



ANNUAL REPORT

2018-19

Department of Premier and Cabinet





Premier
& Cabinet

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

Dear Premier

I am pleased to submit the 2018–2019 Annual Report of the Department of Premier and Cabinet to you for presentation to the NSW Parliament.

This report includes the operations and performance of the department, together with the financial statements for the period 1 July 2018 to 30 June 2019.

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

Tim Reardon

Secretary

1 November 2019

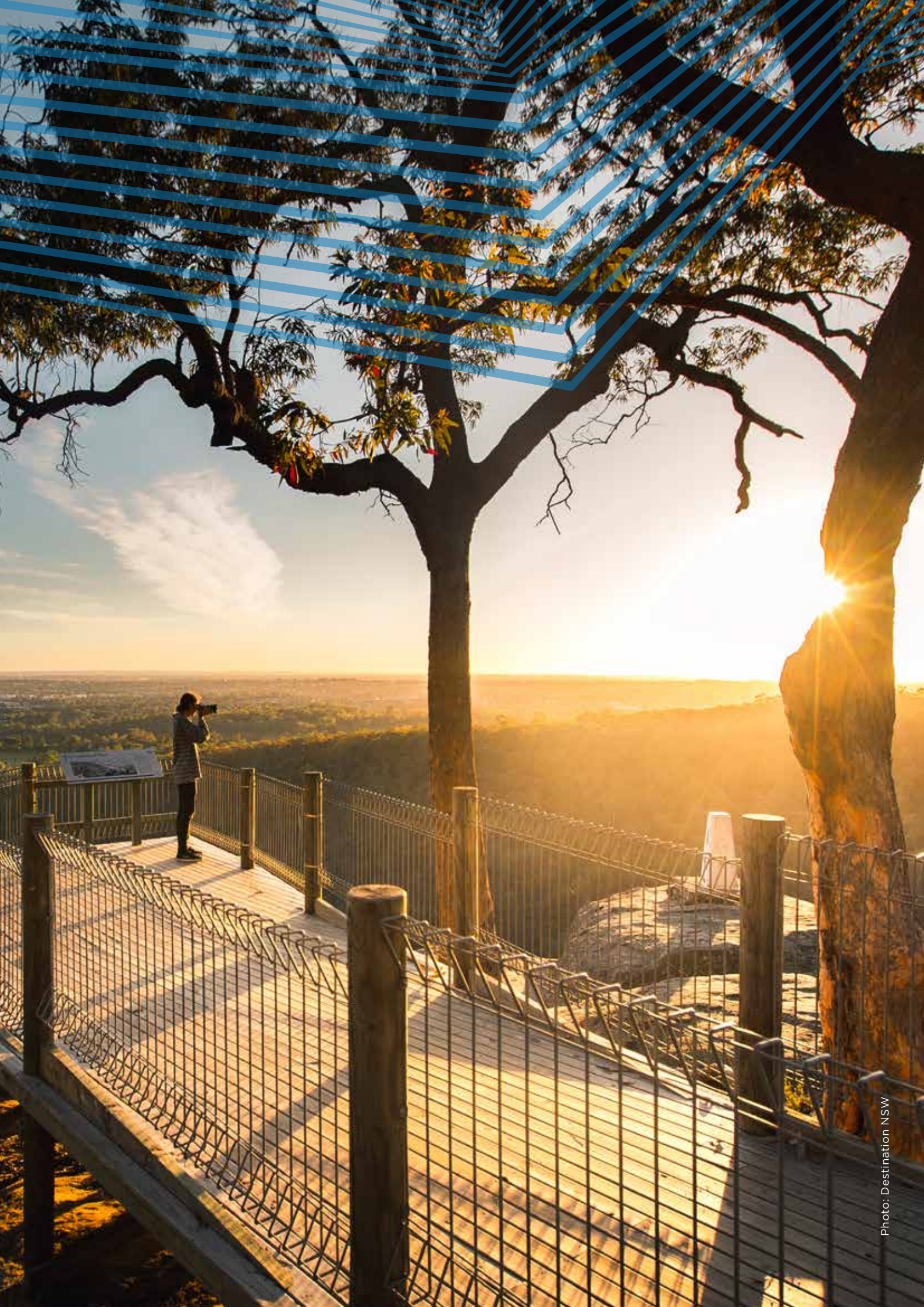
Contents

From the Secretary	3
Our focus	4
Premier's Priorities	6
About us	8
Achievements	12
Strong economy and job security	13
Highest quality education and skills development	15
Making government work better for the community	16
Well-connected communities and quality environments	19
Safety and wellbeing	19
Supporting the NSW Government and public sector	22
Corporate governance	26
Our values	27
People and culture	28
Workforce diversity	30
Governance	33
Workplace health and safety	34
Stakeholder communication	35
Financial statements	36
Appendices	88
Administration	89
Funding and expenditure	98
Human resources	120
Legal	122
Contacts	125

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Author
Department of Premier and Cabinet

Contact for enquiries
contact_us@dpc.nsw.gov.au
(02) 9228 5555
dpc.nsw.gov.au



From the Secretary

The Department of Premier and Cabinet's mandate is to improve the lives of the people of NSW. We do this by driving government priorities, coordinating across government and delivering programs and services.

Following the NSW state election in March 2019, the department's focus has aligned with the priorities of this new term of government. These are an evolution of the previous term's priorities.

This annual report outlines our achievements during 2018-19.

Our customers

In 2018-19, the department again focused on initiatives that benefit the citizens of NSW in very real ways, including:

- rolling out drought relief measures across the state to help strengthen communities
- driving the Premier's Priorities in areas like education, health, housing and the environment
- establishing the Western City & Aerotropolis Authority to oversee infrastructure planning, investment and job creation around the new Western Sydney Airport
- increasing the number of services provided via the National Disability Insurance Scheme – with thousands more people using it for the first time
- applying the expertise of our behavioural insights team to improve the effectiveness of government services and policies
- increasing the Customer Satisfaction Index for consumers to 80.6, and for businesses to 77.6. Compared with the 2015 baseline, consumer satisfaction has increased by 4.2 points and business satisfaction has increased by 1 point.



Tim Reardon

Secretary, Department of Premier and Cabinet

Our people

We are committed to making this agency a great place for people to work. We want to continue to attract and retain the best talent for NSW. This means improving gender balance, providing flexible work opportunities and creating a genuinely diverse workforce that reflects the communities we serve.

In 2018-19, we implemented initiatives such as inclusive leadership training, and metrics to measure inclusion and flexible working. We also piloted a targeted recruitment pool campaign to increase the number of Aboriginal people in the agency.

Our future

The end of this financial year marked a significant change for the NSW public sector. Our cluster and agency structures were realigned for 2019-20 to again effectively deliver the Government's priorities leading into the 2020s.

However, Premier and Cabinet's role at the centre of the public sector remains the same. We are uniquely positioned to drive outcomes and coordinate cross-government action. In particular, we will continue to drive the sector-wide focus on customer service, and the creation of remarkable places and communities through record infrastructure investment.

It remains an honour and a 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.



Our focus



Photo: Destination NSW



We are focused on supporting the NSW Government to deliver on its priorities, including those set out following the NSW state election in March 2019:

- A strong economy
- Highest quality education
- Well-connected communities with quality local environments
- Putting the customer at the centre of everything we do
- Breaking the cycle of disadvantage

We drive delivery of these priorities through high standards of service and advice to government, and effective community and stakeholder engagement. The strategic direction of Premier and Cabinet's activities is also guided by the Premier's Priorities.

As per the NSW 2018–19 Budget, the agency was responsible for delivering business outcomes focused on ensuring we have an effective and accountable public sector, with the following key objectives:

State Outcome	Description
Effective and coordinated government	Coordinating government policy, overseeing infrastructure investment, facilitating the delivery of key urban renewal precincts and developing the regions.
Accountable and responsible government	Ensuring a robust democracy, upholding the integrity of government, fighting corruption, enhancing public sector capability and improving service delivery.

Premier's Priorities

as at 30 June 2019

PRIORITY	LEAD AGENCY
Creating jobs 150,000 new jobs by 2019	Industry
Reducing youth homelessness Increase the proportion of young people who move to long-term accommodation to more than 34% by 2019	Family and Community Services
Improving education results Increase the proportion of NSW students in the top two NAPLAN bands by 8% by 2019	Education
Keeping our environment clean Reduce the volume of litter by 40% by 2020	Environment Protection Authority
Driving public sector diversity Increase the number of women, and Aboriginal and Torres Strait Islander people in government sector senior leadership roles by 2025	Public Service Commission
Protecting our kids Decrease the percentage of children re-reported at risk of significant harm by 15% by 2020 (based on the 2019 cohort of children)	Family and Community Services
Improving government services Improve customer satisfaction with key government services every year to 2019	Finance, Services and Innovation
Tackling childhood obesity Reduce overweight and obesity rates of children by 5 percentage points by 2025	Health
Making housing more affordable Deliver 61,000 housing completions per year to 2021	Planning and Environment
Delivering infrastructure Key metropolitan, regional and local infrastructure projects to be delivered on time and on budget	Infrastructure NSW and delivery agencies
Reducing domestic violence reoffending Reduce the proportion of domestic violence perpetrators reoffending by 25% by 2021 (based on the 2019 cohort of perpetrators)	Justice
Improving service levels in hospitals 81% of patients through emergency departments within four hours by 2019	Health

STATUS

- Over 415,000 new jobs created in NSW since 2015 – more than double the Premier's Priority target.
- 200 additional young people in stable long-term accommodation compared to 2017, exceeding the target a year early.
- Embedded into agency business as usual.
- An additional 20,000 students achieving the top two NAPLAN bands in reading and numeracy since 2013–14.
- Transitioned into new *Bumping up education results for children* Premier's Priority.
- Over 2 billion containers returned via Return and Earn.
- Embedded into agency business as usual.
- Women in senior leadership increased by around 6 percentage points (850 women) from 2014.
- Aboriginal and Torres Strait Islander people in senior leadership increased by 30 people.
- Transitioned to new *World-class public service* Premier's Priority.
- 500 fewer children re-reported at risk of harm in 2018 than 2017.
- Transitioned to *Protecting our most vulnerable children* Premier's Priority.
- 30,000 cost-of-living appointments in Service NSW centres – saving an average of \$550 – helping to increase citizen satisfaction.
- Transitioned to new *Government made easy* Premier's Priority.
- Over 1 million Active Kids vouchers created in 2019 – representing more than half of school children in NSW – helping reduce childhood obesity.
- Embedded into agency business as usual.
- Performance on track – monitoring continues via Planning and Environment.
- Monitoring continues through Infrastructure NSW and responsible agencies.
- A significant number of projects opened to the community in 2018–19.
- 200 fewer reoffenders in 2019 than 2018.
- Transitioned to new *Reducing domestic violence reoffending* Premier's Priority.
- Over 100,000 additional patients through emergency departments within four hours over the life of the priority.
- Transitioned to new *Improving service levels in hospital* Premier's Priority.

About us



Department of Premier and Cabinet

During 2018–19, we supported the Premier, the Deputy Premier, and Cabinet, providing leadership across the public service.

Throughout the year, we worked with agencies – as well as with private, not-for-profit and academic organisations – to continually improve public sector performance and drive the implementation of decisions made by the Government. We also supported negotiations on COAG agreements, and facilitated private sector partnerships and investment.

Following the NSW state election in March 2019, the department played the driving role in implementing NSW public sector governance and machinery of government changes.

As at 30 June 2019, the agency comprised five groups, working across the spectrum of government to deliver projects, commercial deals, expert advice and cross-government coordination.

Commercial and Economic Group

The Commercial and Economic Group provided expert commercial, strategic and economic advice to the Premier on major and complex NSW Government policies, programs and projects.

The group's role included market shaping and sounding, preparing commercial principles and structuring projects, advising on value-for-money outcomes for the Government, and driving complex commercial, infrastructure and multi-agency urban renewal projects.

The group comprised three branches: Commercial, Economic, and Urban Delivery and Energy.

Customer, Behavioural Insights and Delivery Group

The Customer, Behavioural Insights and Delivery Group worked collaboratively across government to improve outcomes for the people of NSW, and coordinated the state's official protocol, hospitality and ceremonial activities. The group consisted of the Office of the Customer Service Commissioner, the Behavioural Insights Unit, the Communications and Engagement Branch and the Premier's Implementation Unit.

The group:

- provided independent advice to the Premier, Cabinet and public sector leadership on customer service
- supported the Premier with overseas mission logistics, managed visits to NSW by Guests of Government, coordinated ceremonial occasions and functions hosted by the Premier, and delivered a range of honours and awards programs
- drove customer service reforms across government
- used behavioural science to improve the effectiveness of public services, policies and communications
- worked closely with agencies to drive the delivery of the Premier's Priorities by providing independent overview, monitoring progress, assisting with delivery and addressing barriers
- coordinated multiple agencies in staging major events across the state, and delivered major events on behalf of the NSW Government
- coordinated NSW Government communications across media, digital, social and print channels
- used insights, data and trials to deliver evidence-based, measurable improvements to the people of NSW.

Governance Group

The Governance Group provided advice and services concerning the law, policy, governance, Cabinet and executive government. It included the Legal, Cabinet, Sector Governance, and Corporate and Ministerial Services branches.

The group supported the Premier and the Deputy Premier. The group:

- developed and implemented policy and legislative reforms within the Premier's portfolios
- assisted with government priority reforms
- managed the department's litigation and external legal service provision
- oversaw the delivery of government priorities
- administered legislation allocated to the Premier and Deputy Premier, including constitutional, integrity and electoral legislation
- led Cabinet practice across the government sector and provided liaison and secretariat services
- was responsible for systems of governance, risk and audit in the department.

The Corporate and Ministerial Services branch provided corporate governance and ministerial support, which included:

- providing human resources, information technology, finance, governance, security, transport, property and facilities support to the NSW Ministry and as needed, the Premier and Cabinet Cluster
- supporting the Governor of NSW through the provision of staff and corporate services to Government House, Sydney.

Regional NSW Group

The Regional NSW Group supported the Deputy Premier in his role as Minister for Regional NSW. It included the Regional Cabinet, Infrastructure and Programs branch, the Resources and Land Use branch, and the Department of Premier and Cabinet Regional team, which worked across the state. The group:

- led policy development for the regional NSW portfolio and drove the implementation of the Regional Development Framework
- led the development and delivery of a suite

of regional development and infrastructure grants programs

- worked across agencies to address complex challenges and issues facing local communities
- engaged with business, industry, local councils and the Australian Government to drive the delivery of regional economic development programs
- developed and implemented cross-border action plans with the Australian Capital Territory, Queensland and Victoria
- made connections across government and within regional communities.

Social Policy Group

The Social Policy Group provided advice and strategic support to the Government on social policy and intergovernmental matters, and helped coordinate Cabinet business.

Supporting the Government's agenda to enhance the lives of people in NSW, the group provided active leadership on social policy priorities, collaborating to identify evidence-based solutions to complex social policy matters.

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

Areas of focus included:

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

Premier and Cabinet Cluster

We are the lead department of the Premier and Cabinet Cluster. The cluster included the following entities:

- Infrastructure NSW
- Natural Resources Commission
- Parliamentary Counsel's Office
- Greater Sydney Commission
- Western City & Aerotropolis Authority
- Barangaroo Delivery Authority
- UrbanGrowth NSW Development Corporation.

The cluster also included the following independent entities:

- Audit Office
- Independent Commission Against Corruption
- Independent Pricing and Regulatory Tribunal of NSW
- NSW Electoral Commission
- NSW Ombudsman's Office
- Public Service Commission.

The entities above that are required to produce annual reports do so separately to the department.

Achievements





Strong economy and job security

Driving economic development in the regions

The department promoted the benefits and opportunities of business investment and growth in regional NSW:

- We finished rolling out 38 Regional Economic Development Strategies (REDS) to inform the economic development activity of councils and businesses, and enable faster access to dedicated state funding such as the Growing Local Economies fund.
- In July 2018, we delivered an event for the Premier and Deputy Premier to launch the Government's 20-year vision for sustainable, long-term economic growth in regional NSW, which was attended by around 150 industry and community stakeholders.
- We hosted trade missions to the Central West, and South East and Tablelands, which included consuls-general and trade commissioners from international trading partners.
- In September 2018, the Deputy Premier announced the landmark Regional NSW Investment Attraction Package, which was developed collaboratively by the Department of Industry and the Department of Premier and Cabinet. The package features financial incentives totalling \$20 million, including relocation assistance to drive new jobs and investment in regional NSW.
- In early 2019, Bomen in Wagga Wagga was announced as the state's second Special Activation Precinct (SAP). The Wagga Wagga SAP will be a world-class business precinct, capitalising on the Inland Rail and focusing on advanced manufacturing, agribusiness, and freight and logistics.
- We supported the delivery of several programs under the \$1.7 billion Regional Growth Fund by estimating the economic benefits and costs of more than 200 project applications, as well as providing financial analysis, program design and evaluation services.

Helping implement drought relief measures

The NSW Government committed \$784 million in new funding for drought relief measures. Key programs include the Farm Innovation Fund loan scheme for capital works including sheds, silos and water storage; transport subsidies for stock, feed and water; and waiving NSW Government farm fees and charges.

Uptake of drought relief programs has been strong and feedback from the community has been positive. With the drought continuing to worsen, the Government committed to a further increase of the Farm Innovation Fund from \$650 million to \$1 billion. These measures have brought the total government drought support for NSW farmers to more than \$1.8 billion since 2015. Our agency worked with the Department of Primary Industries and NSW Treasury to develop these measures.

The Regional Leadership Executives Drought Task Groups in the Riverina Murray and New England North West, coordinated by Premier and Cabinet, brought together key departments and agencies to better manage drought responses.

Premier and Cabinet also partnered with the Department of Industry and the Rural Assistance Authority to create an easy-to-use online central repository of information for farmers (called DroughtHub). The hub is a one-stop shop for farmers to easily access information on NSW Government initiatives, such as financial assistance and other forms of support.



Launching the 20-Year Economic Vision for Regional NSW in Bathurst



Cycling at Jervis Bay

Project planning for the Snowy Hydro Legacy Fund

In 2018, the NSW Government established the \$4.2 billion Snowy Hydro Legacy Fund to invest the proceeds of the sale of the state's share in Snowy Hydro Limited into state-building infrastructure for regional NSW.

The Government outlined its investment strategy for the Snowy Hydro Legacy Fund and commenced a significant program of project planning.

This included:

- announcing Parkes and Wagga Wagga as the state's first Special Activation Precincts
- commencing business cases for four major water security projects
- initiating a Fast Rail Strategy for NSW
- undertaking an International Air Freight Connectivity Pre-Feasibility Study
- connectivity improvements for internet and mobile services, building on findings in the State Infrastructure Strategy.

Promoting a skilled workforce in rural and remote NSW

Partnering with three universities, the department applied behavioural insights to attract trainee teachers to apply for professional experience placements in rural and remote NSW. Three behavioural interventions were tested: using timely and personalised communications, simplifying information, and using influential messengers and peer placements.

The interventions trebled applications to rural and remote regions across NSW. We are now scaling interventions with six of the 10 universities in NSW, and have already recruited an initial 45 student teachers to be placed in rural and remote locations.

Continuing to make it easier to do business in NSW

We continued to develop the Easy to do Business initiative to make it faster and easier for businesses to start up and grow.

Over 189,000 customers have accessed the Easy to do Business digital platform, which provides a central source of truth and strips out complexity. Following the introduction of a business concierge service in February 2018 through Service NSW, over 3,400 small businesses received free, personalised support and step-by-step guidance to help them do business in NSW.

In late 2018, the department supported the Customer Service Commissioner to review the impacts of new government infrastructure on small businesses and make recommendations to improve the small business experience. The Commissioner delivered this review to the Treasurer in February 2019.

Establishing the new Western City & Aerotropolis Authority

We supported the Premier and Minister for Western Sydney with the enactment of the *Western City and Aerotropolis Authority Act 2018*. The Act fulfilled a commitment under the Western Sydney City Deal to establish a dedicated agency to be master planner of the Aerotropolis.

The authority is a new NSW Government agency. In addition to master planning, it has functions relating to infrastructure planning and coordination, investment attraction and placemaking in the Aerotropolis and other areas of the Western City. The Act commenced on 9 November 2018.

Boosting South Coast marine tourism

In February 2019, the NSW Government launched the NSW South Coast Marine Tourism Strategy. The strategy outlines a 20-year vision to realise the economic benefits of marine tourism in the region. It was developed by the department in partnership with the Illawarra Shoalhaven Joint Organisation and the local councils of Wollongong, Shellharbour, Kiama, Shoalhaven, Eurobodalla and Bega Valley.

Highest quality education and skills development

Securing funding for NSW schools

The NSW Government signed the National School Reform Agreement in November 2018, following extensive negotiations with the Australian Government. Premier and Cabinet worked closely with the NSW Department of Education and NSW Treasury throughout these negotiations to deliver a positive outcome for the state.

Under the agreement, Australian Government funding for all NSW schools is set to increase from around \$6 billion in 2019 to almost \$10 billion by 2027. The NSW Government has also committed to provide an additional \$6.4 billion to government schools to 2027. Funding will be distributed among government schools using NSW's needs-based funding model to ensure it supports the students who need it most.

The agreement also sets out eight national policy initiatives to be progressed through the Education Council. These initiatives include national opportunities to better support student learning, teaching and school leadership, and to enhance the national evidence base.

Increasing apprenticeship and traineeship completions

We continued our collaboration with TAFE NSW, using behavioural insights to increase apprenticeship and traineeship completions. Strengthening Connections, a randomised controlled trial in metropolitan Sydney, included 722 learners and their supervisors. The trial involved weekly SMS prompts to employers that informed them about what their apprentice or trainee was studying at TAFE. This significantly increased class attendance for 147 classes. Plans to scale this across the state in late 2019 could improve outcomes for thousands of learners.

We are also co-authoring a three-year plan with Training Services NSW to scale the initiative across the Education cluster, and have partnered with the NSW Skills Board Secretariat Behavioural Insights Grants Program, which provided \$500,000 funding to implement other trial recommendations.

Another initiative, Apprentice Networks, explored differences in social support available to learners in regional NSW. The department identified barriers and opportunities to improve outcomes in rural areas using behaviourally enhanced technology and resources.

Fostering science, technology, engineering and maths (STEM) skills in regional NSW

Premier and Cabinet initiated and funded the STEMship Program in support of the Hunter region's growing defence industry. The program provides pre-employment training for secondary school graduates to enter apprenticeships as an alternative to university, leading to a Certificate III qualification. The program aligns training with local industry demands in new and emerging occupations to prepare students for jobs of the future.

Given STEMship's success, in 2018-19 the department expanded it to the Shoalhaven, and it is now supported by Defence NSW and Training Services NSW. A total of 130 students have completed the program, with a 65 per cent success rate (conversion from education/unemployment to a STEM career).

Making government work better for the community

Helping NSW citizens with cost-of-living pressures

The department continues to support the NSW Government's Cost of Living initiative to help NSW citizens understand and access government programs that help them to manage household expenses.

We contributed behavioural insights expertise in the development of Cost of Living initiatives to ensure they provided the greatest benefits to customers. Customers can now access more than 70 government savings and rebates through Service NSW. Around 30,000 people have identified savings through advisory appointments at Service NSW, with an average saving of \$550 per customer.

We supported the delivery of a number of initiatives including Energy Switch, Toll Relief, Creative Kids and Active Kids. Since January 2019, 878,000 Active Kids vouchers have been created (an increase of 44 per cent compared with 2018).

Helping households and businesses save on energy bills

In August 2018, the NSW Government announced a range of initiatives to help households and businesses save energy and money. These included discounts for NSW households and small businesses to upgrade to more energy-efficient appliances and equipment, as well as support for clean energy projects and emerging technologies. The department played a central role in supporting agencies to develop and implement these actions.

We also helped design and implement the Energy Switch online comparison service, which provides NSW households with access to cheaper energy deals. The department is helping NSW consumers access more affordable energy by supporting the delivery of energy rebates for around 900,000 low-income households.

Bringing the NDIS to more people

After leading the NSW Government effort to transition to the National Disability Insurance Scheme (NDIS), Premier and Cabinet continued to coordinate efforts to make the NDIS a quality service for those with disability in NSW.

Since NSW signed the full scheme agreement, work led by the department has seen NDIS participant numbers reach 104,854 in NSW. There are now 8,716 approved disability service providers in NSW, meaning more people with disability are able to exercise choice and control in their daily lives. No other state or territory in Australia has as many participants or disability service providers.

Enabling community feedback

Premier and Cabinet partnered with the Department of Finance, Services and Innovation to improve the way people living and working in NSW can communicate with government.

Feedback Assist, a widget now live on nsw.gov.au and across NSW Government websites, provides customers with a simple and consistent way to compliment, complain or express their ideas. These comments are captured and provide a meaningful contribution to service improvements.

The Customer Service Commissioner (within the department) has published case studies of citizen-centric service delivery within the NSW Government on his website.

Focusing on customer service

Premier and Cabinet helped improve the knowledge base and capability of the NSW Government to deliver world-class customer service.

Customer research undertaken by the department helped the NSW Government understand and act on key opportunities to ensure services remained high quality, easy to use and accessible to all. This research also measured progress against the Premier's Priority to improve satisfaction with key government services.





Premier's Implementation Unit staff mark Return and Earn's one-billion-container milestone



Service NSW cost-of-living support

In November 2018, Premier and Cabinet, and the Public Service Commission held the Delivery for Citizens conference, which was attended by hundreds of stakeholders. We also led initiatives to improve customer service delivery in the sector. These included holding workshops and training sessions for government staff on customer satisfaction across services; testing and applying behavioural insights; and testing, piloting, evaluating and implementing initiatives.

Partnering with Aboriginal organisations

In 2018–19, we partnered with NSW Aboriginal Affairs to deliver four Local Decision Making Accords. These accords are binding agreements between NSW Government agencies and Aboriginal Alliances across regional NSW. Each accord includes a three-year work plan with shared programs, to deliver outcomes such as an innovative social housing model in Western NSW and a new Aboriginal preschool and alternative learning centre in the Illawarra.

Bringing Cabinet to the community

The NSW Government holds regular Community Cabinet meetings across the state so members of the community can meet with decision-makers. Meetings are attended by local community leaders and representatives, and provide a forum for them to raise issues directly with ministers. In 2018–19, Community Cabinet meetings were held in Queanbeyan, Ulladulla, Lithgow and East Hills.

Well-connected communities and quality environments

Embarking on a fast rail future

In December 2018, the Premier announced that the NSW Government would examine fast rail and the opportunities it could provide to accelerate regional economic growth and improve services.

The NSW Government appointed Professor Andrew McNaughton, an international expert in rail infrastructure, to advise on the best way to deliver a fast rail network. The department supported Professor McNaughton's work and collaborated closely with key agencies including Transport for NSW and Infrastructure NSW. The advice from Professor McNaughton and consultation with stakeholders will enable the NSW Government to take a new approach to the delivery of fast rail by identifying immediate improvements to existing rail corridors, while undertaking long-term visionary planning.

Providing air services to the Far West

We worked with the Far West Joint Organisation to run a tender for the provision of air services to the towns of Cobar, Bourke, Walgett and Lightning Ridge. The air services will provide a vital link between these communities and Dubbo and Sydney, with services expected to commence in late 2019.

Protecting and preserving our environment

Premier and Cabinet supported a number of initiatives to protect and preserve the environment. The flagship 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. The scheme collected more than 1 billion containers in its first year of operation, with 90 per cent of users

saying they would use it again and 81 per cent indicating they would recommend it to others.

This initiative was supported with behavioural change insights that encouraged citizens to collect and deposit containers.

Empowering people to shape the future of their communities

My Community Project was announced by the NSW Government as part of the 2018-19 Budget to improve the wellbeing of people and communities in NSW. It gives local communities the opportunity to propose and vote for local projects.

Working with NSW Treasury, the department delivered and helped increase public uptake of the program. We supported the application system, the voting platform and messaging to applicants, sponsors and voters.

The information campaign raised awareness of the program and encouraged residents, local governments and community organisations across the state to participate. The public voted on shortlisted projects in July and August 2019.

Safety and wellbeing

Leading the NSW response to the Royal Commission

Premier and Cabinet led a cross-agency taskforce to support the Government's response to the Royal Commission into Institutional Responses to Child Sexual Abuse (the Royal Commission).

The taskforce comprised representatives from Premier and Cabinet, Treasury, Justice, Health, Family and Community Services, Education, and the Office of the Children's Guardian, and was assembled from December 2017 to October 2018.

The taskforce supported the NSW Government in its response to all 409 recommendations of the Royal Commission. The response included \$127 million in funding for a package of reforms that will help create a safer community for all children and survivors in NSW.

Establishing the Ageing and Disability Commissioner

We supported the Minister for Disability Services in establishing the Ageing and Disability Commissioner, Australia's first independent commissioner for adults with disability and older people. The *Ageing and Disability Commissioner Act 2019*, enacted by NSW Parliament, strengthens protections for adults with disability and older people from abuse, neglect and exploitation in home and community settings.

Supporting an expert panel on music festival safety

In September 2018, following a number of drug-related deaths at music festivals, the Premier convened an expert panel of health, law enforcement and regulatory experts to advise the Government on how to keep people safe at music festivals. The panel was asked to produce a report containing recommendations. The department coordinated input across agencies and provided support to the panel.

The Government accepted all the recommendations in principle and has implemented a range of initiatives. These include a new licensing scheme, a trial of on-the-spot-fines for drug possession at music festivals, a new offence of 'Supply of drugs causing death', stronger drug and alcohol education, and best-practice guidelines for festival organisers.

Reducing childhood obesity

We worked closely with NSW Health and other agency partners to support delivery of the Premier's Priority to reduce childhood overweight and obesity rates by 5 per cent by 2025. This included supporting two primary initiatives: Active Kids and the NSW Healthy School Canteen Strategy.

As of June 2019, 757 schools across NSW have a healthy school canteen. This means more than 320,000 students have access to healthy food. This has been achieved through strong working relationships with NSW Health, the Department of Education and delivery partners such as canteen operators.

Encouraging kids to get active

We worked with other agencies to deliver the Physically Active Kids place-based project on the Central Coast. This initiative aimed to identify and remove barriers to children engaging in regular physical activity, and help them learn the benefits of a healthy and active lifestyle. To achieve this, the department brought schools, health and sport together, and provided an authorising environment that encouraged openness and creativity.

The project identified five barriers, all of which were removed by implementing a structured play and education system in four trial schools.

Delivering place-based initiatives in regional NSW

Premier and Cabinet delivered five regional place-based initiatives in 2018-19. Four directly addressed Premier's Priorities (creating jobs, improving government services and tackling childhood obesity), while the remaining project addressed youth unemployment.

Each project aimed to break down barriers, implement innovative solutions and engage the community. Two of these initiatives included collaboration with Transport for NSW to provide communities with repurposed government assets – in this instance, retired buses. This program, known as Second Life, has been nominated for a Premier's Award.

Reducing youth homelessness

We supported the Department of Family and Community Services in a project aligned with the Premier's Priority to reduce youth homelessness by keeping young people at home, in school and linked to the community.

Positive progress has been made through better use of data, and services such as Rent Choice. New initiatives include the Universal Screening and Support Project, modelled on the internationally recognised Geelong Project, which is an early intervention initiative to identify and support young people at risk of homelessness and leaving school early.

A key target for this Premier's Priority is to increase the proportion of young people who successfully move from Specialist Homelessness Services to long-term accommodation to more than 34 per cent by 2019. This has been achieved one year early, with current results 0.7 percentage points above the target.

Reducing domestic violence reoffending

The department helped develop, test and deliver initiatives that have contributed to a reduction in domestic violence reoffending, and improved court attendance.

For example, a trial with the Department of Justice found that sending text messages to domestic violence defendants about their scheduled court appearance reduced court non-attendance by 23 per cent and improved court efficiency.

Premier and Cabinet, with the NSW Police Force, also piloted a digital app for domestic violence defendants, called Avow. This demonstrated the value of a digital platform in engaging defendants to set goals in changing their behaviour.

These initiatives, along with others, have seen a reduction in domestic violence reoffending in the period since they were launched.

The department established a dedicated Illawarra Shoalhaven Task Group to progress the Premier's Priority to reduce domestic violence reoffending in the region. It comprises representatives from multiple agencies with expertise and networks in frontline service delivery.

The task group has developed an action plan to reduce domestic violence reoffending, with specific focus on early intervention, and young perpetrators and their families. The plan was informed by data analysis and stakeholder consultations. The task group is currently implementing the action plan in partnership with non-government organisations and the University of Wollongong.



Sports activities, Gosford



Nowra East Public School students

Building safe communities

In 2018–19, the department hosted several international delegations including the UN Counter Terrorism Committee Executive Directorate, as well as groups from Singapore, Trinidad and Tobago, and New Zealand. Delegates discussed NSW's strategic approaches to counter terrorism (CT) and countering violent extremism (CVE). These meetings created opportunities for governments managing CT and CVE programs to share with and learn from their international counterparts.

Supporting the NSW Government and public sector

Staging the Invictus Games Sydney 2018

The Invictus Games Sydney 2018 were held from 20 to 27 October. We supported the games from the bid phase in 2016 through to a triumphant conclusion in 2018. The event showcased Sydney's ability to host world-class events safely and successfully, and offered an opportunity for citizens to engage with issues affecting veterans and to witness incredible acts of sporting prowess and resilience.

Integral to the success of the games was the collaboration among government agencies and event organisers, and a flexible use of resources. In addition to leading the bid in 2016, the department chaired the Steering Committee that brought together the organisers and key government stakeholders.

The games featured 500 competitors from 18 nations who participated in 11 adaptive sports. Globally, 650 million people were reached through social media, while within Australia the closing ceremony was watched by 4 million viewers on ABC TV.

Commemorating the Anzac and Armistice centenaries

We coordinated the opening of the Sydney Anzac Memorial Centenary Extension by His Royal Highness the Duke of Sussex on 20 October 2018. The Duke of Sussex was accompanied by Her Royal Highness the Duchess of Sussex, with the event also attended by the Governor of NSW, the Premier, other dignitaries and hundreds of NSW veterans and their families.

Three weeks later, the department managed a special centenary commemoration of Armistice Day at the Anzac Memorial, followed by an open day for the memorial. Thousands gathered to honour the fallen and to inspect the impressive new additions to the memorial, constructed to fulfil the architect's original concepts for the site.

The 2019 Sydney Anzac Day Dawn Service and Anzac Day March brought over 50,000 veterans, service personnel and members of the public to the Sydney CBD to pay their respects to those who have served our country. Premier and Cabinet worked closely with the Dawn Service Trust, RSL NSW and the Office for Veterans Affairs to deliver the production, security, crowd management and hostile vehicle mitigation for these events.

Delivering Australia Day

The department managed and coordinated the 2019 Australia Day in NSW program. This included developing a website to publicise events in NSW, allocating Australia Day Ambassadors to local government areas across the state, managing media, and delivering a program of events in Sydney.

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 a free Wiggles concert at Darling Harbour, 'Sydney Street Party' in The Rocks and 'Salute to Australia' on Sydney Harbour.

In the evening, the Australia Day Live concert at the Sydney Opera House Forecourt was broadcast to nearly one million viewers on ABC television, while 50,000 people gathered around Circular Quay. It featured artists including Yothu Yindi, Jon Stevens, Conrad Sewell, Kate Ceberano and Ricki-Lee.

Supporting Guest of Government visits, overseas delegations, and functions

Premier and Cabinet managed Guest of Government visits for Their Royal Highnesses the Duke and Duchess of Sussex, the President of the Republic of Poland and the President of India. The Duke and Duchess of Sussex visited NSW as part of an official visit to Australia in October 2018. We worked closely with the Australian Government and key NSW Government agencies to plan and manage the visit.

We continued to support the Premier by providing high-level logistical support for her official visit to Christchurch, New Zealand to attend the New Zealand National Remembrance Service following the shootings in Christchurch. We also provided high-level logistical and briefing support to the department's Secretary for his mission to Japan.

We successfully delivered 14 functions hosted by the Premier for the community of NSW or visiting dignitaries. We also coordinated a number of ceremonial occasions including the State Funeral for Sir Laurence Street AC KCMG QC, State Memorial for Mr Ian Kiernan AO and State Memorial for Mr Les Murray AO.

Supporting the changeover of the Governor of NSW

The department coordinated three events for the retirement of the outgoing Governor of NSW in May 2019 and the swearing-in of the new Governor. The Premier hosted a State Dinner to farewell His Excellency General the Honourable David Hurley AC DSC (Ret'd) at the Sydney Opera House on 23 April 2019, and a State Lunch to welcome Her Excellency the Honourable Margaret Beazley AO QC at the Sydney Opera House on



Children with disability meet some of the competitors during the Invictus Games



Jon Stevens entertains guests at the Australia Day Lunch



2 May 2019. Guests included members of the NSW Table of Precedence, community representatives and others nominated by the guests of honour.

The department also coordinated the swearing-in ceremony of the new Governor at Government House on 2 May 2019. This was attended by around 130 guests, including the Premier, members of the NSW Table of Precedence, judges of the NSW Supreme Court and others nominated by the Governor.

Embedding sector transformation following the 2019 election

Following the election, the Premier announced a new ministry, which was sworn in on 2 April 2019. The department played the key role in driving and implementing the Premier's machinery of government changes following the 2019 NSW state election.

Driving workplace innovation

Premier and Cabinet partnered with the Public Service Commission and other NSW Government agencies to increase the representation of women in senior leadership positions in the NSW government sector using behavioural insights. The initial project has been completed, with results of the project evaluation available at the end of 2019.

Meanwhile, the department's Behavioural Insights Unit and its achievements were detailed in a 2019 World Bank Group report profiling 10 countries around the world applying behavioural insights to policy problems.

A decorative graphic consisting of numerous thin, light green lines that originate from the bottom left corner and fan out towards the top right, creating a sense of movement and depth. Some lines are straight, while others are slightly curved, and they vary in length and angle.

Improving the quality and efficiency of sector communications

We provided strategic advice, professional development and resources to the NSW public sector to help improve the quality and coordination of the Government's communications activities. This included providing expert advice for 62 government advertising campaigns, ensuring campaigns were developed and implemented effectively, and running 13 training sessions to promote and share the latest best practices for customer communications.

The department also provided advice to agencies on communications requirements in the lead-up to the March 2019 NSW state election, ensuring they observed and understood caretaker conventions, and coordinated sector communications following the post-election structural changes.

Corporate governance

Policies and initiatives



Our values

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

Integrity	Trust	Service	Accountability
Consider people equally without prejudice or favour	Appreciate difference and welcome learning from others	Provide services fairly with a focus on customer needs	Recruit and promote employees on merit
Act professionally with honesty, consistency and impartiality	Build relationships based on mutual respect	Be flexible, innovative and reliable in service delivery	Take responsibility for decisions and actions
Take responsibility for situations, showing leadership and courage	Uphold the law, institutions of government and democratic principles	Engage with the not-for-profit and business sectors to develop and implement service solutions	Provide transparency to enable public scrutiny
Place the public interest over personal interest	Communicate intentions clearly and invite teamwork and collaboration	Focus on quality while maximising service delivery	Observe standards for safety
	Provide apolitical and non-partisan advice		Be fiscally responsible and focus on efficient, effective and prudent use of resources



Leanne Byrne, Director Protocol & Community Engagement, receives a Public Service Medal from the Governor of NSW



Staff at the Leadership Program

People and culture

Responding to the 2018 People Matter Employee Survey

In 2018's People Matter Employee Survey (PMES), the department recorded a staff engagement score of 72, the same as the previous year and 7 points higher than the NSW public sector as a whole.

The department took a number of actions in response to these results, including:

- implementing a flexible working policy across the agency, accessible to all staff
- supporting diversity and inclusion initiatives including mandatory training on inclusive leadership
- providing training around respectful behaviours, reinforcing the Public Sector Values and updating the complaints and investigation policy
- ensuring the PMES results and updates on subsequent improvement strategies were shared across teams and branches.

Learning and development opportunities

Our investment in learning opportunities is guided by the Learning and Development Strategy. The strategy builds individual and organisational capabilities to support the NSW Government to deliver on its priorities.

We rely on high-performing individuals and teams, so offer an ongoing program of learning and development opportunities to develop and maintain capability.

In 2018–19, we implemented additional learning opportunities to build leadership capability and confidence among managers. New managers were assigned these programs, which include the Inclusive Leadership and iLead FlexABILITY programs.

- iLead FlexABILITY helps leaders understand and respond to the diverse needs of team members within the department's business context.
- Inclusive Leadership assists managers and leaders to explore implicit assumptions and prejudices, and improve their motivation to work with and empower diverse groups.

In addition to the above, we continued to embed a strong learning and development culture by delivering the following programs and workshops:

- Leadership Program
- Combat Bullying Program
- Aboriginal and Torres Strait Islander Cultural Appreciation
- Performance Development Framework
- Plain English
- Project Management
- Lunch 'n' Learn sessions, which explored various other topics.

The department continued to participate in the NSW Government Graduate Program. The program supports and nurtures entry-level graduates, providing them with an 18-month experience working across different NSW Government agencies. A role is offered to each graduate when they complete the program.

The 2019 program commenced in February with nine graduates. Meanwhile, eight graduates from the 2018 program rotated through other public sector agencies. Graduates were sponsored across the department in the Regional NSW Group, Premier's Implementation Unit, Commercial and Economic Group, Social Policy Group, and Office of the General Counsel.

Other opportunities included the Study Assistance Scheme, which supports eligible staff to complete postgraduate study. In 2018–19, 24 department employees accessed the scheme to further their professional qualifications.

Launch of new learning management system and e-learning modules

All department employees now have access to the LinkedIn Learning online library, which offers a huge range of courses across extensive topic areas. This offers an effective way to support agile learning and 'just-in-time' skill and capability development.

System improvements

In 2018–19, we undertook system improvements to integrate SAP HR (the human resources information system used to manage personnel information) in the procurement of contractors to provide a more streamlined process.

Regional experience for leaders

Senior public servants were given the opportunity to travel around regional NSW for a week as part of the Senior Leaders Regional Experience project, coordinated by the department. Three tours were held in 2018–19, during which senior executives observed government policy and program delivery in action, met with communities dealing with complex issues, and gained an understanding of the wide variation in demographics, geography, economic conditions and climate across the state.

Workforce diversity

Premier and Cabinet 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, and using a wide range of expertise, perspectives and innovative ideas to deliver better outcomes.

Implementing the Diversity and Inclusion Strategy

Premier and Cabinet's new three-year Diversity and Inclusion Strategy was released in September 2018. It provides key actions to continue the department's commitment to inclusion. This involves creating an environment that is respectful, welcoming and flexible, and where employees can achieve their full potential.

The department's Senior Executive Board endorsed the strategy, implementing several key initiatives from the three-year plan. These included:

- implementing Inclusive Leadership and iLead FlexABILITY training
- developing metrics to measure inclusion and flexible working
- updating internal education resources on complaints resolution, unconscious bias and recruitment processes.

Diversity and Inclusion Council

Premier and Cabinet, and Treasury's Diversity and Inclusion Council was established in early 2016. It comprises department and Treasury employees who are passionate about diversity and inclusion.

The council developed a 12-month program of work, which was endorsed with four key objectives:

- All leaders value diversity and inclusion to deliver the best results for government
- Increase the representation and engagement of diverse employee groups

- Embed a sustainable culture of diversity and inclusion across Treasury, and Premier and Cabinet
- Review NSW Government policies on major infrastructure to ensure best-practice accessibility and inclusion.

The program of work is aligned with the Diversity and Inclusion Strategy and underpinned by 14 initiatives to develop and foster a diverse and inclusive workplace. The program also supports the Premier's Priority of driving public sector diversity.

To further embed best practice, the department invited its cluster agencies to participate in the council. The first cluster meeting was held in mid-February 2019.

Diversity and Inclusion Network

The Diversity and Inclusion Network (DAIN) is our employee-based and owned network that relies on the voluntary efforts of its members to:

- advocate for a diverse and inclusive workplace
- arrange and promote free events
- lead and support existing awareness-raising campaigns.

As an employee-based initiative, DAIN works on key elements from the Diversity and Inclusion Strategy and alongside the executive-led, cross-agency Diversity and Inclusion Council. The network's strategic priorities include:

- embedding diversity and inclusion in the employee life cycle
- building capability to be a diverse and inclusive workplace
- growing the network and communicating with members.

DAIN's membership has continued to grow steadily since it was founded in mid-2017.

Aboriginal employment

We are committed to driving public sector diversity in support of the Premier's Priorities for NSW. This includes a goal to double the number of Aboriginal and Torres Strait Islander people in senior leadership roles across the sector by 2025 (compared with 2014).

In 2018–19, the department had a number of initiatives to increase the number of Aboriginal and Torres Strait Islander people in its staff and in senior leadership positions. These include:

- offering two internships to Indigenous students through the CareerTrackers Indigenous Internship Program
- engaging Yarn'n Aboriginal Employment Services to pilot a targeted recruitment pool campaign for Aboriginal policy officers. The campaign resulted in 15 interviews, with seven candidates included in a recruitment pool at the 7/8 Policy Officer level. Two candidates received policy roles within the department
- holding the inaugural Aboriginal Career and Leadership Program networking event in collaboration with the Public Service Commission and the Diversity and Inclusion Council. This resulted in the appointment of an Indigenous employee in a Band 1 leadership role at the department.

Jawun secondment program

Jawun is a not-for-profit organisation that manages secondments from public sector agencies and corporate Australia to a range of Indigenous partner organisations in communities across the country.

The NSW Government's partnership with Jawun began in 2015. Since then, 21 Premier and Cabinet staff members have participated in six-week secondment opportunities in Indigenous organisations located in Inner Sydney, the Central Coast and Ngaanyatjarra Pitjantjatjara Yankunytjatjara (NPY) Lands.



Accessible viewing area at Super Special Stage World Rally Championships, Coffs Harbour



Accessible viewing area at the Sydney Gay and Lesbian Mardi Gras



Aboriginal Careers Learning alumni



Young Professionals Network members at the JP Morgan Corporate Challenge

NAIDOC celebrations

We continued to celebrate NAIDOC Week, with the 2018 theme of 'Because of her, we can!' The department hosted an event at Tranby, Australia's oldest not-for-profit independent Indigenous education provider.

The celebration showcased the invaluable contributions that Aboriginal and Torres Strait Islander women have made, and continue to make, to our communities, our families, our rich history and our nation.

People with disability

We are committed to building an inclusive culture and a talented and responsive workforce that reflects the diversity of the people of NSW. The Disability Action Plan has been incorporated into the three-year overarching Diversity and Inclusion Strategy.

Premier and Cabinet, with Treasury, held a disability awareness event in December, featuring guest speakers who volunteered at the Invictus Games Sydney.

In 2018-19, the department trialled the 'Stepping Into' internship program, hosted through the Australian Network on Disability (AND). This program offers talented students with disability the opportunity to take part in meaningful work while developing key skills and work experience. The department offered one internship and will continue to support this initiative as part of its commitment to diversity and inclusion.

Multicultural policies and services

This year, we marked several key events to celebrate multiculturalism, such as Inclusion Month, Harmony Day and Refugee Week. The Diversity and Inclusion Strategy for the department incorporates its multicultural plan in line with the *Multicultural NSW Act 2000*.

Young Professionals Network

The department's Young Professionals Network (YPN) provides opportunities for staff aged under 35 to expand their skills and build relationships across the department and wider sector.

The network enables staff to:

- participate in tailored professional development opportunities
- access mentoring and buddy programs
- build networks across the sector by engaging in a range of activities
- shape the future of the department by having representation on all key committees.

For the first time, YPN introduced a public speaking club to help members of the network improve their speaking, debating and presentation skills. Other highlights from the year included holding a series of mindfulness and wellness workshops, promoting a new running club and organising annual participation in the JP Morgan Corporate Challenge and City2Surf, as well as facilitating other social events and activities.

YPN collaborated with other departments to run cross-agency events, and also co-hosted events with the Treasury and NSW Parliament YPNs.

We continued to provide leadership in the NSW public sector by coordinating quarterly meetings of the NSW Young Public Service Leaders Network.

Governance

Continuous improvement

We are committed to good governance. The department undertakes an annual self-assessment against the Audit Office Governance Lighthouse to inform its governance priorities. The full report was presented to the Audit and Risk Committee to provide assurance on our governance framework.

Under the department's Corporate Policy Framework, we continued to review and update corporate policies and procedures to meet legislative requirements and ensure quality.

The department developed a report on its Internal Control Framework, which was presented to the Audit and Risk Committee. The Internal Control Framework provides effective governance, policy and assurance processes to ensure we can meet our legislative and regulatory obligations while remaining focused on our strategic direction and business plans.

Our staff were required to complete a suite of mandatory governance e-learning modules on the Code of Conduct, fraud and corruption, and risk management. We also ran training and information sessions on key corporate governance functions and areas, to educate and engage staff on their responsibilities.

Workplace health and safety

We are committed to the health, safety and wellbeing of the employees and community members we work with and provide services for. As part of meeting this commitment during 2018–19, the department:

- ensured all new employees completed the e-learning Work Health & Safety module
- strengthened the membership of the Work Health and Safety Committee
- ran 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
- promoted the Employee Assistance Program to enhance the emotional and psychological wellbeing of all employees
- worked with cluster agencies to align with the Mentally Healthy Workplaces Strategy
- installed defibrillators on all government floors at 52 Martin Place
- conducted annual auditing and replenishment of first aid kits and defibrillators in all metropolitan and regional office locations
- contributed to a sector-wide planning group to achieve targets in the 2022 WHS Roadmap, which seeks to reduce serious injuries and fatalities for all workers
- piloted the Organisational Change and Mental Health program.

Claims and reports

Compensation claims as at 30 June 2019

Year	Premiums paid (\$)	Claims lodged	Open claims
2010–2011	487,700	17	3
2011–2012	491,930	17	11
2012–2013	437,498	7	14
2013–2014	506,438	10	13
2014–2015	423,355	5	5
2015–2016	254,797	3	5
2016–2017	282,471	11	10
2017–2018	261,290	5	7
2018–2019	306,321	3	4

Accidents and incidents reported in 2018–19

Cause type	Count
Slip/trip/fall (at work)	5
Slip/trip (journey/recess)	3
Lifting	0
Cuts/burns	1
Driving/car related	7
Psychological	0
Ergonomic	0
Other*	6
Total	22

*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.

Stakeholder communication

Correspondence

Premier and Cabinet processed 456 items of Secretary's correspondence and 46,080 items of correspondence for the Premier during the reporting period.

The department aims to respond where required within 20 working days. For items that required a substantive response, the department met its internal due dates 91 per cent of the time. Additionally, we delivered more than 2,630 messages of congratulations from the Premier to NSW citizens as they celebrated milestone anniversaries and birthdays.

We also actioned 253 requests for responses to correspondence from the offices of the Deputy Premier, the Minister for Counter Terrorism and the Minister for Western Sydney.

External feedback

The department 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 our External Complaint Handling Policy and Procedures.

We host Feedback Assist on the department and NSW Government websites. This tool is easily accessible and offers a consistent contact point for customers to lodge and track complaints, compliments and suggestions.

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 2019 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 2019, 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

19 September 2019



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 2019, the Statement of Financial Position as at 30 June 2019, the Statement of Changes in Equity and the Statement of Cash Flows, for the year then ended, notes comprising a Statement of Significant Accounting Policies and other explanatory information.

In my opinion, the financial statements:

- give a true and fair view of the financial position of the Department as at 30 June 2019, 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

The Department's annual report for the year ended 30 June 2019 includes other information in addition to 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.

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, unless it is not appropriate to do so.

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

Financial Statements

of

Department of Premier and Cabinet

(ABN 34 945 244 274)

for the year ended 30 June 2019

Department of Premier and Cabinet

Statement of Comprehensive Income for the year ended 30 June 2019

		Budget	Actual	Restated Actual
		2019	2019	2018
	Notes	\$'000	\$'000	\$'000
Expenses excluding losses				
Operating expenses				
Employee related expenses	2(a)	150,546	158,194	139,901
Other operating expenses	2(b)	69,454	86,023	78,154
Depreciation and amortisation expense	2(c)	9,329	9,008	9,087
Grants and subsidies	2(d)	192,772	297,131	138,153
Finance costs	2(e)	39	139	138
Total expenses excluding losses		422,140	550,495	365,433
Revenue				
Appropriation	3(a)	391,892	479,246	327,489
Sale of goods and services	3(b)	10,225	8,008	7,322
Grants and contributions	3(c)	11,434	49,669	23,909
Acceptance by the Crown Entity of employee benefits and other liabilities	3(d)	2,973	5,724	4,421
Total revenue		416,524	542,647	363,141
Other gains / (losses)	4	-----	(25)	207
Net Result		(5,616)	(7,873)	(2,085)
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	9	-----	1,688	5,605
Total other comprehensive income		-----	1,688	5,605
Total comprehensive income		(5,616)	(6,185)	3,520

The accompanying notes form part of these financial statements.

Department of Premier and Cabinet
Statement of Financial Position as at 30 June 2019

		Budget	Actual	Actual
		2019	2019	2018
	Notes	\$000	\$000	\$000
Assets				
Current Assets				
Cash and Cash Equivalents	7	4,994	2,516	14,696
Receivables	8	3,729	14,011	7,098
Total Current Assets		8,723	16,527	21,794
Non-Current Assets				
Property, Plant and Equipment	9			
- Land and buildings		136,325	137,121	135,344
- Plant and equipment		43,579	6,817	7,180
- Leasehold Improvements		-----	28,592	29,342
- Heritage and Cultural Assets		-----	8,192	8,192
Intangible Assets	10	4,794	2,994	3,370
Total Non-Current Assets		184,698	183,716	183,428
Total assets		193,421	200,243	205,222
Liabilities				
Current Liabilities				
Payables	12	21,774	24,069	20,965
Provisions	13	12,967	16,453	14,361
Other	14	4,173	3,941	5,671
Total Current Liabilities		38,914	44,463	40,997
Non-Current Liabilities				
Provisions	13	5,996	6,290	5,781
Other	14	23,394	23,381	26,150
Total Non-Current Liabilities		29,390	29,671	31,931
Total Liabilities		68,304	74,134	72,928
Net Assets		125,117	126,109	132,294
Equity				
Reserves	15	91,069	35,898	34,210
Accumulated Funds		34,048	90,211	98,084
Total Equity		125,117	126,109	132,294

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 2019

	Notes	Accumulated Funds \$000	Asset Revaluation Surplus \$000	Total \$000
Balance at 1 July 2018		98,084	34,210	132,294
Net result for the year		(7,873)	-----	(7,873)
Other comprehensive income:				
Net change in revaluation surplus of property, plant and equipment		-----	1,688	1,688
Total other comprehensive income		-----	1,688	1,688
Total comprehensive income for the year		(7,873)	1,688	(6,185)
Transactions with owners in their capacity as owners				
Decrease in net assets from equity transfers	15	-----	-----	-----
Balance at 30 June 2019		90,211	35,898	126,109

	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	15	(17)	-----	(17)
Balance at 30 June 2018		98,084	34,210	132,294

The accompanying notes form part of these financial statements.

Department of Premier and Cabinet
Statement of Cash Flows for the year ended 30 June 2019

		Budget	Actual	Restated
		2019	2019	Actual
	Notes	\$000	\$000	2018
				\$000
Cash flows from operating activities				
Payments				
Employee related		(148,037)	(152,905)	(136,119)
Grants and subsidies		(192,772)	(297,139)	(138,154)
Other		(72,941)	(96,784)	(95,055)
Total payments		(413,750)	(546,828)	(369,328)
Receipts				
Appropriations (excluding equity appropriations)		391,892	477,731	322,797
Sale of goods and services		10,225	7,910	18,342
Grants and contributions		10,840	53,715	26,337
Reimbursements from the Crown Entity		----	1,890	1,048
Personnel services		----	1,010	----
Other		6,201	----	----
Total receipts		419,158	542,256	368,524
Net cash flows from operating activities	19	5,408	(4,572)	(804)
Cash flows from investing activities				
Purchases of property, plant and equipment		(5,575)	(6,400)	(4,597)
Purchases of intangibles		(4,000)	(1,208)	(218)
Net cash flow from investing activities		(9,575)	(7,608)	(4,815)
Net increase / (decrease) in cash and cash equivalents		(4,167)	(12,180)	(5,619)
Opening cash and cash equivalents		9,161	14,696	20,315
Closing cash and cash equivalents	7	4,994	2,516	14,696

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 2019

1 Statement 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.

These financial statements for the year ended 30 June 2019 have been authorised for issue by the Secretary on 19 September 2019.

(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 2019 of \$2,516,000. As at 30 June 2019 the Department had a net working capital deficit of \$27,936,000.

This indicator is only one of a variety of indicators used in assessing the going concern assumption. The Department is funded directly from the Consolidated Fund on a cash flow needs basis and should only hold unrestricted cash balances to cover its immediate operational requirements. Consideration should also be taken on the allocated budget and the ongoing support of the State of New South Wales.

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.

(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.

Department of Premier and Cabinet

Notes to and forming part of the Financial Statements
for the year ended 30 June 2019

1 Statement of Significant Accounting Policies

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

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

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

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

(f) Income recognition

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

(i) Parliamentary appropriations and contributions

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

Appropriations are not recognised as income in the following circumstance:

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

The liability is disclosed in Note 14 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.

Department of Premier and Cabinet

Notes to and forming part of the Financial Statements
for the year ended 30 June 2019

1 Statement 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 network 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 2019

1 Statement 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	2019	2018
	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* and 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 9 and Note 11 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 revaluations were completed in April 2018 covering a component of the Government House collection and March 2017 for land & buildings and were based on independent assessments. Interim revaluations are conducted between comprehensive revaluations where cumulative changes to indicators suggest fair value may differ materially from carrying value. Refer to Note 11 (b) for further information of interim revaluation

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.

Department of Premier and Cabinet

Notes to and forming part of the Financial Statements
for the year ended 30 June 2019

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

(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 2019

1 Statement of Significant Accounting Policies

(i) 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. Following initial recognition, intangible assets are subsequently measured at fair value only if there is an active market. If there is no active market for the entity's intangible assets, the assets are carried at cost less any accumulated amortisation and impairment losses.

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

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

The 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 the 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

- Receivables

Recognition and Measurement

All 'regular way' purchases or sales of financial asset are recognised and derecognised on a trade date basis. Regular way purchases or sales are purchases or sales of financial assets that require delivery of assets within the time frame established by regulation or convention in the marketplace.

Receivables are initially recognised at fair value plus any directly attributable transaction costs. Trade receivables that do not contain a significant financing component are measured at the transaction price.

Department of Premier and Cabinet

Notes to and forming part of the Financial Statements
for the year ended 30 June 2019

1 Statement of Significant Accounting Policies

(j) Financial Instruments

(i) Financial assets

Subsequent measurement under AASB 9 (from 1 July 2018)

The Department holds receivables with the objective to collect the contractual cash flows and therefore measures them at amortised cost using the effective interest method, less any impairment. Changes are recognised in the net result for the year when impaired, derecognised or through the amortisation process.

Subsequent measurement under AASB 139 (for comparative period ended 30 June 2018)

The Department holds receivables with the objective to collect the contractual cash flows and therefore measures them at amortised cost using the effective interest method, less any impairment. Changes are recognised in the net result for the year when impaired, derecognised or through the amortisation process.

Impairment under AASB 9 (from 1 July 2018)

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

For trade receivables, the Department applies a simplified approach in calculating ECLs. The Department recognises a loss allowance based on lifetime ECLs at each reporting date. The Department has established a provision matrix based on its historical credit loss experience for trade receivables, adjusted for forward-looking factors specific to the receivable.

Impairment under AASB 139 (for comparative period ended 30 June 2019)

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 Department 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.

Department of Premier and Cabinet

Notes to and forming part of the Financial Statements
for the year ended 30 June 2019

1 Statement of Significant Accounting Policies

(j) Financial Instruments

(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.

(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.

Department of Premier and Cabinet

Notes to and forming part of the Financial Statements
for the year ended 30 June 2019

1 Statement 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 of expected future payments to be made in respect of services provided up to the reporting date 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 1.78% in 2019 (2.63% in 2018), 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. When discounting is used, the increase in the provision due to the passage of time (i.e. unwinding of discount rate) is recognised as a finance cost.

(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 2019

1 Statement of Significant Accounting Policies

(m) Equity and reserves

(iii) Reserves

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 the paragraph 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) Fair value hierarchy

A number of the Department's accounting policies and disclosures require the measurement of fair value, 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 (unadjusted) prices in active markets for identical assets / liabilities that the entity can access at the measurement date.
- Level 2 - inputs other than quoted prices included within Level 1 that are observable, either directly or indirectly.
- Level 3 - inputs that are not based on observable market data (unobservable inputs).

The 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 11 for further disclosures regarding fair value measurements of financial and non financial assets.

Department of Premier and Cabinet

Notes to and forming part of the Financial Statements
for the year ended 30 June 2019

1 Statement of Significant Accounting Policies

(o) 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 18.

(p) 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.

An analysis of Revenue - Sale of goods and services - Other has resulted in the identification of items [totalling \$4,646k] that have been reclassified as Revenue - Grants and contributions. As a result, the 2018 comparative figures for Sale of goods and services have changed from \$11,968k to \$7,322k and Grants and contributions from \$19,263k to \$23,909k in the Statement of Comprehensive Income. Refer to Notes 3 (b) and 3 (c).

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

(i) Effective for the first time in 2018-19

The Department has adopted AASB 9 Financial Instruments (AASB 9), which resulted in changes in accounting policies in respect of recognition, classification and measurement of financial assets and financial liabilities; derecognition of financial instruments; impairment of financial assets and hedge accounting. AASB 9 also significantly amends other standards dealing with financial instruments such as the revised AASB 7 Financial Instruments: Disclosures (AASB 7R).

The Department applied AASB 9 retrospectively but has not restated the comparative information which is reported under AASB 139 Financial Instruments: Recognition and Measurement (AASB 139). There was no material impact in the application of AASB 9.

(a) Classification and measurement of financial instruments

On 1 July 2018 (the date of initial application of AASB 9), the Department's management has assessed which business models apply to the financial assets held by the Department and has classified its financial instruments into the appropriate AASB 9 categories. The main effects resulting from this reclassification are receivables classified as loans and receivables under AASB 139 are now classified and measured at amortised cost.

(b) Impairment

The adoption of AASB 9 has changed the Department's accounting for impairment losses for financial assets by replacing AASB 139's incurred loss approach with a forward-looking expected credit loss (ECL) approach. AASB 9 requires the Department to recognise an allowance for ECLs for all debt instruments not held at fair value through profit or loss. There is no material impact to the entity on adopting the new impairment model.

Department of Premier and Cabinet

Notes to and forming part of the Financial Statements
for the year ended 30 June 2019

1 Statement of Significant Accounting Policies

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

(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 19-04):

- 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 2016-8 *Amendments to Australian Accounting Standards – Australian Implementation Guidance for Not-for-Profit Entities*
- AASB 2017-6 *Amendments to Australian Accounting Standards – Prepayment Features with Negative Compensation*
- AASB 2018-1 *Amendments to Australian Accounting Standards – Annual Improvements 2015-2017 Cycle*
- AASB 2018-2 *Amendments to Australian Accounting Standards – Plan Amendment, Curtailment or Settlement*
- AASB 2018-3 *Amendments to Australian Accounting Standards – Reduced Disclosure Requirements*
- AASB 2018-4 *Amendments to Australian Accounting Standards – Australian Implementation Guidance for Not-for-Profit Public Sector Licensors*
- AASB 2018-5 *Amendments to Australian Accounting Standards - Deferral of AASB 1059*
- AASB 2018-7 *Amendments to Australian Accounting Standards – Definition of Material*
- AASB 2018-8 *Amendments to Australian Accounting Standards – Right-of-Use Assets of Not-for-Profit Entities*

(ii) Issued but not yet effective

The adoption of AASB 16 *Leases* will see operating leases relating to real estate and motor vehicles disclosed as a right of use asset offset by a lease liability. Treasury circular TC18-05 AASB 16 *Leases Transition Elections* outlines that the partial retrospective option is to be adopted.

Based on the impact assessments the Department has undertaken on currently available information, the Department estimates additional lease liabilities of \$129.0 million and right-of-use assets of \$129.0 million will be recognised as at 1 July 2019 for leases in which the Department is a lessee. Most operating lease expenses will be replaced by depreciation of the right of use asset and interest on the lease liability. The impact on the statement of comprehensive income is expected to be \$3.0 million.

The Department 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 2019

2 Expenses Excluding Losses

	2019	2018
	\$000	\$000
(a) Employee related expenses		
Salaries and wages (including annual leave)	122,426	112,737
Superannuation - defined benefit plans	543	553
Superannuation - defined contribution plans	9,079	8,199
Long Service Leave	5,563	4,171
Workers' Compensation Insurance	146	19
Payroll tax and fringe benefits tax	9,205	8,199
Redundancies	5,985	1,296
Agency contractors	5,247	4,727
	158,194	139,901

Employee related costs that have been capitalised and therefore excluded from the above -----

	2019	2018
	\$000	\$000
(b) Other operating expenses include the following:		
Auditor's remuneration - audit of financial statements ¹	131	217
Committee fees and expenses	720	583
Community events	3,990	4,911
Consultancy costs	5,206	4,621
Contractor - projects	528	1,233
Corporate services	5,726	6,048
Fees for services rendered	26,577	21,035
Impairment of assets and bad debts	52	9
Information dissemination	1,256	1,978
Insurance	257	329
Maintenance expenses*	2,180	1,426
Motor vehicle expenses	1,433	1,317
Operating lease rental expense - minimum lease payments	16,344	15,996
Other expenses	5,862	4,000
Other occupancy costs	7,752	7,399
Sponsorships and donations	528	467
Stores and minor assets	324	389
Telephone and communication costs	821	1,083
Training (staff development)	2,678	2,008
Travel costs	3,658	3,105
	86,023	78,154
Total maintenance costs		
* Maintenance expense - contracted labour and other (non-employee related), as above	2,180	1,426
Total maintenance expenses included in Note 2(a) + 2(b)	2,180	1,426

¹ The audit fees for the period ending 30 June 2019 reflect audit work performed to date. The fee for the audit of the 2019 financial statements is \$222k (2018: 217k).

Department of Premier and Cabinet

Notes to and forming part of the Financial Statements
for the year ended 30 June 2019

2 Expenses Excluding Losses

	2019 \$000	2018 \$000
(c) Depreciation and amortisation expense		
<u>Depreciation</u>		
Buildings and improvements	110	105
Plant and equipment	3,007	3,013
<u>Amortisation</u>		
Leasehold improvements	4,307	3,939
Intangible assets	1,584	2,030
	9,008	9,087

	2019 \$000	2018 \$000
(d) Grants and subsidies		
NSW Government ¹	167,500	117,597
Local government ²	93,136	3,308
Grants to external organisations	5,900	9,689
Miscellaneous grants approved by the Premier	1,481	1,354
Regional and Rural Miscellaneous Grants Fund	799	800
Regional NSW grants to external organisations ²	28,315	5,405
	297,131	138,153

¹ includes \$146,199k (2018: \$104,818k) grants to cluster agencies previously reporting under Transfer payments. Refer to Note 5.

² the increase in grants and subsidies to Local government and Regional NSW grants to external organisations relates to the the transfer of the grant funding program for Stronger Country Communities Fund, Regional Communities Development Fund and Regional Communities Development Fund.

	2019 \$000	2018 \$000
(e) Finance costs		
Unwinding of discount rate	139	138
	139	138

Department of Premier and Cabinet

Notes to and forming part of the Financial Statements
for the year ended 30 June 2019

3 Revenue

(a) Appropriations

Summary of Compliance	2019 \$000		2018 \$000	
	Appropriation	Expenditure	Appropriation	Expenditure
Original Budget per Appropriation Act	391,892		395,846	
Other Appropriations / Expenditure		542,131		363,968
- Additional Appropriations	(27,802)		(19,242)	
- Section 24 PFAA - transfers of functions between entities	145,320		356	
- Treasurer's advance	-----		-----	
- Section 33 - Transfers (to) / from another agency	-----		-----	
- Under expenditure in capital	-----		-----	
- Under expenditure in protected item	-----		(1,515)	
Total Appropriations / Expenditure / Net Claim on Consolidated Fund (includes transfer payments)	509,410	542,131	375,445	363,968
Appropriation drawn down *		479,246		329,004
Liability to Consolidated Fund (refer Note 14)		-----		(1,515)
		479,246		327,489
Appropriations (per Statement of comprehensive income)**		479,246		327,489
		479,246		327,489
** Appropriations:				
Recurrent ¹		472,571		322,441
Capital		6,675		5,048
		479,246		327,489

¹ The 2018 Recurrent Appropriation figure changed from what was reported in that year. \$104,818k was previously treated as a transfer payment. Refer to Note 5.

Department of Premier and Cabinet

Notes to and forming part of the Financial Statements
for the year ended 30 June 2019

3 Revenue

	2019 \$000	2018 \$000
(b) Sale of goods and services		
Services in-kind	903	660
Personnel services	1,056	-----
Functions & events	39	88
Corporate services rendered ¹	2,373	5,929
Other ^{1, 2}	22	554
Advertising	3,615	91
	8,008	7,322

¹ 2018 did not previously contain the Corporate services rendered line. This was split from Other for 2019 and the comparative figure has been reported. Refer to Note 1 (p).

² For 2018 \$4,646k was reclassified as Grants and contributions - NSW Government. Refer to Note 1 (p).

	2019 \$000	2018 \$000
(c) Grants and contributions		
Commonwealth Government	333	150
NSW Government ¹	46,991	21,542
Private sector contributions - events	2,345	2,217
	49,669	23,909

¹ Grants and contributions - NSW Government for 2018 includes an amount of \$4,646k, which has been reclassified from Sale of goods and services - Other.

	2019 \$000	2018 \$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	529	539
Long service leave	5,172	3,858
Payroll tax on superannuation	23	24
	5,724	4,421

4 Other gains / (losses)

	2019 \$000	2018 \$000
Other gains/(losses)	(25)	207
	(25)	207

Department of Premier and Cabinet

Notes to and forming part of the Financial Statements
for the year ended 30 June 2019

5 Prior Period Errors

The Department has previously disclosed payments of appropriations to agencies in the cluster as Transfer payments.

In 2019 a review of revenue including appropriations was conducted. This determined that the receipt of appropriation should be disclosed as appropriation revenue and the payments as grant expenses.

The 2018 comparative figures have been restated to reflect this change resulting in an increase in appropriation of \$104,818k and an increase in grants and subsidies of \$104,818k. Refer to Note 6, Note 3 (a) and Note 2 (d).

The amended treatment has no effect on the net result.

Prior period restatements reflected in Statement of Comprehensive Income	Reported Prior Year 2018 \$000	Adjustment 2018 \$000	Restated 2018 \$000
Grants and subsidies	33,335	104,818	138,153
Total expenses excluding losses	260,615	104,818	365,433
Appropriation	222,671	104,818	327,489
Total revenue	258,323	104,818	363,141
Net Result (Impact of restatement)	-----	-----	-----

Prior period restatements reflected in Statement of Cash Flows	Reported Prior Year 2018 \$000	Adjustment 2018 \$000	Restated 2018 \$000
Grants and subsidies	(33,336)	(104,818)	(138,154)
Total payments	(264,510)	(104,818)	(369,328)
Appropriations (excluding equity appropriations)	217,979	104,818	322,797
Total receipts	263,706	104,818	368,524
Net cash flows from operating activities (impact of restatement)	-----	-----	-----

Department of Premier and Cabinet

Notes to and forming part of the Financial Statements
for the year ended 30 June 2019

6 Program statements for the year ended 30 June 2019

Expenses & Income	Program 1: Policy Support Coordination *		Program 2: Administrative Support to Executive Government *	
	2019	2018	2019	2018
	\$000	\$000	\$000	\$000
Expenses excluding losses				
Operating expenses				
Employee related expenses	61,856	57,216	70,780	61,583
Other operating expenses	28,161	23,805	34,557	33,771
Depreciation and amortisation	3,783	3,816	3,933	3,967
Grants and subsidies	20,089	11,250	3,371	3,545
Finance costs	58	58	61	60
Total expenses excluding losses	113,947	96,145	112,702	102,926
Revenue				
Appropriations	----	----	----	----
Sale of goods and services ²	4,796	3,793	590	857
Grants and contributions ²	18,620	8,882	1,523	1,823
Acceptance by the Crown Entity of employee benefits and other liabilities	2,167	1,971	2,668	1,778
Total revenue	25,583	14,646	4,781	4,458
Gain / (loss) on disposal	----	----	----	----
Other gains / (losses)	(11)	87	(11)	90
Net result	(88,375)	(81,412)	(107,932)	(98,378)
Other comprehensive income				
Increase/(decrease) in asset revaluation surplus	----	----	1,688	5,605
Total other comprehensive income	----	----	1,688	5,605
Total comprehensive income	(88,375)	(81,412)	(106,244)	(92,773)

² 2018 figures have changed from those reported in that year. Refer to Note 1 (p).

* 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 2019

6 Program statements for the year ended 30 June 2019

Expenses & Income	Program 3: Regional NSW *		Program 4: Community Events *	
	2019	2018	2019	2018
	\$000	\$000	\$000	\$000
Expenses excluding losses				
Operating expenses				
Employee related expenses	17,704	16,136	430	348
Other operating expenses	10,556	9,703	4,911	4,748
Depreciation and amortisation	905	914	----	----
Grants and subsidies	114,652	10,140	----	----
Finance costs	14	14	----	----
Total expenses excluding losses	143,831	36,907	5,341	5,096
Revenue				
Appropriations	----	----	----	----
Sale of goods and services ²	72	853	912	676
Grants and contributions ²	23,642	7,235	2,318	2,217
Acceptance by the Crown Entity of employee benefits and other liabilities	627	499	----	----
Total revenue	24,341	8,587	3,230	2,893
Gain / (loss) on disposal	----	----	----	----
Other gains / (losses)	(2)	21	----	----
Net result	(119,492)	(28,299)	(2,111)	(2,203)
Other comprehensive income				
Increase/(decrease) in asset revaluation surplus	----	----	----	----
Total other comprehensive income	----	----	----	----
Total comprehensive income	(119,492)	(28,299)	(2,111)	(2,203)

² 2018 figures have changed from those reported in that year. Refer to Note 1 (p).

* 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 2019

6 Program statements for the year ended 30 June 2019

Expenses & Income	Program 5: Major Projects & Initiatives *		Program 6: Independent Office Support *	
	2019	2018	2019	2018
	\$000	\$000	\$000	\$000
Expenses excluding losses				
Operating expenses				
Employee related expenses	6,002	3,589	1,422	1,029
Other operating expenses	5,581	4,299	2,257	1,828
Depreciation and amortisation	327	330	60	60
Grants and subsidies	12,803	8,393	17	7
Finance costs	5	5	1	1
Total expenses excluding losses	24,718	16,616	3,757	2,925
Revenue				
Appropriations	----	----	----	----
Sale of goods and services ²	679	214	959	929
Grants and contributions ²	3,309	3,726	257	26
Acceptance by the Crown Entity of employee benefits and other liabilities	190	121	72	52
Total revenue	4,178	4,061	1,288	1,007
Gain / (loss) on disposal	----	----	----	----
Other gains / (losses)	(1)	8	----	1
Net result	(20,541)	(12,547)	(2,469)	(1,917)
Other comprehensive income				
Increase/(decrease) in asset revaluation surplus	----	----	----	----
Total other comprehensive income	----	----	----	----
Total comprehensive income	(20,541)	(12,547)	(2,469)	(1,917)

² 2018 figures have changed from those reported in that year. Refer to Note 1 (p).

* 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 2019

6 Program statements for the year ended 30 June 2019

Expenses & Income	Not Attributable **		Total	
	2019	Restated	2019	Restated
		2018		2018
	\$000	\$000	\$000	\$000
Expenses excluding losses				
Operating expenses				
Employee related expenses	----	----	158,194	139,901
Other operating expenses	----	----	86,023	78,154
Depreciation and amortisation	----	----	9,008	9,087
Grants and subsidies ¹	146,199	104,818	297,131	138,153
Finance costs	----	----	139	138
Total expenses excluding losses	146,199	104,818	550,495	365,433
Revenue				
Appropriations ¹	479,246	327,489	479,246	327,489
Sale of goods and services ²	-----	-----	8,008	7,322
Grants and contributions ²	-----	-----	49,669	23,909
Acceptance by the Crown Entity of employee benefits and other liabilities	----	----	5,724	4,421
Total revenue	479,246	327,489	542,647	363,141
Gain / (loss) on disposal	----	----	----	----
Other gains / (losses)	----	----	(25)	207
Net result	333,047	222,671	(7,873)	(2,085)
Other comprehensive income				
Increase/(decrease) in asset revaluation surplus	----	----	1,688	5,605
Total other comprehensive income	----	----	1,688	5,605
Total comprehensive income	333,047	222,671	(6,185)	3,520

¹ 2018 figures have changed from those reported in that year. \$104,818k was previously treated as a transfer payment. Refer to Note 5.

² 2018 figures have changed from those reported in that year. Refer to Note 1 (p).

* 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 2019

6 Program statements for the year ended 30 June 2019

Assets & Liabilities	Program 1: Policy Support Coordination *		Program 2: Administrative Support to Executive Government *	
	2019	2018	2019	2018
	\$000	\$000	\$000	\$000
ASSETS				
Current Assets				
Cash and cash equivalents	----	----	----	----
Receivables	4,961	2,531	2,057	1,775
Total current assets	4,961	2,531	2,057	1,775
Non-current assets				
Receivables	----	----	----	----
Land & buildings	----	----	137,121	135,344
Plant and equipment	1,335	1,825	5,031	4,734
Leasehold Improvements	11,486	12,281	13,242	12,868
Heritage and Cultural Assets	----	----	8,192	8,192
Intangible assets	1,257	1,415	1,307	1,472
Total non-current assets	14,078	15,521	164,893	162,610
Total assets	19,039	18,052	166,950	164,385
LIABILITIES				
Current liabilities				
Payables	5,743	7,995	6,582	5,631
Provisions	6,433	5,575	7,272	6,452
Other	1,501	1,879	1,351	1,350
Total current liabilities	13,677	15,449	15,205	13,433
Non-current liabilities				
Provisions	2,636	2,425	2,740	2,514
Other	9,818	10,981	10,208	11,416
Total non-current liabilities	12,454	13,406	12,948	13,930
Total liabilities	26,131	28,855	28,153	27,363
Net assets	(7,092)	(10,803)	138,797	137,022

* 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 2019

6 Program statements for the year ended 30 June 2019

Assets & Liabilities	Program 3: Regional NSW *		Program 4: Community Events *	
	2019	2018	2019	2018
	\$000	\$000	\$000	\$000
ASSETS				
Current Assets				
Cash and cash equivalents	----	----	----	----
Receivables	5,669	1,958	212	194
Total current assets	5,669	1,958	212	194
Non-current assets				
Receivables	----	----	----	----
Land & buildings	----	----	----	----
Plant and equipment	316	436	----	----
Leasehold Improvements	2,706	2,937	----	----
Heritage and Cultural Assets	----	----	----	----
Intangible assets	301	339	----	----
Total non-current assets	3,323	3,712	----	----
Total assets	8,992	5,670	212	194
LIABILITIES				
Current liabilities				
Payables	7,785	5,084	162	423
Provisions	2,029	1,860	----	----
Other	308	308	235	274
Total current liabilities	10,122	7,252	397	697
Non-current liabilities				
Provisions	644	596	----	----
Other	2,350	2,628	----	----
Total non-current liabilities	2,994	3,224	----	----
Total liabilities	13,116	10,476	397	697
Net assets	(4,124)	(4,806)	(185)	(503)

* 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 2019

6 Program statements for the year ended 30 June 2019

Assets & Liabilities	Program 5: Major Projects & Initiatives *		Program 6: Independent Office Support *	
	2019	2018	2019	2018
	\$000	\$000	\$000	\$000
ASSETS				
Current Assets				
Cash and cash equivalents	----	----	----	----
Receivables	631	211	481	429
Total current assets	631	211	481	429
Non-current assets				
Receivables	----	----	----	----
Land & buildings	----	----	----	----
Plant and equipment	114	156	21	29
Leasehold Improvements	978	1,061	180	195
Heritage and Cultural Assets	----	----	----	----
Intangible assets	109	122	20	22
Total non-current assets	1,201	1,339	221	246
Total assets	1,832	1,550	702	675
LIABILITIES				
Current liabilities				
Payables	1,432	1,635	2,365	197
Provisions	592	345	127	129
Other	526	325	20	20
Total current liabilities	2,550	2,305	2,512	346
Non-current liabilities				
Provisions	228	207	42	39
Other	849	950	156	175
Total non-current liabilities	1,077	1,157	198	214
Total liabilities	3,627	3,462	2,710	560
Net assets	(1,795)	(1,912)	(2,008)	115

* 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 2019

6 Program statements for the year ended 30 June 2019

Assets & Liabilities	Not Attributable		Total	
	2019	2018	2019	2018
	\$000	\$000	\$000	\$000
ASSETS				
Current Assets				
Cash and cash equivalents	2,516	14,696	2,516	14,696
Receivables	-----	-----	14,011	7,098
Total current assets	2,516	14,696	16,527	21,794
Non-current assets				
Receivables	-----	-----	-----	-----
Land & buildings	-----	-----	137,121	135,344
Plant and equipment	-----	-----	6,817	7,180
Leasehold Improvements	-----	-----	28,592	29,342
Heritage and Cultural Assets	-----	-----	8,192	8,192
Intangible assets	-----	-----	2,994	3,370
Total non-current assets	-----	-----	183,716	183,428
Total assets	2,516	14,696	200,243	205,222
LIABILITIES				
Current liabilities				
Payables	-----	-----	24,069	20,965
Provisions	-----	-----	16,453	14,361
Other	-----	1,515	3,941	5,671
Total current liabilities	-----	1,515	44,463	40,997
Non-current liabilities				
Provisions	-----	-----	6,290	5,781
Other	-----	-----	23,381	26,150
Total non-current liabilities	-----	-----	29,671	31,931
Total liabilities	-----	1,515	74,134	72,928
Net assets	2,516	13,181	126,109	132,294

* 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 2019

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 2019

7 Current Assets - Cash and Cash Equivalents

	2019	2018
	\$000	\$000
Cash at bank and on hand	2,516	14,696
	2,516	14,696

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:

	2019	2018
	\$000	\$000
Cash and cash equivalents (per statement of financial position)	2,516	14,696
Closing cash and cash equivalents (per statement of cash flows)	2,516	14,696

Refer Note 20 for details regarding credit risk, liquidity risk, and market risk arising from financial instruments.

8 Current Assets - Receivables

	2019	2018
	\$000	\$000
Current Receivables		
Sale of goods and services	2,334	3,969
less: Allowance for expected credit loss *	(24)	----
Goods and services tax recoverable from ATO	3,222	2,137
Prepayments	127	403
Accrued income	8,306	589
Other receivables	46	----
	14,011	7,098

** Movement in the allowance for credit loss

Balance at 1 July	----	----
Amounts written off during the year	(30)	(9)
Amounts recovered during the year	----	----
Amount transferred out due to administrative restructure	----	----
Increase / (decrease) in allowance recognised in profit or loss	54	9
Balance at 30 June	24	----

Details regarding credit risk, liquidity risk and market risk, including financial assets that are either past due or impaired, are disclosed in Note 20.

Department of Premier and Cabinet

Notes to and forming part of the Financial Statements
for the year ended 30 June 2019

9 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 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
At 30 June 2019 - fair value					
Gross carrying amount	139,608	18,569	46,776	8,192	213,145
Accumulated depreciation and impairment	(2,487)	(11,752)	(18,184)	----	(32,423)
Net carrying amount	137,121	6,817	28,592	8,192	180,722

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 2019					
Net carrying amount at start of year	135,344	7,180	29,342	8,192	180,058
Additions	199	2,644	3,557	----	6,400
Disposals	----	(426)	(393)	----	(819)
Net revaluation increment less revaluation decrements recognised in reserves	1,688	----	----	----	1,688
Depreciation expense	(110)	(3,007)	(4,307)	----	(7,424)
Write back of depreciation	----	426	393	----	819
Net carrying amount at end of year	137,121	6,817	28,592	8,192	180,722

	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)
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

Further details regarding the fair value measurements of property, plant and equipment are disclosed in Note 11. 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 would have zero value.

Department of Premier and Cabinet

Notes to and forming part of the Financial Statements
for the year ended 30 June 2019

10 Intangible Assets

	Software at cost \$000	Total \$000
At 1 July 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
At 30 June 2019 - fair value		
Gross carrying amount	8,449	8,449
Accumulated amortisation and impairment	(5,455)	(5,455)
Net carrying amount	2,994	2,994
Year ended 30 June 2019		
Net carrying amount at start of year	3,370	3,370
Additions	1,208	1,208
Disposals	(3,059)	(3,059)
Amortisation (recognised in "depreciation and amortisation")	(1,584)	(1,584)
Write back of amortisation	3,059	3,059
Net carrying amount at end of year	2,994	2,994

	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
Amortisation (recognised in "depreciation and amortisation")	(2,030)	(2,030)
Reclassification	(142)	(142)
Net carrying amount at end of year	3,370	3,370

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 would have zero value.

Department of Premier and Cabinet

Notes to and forming part of the Financial Statements
for the year ended 30 June 2019

11 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
2019		\$000	\$000	\$000	\$000
Property, plant and equipment					
Land and buildings	9	----	----	137,121	137,121
Heritage and cultural assets	9	----	8,192	----	8,192
		----	8,192	137,121	145,313

	Notes	Level 1	Level 2	Level 3	Total fair Value
2018		\$000	\$000	\$000	\$000
Property, plant and equipment					
Land and buildings	9	----	----	135,344	135,344
Heritage and cultural assets	9	----	8,192	----	8,192
		----	8,192	135,344	143,536

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 2019 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 buildings value by \$1,688,301.

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 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.

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 2019

11 Fair value measurement of non-financial assets

(c) Reconciliation of recurring level 3 fair value measurements

		Land and buildings (Government House)	Total Recurring level 3 Fair value
2019	Notes	\$000	\$000
Fair value as at 1 July 2018	9	135,344	135,344
Additions	9	199	199
Revaluation	9	1,688	1,688
Depreciation	9	(110)	(110)
		137,121	137,121

		Land and buildings (Government House)	Total Recurring level 3 Fair value
2018	Notes	\$000	\$000
Fair value as at 1 July 2017	9	129,996	129,996
Additions	9	498	498
Revaluation	9	5,443	5,443
Depreciation	9	(105)	(105)
Transfers out of Level 3	9	(488)	(488)
		135,344	135,344

12 Current Liabilities - Payables

	2019	2018
	\$000	\$000
Accrued salaries, wages and on-costs	2,391	1,305
Creditors	21,678	19,660
	24,069	20,965

Details regarding credit risk, liquidity risk and market risk, including a maturity analysis of the above payables, are disclosed at Note 20.

Department of Premier and Cabinet

Notes to and forming part of the Financial Statements
for the year ended 30 June 2019

13 Current / Non-Current Liabilities - Provisions

	2019 \$000	2018 \$000
Current Provisions		
Annual leave including on-costs	12,872	11,164
Long service leave on-costs	1,889	1,530
Payroll tax	1,684	1,418
Current employee benefits and related on-cost provisions	16,445	14,112
Restoration costs	8	249
Total Current Provisions	16,453	14,361
Non-Current Provisions		
Long service leave on-costs	164	133
Payroll tax	91	73
Non-Current employee benefits and related on-cost provisions	255	206
Restoration costs	6,035	5,575
Total Non-Current Provisions	6,290	5,781
Employee benefits and related on-costs	16,700	14,318
Restoration costs	6,043	5,824
Total Provisions	22,743	20,142

	2019 \$000	2018 \$000
Aggregate employee benefits and related on-costs		
Provisions - current	16,445	14,112
Provisions - non-current	255	206
Accrued salaries, wages and on-costs (Note 12).	2,391	1,305
	19,091	15,623

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 20% [2018: 16%] of employees with greater than 30 days annual leave at June 2019, it is estimated that \$1,448k [2018: 995k] 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:

	2019 \$000	2018 \$000
Provision for Restoration Costs		
Carrying amount at the beginning of financial year	5,824	5,967
Unwinding /change in discount rate	331	(11)
Unused amount reversed	(166)	(118)
Additional provisions recognised	152	----
Amounts used	(98)	(14)
Carrying amount at the end of financial year	6,043	5,824

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

14 Current / Non-Current Liabilities - Other

	2019 \$000	2018 \$000
Other - current		
Liability to consolidated fund	----	1,515
Unamortised leasehold incentive	3,053	3,053
Unearned revenue	864	1,079

Department of Premier and Cabinet

Notes to and forming part of the Financial Statements
for the year ended 30 June 2019

15 Increase / Decrease in Net Assets from Equity Transfers

Transfers - up to 30 June 2019

There were no transfers arising from Administrative Arrangements for the period 1 July 2018 to 30 June 2019

Increase/(Decrease) in Net Assets From Equity Transfers 0

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

	2018 \$000
Transfer in arising from Administrative Arrangements (Administrative Changes—Inspector of Law Enforcement Conduct Commission) Order 2017	
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
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 non-current liabilities	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 2019

16 Commitments for Expenditure

	2019 \$000	2018 \$000
Operating Lease Commitments		
Future non-cancellable operating lease rentals not provided for and payable		
Within one year	21,787	18,723
Later than one year and not later than five years	89,257	73,868
Later than five years	30,195	45,896
Total (including GST)	141,239	138,487

The operating lease commitments relate to leasing of office space and motor vehicles. \$141.2m of the above expenditure is subject to GST (2018: \$138.5m), which includes input tax credits of \$13.9m (2018: \$12.6m) that are expected to be recoverable from the ATO.

17 Contingent Liabilities and Contingent Assets

Contingent Liabilities

The Department is not aware of any significant or material contingent liability in existence at 30 June 2019 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 2019

18 Budget Review

Net Result

The net result was a \$7,873k deficit compared to a budgeted deficit of \$5,616k. This is an unfavourable variance of \$2,257k, arising primarily from the unfavourable impact of actual appropriation revenue for capital expenditure being \$2,900k below budget due to capital expenditure being carried forward. Other variances to budget include the following:

Expenses

Total expenses excluding losses were \$550,495k compared to a budget of \$422,140k. This was \$128,355k over budgeted total expenses. The primary factor in this increase was the s24 transfer of Regional funding from the Department of Industry for the *Stronger Country Communities Fund*, *Regional Communities Development Fund* and *Regional Communities Development Fund* (\$124,453k) less unspent funds carried forward (\$21,520k). Other factors causing the variance were:

Other operating expenses were \$16,569k over budget due to increases in rent resulting from a market review of one of the 52 Martin Place leases and increases in Other fees and services expenses.

Revenue

Appropriations were \$479,246k compared to a budget of \$391,892. This was \$87,354k over budget due to the following:

- Recurrent appropriation increased from transfers of \$145,320k;
- a net increase in recurrent appropriation for the *Western Sydney Liveability Program* \$9,500k;
- less recurrent appropriation carry forwards of \$32,354k;
- less recurrent appropriation not required due to efficiency dividends;
- less a net recurrent appropriation not required due to underspends by the Urban Growth Development Corporation (\$30,164k);
- less capital appropriation carry forwards of \$2,900k relating mainly to Corporate Shared Services Reform. These items drive an unfavourable variance against the budgeted net result.

Grants and Contributions were \$38,235k over budget due to an increase in contributions received from the Restart Fund and the Snowy Hydro Legacy Fund.

Other Gains

Other gains / (losses) were a loss of \$25k compared to a budget of nil. The loss resulted from the net present value recalculations of restoration provisions.

Assets and Liabilities

Net assets were \$126,109k compared to a budget of \$125,117k. The major variances arising on the Statement of Financial Position are noted below:

Assets

Cash and Cash Equivalents were \$2,516k compared to a budget of \$4,994k. This is \$2,478k under budget, which is due to a prioritisation of Regional payments being processed prior to 30 June 2019.

Receivables were \$14,011k compared to a budget of \$3,729k. This is \$10,082k over budget, which is mainly due to accrued revenue from the Crown Finance Entity for claims on the Snowy Hydro Legacy Fund.

Liabilities

Payables were \$24,069k compared to a budget of \$21,774k. This is \$2,295k over budget, which is due to the timing differences in a number of accounts payables, slightly greater than anticipated for in the budget.

Cash Flows

The closing Cash position was \$2,516k compared to a budget of \$4,994k. This is under budget by \$2,478k due to a prioritisation of Regional payments being processed prior to 30 June 2019.

Department of Premier and Cabinet

Notes to and forming part of the Financial Statements
for the year ended 30 June 2019

19 Reconciliation of Cash Flows from Operating Activities to Net Result

	2019	2018
	\$000	\$000
Net cash used on operating activities	(4,572)	(804)
Net adjustments for non-cash equity transfers	-----	(17)
Depreciation and amortisation	(9,008)	(9,087)
Finance Costs	(139)	(138)
Decrease / (increase) in provisions	(2,443)	(1,764)
Increase / (decrease) in receivables & prepayments	6,915	(7,061)
(Increase) / decrease in creditors	(3,102)	6,315
Net gain / (loss) on sale of plant and equipment	-----	-----
Other gain / (loss)	(25)	207
Decrease / (increase) in other liabilities	4,501	10,230
Net result	(7,873)	(2,119)

Department of Premier and Cabinet

Notes to and forming part of the Financial Statements
for the year ended 30 June 2019

20 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

i. As at 30 June 2019 under AASB 9

Class	Note	Category	Carrying Amount
Financial Assets			\$000
Cash and cash equivalents	7	Not Applicable	2,516
Receivables ¹	8	Amortised cost	10,673
Financial Liabilities			\$000
Payables ²	12	Financial liabilities measured at amortised cost	23,117
Other	14	Financial liabilities measured at amortised cost	26,458

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)

ii. As at 30 June 2018 under AASB 139 (comparative period)

Class	Note	Category	Carrying Amount
Financial Assets			\$000
Cash and cash equivalents	7	Not Applicable	14,696
Receivables ¹	8	Loans and receivables (at amortised cost)	4,558
Financial Liabilities			\$000
Payables ²	12	Financial liabilities measured at amortised cost	20,016
Other	14	Financial liabilities measured at amortised cost	29,227

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)

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

Department of Premier and Cabinet

Notes to and forming part of the Financial Statements
for the year ended 30 June 2019

20 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 and cash equivalents

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

Receivables - trade debtors

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.

The Department applies the AASB 9 simplified approach to measuring expected credit losses which uses a lifetime expected loss allowance for all trade debtors.

To measure the expected credit losses, trade receivables have been grouped based on shared credit risk characteristics and the days past due. The expected loss rates are based on historical observed loss rates.

Trade debtors are written off when there is no reasonable expectation of recovery. Indicators that there is no reasonable expectation of recovery include, amongst others a failure to make contractual payments for a period of greater than 180 days past due.

The loss allowance for trade debtors as at 30 June 2019 and 1 July 2018 (on adoption of AASB 9) was determined as follows:

	30 June 2019					
	Current	<30 days	\$000 30-60 days	61-90 days	>91 days	Total
Expected credit loss rate	0.0%	0.0%	0.0%	0.0%	4.3%	
Estimated total gross carrying amount at default	1,278	93	32	3	565	1,971
Expected credit loss	0	0	0	0	24	24

	1 July 2018					
	Current	<30 days	\$000 30-60 days	61-90 days	>91 days	Total
Expected credit loss rate	0%	0%	0%	0%	0%	
Estimated total gross carrying amount at default	2,889	344	41	1	647	3,922
Expected credit loss	0	0	0	0	0	0

Notes: The ageing analysis excludes statutory receivables, as these are not within the scope of AASB 7. Therefore, the 'total' will not reconcile to the receivables total in Note 8.

The Department is not materially exposed to concentrations of credit risk to a single trade debtor or group of debtors as at 30 June 2019. Most of the Department's debtors have a AAA credit rating.

Department of Premier and Cabinet

Notes to and forming part of the Financial Statements
for the year ended 30 June 2019

20 Financial Instruments

Accounting policy for impairment of trade debtors and other financial assets under AASB 139 (comparative period only).

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. Debtors 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.

For the comparative period 30 June 2018, the ageing analysis of trade debtors is as follows:

	2018 \$000
Neither past due nor impaired	2,889
Past due but not impaired	
< 3 months overdue	400
3 months - 6 months overdue	544
> 6 months overdue	90
	3,923
Impaired	
< 3 months overdue	-----
3 months - 6 months overdue	-----
> 6 months overdue	-----

Total receivables - gross of allowance for impairment	3,923

Notes: The ageing analysis excludes statutory receivables, as these are not within the scope of AASB 7. Therefore, the 'total' will not reconcile to the receivables total in Note 8.

The Department is not materially exposed to concentrations of credit risk to a single trade debtor or group of debtors as at 30 June 2018. Most of the Department's debtors have a AAA credit rating.

Department of Premier and Cabinet

Notes to and forming part of the Financial Statements
for the year ended 30 June 2019

20 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
2019								
Payables:								
Accrued salaries, wages and on-costs		1,457	----	----	1,457	1,457	----	----
Creditors		21,660	----	----	21,660	21,660	----	----
		23,117	----	----	23,117	23,117	----	----
Other Liabilities:								
Unamortised leasehold incentive		26,434	----	----	26,434	3,053	12,212	11,169
Other		24	----	----	24	24	----	----
		26,458	----	----	26,458	3,077	12,212	11,169
Total		49,575	----	----	49,575	26,194	12,212	11,169
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

Department of Premier and Cabinet

Notes to and forming part of the Financial Statements
for the year ended 30 June 2019

20 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 2018. 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
2019					
<i>Financial assets</i>					
Cash and cash equivalents	2,516	(25)	(25)	25	25
Receivables	10,673	(107)	(107)	107	107
<i>Financial liabilities</i>					
Payables	23,117	231	231	(231)	(231)
Other liabilities	26,458	265	265	(265)	(265)
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)

(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 2019

21 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

	2019 \$'000	2018 \$'000
Short-term employee benefits:		
Salaries	3,039	3,469
Other monetary allowances	----	----
Non-monetary benefits	10	26
Other long-term employee benefits	----	----
Post-employment benefits	----	----
Termination benefits	346	447
Total remuneration	3,395	3,942

(b) Transactions with related parties

During the reporting period there were no material transactions between key management personnel or their associates and any NSW Government entities.

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.

22 Events After the Reporting Period

Administrative Arrangements (Administrative Changes—Public Service Agencies) Order 2019, Administrative Arrangements (Administrative Changes—Public Service Agencies) Amendment Order 2019 and Administrative Arrangements (Administrative Changes—Miscellaneous) Order 2019 transferred the following functions into and out of the Department as at 1 July 2019:

Transferring out

- Regional NSW staff to the Department of Planning, Industry and Environment.
- Office of the Customer Service Commissioner, Behavioural Insights Unit, Government Communications Branch and Digital, Content and Sponsorships Branch to the Department of Customer Service.
- Countering Violent Extremism division to the Department of Communities and Justice.
- City Deal Delivery Office to the Greater Sydney Commission.

An estimation has been made on the financial impacts of the transfers out, which are subject to further discussion and agreement. The estimated figures are:

- Regional NSW ~ \$1.6m of assets and \$3.1m of liabilities;
- Office of the Customer Service Commissioner, Behavioural Insights Unit, Government Communications Branch and Digital, Content and Sponsorships Branch ~ \$0m of assets and \$0.5m of liabilities;
- Countering Violent Extremism division ~ \$0m of assets and \$0.1m of liabilities;
- City Deal Delivery Office ~ \$0m of assets and \$0.1m of liabilities.

The impact of the transfers out in relation to assets and liabilities recognised on 1 July 2019 due to *AASB 16 Leases* is estimated at \$2.0m.

Transferring In

- Aboriginal Affairs NSW from the Department of Education.
- Heritage Division and the Culture Policy Branch from the Office of Environment and Heritage.
- Industrial Relations staff from Treasury.
- Create NSW from the Department of Planning and Environment.

An estimation on the financial impacts of the transfers in have been provided to the Department and are subject to further discussion and agreement. The estimated figures are:

- Aboriginal Affairs NSW ~ \$0.5m of assets and \$19.0m of liabilities;
- Heritage Division and the Culture Policy Branch ~ \$3.0m of assets and \$1.3m of liabilities;
- Industrial Relations ~ \$0.7m of assets and \$1.0m of liabilities;
- Create NSW ~ \$461.1m of assets and \$1.6m of liabilities.

The *AASB 16 Leases* impact on assets and liabilities transferred in when recognised on 1 July 2019 is estimated at \$5.3m.

End of audited financial statements

An aerial photograph of a rural landscape at sunset. A red tractor is pulling a red trailer and a white water tank on a dirt road, kicking up a cloud of dust. The road is bordered by a line of trees on the left. The background shows a vast, flat field under a sky with orange and yellow clouds. A series of magenta lines radiate from the top left corner, partially obscuring the sky.

Appendices

Administration

Privacy Management Plan

Clause 6 of the Annual Reports (Departments) Regulation 2010 requires a statement of the action taken by the department 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 the department under Part 5 of that Act.

In compliance with the provisions of the PPIP Act, we have a Privacy Management Plan and designated Privacy Contact Officer. The department has established mechanisms to make staff aware of the PPIP Act and other privacy obligations. Our privacy policy is clearly set out at paragraphs 11.14–11.15 of our Code of Conduct. New staff members are briefed 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 Privacy Management Plan is published on our website. The department's Privacy Contact Officer can be contacted at:

Privacy Contact Officer

Information and Privacy Unit
Office of General Counsel
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 the department under the PPIP Act or the *Health Records and Information Privacy Act 2002* during 2018–19.

Public interest disclosures

We recognise the value and importance of contributions by public officials to enhancing administrative and management practices. The department supports public interest disclosures 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 2018 to 30 June 2019:

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

TOTAL number of public interest disclosures received: 0

- d. Number of public interest disclosures (received since 1 Jan 2012) that have been finalised in this reporting period: 1
- e. An internal reporting policy has been established.

The department has a policy and procedures to guide staff in the reporting of public interest disclosures. Further information is provided on the department's intranet and internet sites.

- f. Actions taken to ensure staff awareness of the policy and the protections under the Act:
 - We have a Public Interest Disclosure Policy in line with the NSW Ombudsman's Model Policy and the Act.
 - We also have a Public Interest Disclosure Procedure including templates and checklists, to ensure a consistent approach and provide resources for officers receiving and managing disclosures.
 - We have a suite of e-learning modules for staff, which includes information on our Fraud Control Policy and how to make a public interest disclosure.

Government information

Obligations under the GIPA Act

1. Review of proactive release program — Clause 8(a)

Under section 7 of the *Government Information (Public Access) Act 2009* (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.

The department'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 the department that may be suitable for proactive release, and asking department groups and branches to submit information that is suitable for proactive release to the department's Information and Privacy Unit (IAPU). Following this review, IAPU 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 on the department.

During the reporting period, the department continued this program by issuing a memorandum to groups and branches requiring them to report to

IAPU on any information that they hold which may be suitable for authorised proactive release.

Premier and Cabinet 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 our website.

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

2. Number of access applications received — Clause 8(b)

During the reporting period, the department received 58 formal access applications (including withdrawn applications but not invalid applications).

3. Number of refused applications for Schedule 1 information — Clause 8(c)

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

Statistical information about access applications — clause 8(d) and Schedule 2

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	3	2	4				4
Members of Parliament	5	5	2	2	2	1		3
Private sector business				3				
Not-for-profit organisations or community groups				3				1
Members of the public (application by legal representative)	1			1				1
Members of the public (other)	5	3	1	1	2			

* 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	1		2				1
Access applications (other than personal information applications)	14	10	5	12	4	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)	4
Application is for excluded information of the agency (section 43 of the Act)	
Application contravenes restraint order (section 110 of the Act)	
Total number of invalid applications received	4
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	3
Executive Council information	
Contempt	
Legal professional privilege	
Excluded information	1
Documents affecting law enforcement and public safety	
Transport safety	
Adoption	
Care and protection of children	
Ministerial code of conduct	
Aboriginal and environmental heritage	
Information about complaints to the Judicial Commission	
Information about authorised transactions under the <i>Electricity Network Assets (Authorised Transactions) Act 2015</i>	
Information about authorised transactions under the <i>Land and Property Information NSW (Authorised Transaction) Act 2016</i>	

* 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	9
Law enforcement and security	
Individual rights, judicial processes and natural justice	9
Business interests of agencies and other persons	3
Environment, culture, economy and general matters	2
Secrecy provisions	
Exempt documents under interstate Freedom of Information legislation	

Table F: Timeliness

	Number of applications
Decided within the statutory timeframe (20 days plus any extensions)	34
Decided after 35 days (by agreement with applicant)	7
Not decided within time (deemed refusal)	1
Total	42

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

*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	3
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	7
Applicant-initiated transfers	

Cyber Security Annual Attestation Statement for the 2018/2019 Financial Year for the Department of Premier & Cabinet

I, Timothy Reardon, Secretary of the Department of Premier & Cabinet (DPC), am of the opinion that:

- *DPC has assessed its cyber security risks and is putting in place systems and processes to further strengthen the cyber security environment in a manner consistent with the mandatory requirements as set out in the NSW Government Cyber Security Policy.*
- *Risks to DPC's information and systems have been assessed and are being managed.*
- *Governance is in place to manage DPC's cyber security initiatives.*
- *Cyber security incidents are escalated to Cyber Security NSW as required. DPC has a cyber incident response plan and has formally tested the plan in the reporting period.*

SIGNED

A handwritten signature in black ink, appearing to be 'TR', is written below the 'SIGNED' text.

28 August 2019

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*.

The Secretary's attestation is shown on the following page.

During 2018-19, the department's risk management actions included:

- engaging external advisors to update the department's risk management framework to align with AS-ISO 31000:2018 *Risk management – Guidelines* and to accommodate machinery of government changes. This work has continued into 2019-20
- appointing a senior executive to Chief Risk Officer to raise the capability around risk management in the department.

Premier and Cabinet's internal audit actions included:

- starting audits on grants management and contracts management, which are expected to be completed in 2019-20
- engaging an external advisor to be the department's supplier of internal audit services until 31 October 2020
- appointing a senior executive to Chief Audit Executive to raise the profile of internal audit in the department.

Implementing performance audit recommendations

The department issues audit recommendations to managers to implement within agreed time frames. The implementation of the recommendations is overseen by the department's Audit and Risk Committee.

Our progress in implementing performance audit recommendations for 2018-19 is outlined in the table below.

Implementation of performance audit recommendations

Name of performance audit report	Date tabled	No. of remaining recommendations reported in 2017-18 annual report	No. of recommendations closed during 2018-19	No. of recommendations remaining at 30 June 2019
Government advertising	27 Oct 2016	5	5	0
Progress and measurement of Premier's Priorities	13 Sept 2018	2	1	1
Unsolicited proposal process for the lease of Ausgrid	11 Dec 2018	8	0	8

The Audit Office of NSW issued the *Engagement of probity advisers and probity auditors* report during 2018-19. This included one recommendation for the Department of Premier and Cabinet. The Secretary of the department agreed in principle with the recommendation, however suggested that Treasury implement it. Consequently, the department is not monitoring the implementation of the recommendations from the *Engagement of probity advisers and probity auditors* report.

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, Gerardine Brus, appointed January 2018, term expires December 2020
- 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
Date: 8/10/19

Agency Contact Officer:
William Atkins
Executive Director, Cabinet and
Governance / Chief Audit Executive
Telephone: 9228 3295

Overseas visits

Date	Officer	Destination	Purpose
14–27 Jul 2018	Glenn King	Helsinki, Finland Tallinn, Estonia Stockholm, Sweden Amsterdam, the Netherlands London, UK	Travelled with a delegation of public service executives and Boston Consulting Group representatives to investigate best-practice digital, cultural and service delivery transformation in other jurisdictions and leading private sector organisations.
9–19 Nov 2018	Glenn King	Boston, US	Participated in a Leadership Academy executive program. Travel for digital services transformation in government and the public sector.
18–27 Nov 2018	Claire McWilliams	Guangzhou, China	Participated in a Guangdong Foreign Affairs Office-sponsored friendship event.
26 Nov – 13 Dec 2018	Shane Brady	London, Birmingham, UK	Observed UK counter terrorism trials to inform NSW security strategies.
27 Nov – 1 Dec 2018	Tim Reardon	Tokyo, Japan	Western Sydney/Western Sydney Aerotropolis investment.
13–20 Jan 2019	Governor Linda Hurley Col Michael Miller Luke Fairbrother	Mumbai, India	Official Vice Regal visit.
23–29 Mar 2019	Tina Lange	Christchurch, New Zealand	Supported the New Zealand Government with commemoration events to honour those who lost their lives in the Christchurch terrorist attack on 15 March 2019.
24–29 Mar 2019	Claire McWilliams	Christchurch, New Zealand	Supported the New Zealand Government with commemoration events to honour those who lost their lives in Christchurch on 15 March 2019.
25–29 Mar 2019	Paula Fitzpatrick	Christchurch, New Zealand	Supported the New Zealand Government with commemoration events to honour those who lost their lives in Christchurch on 15 March 2019.
28–29 Mar 2019	Sonja Stewart, Deputy Secretary	Christchurch, New Zealand	Attended commemoration events to honour those who lost their lives in Christchurch on 15 March 2019.
3–9 Jun 2019	Meagan Kanaley	The Netherlands	Attended waste management and circular economy study tour.
7–16 Jun 2019	Christopher Sullivan	Toronto, Canada	Attended Vice Regal Households conference.
30 Jun – 8 Jul 2019	Kate Foy	London, UK	Accompanied Minister Harwin to understand how major cultural and performing institutions are operating in an international city, discuss the UK response to the implementation of modern slavery legislation, and discuss UK practices for both the public sector and electoral commission.

Funding and expenditure

Insurance

The department 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.

Insurance premiums paid (excluding GST)

Area of risk	2017-18 (\$'000)	2018-19 (\$'000)
Workers compensation	261	306
Public liability	80	93
Property	56	54
Motor vehicle	54	101
Miscellaneous	2	3
Total	453	557

Controlled entities

The Department of Premier and Cabinet is a separate entity with no other entities under its control.

Land disposal

There were no land disposals for the period 1 July 2018 to 30 June 2019.

Credit card certification

The department's credit (purchasing) card policies and procedures outline conditions for the eligibility, usage and management of corporate cards. These are consistent with NSW Government policy as outlined in relevant Treasury Directions.

In accordance with Treasury Policy Paper 17-09, the department certifies that the use of cards by officers of the department complied with government requirements.

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 2018	1,233,059.90	3,259.20	395.00	0.00	-46,812.62
Dec 2018	2,284,791.52	23,162.07	25,178.70	0.00	-20,794.24
March 2019	2,152,751.58	48,259.15	0.00	136.36	9,054.17
June 2019	10,923,122.57	4,933.54	16,665.00	14,542.23	3,173.74

Accounts due or paid within each quarter

Measure	Total 2018-19	Sept 2018	Dec 2018	March 2019	June 2019
All suppliers					
Number of accounts due for payment	8,139	1,642	2,062	2,362	2,073
Number of accounts paid on time	6,455	1,429	1,726	1,680	1,620
Actual percentage of accounts paid on time (based on number of accounts)	79.31%	87.03%	83.71%	71.13%	78.15%
Dollar amount of accounts due for payment	\$233,863,022	\$18,933,442	\$31,490,168	\$84,799,174	\$98,640,238
Dollar amount of accounts paid on time	\$181,558,789	\$14,402,269	\$22,150,997	\$68,278,443	\$76,727,080
Actual percentage of accounts paid on time (based on \$)	77.63%	76.07%	70.34%	80.52%	77.78%
Small business suppliers					
Number of accounts due for payment	137	21	7	59	50
Number of accounts paid on time	100	20	7	38	35
Actual percentage of accounts paid on time (based on number of accounts)	72.99%	95.24%	100.00%	64.41%	70.00%
Dollar amount of accounts due for payment	\$6,972,286	\$1,626,687	\$47,814	\$2,701,454	\$2,596,331
Dollar amount of accounts paid on time	\$6,488,907	\$1,621,119	\$47,814	\$2,612,813	\$2,207,161
Actual percentage of accounts paid on time (based on \$)	93.07%	99.66%	100.00%	96.72%	85.01%
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

In 2018–19, there were 70 consultancies under \$50,000 in value, costing a total of \$1.5 million.

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

There were 25 consultancies with a value of \$50,000 or more, with a total cost of nearly \$3.8 million.

Consultancies of \$50,000 or more in value

Consultant	Branch	Nature of consultancy	Cost (\$)
Quantum Health Pty Ltd	NDIS Reform	National disability data asset project	643,000
Boston Consulting Group	Office of the Secretary	NSW administration of government – Phase 2	495,000
Nous Group	Regional Strategy	Review of youth services in regional NSW	272,000
The Behavioural Insights Team	Behavioural Insights	Behavioural insights advisory services	257,346
Nous Group	NDIS Reform	Communications and engagement strategy	230,860
Professor Andrew McNaughton	Urban Delivery & Energy	NSW Fast Rail Strategy advice and review	198,110
KPMG Australia Pty Ltd	Office of the Customer Service Commissioner	Customer Service Standards	197,125
Ernst & Young	NDIS Reform	Market stewardship project	150,000
E3 Advisory Pty Ltd	Urban Delivery & Energy	NSW Fast Rail Strategy – procurement and management services	140,050
Circus Group Pty Ltd	NDIS Information Campaign	NDIS campaign creative concept and development	130,477
KPMG Australia Pty Ltd	Royal Commission Taskforce	Royal Commission Implementation Plan for NSW	115,900
RM Consulting Group Pty Ltd	Regional Policy, Infrastructure & Programs	Central West Food and Fibre Strategy	96,900
PriceWaterhouseCoopers Securities	Snowy Hydro Legacy Fund	Parkes strategic business case	90,888
JWS Research Pty Ltd	NDIS Information Campaign	NDIS research program	88,827
H4 Consulting	NDIS Reform	Restrictive practices authorisation	78,221
MMCK Pty Ltd	Snowy Hydro Legacy Fund	Tooleybuc Masterplan and infrastructure capacity and analysis	69,607
Procure Group Pty Ltd	Media Monitoring	Procurement advisory services – media monitoring contract	67,322

Consultant	Branch	Nature of consultancy	Cost (\$)
Deloitte	Premier's Implementation Unit	Independent review of the Premier's Priorities metrics	66,500
Elton Consulting Group Pty Ltd	Regional NSW	NSW Regional Youth Strategy	64,309
FDI Consulting Services GMBH	Investment Prospectus	Investment attraction support for Parkes Special Activation Precinct	60,000
Macroplan Holdings Pty Ltd	Snowy Hydro Legacy Fund	Tooleybuc Masterplan – sustainable township analysis	57,562
KPMG Australia Pty Ltd	Premier's Implementation Unit	Men's Behaviour Change Program supply and demand work	56,356
MinterEllison	Office of the General Counsel	Central to Eveleigh Technology Industry Hub	55,640
Salinger Consulting Pty Ltd	NDIS Reform	Privacy Impact Assessment on Phase 1 Plans	55,000
Optimum Media Direction Pty Ltd	NDIS Reform	Media strategy development	50,330

Funds and grants

Premier's Discretionary Fund

Name of organisation	Nature and purpose of grant	Amount paid (\$)
12x12 Gymnastics Ballina Inc.	Funding towards gymnastic equipment	5,000
1st Cherrybrook Scouts Group	Funding towards two storage containers	4,999
1st Hurstville Scouts Group	Funding to paint the interior walls and restore damaged windows at the scout hall	3,500
1st South Penrith Scouts	Funding towards bathroom renovations	10,000
1st/2nd Harbord Scouts	Funding for repairs to the scout hall after fire damage	5,000
3Bridges Community Ltd	Funding for new computer tablets and a printer	2,072
3Bridges Community Ltd	Funding for a new dishwasher and supplies at the Before and After School Care in Penshurst	1,000
3Bridges Community Ltd	Funding to carry out urgent roof repairs at the Penshurst Community Centre	5,000
Albion Park High School P&C Association	Funding towards the construction of a sensory garden	12,500
Albion Park RSL Sub-Branch	Funding towards a new PA system	2,181
Albion Park Scout Group	Funding for new tents to attend a Jamboree	7,900
Alesco Senior College	Funding towards the construction of a new kitchen	5,000
All Saints Anglican Church Oatley West	Funding for an air conditioner at the ministry hall	4,500
Alstonville Plateau Bowls and Sports Club	Funding for new fencing around the children's playground	7,700
Anglican Aid	Donation towards Anglican Aid's NSW Drought Relief Appeal	500
Australian Air League Riverwood Squadron	Funding towards costs associated with Armistice Day events	2,000
Australian Foundation for Disability	Funding towards an upgrade to the sensory garden at Cherrywood Hub, Llandilo	5,000
Australian Red Cross	Donation in support of the 2019 Red Cross Calling Appeal	200,000
Australian Red Cross, Kiama Branch	Funding towards purchasing a new marquee	1,500
Australian Seabird Rescue Inc.	Funding towards three new chest freezers	3,072
Babewatch Crew	Funding towards uniforms, equipment and a marquee	3,000
Balar Malar Tamil School	Funding towards a laptop, printer, books and student iPads	7,907
Ballina Bears Cricket Club	Funding towards a new fence at Fripp Oval	12,500
Ballina Country Music Festival	Funding towards organising and running the festival	5,000
Ballina Public School	Funding towards student iPads	9,000
Ballina Shire Meals on Wheels Inc.	Funding towards a solar system and kitchen upgrade	15,270
Bangalow Men's Shed	Funding towards new fans at the Men's Shed	2,199
Bargo Rural Fire Service	Funding towards torches, dashcams, blowers and a ride-on mower	9,500
Baringa Bush Community Garden	Funding towards a new hot composting bin	2,500
Barnardos Australia	Funding support for Barnardos' Mother of the Year awards and the national finalist event	15,000
Batemans Bay Cemetery Improvement Committee	Funding towards the refurbishment of the interment buildings	10,000

Name of organisation	Nature and purpose of grant	Amount paid (\$)
Bay and Basin Basketball Club	Funding for playing singlets, new basketball backboards and rings at Huskisson Public School	5,000
BDCU Goulburn Hospital Fundraising	Funding towards a new hearing booth at Goulburn Hospital	2,500
Beecroft Bowling Club	Funding towards a new enclosed children's playground	5,000
Bemboka Hall Committee	Funding towards kitchen appliances	3,000
Biaggio Signorelli Foundation	Donation in support of the foundation	25,000
Binda Crown Reserve Trust Management Committee	Funding to upgrade the toilet block with painting, new awnings, and ceiling and LED lighting	5,000
Bodalla Tennis Club	Funding towards court re-surfacing	10,000
Brogo Community Fire Shed	Funding towards a new computer	1,500
Bungonia Progress Association	Funding towards a public toilet upgrade	15,000
Burnside Gollan Bushcare and Parks Committee	Funding towards plants for the volunteer bushcare group	5,000
Byron Bay Rugby Union Club	Funding towards new equipment and uniforms for the women's team	5,076
Camp Quality	Donation towards Team Kermit and the Rotarians, who are raising funds for Camp Quality esCarpade	1,000
Central Coast Council	Funding towards the installation of a water refill station	8,000
Central Coast Outreach Services	Funding for new computers and software	2,500
Chipping Norton Baseball Club	Funding towards a new ride-on mower	4,000
Chipping Norton Lake Sailing Club	Funding to purchase equipment for the Juniors Sailing Program	5,000
Christ Mission Possible	Funding to hire a food truck for the Big Christmas Dinner event	1,500
Church@thepeak	Funding towards toys and storage for a new playgroup	3,000
Club Lennox	Funding assistance towards a new children's playground at the club	12,000
Club Weldon Inc.	Funding towards the construction of two coaches' boxes at Weldon Oval	7,000
Cobbitty Volunteer Rural Fire Service	Funding towards the fit-out of a new extension	5,000
Code C Bay & Basin	Funding towards maintenance of the community bus	5,000
Colo Vale Village Men's Shed	Funding towards a bench planer and sliding bench saw	5,000
Community Helping Community Inc.	Funding towards a shaded accessibility garden	10,000
Como-Jannali Probus Club	Funding assistance towards a new projector	2,000
Connells Point Progress Association	Funding towards environmental projects and community activities	1,000
Connells Point Sailing Club	Funding towards equipment, repairs and classes	2,500
Coogee Randwick Clovelly RSL Sub-Branch	Funding towards a new memorial at the Coogee Diggers Club	15,000
Culburra Beach Orient Point Men's Shed	Funding towards a new ride-on mower	4,795
Cundletown Historical Society	Funding to restore a cream boat from the Manning River Dairy Co-Op	5,000
Curl Curl Parkrun	Funding towards equipment for a Parkrun program	5,000
Curly Community Clean Up Crew	Funding for equipment to assist with the 66 Second Challenge	5,000

Name of organisation	Nature and purpose of grant	Amount paid (\$)
Curarong Community Association	Funding towards a reverse cycle air-conditioning unit	6,153
Dee Why Surfing Fraternity	Funding to purchase new equipment for the surf club	2,975
Dunlea Centre	Funding towards two air-conditioning units	11,000
Durras Progress Association	Funding towards finishing the village footpath	7,500
Eastwood Christian Community Aid	Funding towards iPads to assist with delivery of youth programs	8,605
El Marada Australia Inc.	Funding for a kitchen upgrade	10,000
Engadine High School P&C Association	Funding towards new fans for the school hall	16,280
Epping Bulls Cricket Club	Funding towards two new scoreboards and cricket balls	5,000
Five Dock Falcons Baseball Club	Funding assistance towards new baseball equipment	14,072
Friends of Milton Library	Funding to purchase equipment to complete the library upgrade	13,750
Friends of the Koala – Ballina	Funding towards backpack sprayers, mist blowers and traps with cameras	7,296
Georges River Council	Funding towards the installation of surveillance cameras	5,000
Gerringong Community Garden	Funding towards a new community garden	4,000
Girl Guides at Cambridge Gardens	Funding towards air conditioning at the community hall	2,000
Glenbrook and District Historical Society	Funding towards a memorial plaque to be installed on the Glenbrook War Memorial	885
Glenbrook Little Athletics Club	Funding assistance for new hurdles and a line marker	5,000
Glenbrook Native Plant Reserve	Funding for five volunteers to train in first aid	1,000
Glenmore Park High School	Funding to upgrade the hospitality kitchen and café	25,000
Glenray Industries Limited	Funding towards the purchase of new equipment for its laundry	10,000
Gorrie Ban	Funding towards a new fence	10,000
Gosford City Model Railway Club Men's Shed	Funding to install a covered pathway	7,077
Gosford Musical Society Inc.	Funding towards the purchase of sewing machines, instruments, tools and office equipment	10,000
Goulburn and District Meals on Wheels	Funding support for history checks and petrol assistance for volunteers	2,000
Goulburn Loco Roundhouse Preservation Society	Funding towards hosting a celebration of the arrival of the railway in Goulburn	3,000
Goulburn Motor Cycle Club Inc.	Funding towards a side-by-side buggy	15,000
Goulburn Railway Tennis Club	Funding for new lighting at the club	18,000
Gurdwara Singh Sabha Society Inc.	Funding towards the Annual Shaheedi Tournament	20,000
Harman Foundation Limited	Funding towards domestic violence support services	2,000
Helensburgh Pony Club	Funding to update club amenities	10,000
Holroyd State Emergency Services	Funding towards the purchase of an Arc Angel Rescue Craft	10,000
Holsworthy High School	Funding to upgrade a war memorial plaque, two shade tents and table cover throw	3,400
Holy Spirit Parish in St Clair	Funding towards the upgrade of the parking area and to re-establish three netball courts and landscaping	6,519

Name of organisation	Nature and purpose of grant	Amount paid (\$)
Hunter Region Botanic Gardens	Funding assistance towards costs associated with a new electronic notice board	5,000
Hurstville Grove Infants School	Funding towards student attendance at the 'Leadership by the River' program	3,000
Italian Bilingual School	Funding for two iPads	1,800
Jamberoo Croquet Club Inc.	Funding to extend equipment storage and maintenance of the facilities	5,000
Jamberoo Red Cross	Funding towards a new marquee	1,500
Jessica Stalder	Funding to assist Royals Program to supply free packs to families, and the fit-out of their venue	2,000
Juvenile Diabetes Research Foundation Australia	Donation in support of the foundation	5,000
Kiah Lodge	Funding towards the repair of the community centre snooker table	590
Kiama Jamberoo Community Music Association	Funding to establish a new website	1,955
Kidney Health Australia	Funding towards the 'Stop the Coward's Punch' campaign	7,000
KidzWish Foundation Inc.	Funding towards the cost of the annual KidzWish Children's Christmas Party	15,000
Kings Langley Cricket Club	Funding for a new marquee and additional lighting	3,000
Kings Langley Public School P&C Association	Funding towards robotics kits	3,000
KYDS Youth Development Services	Funding towards counsellors and services to assist with early intervention and youth mental health counselling	10,000
Lions Club of Kiama	Funding assistance towards the completion of the Kiama Lions Carers' Cottage Project	10,000
Lions Club of Lugarno	Funding towards the Microbiome Research Centre at St George Hospital	500
Lions Club of Lugarno	Funding towards equipment and transportation the costs of the Lugarno Spring Festival	5,000
Lions Club of St George	Funding towards the purchase of equipment and hiring for the St George Charity Golf Day	1,000
Lions Club of Young	Funding to repair the 20-year-old custom-built barbecue	5,000
Lismore Lions Club	Funding towards a new barbecue trailer	16,195
Lismore parkrun	Funding assistance towards the erection of signs along the run route	360
Liverpool City Robins Football Club	Funding towards a new PA system	10,000
Liverpool Eagles Junior AFL Club	Funding towards a scoreboard upgrade and a line-marking machine	5,000
Liverpool South Anglican Church	Funding towards a bathroom upgrade	10,000
Louisa Johnston Centre at Bonalbo	Funding towards a new shade house	3,410
Lugarno Probus Club	Funding towards preliminary costs and publicity for establishing the new club	1,000
Lugarno Public School	Funding to purchase a defibrillator	3,000
Luke Priddis Foundation	Funding towards ongoing work with children who have autism spectrum disorders	4,595
Mama Lana's Community Foundation	Funding towards new fridges	9,000

Name of organisation	Nature and purpose of grant	Amount paid (\$)
Mandaeen Association of Australia	Funding towards a new sound system and equipment	5,000
Marine Rescue NSW – Port Stephens	Funding towards a Nelson Bay dock facility upgrade	10,000
Mayflower Preschool Kindergarten	Funding towards an interior refurbishment	10,000
Men's Health Support Group	Funding towards two automated external defibrillators for the Milton and Ulladulla region	3,000
Milperra Colts Junior Rugby League Football Club	Funding towards scoreboard upgrades	22,000
Miracle Babies Foundation	Donation in support of World Prematurity Day 2018	5,000
Moorebank Sports Soccer Club	Funding to replace two shelters for the players	10,000
Mortdale Public School	Funding towards upgrading the school hall with roof repairs and new fans	10,000
Moruya Surf Life Saving Club	Funding towards floating wheelchairs	5,000
Moss Vale Community Garden	Funding towards new lockable gates	2,000
Moving Forward Together Association Inc.	Funding towards the Harmony Walk and Harmony Day Poster and Song Writing Competition	5,000
Mr Paul and Ms Helen Arkley	Grant to support fundraising efforts for the Kaleidoscope – John Hunter Children's Health Network	1,000
Mullumbimby Brunswick Valley Football Club	Funding towards the purchase of four new goals	9,000
Mullumbimby Showground Trust	Funding to upgrade the transformer within the showgrounds	4,552
Museum of Fire	Funding towards museum equipment	1,500
Narara Valley Baptist Church	Funding towards a new ride-on mower	6,499
Narooma Country Women's Association	Funding to upgrade the hall to improve facilities for people with disability	4,000
Narooma Sport and Gamefishing Club	Funding to upgrade the access path	10,000
National Farmers' Federation, Rotary Australia and Channel 9	Donation in support of the 2018 Drought Relief Fund for Australian Farmers	25,000
Nepalese Penshurst Community Group	Funding towards new musical instruments, sporting equipment, team jerseys and outdoor furniture	4,500
Nepean Puffers and Wheezers	Funding towards exercise classes	1,800
Nepean Therapy Dogs	Funding to recruit and train two therapy dogs	1,000
Nimmitabel Public School	Funding towards the New Horizons Program	10,685
North Ryde Dockers Australian Football Club	Funding towards replacing equipment destroyed by fire at ELS Hall Park	10,000
North Ryde Public School P&C Association	Funding towards an extension of the existing shade structure	15,000
Northbridge Cricket Club	Funding towards specially designed cricket apparel to celebrate its centenary	2,500
Northern Beaches Council	Funding towards the Walk and Talk project	5,000
Northern Beaches Swim Club	Funding to provide eight new competition-level stopwatches	500
Northern Beaches Women's Shelter	Funding to upgrade the carpet and flooring inside the shelter	10,000
Nowra Uniting Church	Funding towards the purchase of a defibrillator	2,595
NSW Farmers' Association Wagga Wagga Branch	Funding towards a guest speaker at a mental health event	5,000
Oatley Football Club	Funding to upgrade seating at Renown Park	5,000

Name of organisation	Nature and purpose of grant	Amount paid (\$)
Oatley Heritage and Historical Society	Funding to help preserve historical documentation, install historical plaques and produce pamphlets for schools	2,000
Oatley West Public School	Funding to purchase table tennis tables and equipment for the school playground	5,000
One Meal It Makes A Difference Incorporated	Funding towards new food service equipment	1,000
Open Studios – Ballina, Byron & Beyond	Funding towards the 2019 Open Studios – Ballina, Byron & Beyond event	5,000
Orchard Hills Masonic Centre	Funding towards the repair and replacement of roof guttering	6,900
Origin Cricket	Funding towards cricket equipment and jerseys for the T20 Tournament	5,000
Ornamental Turners Group of Australia Inc.	Funding towards a new defibrillator	2,500
Our Lady of Fatima Catholic Church	Funding towards a disability bathroom facility at the church	15,000
Our Lady of Fatima Catholic Church	Funding towards programs for seniors and families, including outings, morning teas and activities	1,000
Our Lady of Mercy College Parramatta	Funding towards a bronze statue of Catherine McAuley	8,000
Our Lady of Mount Carmel	Funding towards the purchase and installation of air conditioning at the parish centre	10,000
Ourimbah Residents Association	Funding towards a portable PA system	1,000
Ourimbah RSL Sub-Branch	Funding towards new computers and software	4,000
Parklea Soccer Football Club	Funding assistance towards line marking	3,000
Parramatta High School	Funding towards travel and accommodation costs associated with co-hosting a sporting event in Gilgandra to support young people affected by drought	1,000
PCYC Penrith	Funding towards three boxing bags to be used for women's programs at the centre	1,050
PCYC Shoalhaven	Funding towards the purchase of a new 12-seater mini-bus	40,000
Pedestrian Council of Australia	Donation in support of the 20th Walk Safely to School Day	12,500
Pendle Hill Colts Cricket Club	Funding towards a new refrigerator	2,500
Penrith Baseball Club Inc.	Funding towards a Super Sopper, five batting helmets and six steel mesh carts to store equipment	3,200
Penrith Community Men's Shed	Funding towards the purchase of a laser engraver	3,500
Penrith Superstation P1 Paramedic (Ambulance NSW)	Funding towards the purchase of two flagpoles	2,000
Penshurst Anglican Church	Funding towards the completion of a covered walkway between two church buildings	10,000
Penshurst RSL Junior Rugby League Football Club Inc.	Funding towards an awning to enhance the clubrooms at H.V. Memorial Park	10,000
Penshurst West Public School	Funding towards a school playground upgrade	10,000
Picton Anzac Day Committee	Funding towards a new trailer and fold-up tables and chairs to assist with fundraising	4,800
PlayAbility Inc.	Funding towards structural repairs to its facilities in Eden following termite damage	10,000
Port Stephens Council	Funding for soft fall flooring at Shoal Bay playground	5,200
Port Stephens Council	Funding towards upgrading the grandstand at Lakeside Sports Complex in Raymond Terrace	10,000

Name of organisation	Nature and purpose of grant	Amount paid (\$)
Port Stephens State Emergency Services	Funding assistance towards two defibrillators and oxygen resuscitation kits for first response vehicles	6,300
Postvention Australia	Donation in support of the organisation	10,000
Prestons Hornets Cricket Club	Funding assistance for the purchase of training equipment, game day equipment and trophies	5,000
Pyree Literary Institute	Funding towards a fence around the School of the Arts Community Hall	6,630
Reserve Forces Day Council Inc.	Funding assistance towards insurance and the safe lodgement of records and assets at the Australian War Memorial in Canberra	20,000
Returned and Services League of Australia (NSW Branch)	Funding assistance for the 2018 Anzac Day commemorations	50,000
Riding for the Disabled Association	Funding towards the completion of the disabled car park facilities	6,700
Riverstone Dolphins RSL Youth Swimming Club	Funding towards chair and gazebo rental for the 25th swimming carnival	500
Roly Poly Child Care Centre	Funding towards a shaded pergola	13,343
Rotary Club of Cooma	Funding towards a new towable barbecue	8,000
Royal Art Society of NSW	Funding towards improvements to the gallery lighting and carpet	9,000
Royal Flying Doctor Service of Australia, Broken Hill Women's Auxiliary	Funding towards the purchase of reverse-cycle air conditioners	5,000
Seven Hills North Public School P&C Association	Funding assistance towards stage two of the school's educational native garden project	3,500
Shoalhaven City Council	Funding towards costs associated with the 2019 Anzac Day services	7,500
Shoalhaven Heads Primary School	Funding towards new classroom furniture	12,928
Shoalhaven River Festival Inc.	Funding to purchase a marquee and hire an LED trailer to promote the Shoalhaven River Festival	5,000
Shoalhaven United Football Club	Funding to upgrade floodlights at field four at Lyrebird Sports Park	18,476
South Asian Australian Association	Funding to purchase educational resources for the South Asian Hindi School	2,000
St Anthony's at Marsfield	Funding towards outdoor seating and tables	10,000
St George Men's Shed	Funding towards materials and equipment	1,000
St Georges Basin Little Athletics Club	Funding towards one high-jump mat and 40 hurdles	10,714
St Mark's Coptic Orthodox College P&F Association	Funding towards student lockers	5,000
St Paul's Netball Club	Funding towards new equipment and materials for club members	4,000
Star Sydney Pty Ltd	Funding towards the Special Children's Christmas Party	10,000
Surfrider Foundation of Australia	Funding towards conservation and education initiatives	4,700
Sussex Inlet Thompson Street Facilities Management Committee	Funding towards cricket equipment and a dishwasher for the community centre	7,393
Sutherland Shire Council	Funding for traffic management plans for five RSL sub-branches for Anzac Day marches and dawn services	3,850
Sutherland Shire Small Bore Rifle Club	Funding towards maintenance of the clubhouse	15,000

Name of organisation	Nature and purpose of grant	Amount paid (\$)
Sutherland Shire Sport Flying Association	Funding towards the installation of a shade structure at the Garrawarra field	7,700
Sydney Children's Hospital Foundation	Donation to Sydney Children's Hospital Gold Telethon	25,000
Sylvania Heights Public School P&C Association	Funding towards a playground upgrade	14,000
Taronga Conservation Society Australia	Donation to honour the wedding of the Duke and Duchess of Sussex	5,000
Tathra Lions Club	Funding to rebuild paths and gardens at Tathra Headland following fires	10,000
Tathra Nippers	Funding towards board replacements	10,000
Tea Gardens-Hawks Nest Men's Shed	Funding towards a defibrillator and professional training	3,500
Tenterfield Transport Museum	Funding towards an industrial dishwasher and vacuum cleaner	12,380
Tharawal Primary School P&C Association	Funding towards a shade sail over the outdoor learning area	10,000
The Balgowlah Bowling Club	Funding towards new air conditioning	9,000
The Greenway Community Centre	Funding to replace the centre's oven and microwave	3,600
The Gut Foundation	Donation in support of the Gut Foundation	10,000
The Hills School P&C Association	Funding towards plants and vegetables for the school farm and a water irrigation system	3,000
The Meadows Public School Parents and Citizens	Funding towards training and playing equipment for inter-school competitions	5,000
The Narrabri Courier	Funding towards publication costs associated with a WWI community project	5,000
The Primary Club of Australia Inc.	Funding support to help offset costs associated with the 2018 Baggy Green Dinner and the Test Match Breakfast	25,000
The Salvation Army	Donation in support of the 2019 Red Shield Appeal	225,000
The Smith Family	Funding to support The Smith Family's 2018 Christmas Appeal	10,000
Thirlmere Grounds Committee	Funding to upgrade changeroom facilities at Thirlmere Oval	10,000
Thirlmere Rural Fire Brigade	Funding towards a pallet racking system to improve storage	4,000
Thornton Community Group	Funding towards the establishment of a new community garden in the Penrith area	3,000
Tintenbar Community Hall Inc.	Funding assistance to repair steps to the community hall	9,200
Toongabbie West Public School P&C Association	Funding towards floor coverings in the canteen area	5,000
Turramurra High School	Funding towards upgrading the portable sports goals	7,521
Turramurra High School	Funding to refurbish the curtains in the multi-purpose centre	10,000
Ulladulla and Districts Community Resources Centre	Funding towards a kitchen upgrade	5,000
UN Women Australia	Funding support for Sydney's International Women's Day Breakfast	30,000
United Nations Association of Australia (NSW)	Funding towards celebrating World UN Day	7,000
Uralla Australia Day Committee	Funding towards a new PA system	2,000
Vardys Road Public School P&C Association	Funding towards new seating at the school	10,980

Name of organisation	Nature and purpose of grant	Amount paid (\$)
Wagga Wagga SES	Funding towards computer equipment and the installation of a new sign	10,000
Wardell and District Progress Association	Funding towards sanding and polishing of the War Memorial Hall floors	14,586
Wardell and District Progress Association	Funding towards the construction of wooden bench seats and borders to protect three heritage fig trees in Wardell	6,000
Wardell Sports Ground Trust	Funding towards a new mower	6,500
West Ryde Rovers Cricket Club	Funding towards new equipment for the club	8,285
Western Sydney Community Forum	Funding support for the 2019 ZEST Awards	5,000
White Ribbon Australia	Donation in support of 2018 White Ribbon Day	10,000
Wingecarribee Vocal Muster	Funding towards music equipment for disadvantaged secondary students	7,828
Winston Heights Public School P&C Association	Funding for a new barbecue and portable sink	2,500
Winston Heights Public School P&C Association	Funding towards new representative sports uniforms	3,500
Winston Hills Public School P&C Association	Funding towards a new flagpole	2,541
Wollondilly Little Athletics	Funding towards new equipment	10,000
Wollondilly Macarthur Mountain Bike Club	Funding towards the restoration of the mountain bike track on the Australian Botanic Garden, Mount Annan site	9,702
Wollondilly Netball Association	Funding towards a new refrigerator	2,000
Wolumla and District Pony Club	Funding to upgrade the jumps	10,000
Woodenbong Progress Association	Funding towards a new laptop	2,228
Yarrawarra Tigers Junior Rugby League Football Club	Funding towards repairs to the clubhouse	11,500
Yesterday's Heroes Inc.	Donation in support of the Coonamble Rain Dance Ball	10,000
Total number of grants: 261		2,299,954

Regional NSW

Name of organisation	Nature and purpose of grant	Amount paid (\$)
Canberra District Rugby League Football Club Ltd	Cross Border Commissioner Fund	4,000,000
Australian Air Race Events Inc.	Deputy Premier's Miscellaneous Grants	2,000
Bathurst Family History Group	Deputy Premier's Miscellaneous Grants	5,000
Bathurst Regional Council	Deputy Premier's Miscellaneous Grants	50,000
Bucketts Way Neighbourhood Group Inc.	Deputy Premier's Miscellaneous Grants	8,000
Canowindra Steering Committee	Deputy Premier's Miscellaneous Grants	17,000
CAT Awards Ltd	Deputy Premier's Miscellaneous Grants	25,000
Centacare New England North West	Deputy Premier's Miscellaneous Grants	20,000
Cooma Multicultural Centre	Deputy Premier's Miscellaneous Grants	10,000
Coonabarabran Netball Association Inc.	Deputy Premier's Miscellaneous Grants	5,000

Name of organisation	Nature and purpose of grant	Amount paid (\$)
Country Music Association of Australia Inc.	Deputy Premier's Miscellaneous Grants	1,000
Country Women's Association of NSW	Deputy Premier's Miscellaneous Grants	535
Cowra Rugby Club Inc.	Deputy Premier's Miscellaneous Grants	15,000
Deniliquin Men's Shed Inc.	Deputy Premier's Miscellaneous Grants	3,000
Dungog Shire Community Centre	Deputy Premier's Miscellaneous Grants	50,000
Finley Community Gym Inc.	Deputy Premier's Miscellaneous Grants	26,000
Free Trade Day Inc.	Deputy Premier's Miscellaneous Grants	5,000
Friends of All Saints Cathedral	Deputy Premier's Miscellaneous Grants	2,273
Friends of Dalgety Women's Day	Deputy Premier's Miscellaneous Grants	10,000
Friends of Jindabyne Community Garden	Deputy Premier's Miscellaneous Grants	10,000
Friends of the Quirindi Cemetery	Deputy Premier's Miscellaneous Grants	4,894
Gilgandra Shire Council	Deputy Premier's Miscellaneous Grants	30,000
Griffith East P&C Association	Deputy Premier's Miscellaneous Grants	9,785
Guyra Show Society Ltd	Deputy Premier's Miscellaneous Grants	5,000
Henbury Sport & Recreation Club Ltd	Deputy Premier's Miscellaneous Grants	20,000
Kyogle Council	Deputy Premier's Miscellaneous Grants	50,000
Lennox Head/Alstonville Surf Life Saving Club Inc.	Deputy Premier's Miscellaneous Grants	25,700
Liston Hall Committee Inc.	Deputy Premier's Miscellaneous Grants	1,000
Men of League Foundation Ltd	Deputy Premier's Miscellaneous Grants	1,500
Merimbula Tourism Inc.	Deputy Premier's Miscellaneous Grants	25,000
Monaro Panthers FC Inc.	Deputy Premier's Miscellaneous Grants	30,000
Nambucca Valley Youth Services Inc.	Deputy Premier's Miscellaneous Grants	10,000
National Rugby League Ltd	Deputy Premier's Miscellaneous Grants	40,000
Nichole Overall	Deputy Premier's Miscellaneous Grants	5,000
North Coast National A & I Society	Deputy Premier's Miscellaneous Grants	6,980
NSW Business Chamber Ltd	Deputy Premier's Miscellaneous Grants	15,000
Parkes Shire Council	Deputy Premier's Miscellaneous Grants	10,000
Parkinson's NSW Ltd	Deputy Premier's Miscellaneous Grants	30,000
Penrith Rugby League Club Ltd	Deputy Premier's Miscellaneous Grants	4,545
Port Macquarie Branch Combined Pensioners and Superannuants Association of NSW Inc.	Deputy Premier's Miscellaneous Grants	7,000
Port Macquarie Tidal Pool Committee	Deputy Premier's Miscellaneous Grants	50,000
Pottsville District Bowls & Sports Club Ltd	Deputy Premier's Miscellaneous Grants	50,000
Queanbeyan-Palerang Regional Council	Deputy Premier's Miscellaneous Grants	2,000
Sherri Meissner	Deputy Premier's Miscellaneous Grants	1,500
Shoalhaven Business Chamber	Deputy Premier's Miscellaneous Grants	10,000
Snowy Monaro Regional Council	Deputy Premier's Miscellaneous Grants	5,000

Name of organisation	Nature and purpose of grant	Amount paid (\$)
Supreme Australian Sheepdog Championships	Deputy Premier's Miscellaneous Grants	5,000
Tamworth Regional Council	Deputy Premier's Miscellaneous Grants	1,000
The Baggy Blues Members' Club Ltd	Deputy Premier's Miscellaneous Grants	60,000
The North Western Courier Pty Ltd	Deputy Premier's Miscellaneous Grants	5,000
The Rock & Districts Men's Shed	Deputy Premier's Miscellaneous Grants	20,000
The Scout Association of Australia	Deputy Premier's Miscellaneous Grants	45,455
Tulloona Parents and Citizens	Deputy Premier's Miscellaneous Grants	1,309
Volunteer Marine Rescue NSW	Deputy Premier's Miscellaneous Grants	2,500
Wakool Community Progress Association	Deputy Premier's Miscellaneous Grants	10,000
Werris Creek Swimming Club Inc.	Deputy Premier's Miscellaneous Grants	5,000
Far North West Joint Organisation	Department of Premier and Cabinet Regional Executive	14,000,000
Far South West Joint Organisation	Department of Premier and Cabinet Regional Executive	6,000,000
Kiama Municipal Council	Department of Premier and Cabinet Regional Executive	20,000
Armidale Regional Council	Executive Director Regional Policy Infrastructure and Programs	25,000
Goulburn Mulwaree Council	Executive Director Regional Policy Infrastructure and Programs	20,000
Infrastructure NSW	Executive Director Regional Policy Infrastructure and Programs	100,000
Nambucca Shire Council	Executive Director Regional Policy Infrastructure and Programs	25,000
NSW Department of Industry	Executive Director Regional Policy Infrastructure and Programs	78,500
Tamworth Regional Council	Executive Director Regional Policy Infrastructure and Programs	25,000
Tweed Shire Council	Executive Director Regional Policy Infrastructure and Programs	3,000,000
Walgett Shire Council	Executive Director Regional Policy Infrastructure and Programs	50,000
Advance Optimum Group Pty Ltd	Murray-Darling Basin Regional Economic Diversification Program	1,818
B.B Maurice & R.T Maurice	Murray-Darling Basin Regional Economic Diversification Program	9,026
Blayney Logistics Pty Ltd	Murray-Darling Basin Regional Economic Diversification Program	10,000
Bourke Shire Council	Murray-Darling Basin Regional Economic Diversification Program	1,350,000
Bronco Built Pty Ltd	Murray-Darling Basin Regional Economic Diversification Program	10,000
Capra Developments Pty Ltd	Murray-Darling Basin Regional Economic Diversification Program	10,000
Codarra Advanced Systems Pty Ltd	Murray-Darling Basin Regional Economic Diversification Program	10,000

Name of organisation	Nature and purpose of grant	Amount paid (\$)
Cowra Concrete Products Pty Ltd	Murray-Darling Basin Regional Economic Diversification Program	5,000
Darling River Goat Exports Pty Ltd	Murray-Darling Basin Regional Economic Diversification Program	10,000
Dreamtime Tuka	Murray-Darling Basin Regional Economic Diversification Program	235,000
Edward River Council	Murray-Darling Basin Regional Economic Diversification Program	525,000
F & Z Coorey Pty Ltd	Murray-Darling Basin Regional Economic Diversification Program	5,000
Free Range Foods Pty Ltd	Murray-Darling Basin Regional Economic Diversification Program	4,856
GB Auto Group Pty Ltd	Murray-Darling Basin Regional Economic Diversification Program	4,443
General Industry Pty Ltd	Murray-Darling Basin Regional Economic Diversification Program	627
Global Pos Group Pty Ltd	Murray-Darling Basin Regional Economic Diversification Program	9,033
Go Zero Pty Ltd	Murray-Darling Basin Regional Economic Diversification Program	156,551
Grainlink Storage Pty Ltd	Murray-Darling Basin Regional Economic Diversification Program	97,329
GreatCell Solar Ltd	Murray-Darling Basin Regional Economic Diversification Program	5,000
Kelly, Alexandria Louise	Murray-Darling Basin Regional Economic Diversification Program	10,000
Leeton Shire Council	Murray-Darling Basin Regional Economic Diversification Program	300,000
Lowe Wines Pty Ltd	Murray-Darling Basin Regional Economic Diversification Program	1,485
Maspro Engineering Trading Pty Ltd	Murray-Darling Basin Regional Economic Diversification Program	4,307
McWilliam's Wines Group Ltd	Murray-Darling Basin Regional Economic Diversification Program	371,000
Moree Plains Shire Council	Murray-Darling Basin Regional Economic Diversification Program	150,000
Narrabri Shire Council	Murray-Darling Basin Regional Economic Diversification Program	100,000
Oilseeds Australia Pty Ltd	Murray-Darling Basin Regional Economic Diversification Program	160,000
Redlyn Holdings Pty Ltd	Murray-Darling Basin Regional Economic Diversification Program	10,000
Ric Electrics Pty Ltd	Murray-Darling Basin Regional Economic Diversification Program	5,000
Royal Far West	Murray-Darling Basin Regional Economic Diversification Program	10,000
Specialized Electrical Pty Ltd	Murray-Darling Basin Regional Economic Diversification Program	3,020
The Trustee for Dunn Family Trust	Murray-Darling Basin Regional Economic Diversification Program	41,903

Name of organisation	Nature and purpose of grant	Amount paid (\$)
The Trustee for Kiss Farming Trust	Murray-Darling Basin Regional Economic Diversification Program	10,000
The Trustee for Hulme Family Trust	Murray-Darling Basin Regional Economic Diversification Program	14,874
The Trustee for Intersales Unit Trust	Murray-Darling Basin Regional Economic Diversification Program	10,000
The Trustee for S & A Family Trust	Murray-Darling Basin Regional Economic Diversification Program	10,000
The Trustee for Thunder's Family Trust	Murray-Darling Basin Regional Economic Diversification Program	10,000
Velflex Imports Pty Ltd	Murray-Darling Basin Regional Economic Diversification Program	7,855
Warren Shire Council	Murray-Darling Basin Regional Economic Diversification Program	300,000
Wholegrain Milling Company Pty Ltd	Murray-Darling Basin Regional Economic Diversification Program	5,000
WP Granite Pty Ltd	Murray-Darling Basin Regional Economic Diversification Program	10,000
Ballina Shire Council	Northern Rivers Business Recovery Program	50,000
Byron Shire Council	Northern Rivers Business Recovery Program	4,000
Destination North Coast Ltd	Northern Rivers Business Recovery Program	15,000
NSW Business Chamber Ltd	Northern Rivers Business Recovery Program	31,250
Tweed Shire Council	Northern Rivers Business Recovery Program	90,999
All Sustainable Futures Inc.	Port Kembla Community Investment Fund	210,000
Anglican Church Property Trust Diocese of Sydney	Port Kembla Community Investment Fund	148,561
Australian Trust for Conservation Volunteers	Port Kembla Community Investment Fund	14,273
Australia's Industry World Ltd	Port Kembla Community Investment Fund	102,047
Department of Planning	Port Kembla Community Investment Fund	72,727
Environment Protection Authority	Port Kembla Community Investment Fund	44,000
Football South Coast Ltd	Port Kembla Community Investment Fund	63,186
Marine Rescue Port Jackson	Port Kembla Community Investment Fund	82,040
Multicultural Communities Council of Illawarra Inc.	Port Kembla Community Investment Fund	44,545
NSW Government Schools	Port Kembla Community Investment Fund	299,718
NSW Ports	Port Kembla Community Investment Fund	65,045
Office of Environment and Heritage	Port Kembla Community Investment Fund	35,603
Our Community Project Inc.	Port Kembla Community Investment Fund	99,529
Port Kembla Baptist Church	Port Kembla Community Investment Fund	7,480
Port Kembla Cricket Association	Port Kembla Community Investment Fund	54,719
Port Kembla Gateway Pty Ltd	Port Kembla Community Investment Fund	77,500
Port Kembla Surf Life Saving Club Inc.	Port Kembla Community Investment Fund	77,500
The Flagstaff Group Ltd	Port Kembla Community Investment Fund	76,306

Name of organisation	Nature and purpose of grant	Amount paid (\$)
The Housing Trust	Port Kembla Community Investment Fund	28,444
The Maritime Union of Australia	Port Kembla Community Investment Fund	98,182
The Trustee for the Salvation Army (NSW) Property Trust	Port Kembla Community Investment Fund	44,463
Trustees of the Roman Catholic Church for the Diocese of Wollongong	Port Kembla Community Investment Fund	75,149
Wollongong City Council	Port Kembla Community Investment Fund	394,591
Wollongong City of Innovation Ltd	Port Kembla Community Investment Fund	14,545
ADW Johnson Pty Ltd	Regional Growth - Environment and Tourism Fund (Indigenous Projects)	100,000
Balmoral Group Australia Pty Ltd	Regional Growth - Environment and Tourism Fund (Indigenous Projects)	20,000
Bularri Muurlay Nyanggan Aboriginal Corporation	Regional Growth - Environment and Tourism Fund (Indigenous Projects)	40,000
Cuttriss, Andrew Keith	Regional Growth - Environment and Tourism Fund (Indigenous Projects)	40,000
Department of Customer Service	Regional Growth - Environment and Tourism Fund (Indigenous Projects)	208,000
Kategic Pty Ltd	Regional Growth - Environment and Tourism Fund (Indigenous Projects)	100,000
WolfPeak Pty Ltd	Regional Growth - Environment and Tourism Fund (Indigenous Projects)	100,000
Dubbo Golf Club	Regional Communities Development Fund	390,000
Eurobodalla Shire Council	Regional Communities Development Fund	3,600,000
Greater Hume Shire Council	Regional Communities Development Fund	620,656
Griffith City Council	Regional Communities Development Fund	730,000
Kiama Municipal Council	Regional Communities Development Fund	4,000,000
Lismore City Council	Regional Communities Development Fund	1,640,000
NSW Department of Industry	Regional Communities Development Fund	1,800,000
NSW Public Works	Regional Communities Development Fund	44,000
Police Citizens Youth Clubs NSW Ltd	Regional Communities Development Fund	1,500,000
The Trustee for First Steps Count Foundation	Regional Communities Development Fund	500,000
Twyford Hall Inc.	Regional Communities Development Fund	1,480,000
Woolgoolga Surf Life Saving Club Inc.	Regional Communities Development Fund	599,008
Zig Zag Railway Co-op Ltd	Regional Communities Development Fund	466,000
NSW Public Works	Regional Economic Activation Programs	71,470
Stanley, Paul Graham	Regional Economic Activation Programs	21,600
Dubbo Regional Council	Regional Economic Development	10,000
Regional Development Australia	Regional Economic Development	12,500
Department of Planning	Snowy Hydro Legacy Fund	3,650,266
Infrastructure NSW	Snowy Hydro Legacy Fund	3,111,857
NSW Department of Industry	Snowy Hydro Legacy Fund	2,407,500
Port Jackson Partners Ltd	Snowy Hydro Legacy Fund	1,090,000

Name of organisation	Nature and purpose of grant	Amount paid (\$)
Transport for NSW	Snowy Hydro Legacy Fund	250,000
Albury City Council	Stronger Country Communities Fund	748,992
Armidale Regional Council	Stronger Country Communities Fund	128,301
Ballina Shire Council	Stronger Country Communities Fund	33,500
Balranald Shire Council	Stronger Country Communities Fund	451,307
Bathurst Regional Council	Stronger Country Communities Fund	876,645
Bega Valley Shire Council	Stronger Country Communities Fund	677,194
Bellingen Shire Council	Stronger Country Communities Fund	1,105,576
Berrigan Shire Council	Stronger Country Communities Fund	518,498
Bland Shire Council	Stronger Country Communities Fund	622,928
Blayney Shire Council	Stronger Country Communities Fund	182,655
Bogan Shire Council	Stronger Country Communities Fund	917,488
Bourke Shire Council	Stronger Country Communities Fund	866,029
Brewarrina Shire Council	Stronger Country Communities Fund	428,890
Broken Hill City Council	Stronger Country Communities Fund	1,072,219
Byron Shire Council	Stronger Country Communities Fund	1,087,033
Cabonne Council	Stronger Country Communities Fund	1,172,851
Carrathool Shire Council	Stronger Country Communities Fund	504,067
Central Coast Council	Stronger Country Communities Fund	2,720,299
Central Darling Shire Council	Stronger Country Communities Fund	460,377
Cessnock City Council	Stronger Country Communities Fund	562,975
City of Lithgow Council	Stronger Country Communities Fund	1,244,096
Clarence Valley Council	Stronger Country Communities Fund	230,783
Cobar Shire Council	Stronger Country Communities Fund	938,760
Coffs Harbour City Council	Stronger Country Communities Fund	200,277
Coolamon Shire Council	Stronger Country Communities Fund	216,527
Coonamble Shire Council	Stronger Country Communities Fund	831,090
Cootamundra-Gundagai Regional Council	Stronger Country Communities Fund	1,241,453
Cowra Shire Council	Stronger Country Communities Fund	788,014
Dubbo Regional Council	Stronger Country Communities Fund	1,927,667
Dungog Shire Council	Stronger Country Communities Fund	556,903
Edward River Council	Stronger Country Communities Fund	1,112,677
Eurobodalla Shire Council	Stronger Country Communities Fund	137,350
Federation Council	Stronger Country Communities Fund	1,091,896
Forbes Shire Council	Stronger Country Communities Fund	714,704
Gilgandra Shire Council	Stronger Country Communities Fund	768,887
Glen Innes Severn Council	Stronger Country Communities Fund	840,177
Goulburn Mulwaree Council	Stronger Country Communities Fund	48,741

Name of organisation	Nature and purpose of grant	Amount paid (\$)
Greater Hume Shire Council	Stronger Country Communities Fund	578,642
Griffith City Council	Stronger Country Communities Fund	289,740
Gunnedah Shire Council	Stronger Country Communities Fund	528,760
Gwydir Shire Council	Stronger Country Communities Fund	700,247
Hay Shire Council	Stronger Country Communities Fund	571,762
Hilltops Council	Stronger Country Communities Fund	2,581,420
Junee Shire Council	Stronger Country Communities Fund	644,156
Kempsey Shire Council	Stronger Country Communities Fund	575,928
Kiama Municipal Council	Stronger Country Communities Fund	123,750
Kyogle Council	Stronger Country Communities Fund	769,866
Lachlan Shire Council	Stronger Country Communities Fund	748,405
Lake Macquarie City Council	Stronger Country Communities Fund	236,709
Leeton Shire Council	Stronger Country Communities Fund	461,404
Lismore City Council	Stronger Country Communities Fund	541,217
Liverpool Plains Shire Council	Stronger Country Communities Fund	487,140
Lockhart Shire Council	Stronger Country Communities Fund	542,680
Lord Howe Island Board	Stronger Country Communities Fund	602,124
Maitland City Council	Stronger Country Communities Fund	215,512
Mid-Western Regional Council	Stronger Country Communities Fund	315,483
MidCoast Council	Stronger Country Communities Fund	67,280
Moree Plains Shire Council	Stronger Country Communities Fund	179,012
Mulwala Water Ski Club Ltd	Stronger Country Communities Fund	99,000
Murray River Council	Stronger Country Communities Fund	866,103
Murrumbidgee Council	Stronger Country Communities Fund	1,274,393
Muswellbrook Shire Council	Stronger Country Communities Fund	499,881
Nambucca Shire Council	Stronger Country Communities Fund	448,519
Narrabri Shire Council	Stronger Country Communities Fund	646,251
Narrandera Shire Council	Stronger Country Communities Fund	780,205
Narromine Shire Council	Stronger Country Communities Fund	1,042,158
NSW Public Works	Stronger Country Communities Fund	278,864
Oberon Council	Stronger Country Communities Fund	801,616
Orange City Council	Stronger Country Communities Fund	678,182
Parkes Shire Council	Stronger Country Communities Fund	433,001
Port Macquarie-Hastings Council	Stronger Country Communities Fund	779,472
Port Stephens Council	Stronger Country Communities Fund	936,072
Queanbeyan-Palerang Regional Council	Stronger Country Communities Fund	978,400
Richmond Valley Council	Stronger Country Communities Fund	139,986
Shellharbour City Council	Stronger Country Communities Fund	710,244
Shoalhaven City Council	Stronger Country Communities Fund	898,087

Name of organisation	Nature and purpose of grant	Amount paid (\$)
Singleton Council	Stronger Country Communities Fund	768,174
Snowy Monaro Regional Council	Stronger Country Communities Fund	2,032,215
Snowy Valleys Council	Stronger Country Communities Fund	1,278,610
Stanley, Paul Graham	Stronger Country Communities Fund	61,200
Tamworth Regional Council	Stronger Country Communities Fund	396,771
Temora Shire Council	Stronger Country Communities Fund	928,318
Tenterfield Shire Council	Stronger Country Communities Fund	778,140
Tweed Shire Council	Stronger Country Communities Fund	394,672
Upper Hunter Shire Council	Stronger Country Communities Fund	770,890
Upper Lachlan Shire Council	Stronger Country Communities Fund	503,093
Uralla Shire Council	Stronger Country Communities Fund	512,876
Wagga Wagga City Council	Stronger Country Communities Fund	654,472
Walcha Council	Stronger Country Communities Fund	721,329
Walgett Shire Council	Stronger Country Communities Fund	620,202
Warren Shire Council	Stronger Country Communities Fund	490,358
Warrumbungle Shire Council	Stronger Country Communities Fund	1,062,215
Weddin Shire Council	Stronger Country Communities Fund	528,153
Wentworth Shire Council	Stronger Country Communities Fund	682,818
Yass Valley Council	Stronger Country Communities Fund	58,783

Other grants

Strategy and Delivery

Name of organisation	Nature and purpose of grant	Amount paid (\$)
Multicultural NSW	COMPACT project milestone payments	1,552,056
Office for Police (Dept. Justice)	Countering violent extremism training	181,159
Victims Services (Dept. Justice)	Victims of terrorism services	180,000
Multicultural NSW	Remove Hate from the Debate social media campaign	75,000
Camden Council	Western Parkland City Liveability Program	1,500,000
Campbelltown City Council	Western Parkland City Liveability Program	480,000
Hawkesbury City Council	Western Parkland City Liveability Program	3,928,000
Wollondilly Shire Council	Western Parkland City Liveability Program	402,952
Fairfield City Council	Western Parkland City Liveability Program	2,893,000
Blue Mountains City Council	Western Parkland City Liveability Program	277,609

Human resources

Human resources statistics (as at 30 June 2019)

The following table relates to the department's public sector senior executive (PSSE) roles.

Public Service senior executive statistics

Band	2017-18		2018-19	
	Female	Male	Female	Male
Band 4 (Secretary)	0	1	0	1
Band 3 (Deputy Secretary)	3	2	5	2
Band 2 (Executive Director)	8	9	10	8
Band 1 (Director)	32	21	36	21
Totals	43	33	51	32
		76		83

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

Band	Range (\$)	Average remuneration	
		2017-18 (\$)	2018-19 (\$)
Band 4 (Secretary)	475,151–548,950	686,606	629,100
Band 3 (Deputy Secretary)	337,101–475,150	443,510	431,693
Band 2 (Executive Director)	268,001–337,100	295,244	293,438
Band 1 (Director)	187,900–268,000	227,524	232,351

Note: The Secretary's employment contract provides for a discretionary remuneration range of up to 12 per cent in addition to the base remuneration. This has been abolished for 2019–20.

Executive salaries represent 23.9% of overall salaries-related expenses for 2018–19 (24.4% for 2017–18).

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

EEO group	Benchmark/ target	2017	2018	2019
Women	100	105	96	98
Aboriginal and Torres Strait Islander people	100	97	N/A	N/A
People whose first language spoken as a child was not English	100	92	94	95
People with disability	100	83	90	N/A
People with disability requiring work-related adjustment	100	N/A	N/A	N/A

Source: Workforce Profile Data

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.

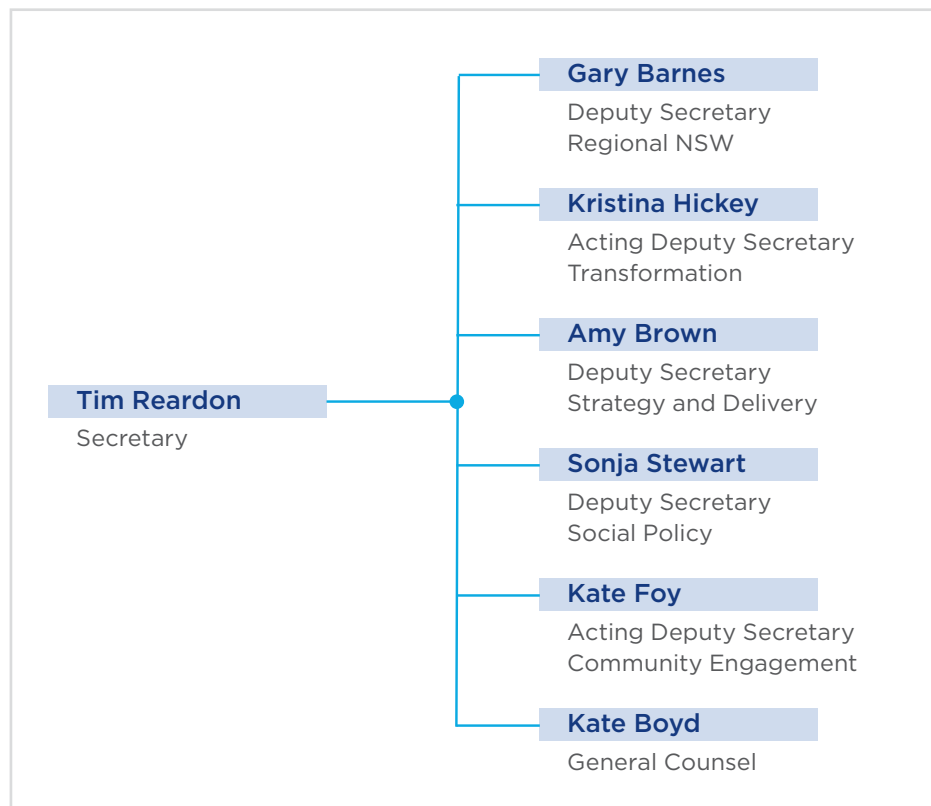
The following table shows the number of officers and employees the department employed by category over four years (excluding casuals).

Staff profile by employment category

	2016		2017		2018		2019		
	Men	Women	Men	Women	Men	Women	Men	Women	Non-binary
Permanent full-time	143	256	174	274	180	284	148	279	1
Permanent part-time	3	40	6	52	5	55	38	49	0
Temporary full-time	11	27	23	29	23	32	16	52	0
Temporary part-time	0	6	1	7	0	1	7	11	0
Contract – public service senior executive	37	52	36	42	34	43	36	46	0
Contract – non-public service senior executive	0	0	0	0	0	0	0	0	0
Training positions	0	0	0	0	0	0	0	0	0
Retained staff	0	0	0	0	0	0	0	0	0
Total	194	381	240	404	242	415	245	437	1

Senior executive

As at 30 June 2019



Legal

Legislation and legal change

Acts allocated to the Premier (as at 30 June 2019)

The Premier has the administration of the following Acts (except those marked with an asterisk). Where Acts are marked with an asterisk, the Premier has joint administration with the Special Minister of State, Minister for the Public Service and Employee Relations, Aboriginal Affairs, and the Arts:

Australia Acts (Request) Act 1985 No 109

Barangaroo Delivery Authority Act 2009 No 2

Constitution Act 1902 No 32

Constitution Further Amendment (Referendum) Act 1930 No 2

Constitution (Legislative Council Reconstitution) Savings Act 1993 No 19

*Electoral Act 2017 No 66**

*Electoral Funding Act 2018 No 20**

Essential Services Act 1988 No 41, Parts 1 and 2

*Government Advertising Act 2011 No 35**, jointly with the Minister for Customer Service

*Government Sector Employment Act 2013 No 40**

Greater Sydney Commission Act 2015 No 57

Growth Centres (Development Corporations) Act 1974 No 49, insofar as it relates to the UrbanGrowth NSW Development Corporation

*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, section 9

Infrastructure NSW Act 2011 No 23

Interpretation Act 1987 No 15

*Law Enforcement Conduct Commission Act 2016 No 61**

*Legislation Review Act 1987 No 165**

*Lobbying of Government Officials Act 2011 No 5**

Members of Parliament Staff Act 2013 No 41

Multicultural NSW Act 2000 No 77, jointly with the Minister for Sport, Multiculturalism, Seniors and Veterans

Mutual Recognition (New South Wales) Act 1992 No 61

*Ombudsman Act 1974 No 68**

*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 and 30 and Schedule 1

*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

Acts allocated to the Special Minister of State, Minister for the Public Service and Employee Relations, Aboriginal Affairs, and the Arts (as at 30 June 2019)

Aboriginal Land Rights Act 1983 No 42

Aboriginal Languages Act 2017 No 51

Annual Holidays Act 1944 No 31

Art Gallery of New South Wales Act 1980 No 65

Australian Museum Trust Act 1975 No 95

Broken Hill Trades Hall Site Act of 1898 No 31

Coal Industry (Industrial Matters) Act 1946 No 44

Crown Land Management Act 2016 No 58, insofar as it relates to the Crown land known as Government House Sydney, reserve number 1037869

Electoral Act 2017 No 66, jointly with the Premier

Electoral Funding Act 2018 No 20, jointly with the Premier

Employment Protection Act 1982 No 122

Essential Services Act 1988 No 41 (except parts, the Premier)

Film and Television Industry Act 1988 No 18

Government Advertising Act 2011 No 35, jointly with the Premier and the Minister for Customer Service

Government Sector Employment Act 2013 No 40, jointly with the Premier

Heritage Act 1977 No 136

Historic Houses Act 1980 No 94

Independent Commission Against Corruption Act 1988 No 35, jointly with the Premier

Independent Commission Against Corruption (Commissioner) Act 1994 No 61, jointly with the Premier

Industrial Relations Act 1996 No 17 (except parts, the Attorney General, and Minister for the Prevention of Domestic Violence)

Industrial Relations Advisory Council Act 2010 No 76

Industrial Relations (Child Employment) Act 2006 No 96

Industrial Relations (Commonwealth Powers) Act 2009 No 115

Industrial Relations (Ethical Clothing Trades) Act 2001 No 128

Law Enforcement Conduct Commission Act 2016 No 61, jointly with the Premier

Legislation Review Act 1987 No 165, jointly with the Premier

Library Act 1939 No 40

Lobbying of Government Officials Act 2011 No 5, jointly with the Premier

Long Service Leave Act 1955 No 38

Long Service Leave (Metalliferous Mining Industry) Act 1963 No 48

Modern Slavery Act 2018 No 30

Museum of Applied Arts and Sciences Act 1945 No 31

National Parks and Wildlife Act 1974 No 80, Division 3 of Part 3 and Parts 6 and 6A, jointly with the Minister for Energy and Environment

National Trust of Australia (New South Wales) Act 1990 No 92

Norfolk Island Administration Act 2016 No 25

Ombudsman Act 1974 No 68, jointly with the Premier

Parliamentary Evidence Act 1901 No 43, jointly with the Premier

Parliamentary Precincts Act 1997 No 66, jointly with the Premier

Parliamentary Remuneration Act 1989 No 160, jointly with the Premier

Public Holidays Act 2010 No 115

Public Interest Disclosures Act 1994 No 92, jointly with the Premier

Senators' Elections Act 1903 No 9, jointly with the Premier

State Arms, Symbols and Emblems Act 2004 No 1, jointly with the Premier

State Records Act 1998 No 17

Statutory and Other Offices Remuneration Act 1975 (1976 No 4), jointly with the Premier

Subordinate Legislation Act 1989 No 146, jointly with the Premier

Sydney Opera House Trust Act 1961 No 9

New and amending legislation

New and amending legislation in the Premier's portfolio (Acts assented to during 2018-19)

Planning Legislation Amendment (Greater Sydney Commission) Act 2018 No 66

Statute Law (Miscellaneous Provisions) Act (No 2) 2018 No 68

Statute Law (Miscellaneous Provisions) Act 2019 No 1

Premier's Portfolio Acts repealed during 2018-19

Election Funding, Expenditure and Disclosures Act 1981 No 78

New and amending regulations in the Premier's portfolio (regulations made during 2018-19)

Barangaroo Delivery Authority Amendment (Penalty Notice Offences) Regulation 2019

Electoral Amendment (Exemptions) Regulation 2019

Electoral Amendment Regulation 2019

Electoral Funding Amendment (By-Election Funding) Regulation 2018

Electoral Funding Amendment (Administration Fund Payments) Regulation 2019

Electoral Funding Amendment (Savings and Transitional) Regulation 2019

Government Advertising Regulation 2018

New and amending legislation in Special Minister of State's portfolio (Acts assented to during 2018-19)

Library Amendment Act 2019

Special Minister of State's Portfolio Acts repealed during 2018-19

Copyright Act 1879 No 20

New and amending regulations in the Special Minister of State's portfolio (regulations made during 2018-19)

Library Regulation 2018



Contacts

Premier of New South Wales

The Honourable Gladys Berejiklian MP
52 Martin Place Sydney NSW 2000

GPO Box 5341 Sydney NSW 2001
T (02) 8574 5000
F (02) 9339 5500
nsw.gov.au

Government House Sydney

Macquarie Street Sydney NSW 2000
T (02) 9228 4111
E enquiries@governor.nsw.gov.au
governor.nsw.gov.au

Parliament House

Macquarie Street Sydney NSW 2000
T (02) 9230 2111
parliament.nsw.gov.au

Department of Premier and Cabinet Sydney CBD Office

52 Martin Place Sydney NSW 2000
GPO Box 5341 Sydney NSW 2001
T (02) 9228 5555
dpc.nsw.gov.au

Department of Premier and Cabinet Regional NSW

Central West and Far West
(Bourke, Broken Hill, Dubbo and Orange)
Hunter & Central Coast (Newcastle and Gosford)
Illawarra-Shoalhaven (Wollongong and Nowra)
New England & North West (Armidale and Tamworth)
North Coast (Coffs Harbour, Lismore
and Port Macquarie)
Riverina Murray (Albury and Wagga)
South East (Queanbeyan)

GPO Box 5341 Sydney NSW 2001
T: 1300 679 673
E: regionalnsw.business@dpc.nsw.gov.au

More information

dpc.nsw.gov.au

Email: contact_us@dpc.nsw.gov.au

Phone: (02) 9228 5555

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