introduction of legislation to Parliament to secure employees' terms and conditions, and the execution of transfer Orders to ensure a smooth transfer of staff and assets to the new UGDC. Barry Mann was appointed as Chief Executive Officer in September 2017. UGDC can now effectively and efficiently deliver the government's priorities on projects such as the Sydney Fish Market redevelopment, Bays West, Parramatta North Urban Transformation and the Redfern Waterloo precinct.

Overseeing government priorities

DPC has continued to provide strategic oversight of government priorities, including State Priorities. DPC works closely with implementing agencies to monitor progress, with a focus on delivery in both metropolitan and regional areas of NSW.

Effective community and stakeholder engagement

Delivering major events – Australia Day and ANZAC Day

Australia Day in Sydney brought thousands of people to the CBD to celebrate ‘everyone, every story’ through an exciting program showcasing the diversity of the nation. Events included:

- the WugulOra Indigenous Morning Ceremony at Barangaroo
- ‘Summer Playground’, featuring two free Wiggles concerts at Darling Harbour
- the ‘Sydney Street Party’ in The Rocks
- ‘Salute to Australia’ on Sydney Harbour
- the Australia Day Live concert at the Sydney Opera House forecourt, broadcast to more than two million viewers on Network Ten
- a new event for 2018, ‘Live at the Quay!’ which brought 70,000 people to Circular Quay to experience the Australia Day fireworks.

The 2018 Sydney Dawn Service and ANZAC Day March brought over 20,000 veterans, service personnel and members of the general public to the CBD to pay their respects to those who have served our country. DPC Events worked closely with the Dawn Service Trust, RSL NSW and the Department of Veterans Affairs to deliver the production, security and crowd management for these events.

Implementing effective regional and local governance

The Joint Organisations (JOs) and Regional Leadership Executives (RLEs) represent the attainment of effective working relationships between councils and state agencies in regional NSW. Through JO representation on RLEs, the new organisations will work together to achieve better regional outcomes.

The NSW Government established JOs under the *Local Government Act 1993* in early 2018. As new local government entities, JOs support councils to improve service delivery and infrastructure, and enhance the way local and state governments collaborate. This enhances the planning and delivery of important regional infrastructure and investment.

The RLEs are the principal governance bodies within the NSW Government’s Regional Governance Framework. A ‘whole of region and government’ lens drives and supports individual line agencies’ priorities in

the regions. Further, RLEs respond to emerging regional opportunities and issues, and lead cross-government actions and those that involve multiple agencies.

Applying behavioural insights to community consultation

DPC worked with the Department of Planning and Environment to use behavioural insights to design and revise a flyer and survey used as part of community consultation activities for a land-use plan for Banksia and Arncliffe, located in suburban Sydney. The project aimed to increase online community participation. While it did not significantly increase community participation overall, an interesting finding was that people who completed surveys with illustrations submitted more comments than those who completed surveys without accompanying illustrations. This suggests using visual elements may increase engagement in online community feedback surveys.

Feedback Assist

Under the Premier’s Priority for Improving Government Services, the Premier’s Implementation Unit, in partnership with the Department of Finance, Services and Innovation, is improving the way our customers can speak directly to government. Feedback Assist is a widget, now live on the nsw.gov.au website and across the NSW Government, that provides citizens with a simple and consistent way to provide a compliment, complaint or idea.

Communications and Engagement has installed Feedback Assist on the DPC and NSW Government websites. In just a few clicks, users can send a compliment, lodge a complaint or make a suggestion to the department through the ‘Your Feedback’ application displayed on every page of the websites. The Digital team also provides customer support for website enquiries received via Feedback Assist.

Building communications capability and collaboration

DPC serves as a centre of excellence for the NSW Government, providing leadership, industry research, support and training in communications to foster continuous learning and innovative approaches to communications practice.

Throughout the year, DPC coordinated peer networks for communications practitioners of all levels, in the fields of social media, internal engagement and

digital communications. DPC delivered a series of high-quality workshops and forums for more than 1000 communications and engagement staff in the sector, on marketing and the media landscape, digital and social media innovations, and branding.

Improving the quality and efficiency of sector communications

DPC provided strategic communications advice and policy, high-quality resources and events to the NSW public sector, and facilitated peer reviews for all large-scale government advertising campaigns.

Updated NSW Government Branding Guidelines and Funding Acknowledgement Guidelines for Recipients of NSW Government Infrastructure Grants were issued to the sector in August 2017 to ensure the NSW community is better able to recognise trusted public services and information, and understand initiatives supported by the NSW Government.

DPC implemented a new Media Agency Services agreement for the sector. By restructuring this arrangement, DPC significantly lowered government media costs and enabled agencies to access improved media analysis, reporting and services for their advertising campaigns.

DPC also made it easier to access expert creative advertising and digital services, including from small and medium sized companies, by expanding and streamlining the sector's prequalification scheme.

Relaunching the DPC website

The DPC website has been redesigned on a more flexible platform. As part of the project, the department also conducted a full audit of the website's content to ensure that information was up to date, correct and relevant to its audience. Since the relaunch, engagement on the DPC website has increased 20 per cent year on year. The project also consolidated the visual design of the department's Communications and Engagement, and Behavioural Insights websites.



Tim Reardon, Louise Mohen, Chloe Stevenson, Hannah Bretherton, Sophia Finlay-Melville, Clare Power, Emma Vlatko at ICC



ANZAC Dawn Service

Capabilities in our people and organisation

Helping deliver the Premier's Priority on Driving Public Sector Diversity

DPC is partnering with the Public Service Commission and NSW Government agencies to use behavioural insights to increase the representation of women in senior leadership positions in the NSW government sector. This work builds on earlier research that has provided significant insights into the recruitment experiences of men and women applying for senior roles in the NSW public sector.

DPC also worked with Transport for NSW to encourage DPC staff members to take up flexible work practices and to travel to and from work outside of peak hours, using behavioural insights. Changes to Outlook calendar defaults, prompted manager conversations and a workplace competition successfully increased morning arrivals outside peak times by 8.6 percentage points.

Realigning regional operational teams with a focus on frontline service delivery

Since the beginning of 2018, all regional staff and activities were consolidated under a single Deputy Secretary. Further, 2018 saw the establishment of a new branch, DPC Regional, which brought together staff from the Regional Coordination Branch and the Office of Regional Development. This new structure contains provisions to ensure statewide accountability for the delivery of the NSW Government's regional investment through the regional growth funds. The new branch provides clarity on primary contacts in each region, and more consistent management of DPC activities – including reporting, delivery and accountability lines allowing regional resources to be allocated to areas of greatest need.

Embedding a strong learning culture

To embed our learning culture, the department deployed an Online Learning Management System. The system creates opportunities for individuals to progress their own career planning and development. The system allows leaders to gain clear and up-to-date insight into their team's capabilities, performance, development activities and career aspirations.

Improving staff capability

Our 2017 People Matters Survey results showed staff wanted support for new managers. The department successfully launched the DPC Leadership Program pilot with 17 people managers. The program covers the conceptual understanding of leadership, providing managers with practical skills and techniques to implement back in the workplace. The program targets new managers, with a focus on how to navigate changing environments to be inclusive, agile, resilient and flexible leaders.



CORPORATE GOVERNANCE - POLICIES AND INITIATIVES



Customer service

Consumer response

DPC processed approximately 443 items of Secretary's correspondence and 39,013 items of correspondence for the Premier during the reporting period – this includes both electronic and hardcopy correspondence. The department aims to open all correspondence within one business day of receipt, and respond where required within 20 working days. For items that required a substantive response, the department met its internal due dates 95 per cent of the time. The department's correspondence policy states that where a response is likely to take longer than 20 working days, recipients will be advised of when they can expect a reply.

Additionally, DPC facilitated the delivery of more than 2807 messages of congratulations from the Premier to NSW citizens as they celebrated milestone anniversaries and birthdays.

DPC actioned approximately 264 requests for responses to correspondence from the Offices of the Deputy Premier, the Minister for Counter Terrorism and the Minister for Western Sydney.

External complaints

DPC continued its commitment to handling public feedback and complaints courteously, efficiently and equitably, while respecting the privacy of the person making the complaint. Complaints are handled in accordance with DPC's External Complaint Handling Policy and Procedures. This year, DPC implemented Feedback Assist on the DPC and NSW Government websites. This feedback tool is easily accessible and offers a consistent contact point for customers to lodge and track complaints, compliments and suggestions.

People and culture

Implementing the outcomes of the 2017 People Matter and Pulse surveys

In 2017, the department recorded a staff engagement score of 72, the same as the previous year and again the highest in the NSW public sector. The department continues to measure survey results and implement actions against several key statements:

1. My organisation's processes for recruiting employees are efficient
2. I have confidence in the way recruitment decisions are made
3. My performance is assessed against clear criteria
4. I have received appropriate training and development to do my job well
5. I am satisfied with my ability to access and use flexible working arrangements
6. I am satisfied with the opportunities available for career development in my organisation.

The results allow for the development of evidence-based improvement strategies and provide an opportunity to recognise and celebrate successes.

A significant focus this year was workforce planning, to build and leverage a capable, agile and flexible workforce to meet the department's future needs. DPC established workforce plans, including strategies and initiatives, which groups and branches have started implementing to enable them to achieve business objectives, meet future service requirements and improve the delivery of services.

Another area of focus was increasing efficiencies and effectiveness in recruitment practices by undertaking further bulk recruitment rounds and reducing time to hire.

There was also an increased focus on addressing bullying in the workplace. People and Culture completed an audit of employee participation rates

in our mandatory Combat Bullying program. DPC also supported and promoted the 'Respect, Reflect, Reset' campaign, which was rolled out by the Public Service Commission in 2017 to support ongoing efforts to create a more positive and productive workplace.

The Directors Forum, in consultation with People and Culture, has taken the lead on a project to review and improve change management practices in the department. This will continue into 2018.

Learning and development

DPC's investment in learning opportunities is guided by the Learning and Development Strategy, and builds individual and organisational capabilities to support the NSW Government to deliver on its identified priorities. DPC recognises that its reputation relies on high-performing individuals and teams, so offers an ongoing program of learning and development opportunities to facilitate, develop and maintain capability.

The department maintains a culture of continuous improvement, working towards an agile, flexible, diverse and inclusive workforce. A number of new initiatives were implemented to increase capability building, including:

- an online Learning Management System
- the launch of Lynda.com, an online learning platform that integrates technology to provide a flexible, self-serve, user-centric experience and better access for regional employees

- a new Code of Conduct e-learning module and refresh of the Risk Management, Fraud and Corruption modules. These governance e-learning modules are assigned to all new employees to complete and are re-assigned on an annual basis
- programs that directly support the Performance Development Framework, including rich and meaningful conversations around behavioural performance and delivery output
- the Influencing Behaviour in the Workplace program that provides leaders with a set of tools and techniques that can be applied proactively to positively shape behaviour in the workplace
- the Fundamentals for a Culturally Diverse Workplace program, which provides culturally responsive practice (CRP) that considers the importance of responding to people in a way that is respectful of their culture. It values what other cultures may bring and ultimately aims to achieve a sense of respect and inclusion
- Job Application Skills workshops that provide individuals with a clear understanding of capability-based interviewing and the fundamentals of an assessment centre
- the Confident Conversations for Mentally Healthy Workforces program, which assists individuals to understand the context of mental health in the workplace and how to promote inclusive environments
- a successful pilot of the DPC Leadership Program. The program covers the conceptual understanding of leadership, and the practical skills and techniques required to implement learning back in the workplace. The pilot program targeted new managers, with a focus on how to navigate changing environments to be inclusive, agile, resilient and flexible leaders.

DPC continues to support employees through its standard programs, including Induction, Combat Bullying, Project Management, Plain English Writing and Executive Coaching.

DPC also participates in the NSW Government Graduate Program, providing opportunities for entry-level graduates in policy and project roles. Graduates are offered a whole-of-government experience with structured professional development.

DPC supports participation in sector-wide programs for leaders. The programs are aimed at building a strong and capable pipeline of leaders for the future.

In March 2018, DPC was awarded White Ribbon Workplace Accreditation. For more information, refer to page 12.



Workforce diversity

DPC is committed to building a talented and responsive workforce that reflects the diversity of the people of NSW

This means valuing the contribution and participation of people with different life and work experiences, to allow the workforce to deliver better outcomes through a wide range of expertise, perspectives and innovative ideas.

To support and drive diversity and inclusion in the organisation, DPC has developed an overarching Diversity and Inclusion Strategy to support the maturing of its diversity and inclusion efforts from a programmatic approach to sustained cultural change. DPC has an executive-led Diversity and Inclusion Council, employee-led Diversity and Inclusion Network, Flexible Working Network, White Ribbon Council and Young Professionals Network.

DPC believes that flexible working is a major enabler of diversity and inclusion, and is committed to ensuring that all roles can be flexible on an 'if not, why not?' basis. Conversations about flexible working are now embedded in all workforce activities, from job design, advertising and interviewing to ongoing performance and career conversations. Workforce diversity data for 2017-18 indicates that:

- the percentage of women in DPC's workforce (64 per cent) continues to exceed the benchmark of 50 per cent
- the percentage of people with disability requiring work-related adjustment is 0.9 per cent
- in relation to the Premier's Priority on Driving Public Sector Diversity, the percentage of women in senior executive roles is 56 per cent, which exceeds the target for women in leadership roles in the NSW Government (of 50 per cent). There are two Aboriginal and Torres Strait Islander people in executive roles. The overall percentage of employees of Aboriginal and Torres Strait Islander background is 1.6 per cent, and the percentage of employees with English as a second language is 10 per cent.

DPC demonstrates its commitment to workforce diversity by:

- celebrating major events such as National Aboriginal and Islander Day Observance Committee (NAIDOC) Week, International Women's Day, Harmony Day and International Day of People with Disability
- regularly promoting supporting guides, toolkits, articles on employee experiences and information to support flexible working, including a job share register

- promoting the Grace Papers program, designed to support parents through pregnancy, parental leave and return to work
- piloting a targeted multi-level recruitment pool to build a pipeline of Aboriginal and Torres Strait Islander talent
- reporting and monitoring diversity statistics at a senior executive level and identifying executive sponsors
- continuing support for the Indigenous Cadetship Program, and Stepping Into program for people with disability
- conducting workshops with hiring managers about challenging unconscious bias in recruitment
- continuing its silver membership with the Australian Network on Disability and obtaining membership with the Diversity Council Australia
- working with Premier and Cabinet cluster agencies to share initiatives and learning.

Aboriginal employment

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

DPC has piloted a targeted multi-level recruitment pool, partnering with a specialist recruiter to increase the talent pipeline of Aboriginal and Torres Strait Islander people in a variety of roles.

The department has also participated in the CareerTrackers Indigenous Internship Program and run cultural awareness programs for employees through Pindarri.

DPC has employee representatives on the Aboriginal Employment Advisory Committee, a consultative group comprising public sector Aboriginal employees. This group provides the Public Service Commission with an Aboriginal perspective on initiatives within the NSW Public Sector Aboriginal Employment Strategy 2014-17.

Jawun secondment program

Jawun is a not-for-profit organisation managing secondments from public sector agencies and corporate Australia to a range of Indigenous partner organisations in communities across Australia. The NSW Government's partnership with Jawun began in 2015. During 2017-18, six DPC staff members participated in six-week secondment opportunities.

They employed their skills to assist in a variety of projects in Indigenous organisations in Inner Sydney, the Central Coast and NPY Lands.

People with disability

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

Disability Inclusion Action Plan

DPC's Disability Inclusion Action Plan 2015-17 focuses on four key areas supporting the NSW Disability Inclusion Plan:

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

The plan will be evaluated and a new plan will be incorporated into the overarching Diversity and Inclusion Strategy for the department.

Multicultural policies and services

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

Key events to raise awareness and celebrate multiculturalism this year included Harmony Day and Refugee Week, which featured guest speaker Dr Munjed Al Muderis, author of the book *Walking Free*.

In line with the *Multicultural NSW Act 2000*, DPC will be incorporating its multicultural plan into the overarching Diversity and Inclusion Strategy for the department.

Internship programs

DPC continues to support interns through the University of Sydney's Faculty of Arts and Social Sciences. DPC has facilitated discussions with Western Sydney University to explore opportunities for students in the greater west.

DPC piloted the CareerTrackers Indigenous Internship Program, which supports DPC's diversity strategy and the Premier's Priorities. The program is based on the successful INROADS diversity internship in the US. INROADS has introduced members of ethnic minorities to professional private sector employment for more

than 40 years. CareerTrackers has adapted this model to support the unique needs of Australian Indigenous university students and Australian employers.

The department also commenced the Stepping Into program provided by the Australian Network on Disability, which connects skilled and talented university students with disability to leading employers. The program supports organisations to cultivate an inclusive and diverse workplace culture.

Diversity and Inclusion Council

The DPC/Treasury Diversity and Inclusion Council was established in early 2016 and has four key objectives for next year. These are:

- ensuring all leaders value diversity to deliver the best results for government
- increasing the representation and engagement of diverse employee groups
- embedding a sustainable culture of diversity and inclusion across Treasury and DPC
- reviewing NSW Government policies on major infrastructure to ensure best-practice accessibility and inclusion.

NAIDOC Week celebrations

DPC continues to celebrate NAIDOC Week. The department hosted an event to recognise the history, culture and achievements of Aboriginal and Torres Strait Islander peoples. For 2017-18 NAIDOC Week, DPC celebrated the importance, resilience and richness of Aboriginal and Torres Strait Islander languages with guest speakers Diane Riley-McNaboe, Haylene Grogan and Reuben Robinson.

Diversity and Inclusion Network

The Diversity and Inclusion Network is an employee-based network that seeks to recognise, promote and celebrate the diversity of our workplace. The network began in mid-2017 and is led by a small core group of volunteers. The network celebrated its official launch in March 2018, which coincided with International Women's Day. Its membership is growing across all parts of the organisation. The network is driving an exciting work plan of initiatives, including collaborating with People and Culture, and building DPC's capability to embed diversity and inclusion into everything it does. It continues to grow the network and communicate with members.

Young Professionals Network

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

- participate in targeted development opportunities
- build professional relationships across the department
- exchange ideas and insights about working in government.

For the first time, YPN facilitated a policy forum on the new Cost of Living Strategy, to allow young professionals at DPC to provide their input into the development of real-life policies outside of their normal work. Other highlights from the year included

promoting a new running club and organising participation in next year's City2Surf, as well as facilitating other social events and activities.

YPN has also facilitated opportunities for young professionals to learn from and be mentored by senior executives in the department. Additionally, YPN has collaborated with other departments to run cross-agency events, and has also co-hosted events with DPC's Diversity and Inclusion Network, including an interactive information session on how to be an LGBTIQ+ ally at work.

DPC continues to provide centralised thought leadership throughout the NSW public sector by coordinating quarterly meetings of the NSW Young Public Service Leaders Network.

Governance

Continuous improvement

DPC is committed to good governance. This year, DPC undertook a self-assessment against the Audit Office's Governance Lighthouse to inform its governance priorities. The full report was presented to the Audit and Risk Committee, to provide assurance on DPC's governance framework.

Under DPC's Corporate Policy Framework, the department continued to refine and update its corporate policies and procedures to ensure quality.

DPC also launched a suite of new e-learning modules for staff, comprising:

- Code of Conduct
- Fraud and Corruption
- Risk Management.

Workplace health and safety

DPC is committed to the health, safety and wellbeing of employees and the community members we work with and provide services to. As part of meeting this commitment during 2017-18, the department:

- continued the roll out of a new online e-learning Work, Health and Safety module
- strengthened the membership of the Work Health and Safety Committee to include contracted staff and a greater representation from regional offices
- undertook numerous health and wellbeing initiatives, including the corporate fitness program, influenza vaccinations, a winter indoor football competition, staff sponsorship in running festivals and events, and free lunchtime yoga and pilates classes
- placed first-aid kits in all departmental vehicles and supplied additional defibrillators for public events managed by DPC

- conducted surveys of regional staff to test awareness of the first-aid policy and where to seek assistance in an emergency
- continued annual auditing and replenishment of first-aid kits and defibrillators in all metropolitan and rural office locations
- continued to build on an improved work health and safety culture in the transport services area.

DPC claims and reports

Compensation claims as at 30 June 2018

Year	Premiums paid (\$)	Claims lodged	Open claims
2009-2010	454,110	23	5
2010-2011	487,700	17	3
2011-2012	491,930	17	11
2012-2013	437,498	7	14
2013-2014	506,438	10	13
2014-2015	462,565	5	5
2015-2016	278,580	3	5
2016-2017	308,900	11	8
2017-2018	285,927	5	7

Accidents and incidents reported

Cause type	Count
Slip/trip/fall (at work)	3
Slip/trip (journey/recess)	3
Lifting	5
Cuts/burns	1
Driving/car related	6
Psychological	2
Ergonomic	0
Other*	11
Total	31

* The 'Other' category includes a range of general accidents and incidents that cannot be readily defined by the preceding identified cause types. Examples include minor near misses, reports by external visitors, and other undefined general incidents or illnesses.

Industrial relations

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



FINANCIAL STATEMENTS





Statement by the Secretary of the Department of Premier and Cabinet

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

- a) The accompanying financial statements in respect of the year ended 30 June 2018 have been prepared in accordance with section 45E of the *Public Finance and Audit Act 1983*;
- b) The statements exhibit a true and fair view of the financial position of the Department of Premier and Cabinet as at 30 June 2018, and transactions for the year then ended; and
- c) There are no circumstances which would render any particulars included in the financial statements to be misleading or inaccurate.

Tim Reardon
Secretary

20 September 2018



INDEPENDENT AUDITOR'S REPORT

Department of Premier and Cabinet

To Members of the New South Wales Parliament

Opinion

I have audited the accompanying financial statements of Department of Premier and Cabinet (the Department), which comprise the Statement of Comprehensive Income for the year ended 30 June 2018, the Statement of Financial Position as at 30 June 2018, the Statement of Changes in Equity and the Statement of Cash Flows, for the year then ended, notes comprising a Summary of Significant Accounting Policies and other explanatory information.

In my opinion, the financial statements:

- give a true and fair view of the financial position of the Department as at 30 June 2018, and of its financial performance and its cash flows for the year then ended in accordance with Australian Accounting Standards
- are in accordance with section 45E of the *Public Finance and Audit Act 1983* (PF&A Act) and the Public Finance and Audit Regulation 2015.

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

Basis for Opinion

I conducted my audit in accordance with Australian Auditing Standards. My responsibilities under the standards are described in the 'Auditor's Responsibilities for the Audit of the Financial Statements' section of my report.

I am independent of the Department in accordance with the requirements of the:

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

I have fulfilled my other ethical responsibilities in accordance with APES 110.

Parliament promotes independence by ensuring the Auditor-General and the Audit Office of New South Wales are not compromised in their roles by:

- providing that only Parliament, and not the executive government, can remove an Auditor-General
- mandating the Auditor-General as auditor of public sector agencies
- precluding the Auditor-General from providing non-audit services.

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

Other Information

Other information comprises the information included in the Department's annual report for the year ended 30 June 2018, other than the financial statements and my Independent Auditor's Report thereon. The Secretary of the Department is responsible for the other information. At the date of this Independent Auditor's Report, the other information I have received comprise the Statement by the Secretary pursuant to section 45F of the PF&A Act.

My opinion on the financial statements does not cover the other information. Accordingly, I do not express any form of assurance conclusion on the other information.

In connection with my audit of the financial statements, my responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or my knowledge obtained in the audit, or otherwise appears to be materially misstated.

If, based on the work I have performed, I conclude there is a material misstatement of the other information, I must report that fact.

I have nothing to report in this regard.

Secretary's Responsibilities for the Financial Statements

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

In preparing the financial statements, the Secretary is responsible for assessing the Department's ability to continue as a going concern, disclosing as applicable, matters related to going concern and using the going concern basis of accounting except where the Department's operations will cease as a result of an administrative restructure.

Auditor's Responsibilities for the Audit of the Financial Statements

My objectives are to:

- obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error
- issue an Independent Auditor's Report including my opinion.

Reasonable assurance is a high level of assurance, but does not guarantee an audit conducted in accordance with Australian Auditing Standards will always detect material misstatements. Misstatements can arise from fraud or error. Misstatements are considered material if, individually or in aggregate, they could reasonably be expected to influence the economic decisions users take based on the financial statements.

A description of my responsibilities for the audit of the financial statements is located at the Auditing and Assurance Standards Board website at: www.auasb.gov.au/auditors_responsibilities/ar4.pdf. The description forms part of my auditor's report.

My opinion does not provide assurance:

- that the Department carried out its activities effectively, efficiently and economically
- about the assumptions used in formulating the budget figures disclosed in the financial statements
- about the security and controls over the electronic publication of the audited financial statements on any website where they may be presented
- about any other information which may have been hyperlinked to/from the financial statements.



Margaret Crawford
Auditor-General of NSW

24 September 2018
SYDNEY

Financial Statements

of

Department of Premier and Cabinet

(ABN 34 945 244 274)

for the year ended 30 June 2018

Department of Premier and Cabinet

Statement of Comprehensive Income for the year ended 30 June 2018

	Notes	Actual 2018 \$000	Budget 2018 \$000	Actual 2017 \$000
Expenses excluding losses				
Operating expenses				
Employee related expenses	2(a)	139,901	140,833	130,449
Other operating expenses	2(b)	78,154	72,412	70,482
Depreciation and amortisation expense	2(c)	9,087	8,999	8,769
Grants and subsidies	2(d)	33,335	35,244	37,845
Finance costs	2(e)	138	112	106
Total expenses excluding losses		260,615	257,600	247,651
Revenue				
Appropriation (net of transfer payments)	3(a)	222,671	240,922	211,652
Sale of goods and services	3(b)	11,968	3,237	7,260
Grants and contributions	3(c)	19,263	11,517	16,966
Acceptance by the Crown Entity of employee benefits and other liabilities	3(d)	4,421	4,568	1,517
Total revenue		258,323	260,244	237,395
Gain / (loss) on disposal	4	----	----	(4)
Other gains / (losses)	5	207	----	(235)
Net Result		(2,085)	2,644	(10,495)
Other comprehensive income				
<i>Items that will not be reclassified to net result in subsequent periods</i>				
Net increase/(decrease) in property, plant & equipment revaluation surplus	10	5,605	----	22,270
Total other comprehensive income		5,605	----	22,270
Total comprehensive income		3,520	2,644	11,775

The accompanying notes form part of these financial statements.

Department of Premier and Cabinet
Statement of Financial Position as at 30 June 2018

	Notes	Actual 2018 \$000	Budget 2018 \$000	Actual 2017 \$000
Assets				
Current Assets				
Cash and Cash Equivalents	8	14,696	317	20,315
Receivables	9	7,098	4,331	14,159
Total Current Assets		21,794	4,648	34,474
Non-Current Assets				
Property, Plant and Equipment	10			
- Land and buildings		135,344	133,256	129,996
- Plant and equipment		7,180	43,435	6,981
- Leasehold Improvements		29,342	----	31,873
- Heritage and Cultural Assets		8,192	----	7,921
Intangible Assets	11	3,370	7,916	5,324
Total Non-Current Assets		183,428	184,607	182,095
Total assets		205,222	189,255	216,569
Liabilities				
Current Liabilities				
Payables	13	20,965	7,936	27,280
Provisions	14	14,361	12,757	12,627
Other	15	5,671	3,578	13,588
Total Current Liabilities		40,997	24,271	53,495
Non-Current Liabilities				
Provisions	14	5,781	5,845	5,820
Other	15	26,150	26,055	28,463
Total Non-Current Liabilities		31,931	31,900	34,283
Total Liabilities		72,928	56,171	87,778
Net Assets		132,294	133,084	128,791
Equity				
Reserves	16	34,210	29,636	28,605
Accumulated Funds		98,084	103,448	100,186
Total Equity		132,294	133,084	128,791

The accompanying notes form part of these financial statements.

Department of Premier and Cabinet
Statement of Changes in Equity for the year ended 30 June 2018

	Notes	Accumulated Funds \$000	Asset Revaluation Surplus \$000	Total \$000
Balance at 1 July 2017		100,186	28,605	128,791
Net result for the year		(2,085)	----	(2,085)
Other comprehensive income:				
Net change in revaluation surplus of property, plant and equipment		----	5,605	5,605
Total other comprehensive income		----	5,605	5,605
Total comprehensive income for the year		(2,085)	5,605	3,520
Transactions with owners in their capacity as owners				
Decrease in net assets from equity transfers	16	(17)	----	(17)
Balance at 30 June 2018		98,084	34,210	132,294

	Notes	Accumulated Funds \$000	Asset Revaluation Surplus \$000	Total \$000
Balance at 1 July 2016		111,754	6,335	118,089
Net result for the year		(10,495)	----	(10,495)
Other comprehensive income:				
Net change in revaluation surplus of property, plant and equipment		----	22,270	22,270
Total other comprehensive income		----	22,270	22,270
Total comprehensive income for the year		(10,495)	22,270	11,775
Transactions with owners in their capacity as owners				
Decrease in net assets from equity transfers	16	(1,073)	----	(1,073)
Balance at 30 June 2017		100,186	28,605	128,791

The accompanying notes form part of these financial statements.

Department of Premier and Cabinet
Statement of Cash Flows for the year ended 30 June 2018

	Notes	Actual 2018 \$000	Actual 2017 \$000
Cash flows from operating activities			
Payments			
Employee related		(136,119)	(131,624)
Grants and subsidies		(33,336)	(37,845)
Other		(95,055)	(71,573)
Total payments		(264,510)	(241,042)
Receipts			
Recurrent allocation		212,931	213,205
Capital allocation (excluding equity appropriation)		5,048	4,270
Sale of goods and services		22,988	7,747
Grants and contributions		21,691	20,380
Reimbursements from the Crown Entity		1,048	1,891
Personnel services		----	831
Total receipts		263,706	248,324
Net cash flows from operating activities	20	(804)	7,282
Cash flows from investing activities			
Purchases of property, plant and equipment		(4,597)	(4,485)
Purchases of intangibles		(218)	(664)
Net cash flow from investing activities		(4,815)	(5,149)
Net increase / (decrease) in cash and cash equivalents		(5,619)	2,133
Opening cash and cash equivalents		20,315	18,909
Cash transferred in/(out) as a result of administrative restructuring	16	----	(727)
Closing cash and cash equivalents	8	14,696	20,315

The accompanying notes form part of these financial statements.

Department of Premier and Cabinet

Notes to and forming part of the Financial Statements
for the year ended 30 June 2018

1 Summary of Significant Accounting Policies

(a) Reporting entity

The Department of Premier and Cabinet (the Department) is a NSW government entity and is controlled by the State of New South Wales, which is the ultimate parent. The Department is a not for profit entity (as profit is not its principal objective) and it has no cash generating units.

The Department was affected by machinery-of-government changes set out in the Administrative Arrangements (Administrative Changes—Inspector of Law Enforcement Conduct Commission) Order 2017. Under this Order, funding and staff from the Secure Monitoring Unit in the Ombudsman's Office were transferred in to the Department. Refer to Note 16.

These financial statements for the year ended 30 June 2018 have been authorised for issue by the Secretary on 20 September 2018.

(b) Basis of preparation

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

- applicable Australian Accounting Standards (which include Australian Accounting Interpretations)
- the requirements of the *Public Finance and Audit Act 1983 and Public Finance and Audit Regulation 2015*, and
- Financial Reporting Directions mandated by the Treasurer.

The Department's financial statements have been prepared on a going concern basis, which contemplates the continuity of normal operating activity and the realisation of assets and the settlement of liabilities in the normal course of operations. The Department held cash on hand and at bank as at 30 June 2018 of \$14,696,000. As at 30 June 2018 the Department had a net working capital deficit of \$19,203,000. This is a consequence of the cash management reforms implemented by the Treasury on 1 July 2015, where agencies funded from the Consolidated Fund are funded on a cash flow needs basis and should only hold unrestricted cash balances to cover their immediate operational requirements. The Department draws down appropriations from the Treasury based on its allocated budget that is sufficient to fund its ongoing operations.

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

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

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

(c) Statement of compliance

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

Department of Premier and Cabinet

Notes to and forming part of the Financial Statements
for the year ended 30 June 2018

1 Summary of Significant Accounting Policies

(d) Insurance

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

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

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

- amount of GST incurred by the Department as a purchaser that is not recoverable from the Australian Taxation Office is recognised as part of the cost of acquisition of an asset or as part of an item of expense and
- receivables and payables are stated with the amount of GST included.

Cash flows are included in the statement of cash flows on a gross basis. However, the GST components of cash flows arising from investing and financing activities which is recoverable from, or payable to, the Australian Taxation Office are classified as operating cash flows.

(f) Income recognition

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

(i) Parliamentary appropriations and contributions

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

Appropriations are not recognised as income in the following circumstance:

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

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

(ii) Rendering of services

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

(iii) Grants

Income from grants (other than contribution by owners) is recognised when the entity obtains control over the contribution. The entity is deemed to have assumed control when the grant is received or receivable.

Contributions are recognised at their fair value. Contributions of services are recognised when and only when a fair value of those services can be reliably determined and the services would be purchased if not donated.

(iv) Investment revenue

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

Department of Premier and Cabinet

Notes to and forming part of the Financial Statements
for the year ended 30 June 2018

1 Summary of Significant Accounting Policies

(g) Property, plant and equipment

(i) Acquisitions of Property, plant and equipment

Property, plant and equipment are initially measured at cost and subsequently revalued at fair value less accumulated depreciation and impairment. Cost is the amount of cash or cash equivalents paid or the fair value of the other consideration given to acquire the asset at the time of its acquisition or construction or, where applicable, the amount attributed to that asset when initially recognised in accordance with the requirements of other Australian Accounting Standards.

Fair value is the price that would be received to sell an asset in an orderly transaction between market participants at measurement date.

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

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

(ii) Capitalisation thresholds

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

(iii) Major inspection costs

When a major inspection is performed, its cost is recognised in the carrying amount of the plant and equipment as a replacement if the recognition criteria are satisfied.

(iv) Restoration costs

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

(v) Maintenance

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

(vi) Depreciation of property, plant and equipment

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

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

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

Department of Premier and Cabinet

Notes to and forming part of the Financial Statements
for the year ended 30 June 2018

1 Summary of Significant Accounting Policies

(g) Property, plant and equipment

(vi) Depreciation of property, plant and equipment

The following depreciation rates have been adopted:

Category of Assets	2018	2017
	Depreciation Rates	Depreciation Rates
<i>Depreciation</i>		
Buildings	0% - 2%	0% - 2%
Office furniture and fittings	10%	10%
Computer equipment	25%	25%
General plant and equipment	14% - 33%	14% - 33%
<i>Amortisation</i>		
The following amortisation rates have been adopted:		
Leasehold improvements (over the period of the lease)	8.33% - 25%	8.33% - 25%

The residual values, useful lives and methods of depreciation of property, plant and equipment are reviewed at each financial year end.

(vii) Revaluation of property, plant and equipment

Physical non current assets are valued in accordance with the 'Valuation of Physical Non Current Assets at Fair Value' Policy and Guidelines Paper (TPP 14 01). This policy adopts fair value in accordance with AASB 13 *Fair Value Measurement*, AASB 116 *Property, Plant and Equipment*.

Property, plant and equipment is measured at the highest and best use by market participants that is physically possible, legally permissible and financially feasible. The highest and best use must be available at a period that is not remote and take into account the characteristics of the asset being measured, including any socio-political restrictions imposed by government. In most cases, after taking into account these considerations, the highest and best use is the existing use. In limited circumstances, the highest and best use may be a feasible alternative use, where there are no restrictions on use or where there is a feasible higher restricted alternative use.

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

Revaluations are made with sufficient regularity to ensure the carrying amount of each asset in the class does not differ materially from its fair value at reporting date. The entity conducts a comprehensive revaluation at least every three years for its land and buildings where the market or income approach is the most appropriate valuation technique and at least every five years for other classes of property, plant and equipment. The last comprehensive revaluation was completed in April 2018 covering a component of the Government House collection and March 2017 for land & buildings and was based on an independent assessment. Interim revaluations are conducted between comprehensive revaluations where cumulative changes to indicators suggest fair value may differ materially from carrying value.

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

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

Department of Premier and Cabinet

Notes to and forming part of the Financial Statements
for the year ended 30 June 2018

1 Summary of Significant Accounting Policies

(g) Property, plant and equipment

(vii) Revaluation of property, plant and equipment

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

Revaluation increments are recognised in other comprehensive income and credited to revaluation surplus in equity, except that, to the extent that an increment reverses a revaluation decrement in respect of that class of asset previously recognised as an expense in the net result, the increment is recognised immediately as revenue in the net result.

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

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

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

(viii) Impairment of property, plant and equipment

As a not for profit entity with no cash generating units, impairment under AASB 136 *Impairment of Assets* is unlikely to arise. As property, plant and equipment is carried at fair value or an amount that approximates fair value, impairment can only arise in the rare circumstances such as where the costs of disposal are material. Specifically, impairment is unlikely for not for profit entities given that AASB 136 modifies the recoverable amount test for non cash generating assets of not for profit entities to the higher of fair value less costs of disposal and depreciated replacement cost, where depreciated replacement cost is also fair value.

The Department assesses, at each reporting date, whether there is an indication that an asset may be impaired. If any indication exists, or when annual impairment testing for an asset is required, the Department estimates the asset's recoverable amount. When the carrying amount of an asset exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount.

As a not for-profit entity, an impairment loss is recognised in the net result to the extent the impairment loss exceeds the amount in the revaluation surplus for the class of asset.

(h) Leases

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

The Department has no finance leases.

An operating lease is a lease other than a finance lease. Operating lease payments are recognised as an operating expense in the Statement of Comprehensive Income on a straight-line basis over the lease term.

Department of Premier and Cabinet

Notes to and forming part of the Financial Statements
for the year ended 30 June 2018

1 Summary of Significant Accounting Policies

(j) Intangible Assets

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

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

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

The Department's intangible assets consist of internally developed software and software licences. Software is amortised using the straight line method over a period between 3 and 5 years. The amortisation period and the amortisation method for an intangible asset with a finite useful life are reviewed at least at the end of each reporting period.

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

(j) Financial Instruments

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity.

Financial assets and financial liabilities are initially measured at fair value. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities (other than financial assets and financial liabilities at fair value through profit or loss) are added to or deducted from the fair value of the financial assets or financial liabilities, as appropriate, on initial recognition. Transaction costs directly attributable to the acquisition of financial assets or financial liabilities at fair value through profit or loss are recognised immediately in net result.

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

(i) Financial assets

Financial assets are classified, at initial recognition, as financial assets at fair value through profit or loss, loans and receivables, held-to-maturity investments, available-for-sale financial assets, or as derivatives designated as hedging instruments in an effective hedge, as appropriate. The classification depends on the nature and purpose of the financial assets and is determined at the time of initial recognition.

- Loans and receivables

Trade receivables and other receivables that have fixed or determinable payments that are not quoted in an active market are classified as loans and receivables. Loans and receivables are measured at amortised cost using the effective interest method, less any impairment. Changes are recognised in the net result for the year when impaired, derecognised or through the amortisation process.

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

Department of Premier and Cabinet

Notes to and forming part of the Financial Statements
for the year ended 30 June 2018

1 Summary of Significant Accounting Policies

(j) Financial Instruments

(i) Financial assets

- Impairment of financial assets

All financial assets are subject to an annual review for impairment. Financial assets are considered to be impaired when there is objective evidence that, as a result of one or more events that occurred after the initial recognition of the financial asset, the estimated future cash flows have been affected.

For certain categories of financial assets, such as trade receivables, the entity first assesses whether impairment exists individually for financial assets that are individually significant, or collectively for financial assets that are not individually significant. Assets are assessed for impairment on a collective basis if they were assessed not to be impaired individually.

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

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

(ii) Financial liabilities

Financial liabilities are classified as 'at amortised cost'.

- Financial liabilities at amortised cost (including borrowings and trade payables)

Financial liabilities at amortised cost are initially measured at fair value, net of transaction costs. These are subsequently measured at amortised cost using the effective interest method, with interest expense recognised on an effective yield basis.

Payables represent liabilities for goods and services provided to the Department and other amounts. Short-term payables with no stated interest rate are measured at the original invoice amount where the effect of discounting is immaterial. Payables relating to grant payments are recognised when the legal obligation to pay occurs.

Department of Premier and Cabinet

Notes to and forming part of the Financial Statements
for the year ended 30 June 2018

1 Summary of Significant Accounting Policies

(j) Financial Instruments

(ii) Financial liabilities

- Financial Guarantees

A financial guarantee contract is a contract that requires the issuer to make specified payments to reimburse the holder for a loss it incurs because a specified debtor fails to make payment when due in accordance with the original or modified terms of a debt instrument.

Financial guarantee contracts are recognised as a liability at the time the guarantee is issued and initially measured at fair value plus directly attributable costs, where material. After initial recognition, the liability is measured at the higher of the amount determined in accordance with AASB 137 *Provisions, Contingent Liabilities and Contingent Assets* and the amount initially recognised, less accumulated amortisation, where appropriate.

The Department has reviewed its financial guarantees and determined that there is no material liability to be recognised for financial guarantee contracts as at 30 June 2018 and at 30 June 2017.

(iii) De-recognition of financial assets and financial liabilities

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

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

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

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

(k) Employee benefits

(i) Salaries and wages, annual leave and sick leave

Salaries and wages (including non-monetary benefits) and paid sick leave that are expected to be settled wholly within 12 months after the end of the period in which the employees render the service are recognised and measured at the undiscounted amounts of the benefits.

Annual leave is not expected to be settled wholly before twelve months after the end of the annual reporting period in which the employees render the related service. As such, it is required to be measured at present value in accordance with AASB 119 *Employee Benefits* (although short-cut methods are permitted).

Actuarial advice obtained by Treasury has confirmed that the use of a nominal approach plus the annual leave on annual leave liability (using 7.9% of the nominal value of annual leave) can be used to approximate the present value of the annual leave liability. The Department has assessed the actuarial advice based on the Department's circumstances and has determined that the effect of discounting is immaterial to annual leave. All annual leave is classified as a current liability even where the Department does not expect to settle the liability within 12 months as the Department does not have an unconditional right to defer settlement.

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

Department of Premier and Cabinet

Notes to and forming part of the Financial Statements
for the year ended 30 June 2018

1 Summary of Significant Accounting Policies

(k) Employee benefits

(ii) Long service leave and superannuation

The Department's liabilities for long service leave and defined benefit superannuation are assumed by the Crown Entity. The Department accounts for the liability as having been extinguished resulting in the amount assumed being shown as part of the non monetary revenue item described as "Acceptance by the Crown Entity of employee benefits and other liabilities".

Long service leave is measured at present value in accordance with AASB 119 *Employee Benefits*. This is based on the application of certain factors (specified in NSWTC 18/13) to employees with five or more years of service, using current rates of pay. These factors were determined based on an actuarial review to approximate present value.

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

(iii) Consequential on-costs

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

(l) Provisions

Provisions are recognised when: the Department has a present legal or constructive obligation as a result of a past event; it is probable that an outflow of resources will be required to settle the obligation; and a reliable estimate can be made of the amount of the obligation. The expense relating to a provision is presented net of any reimbursement in the Statement of Comprehensive Income.

Any provisions for restructuring are recognised only when the Department has a detailed formal plan and it has raised a valid expectation in those affected by the restructuring that it will carry out the restructuring by starting to implement the plan or announcing its main features to those affected.

If the effect of the time value of money is material, provisions are discounted at 2.63% (2.60% in 2017), which is a pre tax rate that reflects the current market assessments of the time value of money and the risks specific to the liability.

(m) Equity and reserves

(i) Revaluation surplus

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

(ii) Accumulated Funds

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

Department of Premier and Cabinet

Notes to and forming part of the Financial Statements
for the year ended 30 June 2018

1 Summary of Significant Accounting Policies

(m) Equity and reserves

- (iii) Separate reserve accounts are recognised in the financial statements only if such accounts are required by specific legislation or AAS (e.g. revaluation surplus and foreign currency translation reserve).

(iv) 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 Australian Accounting Standards to be treated as contributions by owners and recognised as an adjustment to 'Accumulated Funds'. This treatment is consistent with AASB 1004 Contributions and Australian Interpretation 1038 *Contributions by Owners Made to Wholly-Owned Public Sector Entities*.

Transfers arising from an administrative restructure involving not for profit entities and for profit government entities are recognised at the amount at which the assets and liabilities were recognised by the transferor immediately prior to the restructure. Subject to below, in most instances this will approximate fair value.

All other equity transfers are recognised at fair value, except for intangibles. Where an intangible has been recognised at (amortised) cost by the transferor because there is no active market, the Department recognises the asset at the transferor's carrying amount. Where the transferor is prohibited from recognising internally generated intangibles, the Department does not recognise that asset.

(n) Trust funds

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

(o) Fair value hierarchy

A number of the Department's accounting policies and disclosures require the measurement of fair values, for both financial and non financial assets and liabilities. When measuring fair value, the valuation technique used maximises the use of relevant observable inputs and minimises the use of unobservable inputs. Under AASB 13, the entity categorises, for disclosure purposes, the valuation techniques based on the inputs used in the valuation techniques as follows:

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

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

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

(p) Budgeted amounts

The budgeted amounts are drawn from the original budgeted financial statements presented to Parliament in respect of the reporting period. Subsequent amendments to the original budget (e.g. adjustment for transfer of functions between entities as a result of Administrative Arrangements Orders) are not reflected in the budget amounts. Major variances between the original budgeted amounts and the actual amounts disclosed in the primary financial statements are explained in Note 19.

Department of Premier and Cabinet

Notes to and forming part of the Financial Statements
for the year ended 30 June 2018

1 Summary of Significant Accounting Policies

(q) Comparative information

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

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

(i) Effective for the first time in 2017-18

The accounting policies applied in 2017-18 are consistent with those of the previous financial year with no new or revised Australian Accounting Standards being applied for the first time in 2017-18.

(ii) Issued but not yet effective

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

The following new Australian Accounting Standards have not been applied and are not yet effective, in accordance with the NSW Treasury mandate (TC 18-01):

- AASB 9 *Financial Instruments*
- AASB 15, AASB 2014-5, AASB 2015-8 and 2016-3 regarding *Revenue from Contracts with Customers*
- AASB 16 *Leases*
- AASB 17 *Insurance Contracts*
- AASB 1058 *Income of Not-for-profit Entities*
- AASB 1059 *Service Concession Arrangements: Grantors*
- AASB 2016-5 *Amendments to Australian Accounting Standards – Classification and Measurement of Share-based Payment Transactions*
- AASB 2016-6 *Amendments to Australian Accounting Standards – Applying AASB 9 with AASB 4 Insurance Contracts*
- AASB 2016-7 *Amendments to Australian Accounting Standards – Deferral of AASB 15 for Not-for-Profit Entities*
- AASB 2016-8 *Amendments to Australian Accounting Standards – Australian Implementation Guidance for Not-for-Profit Entities*
- AASB 2017-1 *Amendments to Australian Accounting Standards – Transfer of investment Property, Annual Improvements 2014-2016 Cycle and Other Amendments*
- AASB 2017-3 *Amendments to Australian Accounting Standards – Clarifications to AASB 4*
- AASB 2017-4 *Amendments to Australian Accounting Standards – Uncertainty over Income Tax*
- AASB 2017-5 *Amendments to Australian Accounting Standards – Effective Date of Amendments to AASB 10 and AASB 128 and Editorial Corrections*
- AASB 2017-6 *Amendments to Australian Accounting Standards – Prepayment Features with Negative Compensation*
- AASB 2017-7 *Amendments to Australian Accounting Standards – Long-term Interests in Associates and Joint Ventures*
- Interpretation 22 *Foreign Currency Transactions and Advance Consideration*

The adoption of AASB 16 *Leases* will see operating leases relating to real estate and motor vehicles disclosed as a right to use asset offset by a lease liability. While there will be a gross increase in total assets and total liabilities, there will be no material impact on net assets. An indication of the increase in total assets and liabilities can be found in Note 17 Commitment for Expenditure. Associated disclosure in the statement of comprehensive income will be in accordance with the requirements of the standard and is anticipated not to have a material impact.

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

Department of Premier and Cabinet

Notes to and forming part of the Financial Statements
for the year ended 30 June 2018

2 Expenses Excluding Losses

	2018	2017
	\$000	\$000
(a) Employee related expenses		
Salaries and wages (including annual leave)	112,737	103,893
Superannuation - defined benefit plans	553	500
Superannuation - defined contribution plans	8,199	7,449
Long Service Leave	4,171	967
Workers' Compensation Insurance	19	110
Payroll tax and fringe benefits tax	8,199	8,381
Redundancies	1,296	3,076
Agency contractors	4,727	6,073
	139,901	130,449
Employee related costs that have been capitalised and therefore excluded from the above	----	----
	2018	2017
	\$000	\$000
(b) Other operating expenses include the following:		
Auditor's remuneration - audit of financial statements	217	234
Committee fees and expenses	583	680
Community events	4,911	3,484
Consultancy costs	4,621	9,456
Contractor - projects	1,233	1,415
Corporate services	6,048	8,118
Fees for services rendered	21,035	8,922
Impairment of assets and bad debts	9	----
Information dissemination	1,978	2,114
Insurance	329	248
Maintenance expenses*	1,426	1,839
Motor vehicle expenses	1,317	1,094
Operating lease rental expense - minimum lease payments	15,996	15,411
Other expenses	4,000	4,386
Other occupancy costs	7,399	7,053
Sponsorships and donations	467	530
Stores and minor assets	389	426
Telephone and communication costs	1,083	926
Training (staff development)	2,008	1,691
Travel costs	3,105	2,455
	78,154	70,482
<u>Total maintenance costs</u>		
* Maintenance expense - contracted labour and other (non-employee related), as above	1,426	1,839
Total maintenance expenses included in Note 2(a) + 2(b)	1,426	1,839

Department of Premier and Cabinet

Notes to and forming part of the Financial Statements
for the year ended 30 June 2018

2 Expenses Excluding Losses

	2018	2017
	\$000	\$000
(c) Depreciation and amortisation expense		
<u>Depreciation</u>		
Buildings and improvements	105	117
Plant and equipment	3,013	2,492
<u>Amortisation</u>		
Leasehold improvements	3,939	3,796
Intangible assets	2,030	2,364
	9,087	8,769

	2018	2017
	\$000	\$000
(d) Grants and subsidies		
Commonwealth Government	----	2,391
NSW Government	12,779	11,309
Local government	3,308	360
Grants to external organisations	9,689	10,554
Miscellaneous grants approved by the Premier	1,354	1,490
Regional and Rural Miscellaneous Grants Fund	800	821
Regional NSW grants to external organisations	5,405	10,920
	33,335	37,845

	2018	2017
	\$000	\$000
(e) Finance costs		
Unwinding of discount rate	138	106
	138	106

Department of Premier and Cabinet

Notes to and forming part of the Financial Statements
for the year ended 30 June 2018

3 Revenue

(a) Appropriations

Summary of Compliance	2018		2017	
	Appropriation	Expenditure	Appropriation	Expenditure
Original Budget per Appropriation Act	395,846		540,473	
Other Appropriations / Expenditure		363,968		432,025
- Additional Appropriations	(19,242)		(52,998)	
- Section 24 PFAA - transfers of functions between entities	356		(83,782)	
- Treasurer's advance	----		----	
- Section 33 - Transfers (to) / from another agency	----		----	
- Under expenditure in capital	----		----	
- Under expenditure in protected item	(1,515)		(6,207)	
Total Appropriations / Expenditure / Net Claim on Consolidated Fund (includes transfer payments)	375,445	363,968	397,486	432,025
Appropriation drawn down *		329,004		403,693
Liability to Consolidated Fund (refer Note 15)		(1,515)		(6,207)
		327,489		397,486
* Comprising:				
Transfer payments (refer Note 6)		104,818		185,834
Appropriations (per Statement of comprehensive income)**		222,671		211,652
		327,489		397,486
** Appropriations:				
Recurrent		217,623		206,998
Capital		5,048		4,654
		222,671		211,652

Department of Premier and Cabinet

Notes to and forming part of the Financial Statements
for the year ended 30 June 2018

3 Revenue

	2018	2017
	\$000	\$000
(b) Sale of goods and services		
Services in-kind	660	539
Personnel services	-----	831
Functions & events	88	251
Other	11,129	5,182
Advertising	91	457
	11,968	7,260

	2018	2017
	\$000	\$000
(c) Grants and contributions		
Commonwealth Government	150	-----
NSW Government	16,896	14,381
Private sector contributions - events	2,217	2,585
	19,263	16,966

	2018	2017
	\$000	\$000
(d) Acceptance by the Crown Entity of employee benefits and other liabilities		
The following liabilities and/or expenses have been assumed by the Crown Entity or other government entities:		
Superannuation - defined benefit	539	478
Long service leave	3,858	1,015
Payroll tax on superannuation	24	24
	4,421	1,517

Department of Premier and Cabinet

Notes to and forming part of the Financial Statements
for the year ended 30 June 2018

4 Gain / (loss) on disposal

	2018	2017
	\$000	\$000
Written down value of assets disposed	----	(4)
Net gain / (loss) on disposal of plant and equipment	----	(4)

5 Other gains / (losses)

	2018	2017
	\$000	\$000
Other gains/(losses)	207	(235)
	207	(235)

6 Transfer Payments

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

	2018	2017
	\$000	\$000
Parliamentary Counsel's Office	9,460	9,202
Infrastructure NSW	12,806	13,804
Natural Resources Commission	4,934	4,148
UrbanGrowth NSW Development Corporation *	77,618	----
Office of Sport *	----	44,662
Sydney Olympic Park Authority *	----	21,018
Destination NSW *	----	93,000
	104,818	185,834

* The Department's cluster was affected by machinery-of-government changes set out in the Administrative Arrangements (Administrative Changes—Public Service Agencies) Order 2017. Under this Order, the Office of Sport, Sydney Olympic Park Authority and Destination NSW were transferred to the Industry cluster and UrbanGrowth NSW Development Corporation was transferred into the cluster.

Department of Premier and Cabinet

Notes to and forming part of the Financial Statements
for the year ended 30 June 2018

7 Program statements for the year ended 30 June 2018

Expenses & Income	Program 1: Policy Support Coordination *		Program 2: Administrative Support to Executive Government *	
	2018	2017	2018	2017
	\$000	\$000	\$000	\$000
Expenses excluding losses				
Operating expenses				
Employee related expenses	57,216	58,551	61,583	59,460
Other operating expenses	23,805	22,118	33,771	31,547
Depreciation and amortisation	3,816	3,689	3,967	3,823
Grants and subsidies	11,250	15,937	3,545	6,055
Finance costs	58	45	60	46
Total expenses excluding losses	96,145	100,340	102,926	100,931
Revenue				
Appropriations (net of transfer payments)	----	----	----	----
Sale of goods and services	5,646	3,318	2,530	924
Investment revenue	----	----	----	----
Grants and contributions	7,029	4,229	150	439
Acceptance by the Crown Entity of employee benefits and other liabilities	1,971	654	1,778	762
Total revenue	14,646	8,201	4,458	2,125
Gain / (loss) on disposal	----	(4)	----	----
Other gains / (losses)	87	(99)	90	(102)
Net result	(81,412)	(92,242)	(98,378)	(98,908)
Other comprehensive income				
Increase/(decrease) in asset revaluation surplus	----	----	5,605	22,270
Total other comprehensive income	----	----	5,605	22,270
Total comprehensive income	(81,412)	(92,242)	(92,773)	(76,638)

* The names and purposes of each program are summarised below.

Department of Premier and Cabinet

Notes to and forming part of the Financial Statements
for the year ended 30 June 2018

7 Program statements for the year ended 30 June 2018

Expenses & Income	Program 3: Regional NSW *		Program 4: Community Events *	
	2018	2017	2018	2017
	\$000	\$000	\$000	\$000
Expenses excluding losses				
Operating expenses				
Employee related expenses	16,136	4,006	348	334
Other operating expenses	9,703	7,115	4,748	4,421
Depreciation and amortisation	914	881	----	----
Grants and subsidies	10,140	12,453	----	----
Finance costs	14	10	----	----
Total expenses excluding losses	36,907	24,465	5,096	4,755
Revenue				
Appropriations (net of transfer payments)	----	----	----	----
Sale of goods and services	1,808	52	676	693
Investment revenue	----	----	----	----
Grants and contributions	6,280	5,901	2,217	2,083
Acceptance by the Crown Entity of employee benefits and other liabilities	499	54	----	----
Total revenue	8,587	6,007	2,893	2,776
Gain / (loss) on disposal	----	----	----	----
Other gains / (losses)	21	(23)	----	----
Net result	(28,299)	(18,481)	(2,203)	(1,979)
Other comprehensive income				
Increase/(decrease) in asset revaluation surplus	----	----	----	----
Total other comprehensive income	----	----	----	----
Total comprehensive income	(28,299)	(18,481)	(2,203)	(1,979)

* The names and purposes of each program are summarised below.

Department of Premier and Cabinet

Notes to and forming part of the Financial Statements
for the year ended 30 June 2018

7 Program statements for the year ended 30 June 2018

Expenses & Income	Program 5: Major Projects & Initiatives *		Program 6: Independent Office Support *	
	2018	2017	2018	2017
	\$000	\$000	\$000	\$000
Expenses excluding losses				
Operating expenses				
Employee related expenses	3,589	7,076	1,029	1,022
Other operating expenses	4,299	3,493	1,828	1,788
Depreciation and amortisation	330	318	60	58
Grants and subsidies	8,393	3,343	7	57
Finance costs	5	4	1	1
Total expenses excluding losses	16,616	14,234	2,925	2,926
Revenue				
Appropriations (net of transfer payments)	----	----	----	----
Sale of goods and services	353	1,324	955	949
Investment revenue	----	----	----	----
Grants and contributions	3,587	4,307	----	7
Acceptance by the Crown Entity of employee benefits and other liabilities	121	48	52	(1)
Total revenue	4,061	5,679	1,007	955
Gain / (loss) on disposal	----	----	----	----
Other gains / (losses)	8	(9)	1	(2)
Net result	(12,547)	(8,564)	(1,917)	(1,973)
Other comprehensive income				
Increase/(decrease) in asset revaluation surplus	----	----	----	----
Total other comprehensive income	----	----	----	----
Total comprehensive income	(12,547)	(8,564)	(1,917)	(1,973)

* The names and purposes of each program are summarised below.

Department of Premier and Cabinet

Notes to and forming part of the Financial Statements
for the year ended 30 June 2018

7 Program statements for the year ended 30 June 2018

Expenses & Income	Not Attributable **		Total	
	2018	2017	2018	2017
	\$000	\$000	\$000	\$000
Expenses excluding losses				
Operating expenses				
Employee related expenses	----	----	139,901	130,449
Other operating expenses	----	----	78,154	70,482
Depreciation and amortisation	----	----	9,087	8,769
Grants and subsidies	----	----	33,335	37,845
Finance costs	----	----	138	106
Total expenses excluding losses	----	----	260,615	247,651
Revenue				
Appropriations (net of transfer payments)	222,671	211,652	222,671	211,652
Sale of goods and services	----	----	11,968	7,260
Investment revenue	----	----	----	----
Grants and contributions	----	----	19,263	16,966
Acceptance by the Crown Entity of employee benefits and other liabilities	----	----	4,421	1,517
Total revenue	222,671	211,652	258,323	237,395
Gain / (loss) on disposal	----	----	----	(4)
Other gains / (losses)	----	----	207	(235)
Net result	222,671	211,652	(2,085)	(10,495)
Other comprehensive income				
Increase/(decrease) in asset revaluation surplus	----	----	5,605	22,270
Total other comprehensive income	----	0	5,605	22,270
Total comprehensive income	222,671	211,652	3,520	11,775

* The names and purposes of each program are summarised below.

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

Department of Premier and Cabinet

Notes to and forming part of the Financial Statements
for the year ended 30 June 2018

7 Program statements for the year ended 30 June 2018

Assets & Liabilities	Program 1: Policy Support Coordination *		Program 2: Administrative Support to Executive Government *	
	2018	2017	2018	2017
	\$000	\$000	\$000	\$000
ASSETS				
Current Assets				
Cash and cash equivalents	----	----	----	----
Receivables	2,531	7,425	1,775	4,060
Total current assets	2,531	7,425	1,775	4,060
Non-current assets				
Receivables	----	----	----	----
Land & buildings	----	----	135,344	129,996
Plant and equipment	1,825	2,315	4,734	3,908
Leasehold Improvements	12,281	13,391	12,868	13,907
Heritage and Cultural Assets	----	----	8,192	7,921
Intangible assets	1,415	2,374	1,472	2,225
Total non-current assets	15,521	18,080	162,610	157,957
Total assets	18,052	25,505	164,385	162,017
LIABILITIES				
Current liabilities				
Payables	7,995	5,863	5,631	6,069
Provisions	5,575	5,322	6,452	5,416
Other	1,879	5,017	1,350	1,343
Total current liabilities	15,449	16,202	13,433	12,828
Non-current liabilities				
Provisions	2,425	2,420	2,514	2,508
Other	10,981	11,952	11,416	12,426
Total non-current liabilities	13,406	14,372	13,930	14,934
Total liabilities	28,855	30,574	27,363	27,762
Net assets	(10,803)	(5,069)	137,022	134,255

* The names and purposes of each program are summarised below.

Department of Premier and Cabinet

Notes to and forming part of the Financial Statements
for the year ended 30 June 2018

7 Program statements for the year ended 30 June 2018

Assets & Liabilities	Program 3: Regional NSW *		Program 4: Community Events *	
	2018	2017	2018	2017
	\$000	\$000	\$000	\$000
ASSETS				
Current Assets				
Cash and cash equivalents	----	----	----	----
Receivables	1,958	737	194	620
Total current assets	1,958	737	194	620
Non-current assets				
Receivables	----	----	----	----
Land & buildings	----	----	----	----
Plant and equipment	436	531	----	1
Leasehold Improvements	2,937	3,204	----	----
Heritage and Cultural Assets	----	----	----	----
Intangible assets	339	507	----	----
Total non-current assets	3,712	4,242	----	1
Total assets	5,670	4,979	194	621
LIABILITIES				
Current liabilities				
Payables	5,084	14,664	423	45
Provisions	1,860	1,401	----	----
Other	308	309	274	579
Total current liabilities	7,252	16,374	697	624
Non-current liabilities				
Provisions	596	645	----	----
Other	2,628	2,859	----	----
Total non-current liabilities	3,224	3,504	----	----
Total liabilities	10,476	19,878	697	624
Net assets	(4,806)	(14,899)	(503)	(3)

* The names and purposes of each program are summarised below.

Department of Premier and Cabinet

Notes to and forming part of the Financial Statements
for the year ended 30 June 2018

7 Program statements for the year ended 30 June 2018

Assets & Liabilities	Program 5: Major Projects & Initiatives *		Program 6: Independent Office Support *	
	2018	2017	2018	2017
	\$000	\$000	\$000	\$000
ASSETS				
Current Assets				
Cash and cash equivalents	----	----	----	----
Receivables	211	270	429	1,047
Total current assets	211	270	429	1,047
Non-current assets				
Receivables	----	----	----	----
Land & buildings	----	----	----	----
Plant and equipment	156	191	29	35
Leasehold Improvements	1,061	1,158	195	213
Heritage and Cultural Assets	----	----	----	----
Intangible assets	122	184	22	34
Total non-current assets	1,339	1,533	246	282
Total assets	1,550	1,803	675	1,329
LIABILITIES				
Current liabilities				
Payables	1,635	520	197	119
Provisions	345	395	129	93
Other	325	112	20	21
Total current liabilities	2,305	1,027	346	233
Non-current liabilities				
Provisions	207	209	39	38
Other	950	1,036	175	190
Total non-current liabilities	1,157	1,245	214	228
Total liabilities	3,462	2,272	560	461
Net assets	(1,912)	(469)	115	868

* The names and purposes of each program are summarised below.

Department of Premier and Cabinet

Notes to and forming part of the Financial Statements
for the year ended 30 June 2018

7 Program statements for the year ended 30 June 2018

	Not Attributable		Total	
	2018	2017	2018	2017
	\$000	\$000	\$000	\$000
Assets & Liabilities				
ASSETS				
Current Assets				
Cash and cash equivalents	14,696	20,315	14,696	20,315
Receivables	----	----	7,098	14,159
Total current assets	14,696	20,315	21,794	34,474
Non-current assets				
Receivables	----	----	----	----
Land & buildings	----	----	135,344	129,996
Plant and equipment	----	----	7,180	6,981
Leasehold Improvements	----	----	29,342	31,873
Heritage and Cultural Assets	----	----	8,192	7,921
Intangible assets	----	----	3,370	5,324
Total non-current assets	----	----	183,428	182,095
Total assets	14,696	20,315	205,222	216,569
LIABILITIES				
Current liabilities				
Payables	----	----	20,965	27,280
Provisions	----	----	14,361	12,627
Other	1,515	6,207	5,671	13,588
Total current liabilities	1,515	6,207	40,997	53,495
Non-current liabilities				
Provisions	----	----	5,781	5,820
Other	----	----	26,150	28,463
Total non-current liabilities	----	----	31,931	34,283
Total liabilities	1,515	6,207	72,928	87,778
Net assets	13,181	14,108	132,294	128,791

* The names and purposes of each program are summarised below.

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

Department of Premier and Cabinet

Notes to and forming part of the Financial Statements
for the year ended 30 June 2018

Program Descriptions

a) Program 1: Policy Support Coordination

Purpose:

Delivery of effective policy, coordination and providing advice to Government.

b) Program 2: Administrative Support to Executive Government

Purpose:

Supports Government and the Ministry through the provision of effective systems, facilities and services.

c) Program 3: Regional NSW

Purpose:

Identifying, prioritising and effectively managing key drivers that improve State economy and Infrastructure, and contribute to the wellbeing of the people of NSW such as the Regional NSW Development Program.

d) Program 4: Community Events

Purpose:

Deliver events that contributes to the wellbeing of the people of NSW such as Australia Day celebrations.

e) Program 5: Major Projects & Initiatives

Purpose:

Provide support and delivery of major Government initiatives and major projects such as the NDIS Reform and Refugee Resettlement initiatives.

f) Program 6: Independent Office Support

Purpose:

Support independent offices that drive accountability, integrity, efficiency and improved service delivery across the Government and the Sector.

Department of Premier and Cabinet

Notes to and forming part of the Financial Statements
for the year ended 30 June 2018

8 Current Assets - Cash and Cash Equivalents

	2018	2017
	\$000	\$000
Cash at bank and on hand	14,696	20,315
	14,696	20,315

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

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

	2018	2017
	\$000	\$000
Cash and cash equivalents (per statement of financial position)	14,696	20,315
Closing cash and cash equivalents (per statement of cash flows)	14,696	20,315

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

9 Current Assets - Receivables

	2018	2017
	\$000	\$000
Current Receivables		
Sale of goods and services	3,969	7,963
less: Allowance for impairment	----	----
Goods and services tax recoverable from ATO	2,137	2,488
Prepayments	403	1,216
Accrued income	589	1,075
Other receivables	----	1,417
	7,098	14,159
Movement in the allowance for impairment		
Balance at 1 July	----	----
Amounts written off during the year	9	----
Amounts recovered during the year	----	----
Amount transferred out due to administrative restructure	----	----
Increase / (decrease) in allowance recognised in profit or loss	(9)	----
Balance at 30 June	----	----

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

Department of Premier and Cabinet

Notes to and forming part of the Financial Statements
for the year ended 30 June 2018

10 Non-Current Assets - Property, Plant and Equipment

	Land and Buildings	Plant and Equipment	Leasehold Improvements	Heritage and Cultural Assets	Total
	\$000	\$000	\$000	\$000	\$000
At 1 July 2017 - fair value					
Gross carrying amount	132,196	13,207	42,218	7,921	195,542
Accumulated depreciation and impairment	(2,200)	(6,226)	(10,345)	----	(18,771)
Net carrying amount	129,996	6,981	31,873	7,921	176,771
At 30 June 2018 - fair value					
Gross carrying amount	137,649	16,351	43,612	8,192	205,804
Accumulated depreciation and impairment	(2,305)	(9,171)	(14,270)	----	(25,746)
Net carrying amount	135,344	7,180	29,342	8,192	180,058

Reconciliation

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

	Land and Buildings	Plant and Equipment	Leasehold Improvements	Heritage and Cultural Assets	Total
	\$000	\$000	\$000	\$000	\$000
Year ended 30 June 2018					
Net carrying amount at start of year	129,996	6,981	31,873	7,921	176,771
Additions	498	2,672	1,427	----	4,597
Disposals	----	(68)	(13)	----	(81)
Administrative restructures - transfers in/(out)	----	----	----	----	----
Net revaluation increment less revaluation decrements recognised in reserves	5,443	----	----	162	5,605
Depreciation expense	(105)	(3,013)	(3,939)	----	(7,057)
Reclassifications	(488)	540	(19)	109	142
Write back of depreciation	----	68	13	----	81
Net carrying amount at end of year	135,344	7,180	29,342	8,192	180,058

	Land and Buildings	Plant and Equipment	Leasehold Improvements	Heritage and Cultural Assets	Total
	\$000	\$000	\$000	\$000	\$000
At 1 July 2016 - fair value					
Gross carrying amount	107,996	12,794	40,851	7,921	169,562
Accumulated depreciation and impairment	(2,596)	(3,736)	(6,596)	----	(12,928)
Net carrying amount	105,400	9,058	34,255	7,921	156,634
At 30 June 2017 - fair value					
Gross carrying amount	132,196	13,207	42,218	7,921	195,542
Accumulated depreciation and impairment	(2,200)	(6,226)	(10,345)	----	(18,771)
Net carrying amount	129,996	6,981	31,873	7,921	176,771

Reconciliation

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

	Land and Buildings	Plant and Equipment	Leasehold Improvements	Heritage and Cultural Assets	Total
	\$000	\$000	\$000	\$000	\$000
Year ended 30 June 2017					
Net carrying amount at start of year	105,400	9,058	34,255	7,921	156,634
Additions	2,443	406	1,636	----	4,485
Disposals	----	----	(4)	----	(4)
Administrative restructures - transfers in/(out)	----	9	(218)	----	(209)
Net revaluation increment less revaluation decrements recognised in reserves	22,270	----	----	----	22,270
Reduction in carrying value (recognised in 'other gains/losses')	----	----	----	----	----
Depreciation expense	(117)	(2,492)	(3,796)	----	(6,405)
Reclassifications	----	----	----	----	----
Net carrying amount at end of year	129,996	6,981	31,873	7,921	176,771

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

Department of Premier and Cabinet

Notes to and forming part of the Financial Statements
for the year ended 30 June 2018

11 Intangible Assets

	Software at cost \$000	Total \$000
At 1 July 2017 - fair value		
Gross carrying amount	10,224	10,224
Accumulated amortisation and impairment	(4,900)	(4,900)
Net carrying amount	5,324	5,324
At 30 June 2018 - fair value		
Gross carrying amount	10,300	10,300
Accumulated amortisation and impairment	(6,930)	(6,930)
Net carrying amount	3,370	3,370
Year ended 30 June 2018		
Net carrying amount at start of year	5,324	5,324
Additions	218	218
Disposals	----	----
Transfers out through administrative restructures	----	----
Amortisation (recognised in "depreciation and amortisation")	(2,030)	(2,030)
Reclassification	(142)	(142)
Net carrying amount at end of year	3,370	3,370

	Software at cost \$000	Total \$000
At 1 July 2016 - fair value		
Gross carrying amount	9,846	9,846
Accumulated amortisation and impairment	(2,560)	(2,560)
Net carrying amount	7,286	7,286
At 30 June 2017 - fair value		
Gross carrying amount	10,224	10,224
Accumulated amortisation and impairment	(4,900)	(4,900)
Net carrying amount	5,324	5,324
Year ended 30 June 2017		
Net carrying amount at start of year	7,286	7,286
Additions	664	664
Disposals	----	----
Transfers out through administrative restructure	(262)	(262)
Amortisation (recognised in "depreciation and amortisation")	(2,364)	(2,364)
Reclassification	----	----
Net carrying amount at end of year	5,324	5,324

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

Department of Premier and Cabinet

Notes to and forming part of the Financial Statements
for the year ended 30 June 2018

12 Fair value measurement of non-financial assets

(a) Fair value hierarchy

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

The fair value hierarchy has the following levels:

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

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

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

	Notes	Level 1	Level 2	Level 3	Total fair Value
2018		\$000	\$000	\$000	\$000
Property, plant and equipment					
Land and buildings	10	----	----	135,344	135,344
Heritage and cultural assets	10	----	8,192	----	8,192
		----	8,192	135,344	143,536

	Notes	Level 1	Level 2	Level 3	Total fair Value
2017		\$000	\$000	\$000	\$000
Property, plant and equipment					
Land and buildings	10	----	----	129,996	129,996
Heritage and cultural assets	10	----	7,921	----	7,921
		----	7,921	129,996	137,917

There were no transfers between Level 1 or 2 during the periods.

(b) Valuation techniques, inputs and processes

Land and Buildings

The Land and Buildings balance reflects the fair value of the land and buildings comprising the Government House Sydney Crown Reserve. The land and buildings were revalued in March 2018 by an interim valuation. An indexation was obtained from Property NSW and applied for this financial year. Property NSW used a range of evidence to determine the indexation factors such as, local knowledge, statistical information and the unique nature of Government House. This resulted in an increase in the land value by \$3,735,000 and an increase in the buildings value by \$1,708,121.

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

The unique nature of Government House land and buildings makes the Level 3 classification appropriate as the valuation is not based on observable market data. This is consistent with prior year disclosures.

Heritage and Cultural assets

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

The Government House Collection assets were last revalued in April 2018 by an independent valuer, Shapiro Auctioneers and Gallery.

The independent valuer used indicative market rates as the basis for the values provided. The Heritage and Cultural assets are valued by reference to trading of assets of a similar nature, such as artwork of the same artist. The result of the last valuation increased the value of the heritage and cultural assets by \$162,000.

Department of Premier and Cabinet

Notes to and forming part of the Financial Statements
for the year ended 30 June 2018

12 Fair value measurement of non-financial assets

(c) Reconciliation of recurring level 3 fair value measurements

2018	Notes	Land and buildings (Government House) \$000	Total Recurring level 3 Fair value \$000
Fair value as at 1 July 2017	10	129,996	129,996
Additions	10	498	498
Revaluation	10	5,443	5,443
Depreciation	10	(105)	(105)
Transfers out of Level 3	10	(488)	(488)
		135,344	135,344

2017	Notes	Land and buildings (Government House) \$000	Total Recurring level 3 Fair value \$000
Fair value as at 1 July 2016	10	105,400	105,400
Additions	10	2,443	2,443
Revaluation	10	22,270	22,270
Depreciation	10	(117)	(117)
		129,996	129,996

13 Current Liabilities - Payables

	2018 \$000	2017 \$000
Accrued salaries, wages and on-costs	1,305	1,326
Creditors	19,660	25,954
	20,965	27,280

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

Department of Premier and Cabinet

Notes to and forming part of the Financial Statements
for the year ended 30 June 2018

14 Current / Non-Current Liabilities - Provisions

	2018 \$000	2017 \$000
Current Provisions		
Annual leave including on-costs	11,164	9,833
Long service leave on-costs	1,530	1,236
Payroll tax	1,418	1,238
Current employee benefits and related on-cost provisions	14,112	12,307
Restoration costs	249	320
Total Current Provisions	14,361	12,627
Non-Current Provisions		
Long service leave on-costs	133	108
Payroll tax	73	65
Non-Current employee benefits and related on-cost provisions	206	173
Restoration costs	5,575	5,647
Total Non-Current Provisions	5,781	5,820
Employee benefits and related on-costs	14,318	12,480
Restoration costs	5,824	5,967
Total Provisions	20,142	18,447

	2018 \$000	2017 \$000
Aggregate employee benefits and related on-costs		
Provisions - current	14,112	12,307
Provisions - non-current	206	173
Accrued salaries, wages and on-costs (Note 13).	1,305	1,326
	15,623	13,806

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

Based on statistics showing 16% [2017: 20%] of employees with greater than 30 days annual leave at June 2018, it is estimated that \$995k [2017: 656k] of accrued annual leave with associated on-costs would be settled after 12 months.

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:

	2018 \$000	2017 \$000
Provision for Restoration Costs		
Carrying amount at the beginning of financial year	5,967	5,463
Unwinding /change in discount rate	(11)	338
Net amount transferred in due to administrative restructure	----	42
Unused amount reversed	(118)	----
Additional provisions recognised	----	182
Amounts used	(14)	(58)
Carrying amount at the end of financial year	5,824	5,967

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

15 Current / Non-Current Liabilities - Other

	2018 \$000	2017 \$000
Other - current		
Liability to consolidated fund	1,515	6,207
Unamortised leasehold incentive	3,053	3,053
Unearned revenue	1,079	4,304
Other liabilities	24	24
	5,671	13,588
Other - non-current		
Unamortised leasehold incentive	26,150	28,463
	26,150	28,463

Department of Premier and Cabinet

Notes to and forming part of the Financial Statements
for the year ended 30 June 2018

16 Increase / Decrease in Net Assets from Equity Transfers

Transfers - as at 1 July 2017

	2018 \$000
<u>Transfer in arising from Administrative Arrangements (Administrative Changes—Inspector of Law Enforcement Conduct Commission) Order 2017</u>	
Secure Monitoring Unit transferred in from Ombudsmans' Office	
Assets	
Current assets	
Cash and cash equivalents	0
Receivables	0
Total current assets	0
Non-Current assets	
Property, plant and equipment	0
Intangible assets	0
Receivables	0
Total non-current assets	0
Total assets	0
Liabilities	
Current liabilities	
Payables	0
Provisions	17
Total current liabilities	17
Non-current liabilities	
Provisions	0
Total liabilities	17
Net assets	(17)
Increase/(Decrease) in Net Assets From Equity Transfers	(17)

Department of Premier and Cabinet

Notes to and forming part of the Financial Statements
for the year ended 30 June 2018

16 Increase / Decrease in Net Assets from Equity Transfers

Transfers - as at 1 April 2017 (for comparative purposes)

	2017 \$000
<u>Transfer out arising from Administrative Arrangements (Administrative Changes—Public Service Agencies) Order 2017</u>	
International Branch (to Department of Industry)	
<u>Assets</u>	
Current assets	
Cash and cash equivalents	626
Receivables	236
Total current assets	862
Non-Current assets	
Receivables	124
Property, plant and equipment	221
Intangible assets	262
Total non-current assets	607
Total assets	1,469
<u>Liabilities</u>	
Current liabilities	
Payables	422
Provisions	614
Total current liabilities	1,036
Non-current liabilities	
Provisions	52
Total non-current liabilities	52
Total liabilities	1,088
Net assets	381

Transfer out arising from Administrative Arrangements (Administrative Changes—Public Service Agencies) Order 2017

Veterans' Affairs (to Department of Justice)

<u>Assets</u>	
Current assets	
Cash and cash equivalents	101
Receivables	324
Total current assets	425
Total assets	425
<u>Liabilities</u>	
Current liabilities	
Payables	866
Provisions	211
Total current liabilities	1,077
Non-current liabilities	
Provisions	3
Total non-current liabilities	3
Total liabilities	1,080
Net assets	(655)

Department of Premier and Cabinet

Notes to and forming part of the Financial Statements
for the year ended 30 June 2018

16 Increase / Decrease in Net Assets from Equity Transfers

Transfers - as at 1 April 2017 (for comparative purposes)

	2017
	\$000
<u>Transfer in arising from Administrative Arrangements (Administrative Changes—Public Service Agencies) Order 2017</u>	
Regional NSW (from Department of Industry)	
<u>Assets</u>	
Non-Current assets	
Property, plant and equipment	12
Total non-current assets	12
Total assets	12
<u>Liabilities</u>	
Current liabilities	
Payables	196
Provisions	1,070
Total current liabilities	1,266
Non-current liabilities	
Provisions	93
Total non-current liabilities	93
Total liabilities	1,359
Net assets	(1,347)
Increase/(Decrease) in Net Assets From Equity Transfers	(1,073)

Department of Premier and Cabinet

Notes to and forming part of the Financial Statements
for the year ended 30 June 2018

17 Commitments for Expenditure

	2018	2017
	\$000	\$000
Operating Lease Commitments		
Future non-cancellable operating lease rentals not provided for and payable		
Not later than one year	18,723	18,773
Later than one year and not later than five years	73,868	70,540
Later than five years	45,896	63,447
Total (including GST)	138,487	152,760

The operating lease commitments relate to leasing of office space and motor vehicles. \$138.5m of the above expenditure is subject to GST (2017: \$152.8m), which includes input tax credits of \$12.6m (2017: \$13.9m) that are expected to be recoverable from the ATO.

18 Contingent Liabilities and Contingent Assets

Contingent Liabilities

The Department is not aware of any significant or material contingent liability in existence at 30 June 2018 or which has emerged subsequent to this date, which may materially impact on the financial position of the Department as shown in the financial statements.

Contingent Assets

There are no known contingent assets at balance date.

Department of Premier and Cabinet

Notes to and forming part of the Financial Statements
for the year ended 30 June 2018

19 Budget Review

Net Result

The net result was a \$2,085k deficit compared to a budgeted surplus of \$2,644k. This is an unfavourable variance of \$4,729k, arising primarily from the unfavourable impact of actual appropriation revenue for capital expenditure being \$5,890k below budget due to capital expenditure being carried forward. This was offset by a favourable net impact of \$1,161k in other Department recoveries. Other variances to budget include the following.

Expenses

Total expenses excluding losses were \$260,615k compared to a budget of \$257,600k. This was \$3,015k over budget after carried forward expenses. The factors causing this were:

Other operating expenses were \$5,742k over budget due to an increase in fees for services, while grants and subsidies were \$1,909k under budget. Expenses in excess of budget were funded primarily from increased recoveries.

Revenue

Appropriations (net of transfer payments) were \$18,251k under budget due to the following:

- Capital carry forwards relating mainly to Corporate Shared Services Reform. These items drive an unfavourable variance against the budgeted net result.
- Recurrent carry forwards of \$12,346k in total include Regional NSW projects. These items do not drive a variance in the net result against budget.

Sale of goods and services were \$8,731k over budget due to an increase in recoveries from other NSW Government agencies, including an overhead recovery from the Department of Industry.

Grants and Contributions were \$7,746k over budget due to an increase in contributions received from the Restart Fund and from the Department of Industry for the Stronger Country Communities Fund.

Other Gains

Other gains / (losses) were a gain of \$207k compared to a budget of nil. The gain resulted from the net present value recalculations of restoration provisions.

Assets and Liabilities

Net assets were \$132,294k compared to a budget of \$133,084k. The major variances arising on the Statement of Financial Position are noted below:

Assets

Cash and Cash Equivalents were \$14,696k compared to a budget of \$317k. This is \$14,379k over budget, which is due to the timing differences in a number of accounts payables, greater than anticipated for in the budget.

Liabilities

Payables were \$20,965k compared to a budget of \$7,936k. This is \$13,029k over budget, which is due to the timing differences in a number of accounts payables, greater than anticipated for in the budget.

Cash Flows

The closing Cash position was \$14,696k compared to a budget of \$317k. This is over budget by \$14,379k to overdrawn appropriations for the contingency fund (\$1,515k) and timing differences in a number of accounts payables resulting in them being accrued to be paid next financial year.

Department of Premier and Cabinet

Notes to and forming part of the Financial Statements
for the year ended 30 June 2018

20 Reconciliation of Cash Flows from Operating Activities to Net Result

	2018	2017
	\$000	\$000
Net cash used on operating activities	(804)	7,282
Net adjustments for non-cash equity transfers	17	(346)
Depreciation and amortisation	(9,087)	(8,769)
Finance Costs	(138)	(106)
Decrease / (increase) in provisions	(1,764)	(537)
Increase / (decrease) in receivables & prepayments	(7,061)	9,259
(Increase) / decrease in creditors	6,315	(9,444)
Net gain / (loss) on sale of plant and equipment	----	(4)
Other gain / (loss)	207	(235)
Decrease / (increase) in other liabilities	10,230	(7,595)
Net result	(2,085)	(10,495)

Department of Premier and Cabinet

Notes to and forming part of the Financial Statements
for the year ended 30 June 2018

21 Financial Instruments

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

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

The Secretary has overall responsibility for the establishment and oversight of risk management and reviews and agrees policies for managing each of these risks. Risk management policies are established to identify and analyse the risks faced by the Department, to set risk limits and controls and to monitor risks. The Audit and Risk Committee and Internal Auditors assist in the review of compliance with policies.

(a) Financial instrument categories

Financial Assets	Note	Category	Carrying Amount	Carrying Amount
Class:			2018	2017
			\$000	\$000
Cash and cash equivalents	8	Not Applicable	14,696	20,315
Receivables ¹	9	Loans and receivables (at amortised cost)	4,558	10,456

Financial Liabilities	Note	Category	Carrying Amount	Carrying Amount
Class:			2018	2017
			\$000	\$000
Payables ²	13	Financial liabilities measured at amortised cost	20,016	26,245
Other	15	Financial liabilities measured at amortised cost	29,227	31,539

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

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

Department of Premier and Cabinet

Notes to and forming part of the Financial Statements
for the year ended 30 June 2018

21 Financial Instruments

(b) Credit Risk

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

Credit risk arises through the holding of financial assets, including cash, receivables and authority deposits. No collateral is held by the Department. No financial guarantees have been provided by the Department.

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

Cash

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

Receivables - trade debtors

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

The Department is not materially exposed to concentrations of credit risk to a single trade debtor or group of debtors. Based on past experience, debtors that are not past due (2018: \$2,889k; 2017: \$7,303k) and less than 3 months past due (2018: \$400k; 2017: \$37k) are not considered impaired and together these represent 84% (2017: 91%) of the total trade debtors. Most of the Department's debtors have a AAA credit rating.

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

	\$000		
	Total ^{1,2}	Past due but not impaired ^{1,2}	Considered impaired ^{1,2}
2018			
< 3 months overdue	400	400	----
3 months - 6 months overdue	544	544	----
> 6 months overdue	90	90	----
2017			
< 3 months overdue	37	37	----
3 months - 6 months overdue	178	178	----
> 6 months overdue	536	536	----

Notes

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

Department of Premier and Cabinet

Notes to and forming part of the Financial Statements
for the year ended 30 June 2018

21 Financial Instruments

(c) Liquidity risk

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

During the current and prior years, there were no defaults or breaches on any loans payable. No assets have been pledged as collateral. The Department's exposure to liquidity risk is deemed insignificant based on prior periods' data and current assessment of risk.

The liabilities are recognised for amounts due to be paid in the future for goods or services received, whether or not invoiced. Amounts owing to suppliers (which are unsecured) are settled in accordance with the policy set out in NSW TC 11/12. For small business suppliers, where terms are not specified, payment is made not later than 30 days from date of receipt of a correctly rendered invoice. For other suppliers, if trade terms are not specified, payment is made no later than the end of the month following the month in which an invoice or a statement is received. For small business suppliers, where payment is not made within the specified time period, simple interest must be paid automatically unless an existing contract specifies otherwise.

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

Maturity Analysis and interest rate exposure of financial liabilities

	\$'000							
	Weighted Average Effective Int. Rate	Nominal Amount	Fixed Interest Rate	Variable Interest Rate	Non-interest bearing	< 1 yr	1-5 years	> 5 yrs
2018								
Payables:								
Accrued salaries, wages and on-costs		368	----	----	368	368	----	----
Creditors		19,648	----	----	19,648	19,648	----	----
		20,016	----	----	20,016	20,016	----	----
Other Liabilities:								
Unamortised leasehold incentive		29,203	----	----	29,203	3,053	12,212	13,938
Other		24	----	----	24	24	----	----
		29,227	----	----	29,227	3,077	12,212	13,938
Total		49,243	----	----	49,243	23,093	12,212	13,938
2017								
Payables:								
Accrued salaries, wages and on-costs		298	----	----	298	298	----	----
Creditors		25,947	----	----	25,947	25,947	----	----
		26,245	----	----	26,245	26,245	----	----
Other Liabilities:								
Unamortised leasehold incentive		31,516	----	----	31,516	3,053	12,212	16,251
Other		24	----	----	24	24	----	----
		31,540	----	----	31,540	3,077	12,212	16,251
Total		57,785	----	----	57,785	29,322	12,212	16,251

Department of Premier and Cabinet

Notes to and forming part of the Financial Statements
for the year ended 30 June 2018

21 Financial Instruments

(d) Market risk

Market risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices. The Department's exposures to market risk are primarily through interest rate risk on the Department's borrowings and other price risks associated with the movement in the unit price of the Hour Glass Investment facilities.

The effect on profit and equity due to a reasonably possible change in risk variable is outlined in the information below, for interest rate risk and other price risk. A reasonably possible change in risk variable has been determined after taking into account the economic environment in which the Department operates and the time frame for the assessment (i.e. until the end of the next annual reporting period). The sensitivity analysis is based on risk exposures in existence at the statement of financial position date. The analysis is performed on the same basis as for 2017. The analysis assumes that all other variables remain constant.

Interest rate risk

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

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

Consolidated	Carrying Amount	-1%		1%	
		Profit \$'000	Equity \$'000	Profit \$'000	Equity \$'000
2018					
<i>Financial assets</i>					
Cash and cash equivalents	14,696	(147)	(147)	147	147
Receivables	4,558	(46)	(46)	46	46
<i>Financial liabilities</i>					
Payables	20,016	200	200	(200)	(200)
Other liabilities	29,227	292	292	(292)	(292)
2017					
<i>Financial assets</i>					
Cash and cash equivalents	20,315	(203)	(203)	203	203
Receivables	10,456	(105)	(105)	105	105
<i>Financial liabilities</i>					
Payables	26,245	262	262	(262)	(262)
Other liabilities	31,539	315	315	(315)	(315)

(e) Fair value measurement

(i) Fair value compared to carrying amount

Financial instruments are generally recognised at cost. The amortised cost of financial instruments recognised in the statement of financial position approximates the fair value, because of the short-term nature of many of the financial instruments.

Department of Premier and Cabinet

Notes to and forming part of the Financial Statements
for the year ended 30 June 2018

22 Related Party Disclosures

Related party disclosures – key management personnel

In accordance with AASB 124 Related Party Disclosures, key management personnel are those having authority and responsibility for planning, directing and controlling the activities of the entity.

a. Compensation of key management personnel

	2018	2017
	\$'000	\$'000
Short-term employee benefits:		
Salaries	3,469	2,866
Other monetary allowances	----	----
Non-monetary benefits	26	33
Other long-term employee benefits	----	----
Post-employment benefits	----	----
Termination benefits	447	----
Total remuneration	3,942	2,899

b. Transactions with related parties

During the year, the Department entered into transactions with NSW Government related entities that are controlled, jointly controlled or significantly influenced by NSW Government. These transactions are all at arm's length and in the ordinary course of the business of the Department.

23 Events After the Reporting Period

There is no matter or circumstance that have arisen since 30 June 2018 that have significantly affected, or may significantly affect the Department's operations, the result of those operations, or the state of affairs in future financial years.

End of audited financial statements



APPENDICES



Administration

Privacy Management Plan

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

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

DPC's Privacy Contact Officer can be contacted at:

Privacy Contact Officer

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

Internal reviews

No internal reviews were conducted by or on behalf of DPC under the PPIP Act or the *Health Records and Information Privacy Act 2002* during 2017-2018.

Public interest disclosures

DPC recognises the value and importance of contributions by public officials to enhancing administrative and management practices.

DPC supports public interest disclosures (PIDs) being made by public officials regarding these matters.

The *Public Interest Disclosures Act 1994*, section 31, requires each public authority to prepare an annual report on its obligations under the Act. In accordance with Section 4 of the Public Interest Disclosures Regulation 2011, the following information is provided on public interest disclosures for the period 1 July 2017 to 30 June 2018:

- (a) Number of public officials who made public interest disclosures | **1**
- (b) Number of public interest disclosures relating to possible or alleged:
 - (i) corrupt conduct | **0**
 - (ii) maladministration | **0**
 - (iii) serious and substantial waste of public money | **1**
 - (iv) government information contraventions | **0**
 - (v) local government pecuniary interest contraventions | **0**

Total number of public interest disclosures received | **1**

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

- (c) Number of public interest disclosures (received since 1 Jan 2012) that have been finalised in this reporting period | **1**
- (d) An internal reporting policy has been established. DPC has a policy and procedures to guide staff in the reporting of PIDs. Further information is provided on DPC's intranet and internet sites.
- (e) Actions taken to ensure staff awareness of the policy and the protections under the Act are:

- In this reporting period, induction training for staff included information about how to make a PID and who the DPC disclosure officers are
- DPC launched its new Code of Conduct e-learning module, and Fraud and Corruption Control Policy and Strategy and e-learning modules, which explained how staff can make reports

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

Government Information (GIPA)

Obligations under the GIPA Act

1. Review of proactive release program

Under section 7 of *Government Information (Public Access) Act 2009* (the GIPA Act), agencies must review their programs for the release of government information to identify the kinds of information that can be made publicly available. This review must be undertaken at least once every 12 months.

DPC's program for the proactive release of information involves reviewing the information sought and released pursuant to GIPA applications received over the financial year, considering the kinds of government information held by DPC that may be suitable for proactive release, and asking DPC groups and branches to submit information that is suitable for proactive release to DPC's Information Access Unit (IAU). Following this review, the IAU considers whether there are any public interest considerations against disclosure of the information, whether consultation is required, and whether this would impose unreasonable additional costs to DPC.

During the reporting period, DPC continued this program by reviewing the information sought and released pursuant to GIPA applications and identifying common themes. DPC has identified that there is continuing interest in Ministers' travel information and notes there is information proactively released pursuant to *Premier's Memorandum M2015-05-Publication of Ministerial Diaries and Release of Overseas Travel Information*.

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

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

2. Number of access applications received

During the reporting period, DPC received 66 formal access applications (including withdrawn applications but not invalid applications).

3. Number of refused applications for Schedule 1 information

During the reporting period, DPC refused 11 formal access applications because the information requested was information referred to in Schedule 1 to the GIPA Act. Of those applications, one decision was made to refuse in full, and 10 decisions were made to refuse in part.

Table A: Number of applications by type of applicant and outcome*

	Access granted in full	Access granted in part	Access refused in full	Information not held	Information already available	Refuse to deal with application	Refuse to confirm/deny whether information is held	Application withdrawn
Media	4	6		4				1
Members of Parliament	5	7		4		1		3
Private sector business		2		5				1
Not-for-profit organisations or community groups		1	1	4				2
Members of the public (application by legal representative)		1						
Members of the public (other)		3	1	4	1			1

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

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

	Access granted in full	Access granted in part	Access refused in full	Information not held	Information already available	Refuse to deal with application	Refuse to confirm/deny whether information is held	Application withdrawn
Personal information applications*		1						
Access applications (other than personal information applications)	9	19	2	21	1	1		8
Access applications that are partly personal information applications and partly other								

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

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

Table C: Invalid applications

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

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

	Number of times consideration used*
Overriding secrecy laws	
Cabinet information	10
Executive Council information	
Contempt	4
Legal professional privilege	4
Excluded information	
Documents affecting law enforcement and public safety	
Transport safety	
Adoption	
Care and protection of children	
Ministerial code of conduct	
Aboriginal and environmental heritage	

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

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

	Number of occasions when application not successful
Responsible and effective government	7
Law enforcement and security	
Individual rights, judicial processes and natural justice	8
Business interests of agencies and other persons	1
Environment, culture, economy and general matters	3
Secrecy provisions	
Exempt documents under interstate Freedom of Information legislation	1

Table F: Timeliness

	Number of applications
Decided within the statutory timeframe (20 days plus any extensions)	30
Decided after 35 days (by agreement with applicant)	18
Not decided within time (deemed refusal)	1
Total	49

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

	Decision varied	Decision upheld	Total
Internal review			
Review by Information Commissioner*	2	1	3
Internal review following recommendation under section 93 of Act	2		2
Review by the NSW Civil and Administrative Tribunal (NCAT)			
Total	4	1	5

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

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

	Number of applications for review
Applications by access applicants	8
Applications by persons to whom information the subject of access application relates (see section 54 of the Act)	

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

	Number of applications for review
Agency-initiated transfers	5
Applicant-initiated transfers	1

Digital Information Security Annual Attestation Statement for the 2017/18 Financial Year for the Department of Premier and Cabinet (DPC)

I, Timothy Reardon, am of the opinion that DPC had an Information Security Management System in place during the 2017-2018 financial year that is consistent with the Core Requirements set out in the *NSW Government Digital Information Security Policy*.

The controls in place to mitigate identified risks to the digital information and digital information systems of DPC are adequate, subject to the deficiencies in identified controls & procedures of the ICT shared service provider. This ICT shared service provider has taken steps to remediate the control environment, with remaining deficiencies to be addressed in consultation with other GovConnect customers.

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



Timothy Reardon
Secretary

Audit and risk management

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

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

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

DPC conducts regular reviews of these policies and its Audit and Risk Committee and Internal Audit Charters, which are endorsed by the Audit and Risk Committee. DPC also undertakes a quarterly enterprise-wide corporate risk assessment, which forms the foundation of its internal audit plan.

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

- completing and issuing the annual report on legislative compliance
- conducting internal audits as per DPC's Internal Audit Plan
- issuing audit recommendations to managers to improve operations combined with following up to ensure recommendations have been implemented in accordance with agreed timeframes.

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

The 2017-18 plan comprised the following audits:

- Budget and Forecast
- Information Security
- Data Privacy
- eCabinet
- Regional Growth Funds Stronger Country Communities
- Regional Growth Environment and Tourism Funds
- Shared Services Performance.

Internal Audit and Risk Management Attestation Statement for the 2017-2018 Financial Year for the Department of Premier and Cabinet

I, Tim Reardon, Secretary of the Department of Premier and Cabinet am of the opinion that the Department of Premier and Cabinet has internal audit and risk management processes in operation that are compliant with the eight (8) core requirements set out in the *Internal Audit and Risk Management Policy for the NSW Public Sector*, specifically:

Core Requirements

Risk Management Framework

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

Internal Audit Function

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

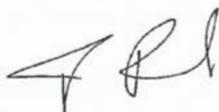
Audit and Risk Committee

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

Membership

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

- Independent Chair, Arthur Butler, appointed January 2014, term expired in December 2017
- Independent Chair, Gerardine Brus, appointed January 2018, term expires December 2020
- Independent Member, Bruce Turner AM, appointed January 2014, term expired in December 2017
- Independent Member, Gerardine Brus, appointed October 2013, term expired in December 2017
- Independent Member, Christine Feldmanis, appointed December 2017, term expires November 2020
- Independent Member, Garry Dinnie, appointed October 2017, term expires April 2021



Tim Reardon
Secretary
Department of Premier and Cabinet
24 July 2018

Implementing performance audit recommendations

DPC uses the Audit Office of NSW's Better Practice Guide Checklist to maintain a sound practice in relation to the implementation and monitoring of performance audit recommendations. This includes monitoring by the Audit and Risk Committee. DPC's progress on implementing performance audit recommendations for the 2017-18 financial year is outlined in the table below.

Performance audit report name	Date tabled	Number of recommendations	Number of recommendations closed	Number of recommendations delayed	Proposed implementation dates
Managing Unsolicited Proposals in NSW	10 March 2016	4	4	0	N/A (action complete)
Red Tape Reduction	25 August 2016	5	5	0	N/A (action complete)
Government Advertising	27 October 2016	5	4	1	September 2018
Implementation of the NSW Government's program evaluation initiative	3 November 2016	2	2	0	N/A (action complete)
NorthConnex	8 June 2017	2	2	0	N/A (action complete)

Overseas visits

Date	Officer	Destination	Purpose
10-14 July 2017	Glenn King	Auckland and Wellington, New Zealand	To share learnings with New Zealand government departments on the delivery of targets
22-30 July 2017	Fiona Lansdown	Singapore	To attend Executive Master of Public Administration module
21-28 August 2017	Anna Needs	Lima, Peru	To participate in a Delivery Exchange with partner units in Peru, designed to deepen knowledge and share best practice in delivery
19-25 August 2017	Blair Comley	Japan and Korea	To accompany the Premier as a delegation member on her mission to Japan and the Republic of Korea
15-22 September 2017	Amy Persson	United States	To attend the Behavioural Science & Policy Association Conference, and meetings with Rockefeller Center, Bloomberg Philanthropies and Harvard Government Performance Lab to share learnings on social impact investment

Date	Officer	Destination	Purpose
15-22 September 2017	Jacqueline Myint	United States	To attend the Behavioural Science & Policy Association Conference, and meetings with Rockefeller Center, Bloomberg Philanthropies and Harvard Government Performance Lab to share learnings on social impact investment
22 September - 1 October 2017	Alison Connolly	Toronto, Canada	To attend the Invictus Games Toronto 2017 as an observer
22 September - 1 October 2017	Paul Nunnari	Toronto, Canada	To attend the Invictus Games Toronto 2017 as an observer
7-28 October 2017	Kate Epstein	Cape Town and Johannesburg, South Africa	To participate in a Delivery Exchange with partner units in South Africa, designed to deepen knowledge and share best practice in delivery
7-28 October 2017	Sarah Mourney	Cape Town and Johannesburg, South Africa	To participate in a Delivery Exchange with partner units in South Africa, designed to deepen knowledge and share best practice in delivery
26 November - 3 December 2017	Tanya Latanville	New Zealand	To attend the Australia and New Zealand School of Government (ANZSOG) Executive Masters
29 November - 7 December 2017	Leanne Byrne	China	To advance for and accompany the Premier as a delegation member on her mission to the People's Republic of China
3-8 December 2017	Tim Reardon	China and the Philippines	To support the Premier's trade and investment mission to China and the Philippines
3-8 December 2017	Tina Lange	Philippines	To advance for and accompany the Premier as a delegation member on her mission to the Philippines
5-15 February 2018	Sian Hutchinson	United States	Present and participate in the Brookings Institution workshop, 'Federalised Approaches to Addressing Violent Extremism: Good Practices, Innovations and Challenges', as part of the Home Affairs-led delegation. Met with US and Canadian Government federal and state counterparts on CVE, including FBI, Department of Homeland Security, and Office for Public Safety. Engaged with expert CVE academics, think tanks and NGOs. Visited two grassroots non-government subnational CVE programs; a community-based intervention program and a trauma-informed mental health service
21-27 February 2018	Tim Reardon	United States	To support the Premier's trade and investment mission to the US
20-23 March 2018	Gary Barnes	United States	To exchange information with economic development agencies in the states of New York and North Carolina, aimed at boosting Regional NSW economies
10-20 April 2018	Leanne Byrne	India	To advance for and accompany the Premier as a delegation member on her mission to India
10-20 April 2018	James Riordan	India	To advance for and accompany the Premier as a delegation member on her mission to India
15-20 April 2018	Tim Reardon	India	To support the Premier's trade and investment mission to India

Funding and expenditure

Insurance

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

Area of risk	Insurer	2016-17	2017-18
Workers compensation	Employers Mutual	282	261
Public liability	GIO	78	80
Property	GIO	59	56
Motor vehicles	GIO	74	54
Miscellaneous (other)	GIO	3	2
Total		496	454

Controlled entities

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

Land disposal

There were no land disposals for the period 1 July 2017 to 30 June 2018.

Account payment performance

Aged analysis at the end of each quarter					
All suppliers					
Quarter	Current (within due date) (\$)	<30 days overdue (\$)	30-60 days overdue (\$)	61-90 days overdue (\$)	90+ days overdue (\$)
Sept 2017	1,105,572.78	-6,538.49	55,820.69	26,324.66	-50,906.43
Dec 2017	2,051,468.39	47,590.17	135,239.09	28,170.62	-108,353.56
March 2018	2,301,240.29	30,725.74	-41,600.57	14,335.99	-212,974.94
June 2018	8,269,283.47	61,246.42	-46,685.02	-146,588.59	406,194.58

Accounts due or paid within each quarter

Measure	Total 2017-18	Sept 2017	Dec 2017	March 2018	June 2018
All suppliers					
Number of accounts due for payment	9,202	2,518	1,887	2,160	2,637
Number of accounts paid on time	7,534	2,008	1,584	1,694	2,248
Actual percentage of accounts paid on time (based on number of accounts)	81.87%	79.75%	83.94%	78.43%	85.25%
Dollar amount of accounts due for payment	\$128,104,317	\$43,723,482	\$23,605,352	\$26,225,466	\$34,550,017
Dollar amount of accounts paid on time	\$96,801,546	\$29,199,724	\$16,400,160	\$19,597,127	\$31,604,535
Actual percentage of accounts paid on time (based on \$)	75.56%	66.78%	69.48%	74.73%	91.47%
Small business suppliers					
Number of accounts due for payment	7	1	1	3	2
Number of accounts paid on time	3	0	1	1	1
Actual percentage of accounts paid on time (based on number of accounts)	42.86%	0.00%	100.00%	33.33%	50.00%
Dollar amount of accounts due for payment	\$37,054	\$3,949	\$8,443	\$13,755	\$10,907
Dollar amount of accounts paid on time	\$17,029	\$0	\$8,443	\$2,959	\$5,627
Actual percentage of accounts paid on time (based on \$)	45.96%	0.00%	100.00%	21.51%	51.59%
Number of payments for interest on overdue accounts	\$0	\$0	\$0	\$0	\$0
Interest paid on overdue accounts	\$0	\$0	\$0	\$0	\$0

Consultancies

Consultancies of value less than \$50,000

There were 52 consultancies of value less than \$50,000, with a total value of \$1,646,300.

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

Consultant	Branch	Nature of services	Cost
The Behavioural Insights Team	Behavioural Insights Unit	BI advisory services	\$734,610
Grex	Regional Infrastructure & Networks	Digital Connectivity Project	\$297,000
KPMG Australia	NDIS Reform	NSW NDIS Full Scheme Delivery Plan	\$271,643
Taylor Nelson Sofres Australia	Communications & Engagement	Improving sector communications	\$249,225
PricewaterhouseCoopers	Economic Appraisal & Evaluation	Regional NSW Economic Vision	\$208,000
Nous Group	NDIS Reform	Support for NDIS transition services	\$200,220
University of Technology Sydney	Stronger Country Communities Fund	Community preferences for regional infrastructure projects	\$170,759
Ernst & Young	Cities	UGDC transition project management support	\$151,533
AlphaBeta Advisors	Social Policy	Mothers' Workforce Participation Stage 1	\$150,000
Victoria University	Economic Appraisal & Evaluation	Spatial CGE model for Sydney	\$133,651
Procure Group	Communications & Engagement	Procurement advisory services – media monitoring contract	\$94,828
Carpenter & Gibson	NDIS Reform	Implementation of the NDIS in NSW Business Case	\$69,000
Deloitte Touche Tohmatsu	Premier's Implementation Unit	Independent review of Premier's Priorities metrics	\$66,500
Deloitte Access Economics	NDIS Reform	Design of support and advice service to help prevent violent extremism	\$65,426
KPMG Australia	Premier's Implementation Unit	Mapping of Men's Behaviour Change Programs (MBCP) supply and demand	\$56,356
JWS Research	NDIS Information Campaign	NDIS research program	\$55,950
Total number of individual consultancies with a value equal to or more than \$50,000 is: 16			Total: \$2,974,701

Funds and grants

Administrative support to the Government

Name of organisation	Nature and purpose of grant	Amount paid
SenateSHJ	Countering Violent Extremism	\$135,850
Urbis Pty Ltd	Countering Violent Extremism	\$116,598
Blythe Rowe P/L	Mobility Pathways	\$29,925
Impress Design	Mobility Pathways	\$5,550
INS Career Management P/L	Mobility Pathways	\$5,003,016
Macquarie Graduate School	Mobility Pathways	\$2,236
The Creative Foundary	Mobility Pathways	\$27,745
Loud Communications P/L	NDIS Campaign 2	\$10,617
Australian International Military Games Limited	NSW Government support for Invictus Games Sydney 2018	\$2,300,000
The Australian and New Zealand School of Government	ANZSOG support chair of PSD at UNSW	\$1,128,000
The Australian and New Zealand School of Government	Partnership w/ Gov of India's DP&T	\$100,000
Australian Paralympic Committee	Contribution for Winter Games Team	\$30,000
1st Yass Scouts	Funding towards 2 water tanks, associated plumbing, an outdoor shelter and camp kitchen	\$5,000
2MIA FM	Funding towards the fit out of Griffith's community Mobile Radio Studio	\$10,000
2NBC Community Radio	Funding to refurbish new office space in Kogarah	\$15,000
78ers collective	Funding towards the 40th anniversary of the first Sydney Gay and Lesbian Mardi Gras	\$4,000
Aberdeen Senior & Little Athletics Centre	Funding towards equipment and upgrade facilities	\$5,000
Albatross Musical Theatre Company	Funding towards a wireless headset microphone system	\$17,474
Albion Park Men's Shed	Funding towards the fitout of an additional shed	\$4,782
Alfords Point P&C Association	Funding for new classroom furniture	\$15,000
All Hallows Catholic Church	Funding towards repairs to the roof, new carpet and updated wiring	\$10,000
Armidale Men's Shed	Funding to purchase a defibrillator	\$2,995
Armidale UNE Outlaws Baseball Club	Funding for seating in two baseball dugouts	\$3,643
Armidale United Hospital Auxiliary	Funding for a new coffee machine at the hospital canteen	\$2,170
Australian Red Cross	Donation in support of the 2018 Red Cross Calling Appeal	\$200,000
Autism Community Network	Funding for a trailer to transport supplies and equipment for their art program	\$2,000
Avoca Beach Public School	Funding towards a new front entry fence	\$7,500

Name of organisation	Nature and purpose of grant	Amount paid
Avoca Beach Public School	Funding towards a new boundary fence around the school	\$6,270
Ballina Croquet Club	Funding to purchase two trolleys, a computer and easyscore software	\$2,950
Ballina Lighthouse and Lismore Surf Life Saving Club	Funding to complete the fitout at the new surf club	\$15,000
Ballina Seagulls Rugby League Club	Funding for a new roof at the entrance to the club	\$9,300
Ballina Shire Council	Funding to assist with cleaning beaches and riverbanks after Cyclone Debbie	\$25,000
Balmain Para-Rowing	Funding towards the Balmain Para-Rowing Program	\$5,000
Balmoral Sailing Club	Funding towards repairs to the clubhouse roof	\$11,604
Barnardos Australia	Support for the Barnardos Mother of the Year 2018	\$15,000
Bathurst Youth Group	Funding towards the development of a cafe project	\$13,500
Bawley Point and Kioloa Community Association	Funding for a commercial oven at the hall	\$7,150
Beauty Point Public School P&C	Funding to build a sand pit as part of an outdoor learning space	\$5,000
Beecroft Uniting Church	Funding support for a senior's info line initiative	\$3,495
Bega Angledale Cricket Club	Funding towards a waterproof ground cover which was damaged by vandals	\$2,079
Biaggio Signorelli Foundation	Donation in support of the 2018 fundraising dinner	\$25,000
Biala Support Services	Funding towards sensory play equipment	\$2,500
Blakehurst Men's Bowling Club	Funding to purchase small bowls for young students to participate	\$3,000
Blue Mountains Rugby Club	Funding for an awning to cover the forecourt at Lapstone Oval	\$5,000
Bodalla Public School	Funding towards an Adventure Garden and Safe Space	\$5,000
Bolong Union Church Complex	Funding towards urgent painting and maintenance work	\$5,000
Bomaderry Football Club	Funding to purchase new soccer goals after the club was destroyed by fire	\$10,747
Bomaderry Public School	Funding assistance towards school sports singlets	\$3,696
Bomaderry Public School	Funding to upgrade an old PA system	\$2,000
Bomaderry Public School P&C Association	Funding to purchase a CCTV system, cash register and new oven	\$2,033
Bundanoon Highland Gathering	Funding for new aluminium stairs, banisters and items to enhance the safety of guests	\$7,000
Bundanoon Historical Society	Funding for a commemorative sign to celebrate the 150th anniversary of the Railway	\$1,500
Byron Bay Red Devils Rugby League Club	Funding for a new electronic scoreboard	\$8,000
Byron Bay Surf Life Saving Club Inc	Funding towards an upgrade of the disabled toilet	\$2,700

Name of organisation	Nature and purpose of grant	Amount paid
Cammeraygal High School P&C Association	Funding for 5 Mental Health Awareness notice boards	\$5,593
CaraCare	Funding towards air conditioning, signage and shade cloth over the garden	\$5,000
Casula Rural Fire Brigade	Funding for new roller doors at their facility	\$9,000
Chertsey Public School	Funding to purchase musical instruments	\$4,955
Co.As.It.	Donation to Gala fundraiser to establish a Dementia Early Intervention Program	\$20,000
Colyton St Clair Little Athletics Centre	Funding for field improvements at the Centre	\$7,000
Community Northern Beaches	Funding towards laptops and data projectors for the 'Love Bites' program for high schools	\$4,000
Coogee Public School P&C	Funding towards trees, shrubs and tools for a local environment rehabilitation program	\$5,000
Coogee Synagogue	Funding to finish landscaping work at the front of the Synagogue	\$12,500
Copacabana Community Association Inc	Funding to purchase a new PA system	\$3,700
Country Hope Trust	Funding to upgrade the back area of the support centre	\$10,000
Crookwell Community Men's Shed	Funding for an extension to the shed	\$10,000
Culburra Beach and Districts Meals on Wheels	Funding towards the purchase of wireless printers and fax machines to assist with reporting	\$1,000
Culburra Community Committee	Funding for two shade structures at the new Recreational Skate Park	\$10,000
CWA of NSW Kendall Branch	Funding to purchase a wall mounted Zip water heater	\$1,461
CWA of Wee Waa	Funding towards improvements to their hall	\$7,500
Daffodil Cottage Group	Funding towards pharmaceuticals for patients going through cancer treatments	\$10,000
Dalwood Spilstead Centre	Funding towards the purchase and installation of a shade cloth for the children's playground	\$5,000
Darkes Forest Riding Ranch	Funding towards new helmets and equipment for the 'Star Club' program	\$6,000
Denison College - Kelso High Campus	Funding towards a covered walkway at the school	\$20,000
DPC (Communications and Engagement Branch)	Funding towards video projections onto Challis House for the 2018 Centenary of Anzac commemorations	\$37,772
Dungog District Chamber of Commerce	Funding towards town signage to encourage tourism after the superstorm of April 2015	\$19,662
East Ballina Lions Club	Funding to replace two barbeques, a trailer and marquees destroyed by fire	\$12,500
Empire Bay Public School	Funding to purchase equipment for the Kidz Shed project	\$4,178
Emu Plains Junior AFL Club	Funding towards a new scoreboard and club equipment	\$5,000

Name of organisation	Nature and purpose of grant	Amount paid
Emu Plains Junior Rugby League Club	Funding to replace canteen supplies and equipment after a break in at the Club	\$10,000
Enough is Enough Anti-violence Movement Inc	Funding towards relocation and refurbishment costs	\$35,000
Epping Football Club	Funding towards four new portable goals	\$3,596
Friends of Milton Library	Funding towards the upgrade of the community run Milton Library	\$9,055
Friends of Mrs York's Garden	Funding to construct stairway access to the public park	\$5,683
Gerringong Men's Shed	Funding towards the installation of a drinking fountain in the Arthur Campbell Reserve	\$4,000
Gidget Foundation Australia	Donation in support of the Gidget Foundation	\$15,000
Gidget Foundation Australia	Donation in support of the Gidget Foundation	\$10,000
Gidget Foundation Australia	Donation in celebration of the arrival of His Highness Prince Louis of Cambridge on the 23 April 2018	\$5,000
Glenbrook Lagoon Bushcare Group	Funding to improve water quality and aquatic habitat of the lagoon	\$5,000
Glenmore Park Junior Rugby League Club	Funding towards fencing to assist with organisation on game days	\$10,000
Golf NSW	Funding to revitalise the Wilcannia Golf Club	\$25,000
Gosford City Model Railway Club Men's Shed	Funding towards a wall mounted instant hot water service	\$876
Goulburn High School	Funding to upgrade the cricket nets at the school	\$20,000
Goulburn High School P&C Association	Funding to purchase equipment to enhance the student's robotics studies	\$5,000
Granville Historical Society	Funding towards a printer and storage furniture to maintain the files	\$950
Granville Men's Shed	Funding towards a new mill drill to improve their metal working capabilities	\$4,917
Gravesend Public School P&C	Funding to hire equipment for the 100 mile Long Lunch school fundraiser	\$2,000
Gum Flat Public School P&C	Funding to purchase a new awning to provide shelter and shade for students	\$4,000
Gurdwara Singh Sabha Society Inc	Funding towards the Annual Shaheedi Tournament to be held in Griffith in June 2018	\$20,000
Harbord Harlequins Junior Rugby Union Club	Funding towards equipment to cope with increased demand	\$4,000
Heads Seniors Computer Club	Funding towards upgrading computers, a PA system and office supplies	\$2,500
Henry Lawson Centre	Funding towards maintenance and improvements at the Centre	\$10,000
Henty and District Lifestyle Centre	Funding to purchase gym weights for the Henty Community Gymnasium	\$8,530
Hilltops Council	Funding towards repairs to the floor at Bendick Murrell hall	\$10,000

Name of organisation	Nature and purpose of grant	Amount paid
Homicide Victims Support Group	Donation in support of The Anita Cobby Charity Dinner with funds raised helping the Homicide Victim's Support Group build 'Grace's Place'	\$50,000
Hope Haven Women's Refuge	Funding to upgrade the back fence of the refuge	\$5,574
Jack Ryan Committee	Funding assistance towards the Jack Ryan memorial, VC recipient	\$5,000
Jewish House	Donation in support of the work done at Jewish House	\$10,000
Juvenile Diabetes Research Foundation	Donation in support of the 2018 Juvenile Diabetes Research Foundation NSW Gala Ball	\$5,000
K Ranch Events Pty Ltd	Funding to secure nationally acclaimed performers for the Mt Hunter Music Stampede being held in October 2018	\$40,000
Kanahooka Men's Shed	Funding towards a concrete slab for a new covered work area	\$3,000
Kandos Rylstone Community Radio Inc	Funding to repair water seepage to the building	\$6,400
Kenthurst Combined Probus Club	Funding towards a new projector for the club	\$1,095
Kiama Beachside Ladies Probus	Funding to purchase audio-visual equipment	\$3,883
Kiama Men's Shed	Funding to purchase new items for the shed	\$2,138
Kiama Netball Association	Funding towards lighting the Kiama Netball Centre courts	\$6,000
Kiama Shellharbour District Tennis Association	Funding towards upgrading the toilets to allow for wheelchair tennis	\$2,000
Kings Langley Public School P&C Association	Funding towards specialised adventure playground equipment	\$2,500
Ku-ring-gai Amateur Swimming Club	Funding towards the purchase and installation of a new scoreboard	\$7,500
Ku-ring-gai PCYC	Funding towards the cost of a 12 seater bus to be utilised for programs and case management of young offenders	\$10,000
Ladysmith Tourist Railway Committee	Funding to replace railway sleepers stolen from the track	\$5,134
Lane Cove & Northside Community Services	Funding towards furniture and equipment for a new program/activity room	\$5,000
Lennox Head Residents Association's Heritage Committee	Funding towards production costs associated with a new book on the history of surfing in Lennox Head	\$5,900
Lifeline	Funding to support the Centre's operations following the recent floods in Lismore and surrounding regions	\$40,000
Lions Club of Gerringong	Funding towards the purchase of a ride-on mower	\$3,600
Lions Club of Lugarno	Funding to assist with the 2018 Lugarno Lions Spring Festival	\$3,000
Lismore Musical Festival Society	Funding towards equipment and computer upgrades for the Lismore Eisteddfod	\$4,707
Lockhart Bowling Club	Funding to purchase seven shade structures to protect the players	\$5,000

Name of organisation	Nature and purpose of grant	Amount paid
Lourdes Football Club	Funding towards pop up soccer goals and away jerseys	\$3,020
Lugarno Girl Guides	Funding towards repairs to their hall, and repairs to the footpath	\$3,000
Maccabi New South Wales	Funding towards the Maccabi Junior Carnival to be hosted in Sydney in January 2019	\$12,000
Manly Village Public School P&C	Funding towards a sandpit for the junior students at the school	\$4,000
Marine Rescue NSW	Funding towards the completion of the extension of Admiralty Wharf at Huskisson	\$8,000
Mark Hughes Foundation	Donation in support of the 2018 NRL Beanies for Brain Cancer	\$5,000
Maronite Eparchy of Australia	Funding towards equipment to assist with a census project for the Maronite community	\$10,000
Mater Dei School	Funding to upgrade technology and purchase 13 laptops	\$35,000
Merrimans Local Aboriginal Land Council	Funding to purchase a small tractor and slasher for maintenance of Wallaga Lake	\$8,500
Milton Ulladulla Model Railway Club	Funding for three windows and a septic tank for the club's new premises	\$8,520
Miracle Babies Foundation	Donation in support of World Prematurity Day 2017	\$5,000
Moama RSL Sub Branch	Funding to commission a life sized sculpture in tribute to all service personnel	\$5,000
Mosman Croquet Club	Funding to replace a safety fence around the lawns	\$12,500
Mosman High School P&C Association	Funding for 10 data loggers to be used for science experiments	\$10,000
Mr Paul and Ms Helen Arkley	Donation to support their fundraising efforts, with all money raised going to Kaleidoscope John Hunter Children's Health Network	\$1,000
Mr Robert Peel	Funding towards hall and equipment costs for a community table tennis group	\$1,500
Murwillumbah Scouts	Funding to complete an upgrade to the hall which includes re-wiring and general repairs	\$6,000
Museum of Fire	Funding towards data and museum security	\$10,000
North Sydney Demonstration School P&C	Funding towards a hands on learning project	\$5,600
Northern Beaches Community Men's Shed	Funding towards a new computer and printer for the shed	\$2,000
Northern Beaches Women's Shelter	Funding towards new blinds for the shelter	\$3,600
One Door Mental Health	Funding towards materials for art classes held for carers as creative respite therapy	\$4,000
Peakhurst West P&C Association	Funding for new ipads to support Science, Technology, Engineering and Maths (STEM) subjects	\$10,000
Pedestrian Council of Australia	Donation in support of the 19th Walk Safely to School Day being held on Friday 18 May 2018	\$10,000

Name of organisation	Nature and purpose of grant	Amount paid
Penrith CBD Corporation	Funding for equipment to decorate shop fronts to encourage the community to shop local	\$10,000
Penrith Community Kitchen	Funding towards new kitchen equipment	\$4,850
Penrith Hospital Auxiliary	Funding to purchase a three in one copier, printer, and scanner	\$500
Penrith RSL Junior Rugby Union Club	Funding to purchase rugby equipment and Club uniforms	\$5,000
Penshurst RSL Sub-Branch	Funding towards plumbing and maintenance at the Penshurst War Memorial	\$2,000
Port Stephens Council	Funding to purchase four defibrillators to be stationed at sportsgrounds across Port Stephens	\$4,400
Port Stephens Council	Funding towards a safety fence to enclose a new playground in Shoal Bay	\$12,000
Portland Development Association	Funding towards the completion of the bandstand project	\$10,000
Queanbeyan Netball Association	Funding towards a new shelter to house a BBQ and serving area	\$8,956
Queanbeyan Pony Club	Funding for a trailer and equipment to assist with holding events	\$7,000
Randwick Men's Shed	Funding towards establishing a Men's Shed in Randwick	\$25,000
Reserve Forces Day Council Inc	Funding towards the 2018 Reserve Forces Day National Parade on Sunday 1 July	\$20,000
Riverside Christian Church	Funding towards a community based project M.A.D. for Homelessness	\$2,500
Roseby Park Saltwater Gatherers	Funding to purchase training and playing outfits for the tournament	\$2,000
Rotary Club of Albury Hume	Funding towards a purpose-built catering trailer	\$7,000
Rotary Club of Inverell East	Funding towards running the Copeton Dam Open Water Swim	\$2,000
Rotary Club of Milton Ulladulla	Funding towards the 2018 Blessing of the Fleet Festival	\$10,000
Rotary Club of Mosman	Funding to replace the roof that covers 'The Wishing Well' at Balmoral Beach	\$5,362
Rotary Club of Penrith	Funding to purchase a BBQ trailer to support local community events	\$5,000
Rotary Club of St George Next Gen	Funding towards the purchase of a BBQ trailer	\$5,000
Royal Humane Society of NSW	Funding to assist with the annual Bravery Awards	\$5,000
Royal Institute for Deaf and Blind Children (RIDBC)	Funding to purchase a new portable PA system	\$199
Salvation Army Red Shield Appeal	Donation in support of the 2018 Red Shield Appeal	\$200,000
Samaritans Foundation	Funding towards painting the refuge as part of the facility upgrade	\$11,000
Scone Public School P&C Association	Funding to replace play equipment at the school	\$5,000

Name of organisation	Nature and purpose of grant	Amount paid
Scouts Australia NSW Branch	Funding towards the refurbishment of the Kincumber/Bensville Scout Hall	\$6,814
Seaforth Balgowlah Raiders Junior Rugby Club	Funding towards new sporting equipment	\$4,000
Seaham Park & Wetlands Committee	Funding towards the upgrade of the road within Seaham Park	\$5,000
Shellharbour Triathlon Club	Funding for a new defibrillator and training for its members	\$3,615
Shoalhaven Heads Community Forum	Funding towards the initial stages of a BMX Pump Track project	\$10,000
Shoalhaven Heads RSL	Funding to refurbish the 25 Pounder Gun located at Memorial Park	\$2,500
Shoalhaven Orchid Society	Funding for new coolers to store produce at fundraising events	\$1,000
Shoalhaven Rugby Football Club	Funding towards a new drinks fridge and painting of the clubhouse	\$3,900
Singleton Track & Field Club	Funding to upgrade equipment and infrastructure	\$5,000
Sir Henry Parkes Memorial Public School	Funding towards NAIDOC week celebrations	\$1,500
Sleepy Burrows Wombat Sanctuary	Funding for materials to build extra accommodation for sick and orphaned wombats	\$3,000
Sporting Shooters Association of Australia Wagga Wagga Branch	Funding to build an enclosed area to clean firearms safely	\$10,400
St Basil's Hellenic Village Miranda	Funding towards a dementia garden at the aged care facility	\$15,000
St Clair and District Men's Shed	Funding towards the construction of a new waterproof shed	\$15,000
St George & Sutherland Shire Table Tennis Association	Funding to purchase a trolley to transport and store the equipment	\$5,000
St Joseph's Primary School Goulburn	Funding to upgrade the canteen facilities	\$4,828
St Joseph's Primary School Riverwood	Funding towards a double-sided electra changeable sign	\$10,000
St Luke's Anglican Church	Funding to purchase a defibrillator	\$3,000
St Michael's P&F Association	Funding for two barbeques, picnic tables and shelving	\$3,100
St Paul the Apostle Winston Hills P&F	Funding towards the 'Garden Club' program	\$2,000
St Thomas Indian Orthodox Church in Wattle Grove	Funding to purchase and install a curtain for theatre production, a pool table and table tennis table	\$7,500
Superheroes Events Limited	Donation towards 'Buy a Brick' Campaign with money raised going towards two family rooms at Ronald McDonald House in Shoalhaven	\$3,000
Surf Life Saving Central Coast	Funding towards communication helmets and 100 patrol uniforms	\$10,000
Sydney Children's Hospital Foundation	Donation towards Sydney Children's Hospital 2018 Gold Telethon	\$25,000

Name of organisation	Nature and purpose of grant	Amount paid
Sydney Sixers	Funding toward 'Be The Best Me', a female empowerment program integrating cricket fundamentals	\$20,000
Sydney Special Children's Christmas Party	Funding towards the Special Children's Christmas Party 2017	\$10,000
Talbingo Men's Shed Incorporated	Funding towards sealing the driveway and carpark	\$5,000
Tenterfield Total Care	Funding towards building upgrade enabling them to continue with Meals on Wheels	\$15,000
Terrigal Rugby Club	Funding to purchase a secure defibrillator	\$5,901
The Australian World Orchestra	A donation towards the orchestra's tour to India in September 2018	\$25,000
The Bega Showground	Funding towards the upgrade of kitchen facilities at the showground	\$40,000
The Bunker Cartoon Gallery	Funding to upgrade audio visual equipment	\$8,800
The Charlie Teo Foundation	Donation in support of the Charlie Teo Foundation	\$25,000
The Crescent School Goulburn	Funding to purchase a storage facility to house garden and playground equipment	\$6,987
The Greek Orthodox Community of NSW	Funding towards the 2018 Greek Festival of Sydney	\$25,000
The Highland Singers	Funding for a set of choral risers	\$10,000
The Kidzwish Foundation Inc	Funding towards running costs at the Annual Kidzwish Children's Christmas Party 2017	\$15,000
The Primary Club of Australia Inc	Funding to help offset costs associated with the 2018 Marathon Cricket event at the SCG	\$25,000
The Prospect Heritage Trust	Funding for new data software and a portable display board	\$2,300
The Rule of Law Institute of Australia	Funding to purchase two computers to assist with offsite education programs	\$3,000
The Smith Family	Donation in support of the The Smith Family's 2017 Christmas Appeal	\$10,000
Toongabbie Public School P&C	Funding to purchase four new musical instruments	\$3,296
Toongabbie West Public School P&C	Funding towards new musical instruments	\$3,000
Tuross Head Memorial Garden Committee	Funding towards the replacement of old seating at the Memorial Gardens	\$7,000
Tweed Heads & Coolangatta RSL Sub-Branch	Funding towards waterproofing the ANZAC Memorial Fountain in Chris Cunningham Park	\$10,000
UN Women Australia	Funding support of Sydney's International Women's Day Breakfast 2018	\$25,000
United Nations Association of Aust (NSW)	Funding towards celebrating World UN Day which is being held in October 2018	\$7,000
Warners Bay Rotary Club	Funding towards a project that improves men's health in rural NSW	\$10,000
West Ryde Rovers Football Club	Funding towards equipment for children with special needs	\$8,000

Name of organisation	Nature and purpose of grant	Amount paid
Western Sydney Community Forum	Funding support of the 2018 ZEST Awards	\$5,000
Winston Hills Little Athletics Centre	Funding for new equipment, speakers and a barbeque	\$4,500
Woodport Public School	Funding to purchase two water tanks and pumps	\$3,605
Wylies Baths Trust	Funding towards the restoration of vegetation to anchor the cliff face	\$20,000
Yass Valley Men's Shed Inc	Funding towards a project that includes installing solar panels and air-conditioning	\$20,000
Total number of grants is: 231		Total: \$11,189,537

Economic and regional coordination

Name of organisation	Nature and purpose of grant	Amount paid
Telstra Corporation Limited	Mobile Black Spots Program	\$521,973
Bland Shire Council	Deputy premier's Miscellaneous Grant Fund	\$20,000
Cat Awards Ltd	Deputy premier's Miscellaneous Grant Fund	\$25,000
Catholiccare Social Services	Deputy premier's Miscellaneous Grant Fund	\$1,815
Coffs Harbour Golf Club Ltd	Deputy premier's Miscellaneous Grant Fund	\$45,000
Coomba Park And District Senior Citizens	Deputy premier's Miscellaneous Grant Fund	\$4,050
Gresford Billy Cart Derby	Deputy premier's Miscellaneous Grant Fund	\$2,000
Harington Waters Golf Club Inc	Deputy premier's Miscellaneous Grant Fund	\$3,860
Herd Southern Highlands Pty Ltd	Deputy premier's Miscellaneous Grant Fund	\$5,000
Lansdowne Rural Fire Brigade	Deputy premier's Miscellaneous Grant Fund	\$7,944
Molong RSL Sub Branch NSW	Deputy premier's Miscellaneous Grant Fund	\$13,689
Narrabri And District Chamber Of Commerce	Deputy premier's Miscellaneous Grant Fund	\$10,000
New South Wales Rugby League Ltd	Deputy premier's Miscellaneous Grant Fund	\$50,000
Northern Rivers Community Foundation	Deputy premier's Miscellaneous Grant Fund	\$2,150
Port Macquarie Branch Combined Pens	Deputy premier's Miscellaneous Grant Fund	\$6,800
Spik Pty Ltd	Deputy premier's Miscellaneous Grant Fund	\$20,000
Tamworth Broadcasting Society Inc	Deputy premier's Miscellaneous Grant Fund	\$14,174
Western Phoenix Football Club	Deputy premier's Miscellaneous Grant Fund	\$4,856
Adams Business Publications Pty Lim	Hunter Central Coast Grants Program	\$12,000
Eighteen04 Inc	Hunter Central Coast Grants Program	\$5,000
Hunter Angels Pty Ltd	Hunter Central Coast Grants Program	\$20,000
Hunter Business Centre Ltd	Hunter Central Coast Grants Program	\$2,000
Hunter Councils Incorporated	Hunter Central Coast Grants Program	\$160,000

Name of organisation	Nature and purpose of grant	Amount paid
Hunternet Co-Operative Ltd	Hunter Central Coast Grants Program	\$24,000
Manufacturing Connect Limited	Hunter Central Coast Grants Program	\$5,000
Newcastle Now	Hunter Central Coast Grants Program	\$3,500
NSW Business Chamber Limited	Hunter Central Coast Grants Program	\$5,000
Regional Development Australia	Hunter Central Coast Grants Program	\$78,000
Sargent, Mark Gerard	Hunter Central Coast Grants Program	\$6,490
Shortland Wetlands Centre Ltd	Hunter Central Coast Grants Program	\$5,000
Simulation Australasia Ltd	Hunter Central Coast Grants Program	\$12,000
The Australian Industry Group	Hunter Central Coast Grants Program	\$5,000
Worldskills Australia	Hunter Central Coast Grants Program	\$1,000
Snowy Monaro Regional Council	Illawarra South East Grants Program	\$50,000
Wollongong City Council	Illawarra South East Grants Program	\$150,000
Kiama Municipal Council	Local Government Grants	\$30,000
A1 Earthworx Mining & Civil Pty Ltd	Murray Darling Regional Diversification Program	\$10,000
Australian Recycled Plastic Pty Ltd	Murray Darling Regional Diversification Program	\$500,000
B.J Aldridge & J.M Aldridge	Murray Darling Regional Diversification Program	\$8,979
Boss Engineering Pty Ltd	Murray Darling Regional Diversification Program	\$495,000
Castle Mountain Mining Pty. Limited	Murray Darling Regional Diversification Program	\$10,000
Chernco Pty Ltd	Murray Darling Regional Diversification Program	\$250,000
Chetwynd Park Pty Ltd	Murray Darling Regional Diversification Program	\$393,070
Colton Computer Technologies Pty Ltd	Murray Darling Regional Diversification Program	\$10,000
Conron Cattle Company Pty Ltd	Murray Darling Regional Diversification Program	\$6,050
Cowra Concrete Products Pty Ltd	Murray Darling Regional Diversification Program	\$5,000
Deniliquin Children's Centre Inc	Murray Darling Regional Diversification Program	\$750,000
Dillon's Plumbing Pty Limited	Murray Darling Regional Diversification Program	\$10,000
Durabuilt Products Pty Ltd	Murray Darling Regional Diversification Program	\$10,000
Edward River Council	Murray Darling Regional Diversification Program	\$200,000
Free Range Foods Pty. Ltd.	Murray Darling Regional Diversification Program	\$4,872
Fresh Fodder	Murray Darling Regional Diversification Program	\$9,941
General Industry Pty. Ltd.	Murray Darling Regional Diversification Program	\$4,986
Glenella Quarry Pty Ltd	Murray Darling Regional Diversification Program	\$10,000
Go Zero Pty Ltd	Murray Darling Regional Diversification Program	\$121,000
Grain Storage Technology Pty Ltd	Murray Darling Regional Diversification Program	\$10,000
Grainlink Storage Pty Ltd	Murray Darling Regional Diversification Program	\$250,000

Name of organisation	Nature and purpose of grant	Amount paid
Greatcell Solar Limited	Murray Darling Regional Diversification Program	\$5,000
Hay Shire Council	Murray Darling Regional Diversification Program	\$250,000
Holbrook Paddock Eggs Pty Ltd	Murray Darling Regional Diversification Program	\$5,000
Ici Industries Pty Ltd	Murray Darling Regional Diversification Program	\$5,000
Igrain.Com.Au Pty Ltd	Murray Darling Regional Diversification Program	\$7,500
J & M Wilcox Pty Ltd	Murray Darling Regional Diversification Program	\$10,000
Jones Bros Family Farm Pty Ltd	Murray Darling Regional Diversification Program	\$10,000
Lowe Wines Pty Ltd & Never Never Wines	Murray Darling Regional Diversification Program	\$1,485
M And J Lanteri Pty Ltd	Murray Darling Regional Diversification Program	\$350,000
Maspro Engineering Trading Pty Ltd	Murray Darling Regional Diversification Program	\$5,000
Mcdowells Herbal Pty Ltd	Murray Darling Regional Diversification Program	\$8,608
Moree Plains Shire Council	Murray Darling Regional Diversification Program	\$150,000
Msm Milling Pty Ltd	Murray Darling Regional Diversification Program	\$6,921
Murray River Region Tourism Limited	Murray Darling Regional Diversification Program	\$90,000
Narrabri Shire Council	Murray Darling Regional Diversification Program	\$150,000
Oilseeds Australia Pty Ltd	Murray Darling Regional Diversification Program	\$320,000
Orange Region Vignerons Association	Murray Darling Regional Diversification Program	\$3,659
Ozark Environmental & Heritage Management	Murray Darling Regional Diversification Program	\$9,317
Plastic Forests Pty Ltd	Murray Darling Regional Diversification Program	\$2,750
Progress Printing West Pty Ltd	Murray Darling Regional Diversification Program	\$7,545
Pryde's Easifeed Pty Ltd	Murray Darling Regional Diversification Program	\$7,625
Purtill Bros Nominees Pty Ltd	Murray Darling Regional Diversification Program	\$497,500
Reaqua Pty Ltd	Murray Darling Regional Diversification Program	\$10,000
Regal Electro Pty Ltd	Murray Darling Regional Diversification Program	\$10,000
Regional Enviroscience	Murray Darling Regional Diversification Program	\$10,000
Rowlee Wines Pty Ltd	Murray Darling Regional Diversification Program	\$9,915
Royston Petrie Seeds Pty Limited	Murray Darling Regional Diversification Program	\$10,000
Specialized Electrical Pty Limited	Murray Darling Regional Diversification Program	\$3,020
Spencer Cocoa Pty Ltd	Murray Darling Regional Diversification Program	\$6,544
Stahmann Farms	Murray Darling Regional Diversification Program	\$250,000
Stockpro Pty Ltd	Murray Darling Regional Diversification Program	\$10,000
Terrappe Products Pty	Murray Darling Regional Diversification Program	\$10,000
The Deniliquin Nursing Home Foundation	Murray Darling Regional Diversification Program	\$495,000

Name of organisation	Nature and purpose of grant	Amount paid
The Little Big Dairy Company Pty Ltd	Murray Darling Regional Diversification Program	\$10,000
The Trustee For Aim Group Trust	Murray Darling Regional Diversification Program	\$10,000
The Trustee For Brendan Hunt Family Trust	Murray Darling Regional Diversification Program	\$10,000
The Trustee For Doolans Panther Trust	Murray Darling Regional Diversification Program	\$10,000
The Trustee For Small Family Trust	Murray Darling Regional Diversification Program	\$10,000
The Trustee For The Knight Family Trust	Murray Darling Regional Diversification Program	\$4,808
Top Drop Pty Limited	Murray Darling Regional Diversification Program	\$10,000
Trang Imagineering Pty Ltd	Murray Darling Regional Diversification Program	\$9,097
Vitonga Pty Ltd Atf Estens Trust	Murray Darling Regional Diversification Program	\$50,000
Warren Shire Council	Murray Darling Regional Diversification Program	\$200,000
Wholegrain Milling Company Pty Ltd	Murray Darling Regional Diversification Program	\$155,000
Ballina Shire Council	Northern Rivers Business Recovery Program	\$150,000
Byron Shire Council	Northern Rivers Business Recovery Program	\$92,790
Catchment Simulation Solutions Pty	Northern Rivers Business Recovery Program	\$4,900
Cawarra Cosmetics Pty Limited	Northern Rivers Business Recovery Program	\$25,000
Destination North Coast Ltd	Northern Rivers Business Recovery Program	\$150,000
Kyogle & District Chamber Of Commerce	Northern Rivers Business Recovery Program	\$22,727
Lismore City Council	Northern Rivers Business Recovery Program	\$150,000
NSW Business Chamber Limited	Northern Rivers Business Recovery Program	\$31,250
Ongmac Trading	Northern Rivers Business Recovery Program	\$25,000
SGS Economics And Planning Pty Ltd	Northern Rivers Business Recovery Program	\$11,355
Tweed Chamber Of Commerce And Indus	Northern Rivers Business Recovery Program	\$40,000
Tweed Shire Council	Northern Rivers Business Recovery Program	\$211,908
Anglican Church Property Trust Diocese	Port Kembla Investment	\$36,640
Australian Trust For Conservation Volunteers	Port Kembla Investment	\$14,273
Trustees Of The Roman Catholic Church	Port Kembla Investment	\$122,071
Wollongong City Council	Port Kembla Investment	\$555,827
Wollongong City Of Innovation Ltd	Port Kembla Investment	\$14,545
Awards Australia Southern Pty Ltd	Regional Policy Infrastructure Program	\$15,000
Snowy Valleys Council	Regional Policy Infrastructure Program	\$100,000
Trundle Central School P&C Association	Regional Policy Infrastructure Program	\$30,000
Unity Bank Limited	Western NSW Grants Program	\$5,000

Name of organisation	Nature and purpose of grant	Amount paid
Goulburn Mulwaree Council	Growing Local Economies Business Case Development	\$25,000
Upper Lachlan Shire Council	Growing Local Economies Business Case Development	\$10,856
Queanbeyan-Palerang Regional Council	Growing Local Economies Business Case Development	\$30,000
Eurobodalla Shire Council	Growing Local Economies Business Case Development	\$10,000
Bega Valley Shire Council	Growing Local Economies Business Case Development	\$10,000
Shoalhaven City Council	Growing Local Economies Business Case Development	\$20,000
Yass Valley Council	Growing Local Economies Business Case Development	\$20,000
Snowy Monaro Regional Council	Growing Local Economies Business Case Development	\$50,000
Wingecarribee Shire Council	Growing Local Economies Business Case Development	\$10,000
Greater Hume Shire Council	Growing Local Economies Business Case Development	\$15,000
Riverina Eastern Regional Organisation of Councils	Growing Local Economies Business Case Development	\$65,000
Riverina & Murray Regional Organisation of Councils	Growing Local Economies Business Case Development	\$120,000
Kempsey Shire Council	Growing Local Economies Business Case Development	\$20,000
Bellingen Shire Council	Growing Local Economies Business Case Development	\$20,000
Nambucca Shire Council	Growing Local Economies Business Case Development	\$20,000
Cowra Shire Council	Growing Local Economies Business Case Development	\$1,600
Narromine Shire Council	Growing Local Economies Business Case Development	\$135,000
Weddin Shire Council	Growing Local Economies Business Case Development	\$10,000
Broken Hill City Council	Growing Local Economies Business Case Development	\$45,000
Oberon Council	Growing Local Economies Business Case Development	\$5,000
Forbes Shire Council	Growing Local Economies Business Case Development	\$93,400
Blayney Shire Council	Growing Local Economies Business Case Development	\$2,500
Gilgandra Shire Council	Growing Local Economies Business Case Development	\$30,000
Uralla Shire Council	Growing Local Economies Business Case Development	\$25,000
Walcha Council	Growing Local Economies Business Case Development	\$25,000
Gwydir Shire Council	Growing Local Economies Business Case Development	\$25,000
Inverell Shire Council	Growing Local Economies Business Case Development	\$25,000
Liverpool Plains Shire Council	Growing Local Economies Business Case Development	\$25,000
Tenterfield Shire Council	Growing Local Economies Business Case Development	\$25,000
Bogan Shire Council	Growing Local Economies Business Case Development	\$2,500
Glen Innes Severn Council	Growing Local Economies Business Case Development	\$25,000
Gunnedah Shire Council	Growing Local Economies Business Case Development	\$25,000
Kyogle Council	Growing Local Economies Business Case Development	\$20,000

Name of organisation	Nature and purpose of grant	Amount paid
Clarence Valley Council	Growing Local Economies Business Case Development	\$20,000
Ballina Shire Council	Growing Local Economies Business Case Development	\$10,000
Wagga Wagga City Council	Growing Local Economies Business Case Development	\$20,000
Total number of grants is: 158		Total: \$10,456,635

Major Capital Works

	52 Martin Place Security Enhancements (\$000s)	Corporate and Shared Services (\$000s)	Government House Building Works (\$000s)
Total funds allocated	2,700	4,000	5,273
1 July 2017 costs to date	1,117		2,199
2017-18 expenditure	1,183		628
30 June 2018 costs to date	2,300		2,827
Residual project expenditure	400	4,000	2,446
Estimated completion date	2019	2019	2020

1. 52 Martin Place Security Enhancements relates to work carried out within and surrounding the building to improve the security environment.
2. Corporate and Shared Services work consists of a series of projects to improve the operating efficiency of the department, including ICT infrastructure upgrades.
3. Government House Building Works also consists of a series of projects related to the maintenance and upgrade of the building.

Human resources

Human resources statistics

As at 30 June 2018.

Public service senior executive

The following table relates to DPC public sector senior executive (PSSE) roles.

Band	2016-2017		2017-2018	
	Female	Male	Female	Male
Band 4 (Secretary)	0	1	0	1
Band 3 (Deputy Secretary)	3	4	3	2
Band 2 (Executive Director)	8	8	8	9
Band 1 (Director)	31	24	32	21
Totals	42	37	43	33
		79		76

Note: only includes executives occupying a role – excludes those on secondments, leave without pay and maternity leave.

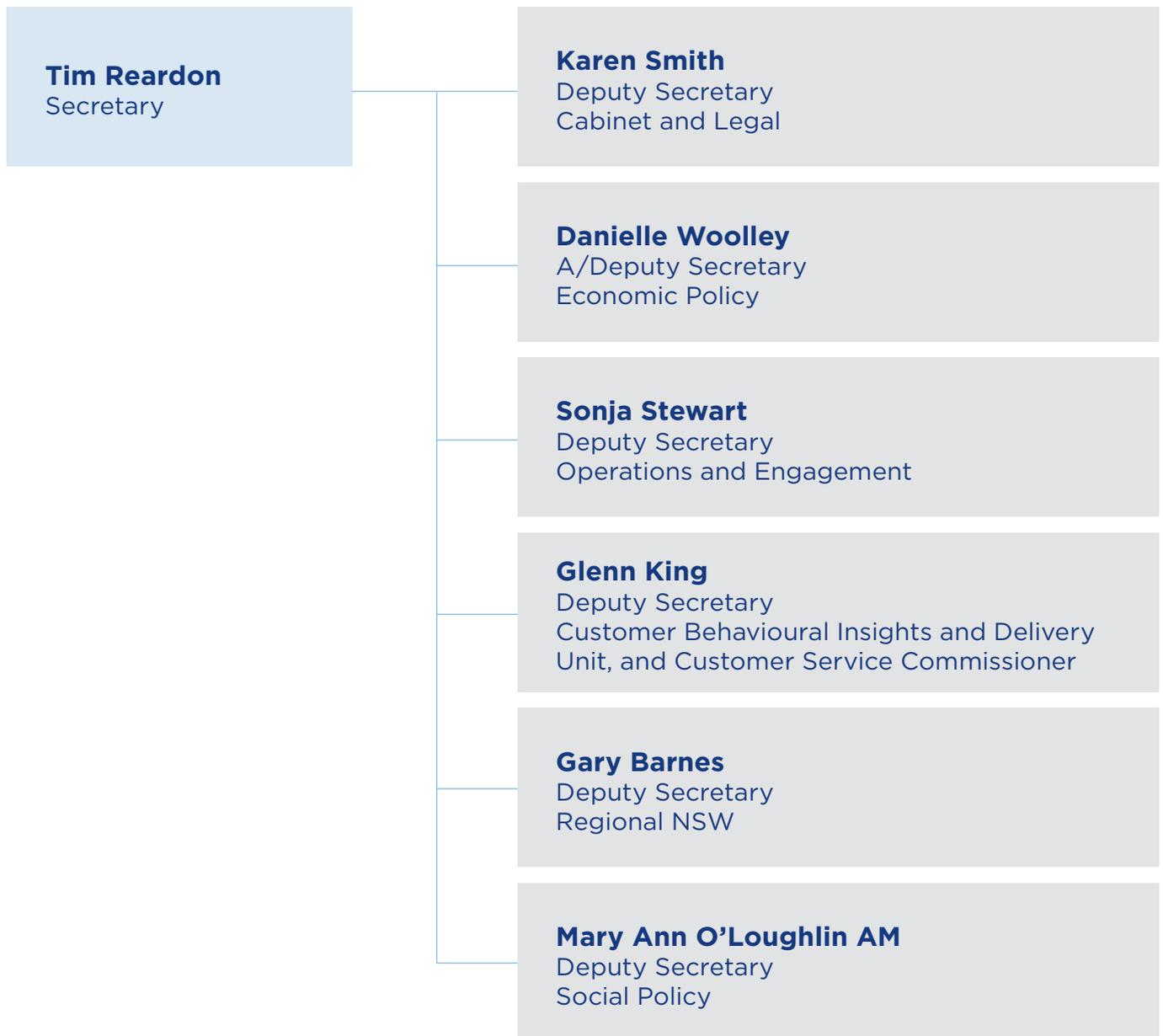
Band	Range (\$)	Average remuneration	
		2016-2017 (\$)	2017-2018 (\$)
Band 4 (Secretary)	463,551-535,550	649,640	686,606
Band 3 (Deputy Secretary)	328,901-463,551	433,354	443,510
Band 2 (Executive Director)	261,451-328,900	290,052	295,244
Band 1 (Director)	183,300-261,450	221,096	227,524

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

Executive salaries represent 24.4% overall salaries related expenses for 2017-2018.

DPC public sector senior executive organisation chart

As at 30 June 2018.



Trends in the distribution of equal employment opportunity (EEO) groups

EEO group	Benchmark/target	2016	2017	2018
Women	100	104	105	96
Aboriginal and Torres Strait Islander people	100	N/A	97	N/A
People whose first language spoken as a child was not English	100	92	92	94
People with a disability	100	81	83	90
People with a disability requiring work-related adjustment	100	N/A	N/A	N/A

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

Note 2: The Distribution Index is not calculated when the number of employees in the Workforce Diversity group is less than 20 or when the number of other employees is less than 20. This is denoted on the table as N/A.

Staff profile by employment category

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

	2015		2016		2017		2018	
	Men	Women	Men	Women	Men	Women	Men	Women
Permanent full-time	133	191	143	256	174	274	180	284
Permanent part-time	1	46	3	40	6	52	5	55
Temporary full-time	11	29	11	27	23	29	23	32
Temporary part-time	0	4	0	6	1	7	0	1
Contract - public service senior executive	26	28	37	52	36	42	34	43
Contract - non-public service senior executive	0	0	0	0	0	0	0	0
Training positions	0	1	0	0	0	0	0	0
Retained staff	0	0	0	0	0	0	0	0
Total	171	299	194	381	240	404	242	415

Source: Workforce Profile Data

Legislation and legal change

Acts allocated to the Premier (as at 30 June 2018)

Australia Acts (Request) Act 1985 No 109

Barangaroo Delivery Authority Act 2009 No 2

Competition Policy Reform (New South Wales) Act 1995 No 8

Constitution Act 1902 No 32

Constitution Further Amendment (Referendum) Act 1930 No 2

Constitution (Legislative Council Reconstitution) Savings Act 1993 No 19

Crown Lands Act 1989 No 6, so far as it relates to the Crown Reserve known as Government House Sydney, reserve number 1037869 (remainder, parts, jointly the Minister for Finance, Services and Property and the Minister for Innovation and Better Regulation, and parts, the Minister for Lands and Forestry and the Minister for Sport)

Election Funding, Expenditure and Disclosures Act 1981 No 78

Electoral Act 2017 No 66

Essential Services Act 1988 No 41, Parts 1 and 2 (remainder, the Minister for Industrial Relations)

Government Advertising Act 2011 No 35

Government Sector Employment Act 2013 No 40 (except Part 4, Division 6, jointly with the Minister for Industrial Relations)

Growth Centres (Development Corporations) Act 1974 No 49, so far as it relates to the UrbanGrowth NSW Development Corporation (remainder, the Minister for Planning)

Independent Commission Against Corruption Act 1988 No 35

Independent Commission Against Corruption (Commissioner) Act 1994 No 61

Independent Pricing and Regulatory Tribunal Act 1992 No 39

Infrastructure NSW Act 2011 No 23

Interpretation Act 1987 No 15

Law Enforcement Conduct Commission Act 2016 No 61, Part 9 and Schedule 2 (remainder, the Minister for Police)

Legislation Review Act 1987 No 165

Licensing and Registration (Uniform Procedures) Act 2002 No 28

Lobbying of Government Officials Act 2011 No 5

Major Events Act 2009 No 73

Members of Parliament Staff Act 2013 No 41

Multicultural NSW Act 2000 No 77, jointly with the Minister for Multiculturalism

Mutual Recognition (New South Wales) Act 1992 No 61

Natural Resources Commission Act 2003 No 102

Norfolk Island Administration Act 2016 No 25

Ombudsman Act 1974 No 68

Parliamentary Electorates and Elections Act 1912 No 41

Parliamentary Evidence Act 1901 No 43

Parliamentary Precincts Act 1997 No 66

Parliamentary Remuneration Act 1989 No 160

Public Finance and Audit Act 1983 No 152, sections 28, 28A, 29, 30, and Schedule 1 (remainder, the Treasurer)

Public Interest Disclosures Act 1994 No 92

Royal Commissions Act 1923 No 29

Seat of Government Surrender Act 1909 No 14

Seat of Government Surrender Act 1915 No 9

Senators' Elections Act 1903 No 9

Special Commission of Inquiry (James Hardie Records) Act 2004 No 78

Special Commissions of Inquiry Act 1983 No 90

State Arms, Symbols and Emblems Act 2004 No 1

State Owned Corporations Act 1989 No 134 (except section 37B, the Treasurer)

Statutory and Other Offices Remuneration Act 1975 (1976 No 4)

Subordinate Legislation Act 1989 No 146

Trans-Tasman Mutual Recognition (New South Wales) Act 1996 No 102

Water Industry Competition Act 2006 No 104, Part 3 (remainder, the Minister for Energy and Utilities)

New and amending legislation

New and amending legislation in Premier's portfolio (Acts assented to during 2017-18)

Election Funding Act 2018 No 20

Electoral Act 2017 No 66

Modern Slavery Act 2018 No 30

Statute Law (Miscellaneous Provisions) Act 2018 No 25

*Statute Law (Miscellaneous Provisions) Act (No 2) 2017
No 63*

Premier's portfolio Acts repealed during 2017-18

*Independent Commission Against Corruption
Amendment Act 2016 No 65*

Police Integrity Commission Act 1996 No 28, Part 6

Statute Law (Miscellaneous Provisions) Act 2016 No 27

Statute Law (Miscellaneous Provisions) Act 2017 No 22

*Statute Law (Miscellaneous Provisions) Act (No 2) 2017
No 63*

New and amending regulations in the Premier's portfolio (Regulations made during 2017-18)

Electoral Regulation 2018

Electoral Funding Regulation 2018

Government Sector Employment Amendment (NSW
Police Force Senior Executives) Regulation 2017

Government Sector Employment Amendment
(Transfers to Non-Government Sector)
Regulation 2017

Government Sector Employment Amendment
(UrbanGrowth Transferred Staff) Regulation 2017

Government Sector Employment (NSW Police Force)
Rules 2017

Independent Commission Against Corruption
Regulation 2017

Lobbying of Government Officials (Lobbyists Code of
Conduct) Amendment Regulation 2018

Major Events Amendment (ASEAN-Australia Special
Summit) Regulation 2018 (2018-85)

Major Events Regulation 2017 (2017-539)

Trans-Tasman Mutual Recognition (New South Wales)
Temporary Exemptions Regulation 2017

Acts allocated to the Minister for Regional New South Wales (as at 30 June 2018)

Regional Development Act 2004 No 58

*Regional Relocation Grants (Skills Incentive) Act 2011
No 26, section 26A*

Very Fast Train (Route Investigation) Act 1989 No 4

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Hunter – Newcastle
Illawarra-Shoalhaven – Wollongong and Nowra
New England & North West – Armidale and Tamworth
North Coast – Lismore, Coffs Harbour, Port Macquarie
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