



Annual Report

2023–2024

NSW Premier's Department

Contents

Letter to the Premier	2
Acknowledgement of Country	3
Secretary's foreword	4
Overview	6
Strategy	12
Operations and performance	14
Management and accountability	27
Sustainability	44
Financial performance	51

Letter to the Premier

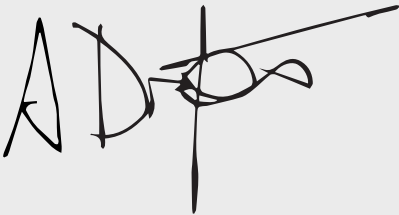
The Hon Chris Minns MP
Premier of New South Wales
52 Martin Place
Sydney NSW 2000

Dear Premier

I am pleased to submit the 2023–2024 Premier’s Department Annual Report to you for presentation to the NSW Parliament.

This report includes information on the operations and performance of the department, together with the financial statements for the period 1 July 2023 to 30 June 2024.

It has been prepared in accordance with the provisions of the *Government Sector Finance Act 2018*.

A handwritten signature in black ink, appearing to read 'S. Draper', with a long horizontal stroke extending to the right.

Simon Draper PSM
Secretary, Premier’s Department

30 October 2024



WugulOra Morning Ceremony, Australia Day 2023

Acknowledgement of Country

Premier's Department acknowledges the Traditional Custodians of the lands where we work and live. We pay respect to Ancestors and Elders past and present. We recognise and learn from the strengths of the Aboriginal peoples of New South Wales and their continuing connection to, and unique cultural and spiritual relationship with, Country. We are dedicated to building and sustaining relationships with Aboriginal people and communities across New South Wales.

We advise this resource may contain images or names of deceased persons in photographs or historical content.

Secretary's foreword



In 2023–24, I was privileged to lead the dedicated staff of the Premier's Department to deliver for the people of NSW.

The year marked one full year of operations for the Premier's Department following the transition from the Department of Premier and Cabinet on 1 July 2023. Over the past 12 months, we've embarked on a new chapter for the public service and settled into life as a new department. We've worked in tandem with The Cabinet Office to help deliver on the Premier's vision and the government's priorities to best respond to the needs of communities.

Our new purpose statement – *Connecting to deliver from the heart of government* – guided the department's work as a strong, central agency. It has seen us lead the state's 430,000 public servants, working closely with agencies across government to address the challenges NSW faces today and into the future.

Our work has been particularly crucial in a year marked by tragedy and challenge for many communities across the state. The department played a pivotal role in coordinating whole-of-government support for communities on some of our state's darkest days, including in the aftermath of the Hunter Valley bus tragedy and the Bondi Junction attack.

The department has also shown itself to be an influential leader in driving responses to some of the state's biggest challenges.

The work undertaken in 2023–24 will have lasting, positive impacts for the people of NSW. This includes work to improve women's safety,

better support mental health and wellbeing, overcome hate and violent extremism, and prevent youth crime. We have also focused on boosting the state's housing supply, delivering industrial reform for the public sector, promoting NSW as a good place to do business, and coordinating the delivery of the Electricity Infrastructure Roadmap.

The team at Aboriginal Affairs NSW continued its work on Closing the Gap through a partnership approach with the NSW Coalition of Aboriginal Peak Organisations. Meanwhile, Women NSW progressed its important work in driving gender equality and inclusivity, leading the rollout of Gender Equality Action Plans and establishing the Future Women's Jobs Academy.

The establishment of the new Premier's Department has ushered in new expectations for us as a central agency and I'm incredibly proud of how our teams have adapted and risen to the challenges that have faced us.

I am confident the coming year will bring even more opportunities for the department to continue to support communities when they need it most and deliver meaningful outcomes for the people of NSW.

Simon Draper PSM

Secretary, Premier's Department

Overview



Overview

Who we are

Premier's Department commenced operations on 1 July 2023, replacing the Department of Premier and Cabinet. Premier's Department is a strong central agency, leading, coordinating and driving whole-of-government delivery to address the challenges NSW faces today and into the future.

The department is committed to making NSW a great place to live and work, and enhancing the lives of the 8 million people who call the state home.

Premier's Department leads the state's 430,000 public servants, driving collaboration and the delivery of whole-of-government priorities.

Our portfolio ministers

The department's portfolio ministers are:



Premier of NSW

The Hon Chris Minns MP



Special Minister of State

The Hon John Graham MLC



Minister for Industrial Relations

The Hon Sophie Cotsis MP



Minister for Aboriginal Affairs and Treaty

The Hon David Harris MP



Minister for Emergency Services

The Hon Jihad Dib MP



Minister for Women

The Hon Jodie Harrison MP

We support the Premier and ministers by:

- partnering with NSW Government agencies, as well as the private, not-for-profit and academic sectors to ensure that services are delivered on time, within budget and to the community's expectations
- coordinating the initiatives of ministers and their agencies to achieve the government's priorities
- supporting the delivery of projects that require significant coordination across government.

Our purpose and intent

At the Premier's Department, our purpose is *connecting to deliver from the heart of government*. We achieve this by:

- leading the NSW public service by fostering a culture of service and collaboration, promoting strong public sector performance and values, and promoting the voices of Aboriginal people and communities across the sector
- ensuring a whole-of-government response to urgent issues and crises by coordinating cross-agency responses to support our communities when they need it most
- delivering government priorities and election commitments, including complex, multi-agency projects.

Our values

The department's strong and vibrant culture is underpinned by our values of Integrity, Trust, Service and Accountability.



Integrity

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



Service

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



Trust

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



Accountability

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

Our organisational structure

Our people

The structure of the department is designed to promote agile and innovative service delivery.

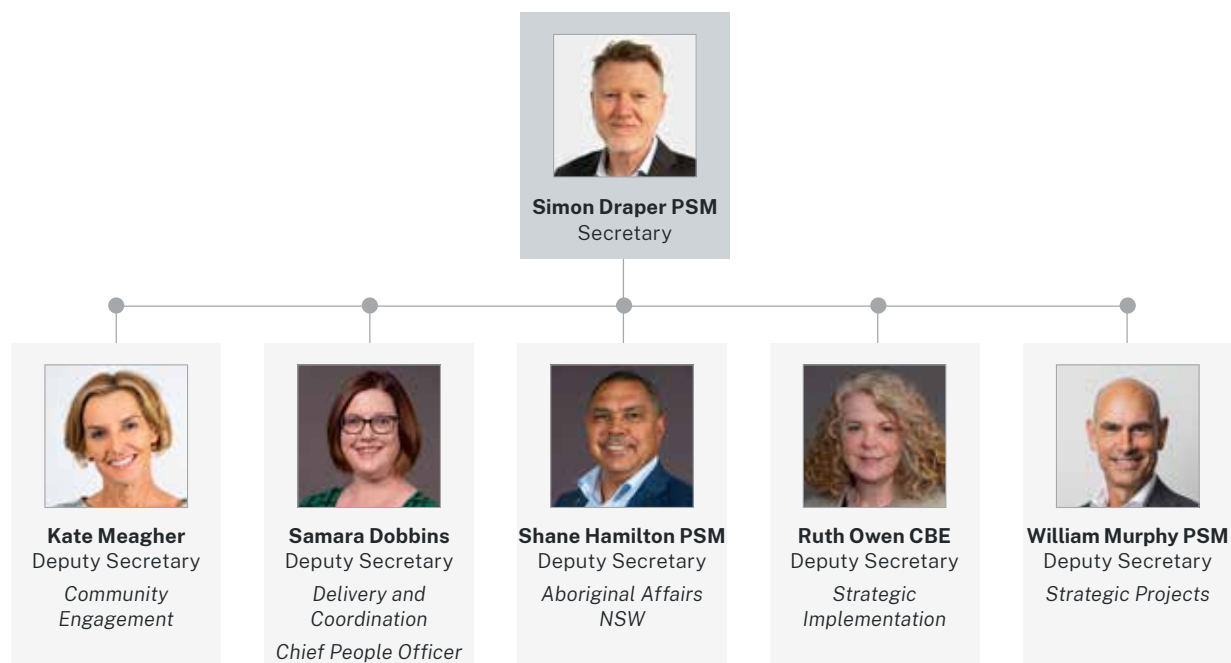


Figure 1: Premier's Department executive organisational chart

Positions and qualifications of our Leadership Team

Name	Position	Qualifications
Simon Draper PSM	Secretary	Bachelor of Economics (Hons) Master of Business (Finance)
Kate Meagher	Deputy Secretary, Community Engagement	Bachelor of Arts (Hons, History)
Samara Dobbins	Deputy Secretary, Delivery and Coordination and Chief People Officer	Bachelor of Arts (Industrial Relations) Graduate Diploma in Management Certificate in Governance and Risk Management
Shane Hamilton PSM	Deputy Secretary, Aboriginal Affairs NSW	Master of Business Administration
Ruth Owen CBE	Deputy Secretary, Strategic Implementation	Bachelor of Arts (Hons, Politics) Graduate of the Australian Institute of Company Directors
William Murphy PSM	Deputy Secretary, Strategic Projects	Graduate, ANZSOG Executive Fellows Program Executive Master of Public Administration Master of Management (Industry Strategy) Bachelor of Commerce (Economics and Finance) National Fellow of the Institute of Public Administration Australia

Our groups

Community Engagement Group

The Community Engagement Group provides a wide range of support to the Premier and NSW Government to engage with and support the community and keep them informed in creative, timely and meaningful ways.

The group's Partnerships and Engagement Branch provides media, communications, logistical and delivery support for the Premier's engagement with the community and international dignitaries, formal and ceremonial occasions, and significant events such as memorials. The branch manages honours, awards and recognition programs and the Premier's Discretionary Fund and Community Building Partnership grants programs. Its functions also include internal engagement and providing Parliament and ministerial services.

The Connected Communities team works with communities, non-government organisations, the private sector, the Australian Government and local governments, think tanks, media organisations and academia to improve social cohesion, respond to violent extremism and address evolving threats that undermine democracy.

Women NSW leads the development, implementation and review of the *NSW Women's Strategy*, which provides a whole-of-government and whole-of-community policy framework to help improve the economic, social and physical wellbeing of women and girls across NSW.

The Grants Program Office is delivering the \$5 billion Western Sydney Infrastructure Grants Program across 15 eligible local government areas, and the Local Small Commitments program, which is delivering \$400,000 in grants to each of NSW's 93 electorates.

Delivery and Coordination Group

The Delivery and Coordination Group was established to drive collaboration across the public sector to achieve accountability and outcomes-based delivery of whole-of-government priorities, with particular focus on the deliverables identified as high priority by the Premier.

The group encompasses 4 branches:

- **Delivery and Assurance:** supporting the Premier, with a focus on facilitating complex cross-agency delivery on critical whole-of-government programs of work, such as the Electricity Infrastructure Roadmap, and tracking election commitments.
- **Emergency Management** – supporting the Minister for Emergency Services, with a focus on ensuring a whole-of-government approach to resolving urgent issues and crisis management.
- **Industrial Relations** – supporting the Minister for Industrial Relations, with a focus on sector-wide policy and legislative reform to achieve a fair and responsive NSW industrial relations framework that is effectively communicated and enforced.
- **People, Culture and Talent** – supporting Premier's Department, The Cabinet Office (TCO) and the Ministry to guide best-practice HR processes, frameworks and policies with a focus on enhancing the employee experience.

Aboriginal Affairs NSW

The goal of Aboriginal Affairs NSW is to ensure that every Aboriginal person and community is thriving and celebrated. The group connects, listens to, advocates for and works in partnership with Aboriginal communities to influence government, ensure accountability of government and drive positive change. The foundations of the group are centred in community, and this connection to community, culture and Country drive what Aboriginal Affairs NSW does.

Staff based across 7 regions work alongside people in the agency's central office to drive policy reforms and provide advice that supports the unique needs and diversity of Aboriginal communities across NSW.

Sitting within Aboriginal Affairs NSW is the Aboriginal Languages Trust, an Aboriginal-led government agency established through the *Aboriginal Languages Act 2017* to support NSW Aboriginal communities to reawaken, grow and nurture their languages. The trust's vision is that all NSW Aboriginal languages are strong and healthy.

Strategic Implementation Group

The Strategic Implementation Group was established as a time-limited group in 2023 to support the whole-of-government implementation of the Public Sector Review. The review was commissioned by the Premier in April 2023 and made 14 recommendations to make the NSW public sector more collaborative, agile, transparent and focused on government priorities, as well as to enable stronger Cabinet governance and sharper accountabilities.

These changes delivered some of the biggest reforms to the NSW public sector in over a decade. These included the end of the cluster model, cultural changes to reaffirm trust in government and the public service, and structural changes to align the public service with the government's priorities and embed collaborative working, which will continuously improve the integrity, trust, accountability and transparency of the sector.

The changes implemented have laid a strong foundation for the public service to deliver on the priorities of this government. They clearly set out the direction, practices, responsibilities and accountabilities expected of the public service, and how they are to be measured and met. The scale of these reforms will have long-lasting impacts on the public service.

On 1 January 2024, the Digital and Information Branch, and Finance, Workplaces and Transport Services Branch transitioned into the group.

The Digital and Information Branch aims to provide trusted digital services to its customers, enabling them to easily create, share and find the information they need.

The Finance, Workplaces and Transport Services Branch supports the operations of Premier's Department and TCO through efficient and effective use of resources that align to the departments' vision and purpose.

Strategic Projects Group

Created in December 2023, the Strategic Projects Group's purpose is to lead the delivery of highly complex, multi-agency projects to support the achievement of the government's commitments and priorities.

The Strategic Projects Group drives collaboration across agencies and with other stakeholders to ensure the projects it leads deliver economic and social benefits for the people of NSW, today and into the future.

Shared services

As part of a shared services arrangement, Premier's Department provides a suite of corporate service support to The Cabinet Office, including financial, workplaces, information technology, human resources, communications, and change and engagement services. The Cabinet Office provides governance and legal services to the Premier's Department.

Strategy

2

Strategy

The department's purpose is *connecting to deliver from the heart of government*.

As outlined under *Our purpose and intent* on page 6, we achieve this by:

- leading the NSW public service by fostering a culture of service and collaboration, promoting strong public sector performance and values, and promoting the voices of Aboriginal people and communities across the sector
- ensuring a whole-of-government response to urgent issues and crises by coordinating cross-agency responses to support our communities when they need it most
- delivering government priorities and election commitments, including complex, multi-agency projects.

Below are some of the key government priorities that underpin the work of the department:



Housing

- Addressing the housing crises for renters, people wanting to enter the housing market and people who need housing the most
- Building housing alongside infrastructure where people want to live, including transport, schools and healthcare



Rebuilding essential services

- Paying fair wages to teachers, nurses, paramedics, police and other essential workers
- Increasing protections for victim-survivors of domestic and family violence
- Building a reliable transport system



Building better communities for NSW

- Easing cost-of-living pressures for households doing it tough
- Enhancing emergency response and disaster support and recovery
- Supporting community mental health and wellbeing
- Rebuilding the energy system into one that is affordable, clean and reliable for everyone

Operations and performance

3

Operations and performance

Performance: achievements against the strategic priorities

Leading the NSW public service by fostering a culture of service and collaboration, promoting strong public sector performance and values, and promoting the voices of Aboriginal people and communities across the sector

Redeploying the workforce to retain talent

Mobility and sharing of talent across the sector are pivotal in building a highly capable and agile workforce, poised to fulfil government priorities and meet service delivery requirements.

The Workforce Mobility Placement Policy for the non-executive workforce was officially issued by Premier's Memorandum on 19 December 2023. This initiative is supported by a cross-sector mobility team dedicated to minimising, wherever feasible, the need for non-executive employee redundancies in the public sector.

The policy, along with its associated program, has established a streamlined, whole-of-government function that retains talent, optimises employee capabilities and enhances mobility. This approach has successfully reduced recruitment and redundancy costs for taxpayers while mitigating the social impacts of job losses.

During its first 6 months of operation, concluding on 30 June 2024, the program facilitated the referral of 231 employees for mobility placement. Of these, 131 employees (57%) successfully transitioned into new roles. Of the remaining employees, 94 (41%) were unable to secure a suitable placement and progressed to be Managed as Excess Employees (MEE) in accordance with the MEE Policy, while 6 (2%) chose to resign from the government. Through this policy and its associated program, the NSW Government retained significant talent and corporate knowledge and achieved a cost avoidance exceeding \$10 million, which would have otherwise been spent on redundancy payments.

Undertaking regulatory functions in industrial relations

The Industrial Relations Inspectorate undertakes a regulatory function, educating employers and employees on their legal rights and entitlements under state industrial laws. The inspectorate also investigates breaches of those laws and takes prosecution and/or enforcement proceedings where appropriate. The inspectorate applies a strategic enforcement model that combines stakeholder collaboration and education, as well as formal investigative and enforcement tools to prevent, remedy and deter breaches.

During the 2023–24 financial year, inspectors:

- finalised **340** industrial complaint investigations and recovered **\$1,264,058** for workers in NSW
- responded to **1,281** email requests for information and **5,255** telephone enquiries
- awarded **451** digital credential badges to people who completed the Long Service Champions course
- approved **69** Construction Compliance Workplace Relations Management Plans and conducted **160** construction site inspections/desktop reviews/unannounced visits.

Signing the NSW Closing the Gap Partnership Agreement

On 12 February 2024, the NSW Coalition of Aboriginal Peak Organisations (NSW CAPO), the NSW Government and Local Government NSW signed the NSW Closing the Gap Partnership Agreement, becoming the second jurisdiction to formalise a state-based partnership and the first to involve local government. The agreement reflects and builds on the National Agreement on Closing the Gap while acknowledging the landscape and dynamics specific to NSW. The NSW agreement and its addendums provide specific guidance on how we work in genuine partnership to achieve shared decision-making and honour the commitments on Closing the Gap in day-to-day work.

Building the capacity of government to overcome hate and extremism

Connected Communities has been delivering a series of online seminars on relevant topics to colleagues across NSW Government since 2021. In 2024, the series was expanded to all Australian jurisdictions as well as New Zealand. The team also developed and rolled out sector-leading social cohesion strategic communications toolkits for use across local, state and federal governments.

Celebrating our people

The Premier's Department and The Cabinet Office Staff Awards 2024 provided an opportunity to recognise the meaningful work that takes place at the departments, and celebrate the unique partnership between the 2 entities.

The awards program responds to People Matter Employment Survey (PMES) insights that show recognition is an integral part of development and important to many staff across both departments. The following winners were announced at the event:

- **The Collaboration winner** was the Strategic Foresight team for their strategic relationships with the Department of Prime Minister and Cabinet, and the Australian Public Service Commission.
- **The Community winner** was the Response to the Hunter Bus Crash and Bondi Junction Tragedies team for delivering touching memorials and collaborating with key stakeholders to respond to these traumatic events.
- **The Innovation winner** was Sam Jesudoss for developing a high-functioning system to monitor the delivery of election commitments.
- **The Leadership winner** was Katie Irvine for exemplifying the type of leadership needed in the public service to build diverse teams capable of engaging with complex problems and rebuilding trust in government.
- **The Service Award winner** was Daniel Savetta for playing a crucial role in the establishment of the NSW Migration Outcomes Network.
- **The Premier's Department Secretary's Award** went to Aftab Malik for his efforts in community cohesion and engagement across multi-faith and multicultural communities in the wake of events in Israel/Gaza on 7 October 2023.

- **The Cabinet Office Secretary's Award** went to the Response to Domestic and Family Violence team for their exceptional, time-sensitive and complex cross-sector work on urgent criminal justice reform.

Ensuring a whole-of-government response to urgent issues and crises by coordinating cross-agency responses to support our communities when they need it most

Supporting local-led responses to youth crime in Moree

In March 2024, the Premier announced a \$13.4 million investment in a Moree place-based response to youth crime, to improve support for young people and improve community safety. Premier's Department is working with the Moree Plains Shire Council, NSW Police Force, Moree Local Aboriginal Land Council (LALC) and Youth Justice NSW to deliver these initiatives.

The team urgently worked with Moree LALC to set up a local governance group to oversee this work, comprising an Alliance of Aboriginal Community Controlled Organisations, Just Reinvest NSW, the council and relevant NSW agencies. Premier's Department and Moree LALC co-chair this group, reflecting our commitment to shared decision-making under Closing the Gap. Premier's Department spoke to more than 120 people in Moree to understand the outcomes they want from this work. An innovative funding approach has been designed, which amplifies the strengths in community, including allocating \$1 million to boost after-hours activities for young people.

Supporting victims and loved ones in the aftermath of the Hunter Valley bus tragedy

Following the Hunter Valley bus tragedy on 11 June 2023, which claimed the lives of 10 people and injured many more, the Partnerships and Engagement Branch provided support to grieving families and the community. The team assisted with the spontaneous memorial; worked with Rotary to set up a fund that raised \$1.5 million, and ensured families had access to relevant government supports.

On 21 October 2023, the team delivered a public memorial at the Singleton Showground. They worked closely with the victims' families to honour the memories of those who perished, incorporating personal touches that celebrated the unique essence of each lost loved one. Premier's Department teams showed unwavering dedication, empathy and resilience in delivering a beautiful and poignant memorial that served as a beacon of hope and healing for the entire community during one of its darkest hours.

Supporting the community following the Bondi Junction attack

Teams across the Community Engagement Group stood up at extremely short notice to respond to a series of stabbings at Westfield in Bondi Junction on Saturday 13 April 2024. Teams displayed professionalism, compassion and expertise in collaborating with key stakeholders including the Scentre Group, Waverley Council, local MPs and councils, dignitaries, and other government agencies to support an immediate response to reassure and support the community.

The Community Engagement Group managed the whole-of-government messaging and collateral, the spontaneous tribute site in Oxford Street Mall, and the in-person and online condolences. They also managed the lighting of the Sydney Opera House sails with a black ribbon in tribute to the lives lost and arranged for flags across the state to be flown at half-mast. The grieving culminated in a candlelight vigil at South Bondi, which was delivered in partnership with Waverley Council and attended by families and loved ones, community and VIPs.

Improving the delivery of rescue services

Premier's Department provides secretariat support to the State Rescue Board of NSW. The board is established under the *State Emergency and Rescue Management Act 1989* and is responsible for ensuring the effective and efficient delivery of rescue services across NSW. Through 2023–24 Premier's Department supported the board and its member organisations to improve the delivery and coordination of rescue services. This included:

- engaging in a strategic planning process to prioritise the board's focus for the next 3 years
- transitioning to a new Chairperson following the retirement of Commissioner Stacey Tannos ESM,

Marine Rescue NSW, and the appointment of Deputy Commissioner Peter Thurtell APM, NSW Police Force

- monitoring the implementation of flood rescue capability and coordination improvements following recommendations from the 2022 flood inquiries
- undertaking a detailed data needs analysis to advise the board on options to improve data reporting and collection, and investment decisions regarding the NSW Government's rescue capability.

Coordinating emergency services legislative amendments

In September 2023, the Minister for Emergency Services introduced the Emergency Services Legislation (Miscellaneous Amendments) Bill 2023, which was passed by both houses of Parliament in October 2023 and assented on 11 December 2023. The proposals resulting in the amendments were coordinated by the Premier's Department to improve the provision of emergency services and incident response in NSW. While relatively minor in nature, collectively the changes sought to improve the ability for our emergency services and supporting agencies to protect the community.

Key amendments included:

- promoting the accreditation of multi-agency rescue units composed of people from any emergency services organisation or agency
- ensuring the NSW Rural Fire Service has the power to close roads to protect road users without delay, while improving the communication of closures to Transport for NSW
- providing powers to the Minister for Emergency Services to determine representatives on Local Emergency Management Committees, such as Local Aboriginal Land Councils.

Preparing for the future of emergency volunteering

The Review of Emergency Volunteering was conducted in response to the findings and recommendations of the 2022 flood inquiries. The purpose of the review was to address the decline in formal volunteerism and to make better use of community first responders.

The review's final report consisted of 13 recommendations to better prepare NSW for the future of emergency volunteering. These recommendations will support NSW to:

- better plan for emergency services volunteering – including developing a strengthened approach to volunteer workforce and capability development, improving data collection, and increasing the monitoring of volunteer trends
- improve recognition of all emergency volunteers (formal and informal)
- grow and strengthen emergency services volunteering, through the development and implementation of an action plan to drive and coordinate activity across the sector
- integrate informal volunteers into the emergency management framework. This includes recognising them in policy and doctrine, establishing operational models for their use, and supporting State Emergency Management Committee member agencies to build their internal capability to support informal volunteers.

Premier's Department is working with the Emergency Volunteering Working Group to implement the recommendations of the review. All recommendations are on track to be completed within the required time frames.

Supporting the Coastal Water Safety Roundtable

On 4 March 2024, the Minister for Emergency Services, supported by the Emergency Management Branch of the Premier's Department, convened a Coastal Water Safety Roundtable to find ways to reduce the number of drownings on NSW beaches.

This roundtable brought together researchers, rescue organisations and government agencies to discuss causal factors contributing to drownings; current research, initiatives and programs; and opportunities to review and improve the work underway.

As a result, Premier's Department is undertaking further work with government agencies, rescue organisations and water safety researchers to improve the collection of water safety data, and to help align water safety communications campaigns.

Improving rescue services for NSW rescue organisations

The Emergency Management Branch established the NSW Rescue Capability Grant, which provides funding to NSW non-government organisations to maintain and enhance their rescue capability and support those organisations to improve rescue services for the wider community. It also ensures adequate resourcing for key non-government organisations that work to keep NSW communities safe.

Leading the coordination of infrastructure programs in Discrete Aboriginal Communities

The Aboriginal Affairs NSW Community Infrastructure team supports the self-determination of Discrete Aboriginal Communities (DACs) through shared decision-making and partnerships, by advocating across government for DAC infrastructure programs.

The DAC Executive Steering Committee includes executive representation from the NSW Aboriginal Land Council and 11 government agencies. Together, the committee ensures alignment between programs and solutions to issues, oversees the delivery of community infrastructure, and supports the development of business cases. One DAC ESC business case developed involved a cross-government bid to undertake an assessment of DAC infrastructure issues and needs in NSW, such as:

- asbestos and other contaminants
- emergency management and mitigation
- telecommunications
- current housing condition and life cycle projections
- community infrastructure such as community halls, offices, playgrounds, playing fields, cemeteries and common areas
- supporting the delivery of Closing the Gap outcomes.

In June 2024, the NSW Government committed \$9.2 million to conduct on-site assessments of infrastructure, contaminant and housing needs in 61 DACs across the state.

Aboriginal Affairs NSW is leading this cross-government program in close collaboration with the agencies of the DAC Executive Steering Committee. These assessments will provide an understanding of the environmental health needs of these communities and the costs of addressing these needs. This will enable funding allocations for current or future investments to be prioritised using an evidence-based needs assessment and identify gaps or duplication in current programs.

Delivering government priorities and election commitments, including complex, multi-agency projects

Implementing the Public Sector Review recommendations

The 14 Public Sector Review recommendations were delivered by June 2024. They included:

- the formal end of the cluster model of departments and agencies
- a refreshed set of NSW Outcomes within a broader Performance and Wellbeing Framework
- the development of a shared (transactional) services roadmap
- a review of the appropriations model
- the establishment of the Mobility Workforce Placement team and policy to support a mobile workforce where public servants can move and grow across all of NSW Government.

The Strategic Implementation Group coordinated several Machinery of Government changes and departmental functional reviews as part of the review's implementation. New and reshaped departments and structures of government have aligned the public sector to best serve the government, deliver its current priorities and adapt as new priorities emerge in the future.

Establishing the Premier's Prevention Panel on Racism and Extremism

The Connected Communities team established, and is supporting, the Premier's Prevention Panel on Racism and Extremism, which addresses the growing safety concerns of faith, culturally and linguistically diverse and LGBTIQ+ communities in NSW. By bringing together senior government officials and peak body representatives from impacted communities, the panel challenges all forms of hate and extremism affecting the people of NSW. The panel was successfully established in November 2023 and met twice during 2023–24.

Establishing the NSW Women's Advisory Council

Women NSW undertook a recruitment campaign to appoint 12 members to the inaugural NSW Women's Advisory Council. More than 400 people applied for a position on the council and underwent a rigorous selection process.

The council's first meeting was held on 13 December 2023, with membership reflecting the diversity of women living in NSW. The purpose of the council is to advise the NSW Government in relation to a number of priority areas, in line with the *NSW Women's Strategy 2023–2026*. These areas are economic opportunity and advancement, health and wellbeing, and participation and empowerment.

Women NSW supported the council to develop a strategic plan that extends through to 2026 and is publicising the outcomes of meetings via eDM and social media.

Contributing to the delivery of the Electricity Infrastructure Roadmap

The Electricity Infrastructure Roadmap is a strategic priority of the NSW Government, delivering critical new electricity infrastructure for the state at a speed and scale not previously undertaken across regional NSW.

As Chair of the Roadmap Steering Committee, the department's Delivery and Coordination Group brings together the various government agencies that play a role in implementation – in areas from planning approvals and transport corridors, to skilled workforce, local content opportunities and housing solutions. The group worked across government to prepare a comprehensive whole-of-government implementation plan and established mechanisms to drive and oversee each workstream. The group continues to support agencies with implementation, with the dual aims of supporting timely delivery and leaving a positive legacy for communities hosting electricity infrastructure.

Public communications and engagement are essential for the successful delivery of the roadmap. The department's Communications and Engagement team chairs a Communications Subcommittee, leading the delivery of coordinated and compelling communications across metro and regional NSW, and within Renewable Energy Zone communities. The committee focuses on collaborating, integrating strategies and ensuring consistency across all government communications about the roadmap.

Working towards treaty in NSW

In 2023–24 the NSW Government progressed consultation about a treaty process, including advertising for 3 Treaty Commissioner roles.

The consultation is the first step in the treaty process, asking Aboriginal communities across NSW if a treaty or other formal agreement-making process would be desirable, and secondly, what this could look like. This consultation will be led by the 3 independent Treaty Commissioners, who will report back to the NSW Government on the views of Aboriginal people across the state.

Improving Aboriginal land claim processes

In April 2022, the Audit Office of New South Wales published a report on facilitating and administering Aboriginal land claim processes. There are more than 38,000 undetermined land claims that cover approximately 1.12 million hectares of Crown land. The Audit Office report provided 10 recommendations, which the NSW Government has committed to deliver. Aboriginal Affairs NSW has established an Aboriginal Land Claim Governance Group to oversee a resourced, coordinated program that is accountable for delivering Aboriginal land claim processes.

The group reports quarterly to the Minister for Aboriginal Affairs and Treaty, and has an independent chairperson, Professor Jack Beetsen, to support the governance and implementation of the recommendations. The NSW Government has implemented 6 of the 10 recommendations as of 30 June 2024.

Progressing Aboriginal cultural heritage reforms

The NSW Government has committed to delivering standalone Aboriginal cultural heritage legislation during this term of government. Aboriginal Affairs NSW, in partnership with Heritage NSW, is leading a whole-of-government process for Aboriginal cultural heritage reforms. This consists of 9 operational reforms and the development of standalone legislation.

In early 2024, the NSW Government consulted with several Aboriginal peak bodies and industry groups across NSW to gauge their aspirations for Aboriginal cultural heritage reforms and the pathway forward for government. Independent facilitator Professor Jack Beetsen led the consultation process and developed a Consultation Outcome Report for the NSW Government's consideration.

Undertaking culturally centric design for a new Aboriginal Cultural Heritage digital system

In partnership with Aboriginal communities, Aboriginal Affairs NSW investigated how to develop the replacement for the Aboriginal Heritage Information Management System (AHIMS). The process focused on how to place the lived cultural experience of communities and individuals at the heart of digital design.

Local Government Aboriginal Cultural Heritage Community of Practice

To enhance the effectiveness of Aboriginal cultural heritage management across NSW, a community of practice was established for local government. To date, more than three-quarters of NSW councils have joined and more than 350 staff from local government have participated in information sessions and in developing knowledge-sharing between councils.

Updating the code of practice for Aboriginal culture heritage

To support the management of Aboriginal cultural heritage in NSW, the *Due Diligence Code of Practice for the Protection of Aboriginal Objects in New South Wales* was reviewed, updated and enhanced to support users to deliver better outcomes for Aboriginal communities. The new code will be prepared for publication in 2025. Other programs that were advanced – and are expected to be delivered in 2024–25 – include improved guidelines for scoping Aboriginal cultural heritage during State Significant Projects, standards for accessing and using cultural knowledge, and a guide for Aboriginal communities who wish to undertake large-scale cultural mapping projects. These programs form the foundations for future Aboriginal cultural heritage legislative reform.

Improving food security in Aboriginal communities

During 2023–24, Aboriginal Affairs NSW hosted food pop-ups across the state, in partnership with Foodbank NSW & ACT. At the pop-ups, staff from Aboriginal Affairs NSW, Foodbank and local Aboriginal Community Controlled Organisations worked together to provide more than 14,900 kilograms of fresh fruit and vegetables for free to Aboriginal people. This was the equivalent to 26,900 meals for households experiencing food insecurity.

In September 2023, Aboriginal Affairs NSW hosted a Food Equity Symposium, which aimed to:

- bring community and relevant stakeholders together to think holistically about food security
- consider all causal factors and collaborate in new ways to address this longstanding issue
- acknowledge differing agendas and embrace strategies that build on what's been done so far
- consider how to create sustainable solutions that are fit for purpose for different needs
- advocate for community-led problem solving to address local issues
- achieve the ultimate objective: 'for Aboriginal people to thrive by removing the barriers that create food insecurity'.

Implementing a freeze on senior public servant pay rises

The NSW Government committed to implementing a 2-year pay freeze on high-earning public sector executive office holders and senior executives. The Industrial Relations Branch collaborated extensively with The Cabinet Office in relation to the implementation of amendments to the *Statutory and Other Offices Remuneration Act 1975* and associated regulations, which have the effect of preventing any increases to the remuneration of more than 3,680 public service senior officers and executives for 2 years from July 2023 to July 2025. The temporary pay freeze enables the government to direct resources to other priority areas.

Removing the wages cap

A wages policy is a key component of the NSW Government's strategy in providing fair and reasonable pay for public sector workers, maintaining a sustainable budget position, and ensuring that essential public services are effectively delivered to the community.

The Industrial Relations Branch undertook legislative and policy action to remove the former 'wages cap' and develop a new Fair Pay and Bargaining Policy based on the new concept of mutual gains bargaining (MGB). MGB is departure from the traditional adversarial approach to industrial relations and relies on a cooperative approach. It also promotes competitive employment conditions and greater mobility and flexibility throughout the public sector workforce.

The branch also undertook extensive work to support the government and public sector agencies with current 2023–2025 negotiations, including developing a baseline remuneration offer and cost-of-living adjustment.

Restoring the Industrial Court of NSW

The Industrial Relations branch led legislative change to restore the Industrial Court of NSW, a specialised venue for resolving industrial disputes in the state. These include small claims matters, contravention of dispute orders, cancellation of registered organisations, and work health and safety matters. The branch also coordinated the Expression of Interest and appointment process for 3 judicial roles:

- President Justice Taylor
- Vice President Justice Chin
- Deputy President Justice Paingakulam.

The Industrial Court of NSW commenced operations on 1 July 2024.

Key highlights

In addition to the above projects that align with the key objectives, the department also achieved results in the following areas.

Delivering the NSW Social Cohesion Grants for Local Government

The NSW Social Cohesion Grants for Local Government seek to identify social cohesion opportunities in local communities and support local councils and their community partners to deliver innovative solutions.

In 2023–24, the grants program awarded 7 NSW councils up to \$110,000 each to deliver programs aimed at improving social cohesion in their local areas.

Publishing the 2024 NSW Women's Strategy report card

In April 2024, Women NSW delivered the first NSW Women's Strategy Report Card. This provides a baseline for measuring progress over time against the NSW Government's key women's outcome indicators. These indicators are aligned with the pillars of the *NSW Women's Strategy 2023–2026*, being economic opportunity and advancement, health and wellbeing, and participation and empowerment.

An Outcomes and Evaluation Framework underpins the report card, establishing the medium-term and long-term changes needed to achieve the vision of advancing gender equality in NSW.

Delivering community-enhancing grants across NSW

The Grants Program Office is managing the delivery of the Western Sydney Infrastructure Grants Program (\$2 billion) and the Local Small Commitments Allocation (\$37.2 million). The office's responsibilities include supporting local community organisations to apply for funds for projects that enhance community wellbeing, through to working closely with grantees to monitor progress and risks to ensure projects are delivered within the agreed scope, time and budget.

Over the last 12 months, the Grants Program Office has:

- negotiated the execution of 178 complex funding deeds for large infrastructure projects as part of the Western Sydney Infrastructure Grants Program
- overseen the assessment and funding of more than 400 projects and programs as part of the Local Small Commitments Allocation
- conducted more than 10 information and grants capacity-building sessions for grantees.

Both grant programs will be delivered over the next 5 years.

Reviewing and endorsing the State Emergency Management Plan

In 2023, the *State Emergency Management Plan* (EMPLAN) underwent a comprehensive update. This was facilitated by extensive stakeholder consultation including 14 agency and department interviews, 5 multi-agency working group meetings, 2 State Emergency Management Committee meetings, a 5-week consultation period, one Functional Area and Supporting Agency concept workshop, and 5 peak organisation briefings conducted in November 2023.

The resulting updated EMPLAN features:

- clearly defined roles and responsibilities for immediate relief and the transition from response to recovery
- enhanced engagement with communities, non-government organisations, businesses and industry
- consideration of outcomes for Aboriginal communities
- recognition of volunteer contributions
- improved disaster impact assessment arrangements
- a Crisis Policy Committee as a permanent strategic governance forum for all hazards
- a new category of Supporting Agency to bolster the roles and responsibilities of specialist government agencies in emergency management
- a new Educational Services Functional Area to coordinate the education sector's support for Combat Agencies during emergencies.

Between January and June 2024, 13 state, regional and local multi-agency exercises were conducted to rigorously test the state's emergency management arrangements.

Conducting emergency management training

Premier's Department delivers multi-agency, all-hazards emergency management training at no cost to learners. This includes 9 online courses and 3 classroom-based courses that are available to staff and volunteers within NSW Government, local councils and non-government organisations involved in emergency management.

During the 2023–24:

- 2,585 people completed online courses
- 1,374 people completed classroom-based courses.

Supporting government communications

The Communications team, within the Partnerships and Engagement Branch, supported the government with major announcements and engagement work over the last year, ensuring audiences were communicated with clearly, appropriately and via the most timely, meaningful and effective channels.

With the transition from the Department of Premier and Cabinet to Premier's Department, the Communications team has stepped into a central agency coordination role to ensure best-practice communications and engagement processes across the department and the sector.

The team's key achievements include coordinating whole-of-government messaging in relation to the government's emergency domestic violence package and bail reforms, and the community response and recovery communications in the wake of the Bondi Junction attack.

Leveraging technology

Premier's Department continued to update and improve the technology environment for its stakeholders by replacing out-of-date applications, providing modern productivity tools, upgrading the network and moving services out of data centres to the public cloud. SectorLink, a candidate State Digital Asset, continued to expand and provide increased flexibility and security for systems used across the sector.

Premier's Department continues to focus on cyber security protection, detection and response for the departments and Ministry, in line with the recently updated NSW Government Cyber Security Policy.

Progressing Aboriginal land rights legislative amendments

Aboriginal Affairs NSW continued to progress the second tranche of amendments to the *Aboriginal Land Rights Act 1983* (ALRA). A 2021 Statutory Review Report recommended amendments to Section 42 of the ALRA to allow greater alignment between Aboriginal land rights and native title. Consultation with Aboriginal land rights and native title networks in NSW is ongoing and Aboriginal Affairs NSW aims to introduce an Aboriginal Land Rights Act Amendment Bill to Parliament in 2025 to amend Section 42 of the ALRA.

In 2023, Aboriginal Affairs NSW led a tranche of amendments to the *Aboriginal Land Rights Regulation 2020* (ALRR) to support the 2024 NSW Aboriginal Land Council (NSWALC) Councillor Elections. Aboriginal Affairs NSW worked with the NSWALC and the NSW Electoral Commission on the policy positions. The draft amendments were

approved by the Executive Council and published in November 2023.

In 2024, Aboriginal Affairs NSW made amendments to Schedule 5 of the ALRA to include the Wangaaypuwan Local Aboriginal Land Council in the Western Region. Commencing over a portion of unincorporated land, it is bounded by the existing Cobar, Condobolin, Griffith, Ivanhoe, Murrin Bridge and Wilcannia Local Aboriginal Land Councils, and the Barrier Highway to the north.

Continuing Aboriginal Business Roundtables

The NSW Government, in partnership with the NSW CAPO, received feedback from communities indicating the need for greater support for Aboriginal businesses. Aboriginal Business Roundtables are an initiative to support the growth and development of Aboriginal businesses and are part of the broader *NSW Roadmap for Aboriginal Business Growth*, which aims to enhance economic participation and development for Aboriginal people.

The roundtables serve as valuable forums for dialogue, in-depth discussions, collaboration, networking, forging connections between Aboriginal businesses and key government stakeholders, and driving positive change to support the growth and prosperity of Aboriginal enterprises. Roundtable discussions focus on identifying key issues and insights and have been integral to shaping the NSW Government's work under Closing the Gap to support Aboriginal businesses.

The theme of the April 2024 Aboriginal Business Roundtable in Wagga Wagga was 'Access to capital', reflecting the NSW Government's dedication to overcoming barriers hindering the success of Aboriginal businesses, including access to financial resources. It was attended by more than 50 representatives from the Aboriginal business and financial sectors.

Reviewing the Disaster Recovery Funding Arrangements

Premier's Department led a review into the Disaster Recovery Funding Arrangements (DRFA), supported by the NSW Reconstruction Authority. The DRFA is the cost-sharing mechanism through which the Australian Government provides funding to states and territories to share the financial burden of responding to a natural disaster. The review examined the end-to-end process from disaster through to the delivery of reconstruction and financial support to communities and local government.

The department provided a final recommendation report to the DRFA Review Steering Committee in June 2024. It identified 4 strategic priorities with 11 associated recommendations to improve governance and oversight of the DRFA, as well as the design of the broader management system roles and accountabilities. To support the implementation of the recommendations, a draft management framework was developed, presenting an updated holistic approach to the management of the DRFA in NSW.

Improving access to Aboriginal historical records

Aboriginal Affairs NSW is the custodian of a number of records relating to the implementation of policies and legislation impacting Aboriginal people between 1883 and the 1980s. Improving access for Aboriginal people and communities is a key priority to support truth-telling and healing, and a variety of processes and strategies have been implemented to streamline access.

Additional funding was received in the 2024–25 Budget to commence the Digital Songlines Project, which will build on previous work to ensure that information relating to individuals, families and communities is accessible, and to implement a right of reply to support truth-telling.

Improving evidence to drive better planning for Aboriginal communities

In 2023–24, Aboriginal Affairs NSW led the development of Aboriginal population projections for NSW, in partnership with the NSW Department of Planning, Housing and Infrastructure. The project was informed and guided by internal and

external Aboriginal stakeholders including the NSW Coalition of Aboriginal Regional Alliances and NSW CAPO. The latest NSW Aboriginal population projections show how Aboriginal population groups across areas in NSW may change between 2021 and 2041. Prior to these projections, the NSW Government had never had a consistent set of Aboriginal population projections to use across agencies for strategic planning, or for communities to use for their own planning and advocacy. The projections fill this gap and are based on an improved model of estimating Aboriginal births, migration and life expectancy across NSW.

Delivering Aboriginal community events

Aboriginal Affairs NSW partners with Aboriginal communities to empower self-determination and meet community needs and aspirations. Its vision is to see every Aboriginal person and community thriving and celebrated, by connecting, listening, advocating and enabling Aboriginal communities.

Aboriginal Affairs NSW sponsored the 2023 Koori Knockout, which was hosted by 2022 tournament winners the Newcastle All Blacks. More than 40,000 people attended the 4-day event, fostering community connections across the state through a shared passion for rugby league. The Koori Knockout is one of the biggest gatherings in Australia and celebrates the sporting prowess, community unity and resilience of Aboriginal people and their strong cultures.

Healthy Lifestyle Rugby League Clinics were held in Dubbo, Taree and Armidale, with more than 100 high school aged students attending each event. These clinics address vital community issues like suicide prevention and cultural identity, enhancing community cohesion.

Other important events connecting Aboriginal Affairs NSW to communities in Sydney included the Yabun and COOEE festivals, with more than 2,000 people attending.

Our operations

Our people

Responding to the 2023 People Matter Employee Survey results

In the 2023 People Matter Employee Survey (PMES), the department recorded an Employee Engagement Score of 71, which was 6 points higher than the sector average.

The department focused on 4 key areas during the year as PMES priorities:

- 1. Develop and embed purpose statements:** Build staff engagement by aligning work to a higher purpose and providing an increased sense of meaning.
- 2. Supporting flexible working:** Continue to leverage our strengths in supporting flexible work through mandatory manager training, integrating flexible work into work practices and undertaking initiatives to support an agile workforce.
- 3. Supporting inclusion and diversity:** Support inclusion and diversity at all levels across the organisation, including advocating to remove barriers for people with disability and promoting mandatory Aboriginal cultural awareness training to build cultural competencies and psychological safety.
- 4. Embedding the Performance Development Framework:** Continue to embed the Performance Development Framework through support programs and increasing awareness of the link between business planning and individual performance expectations to support transformational change.

Supporting learning and development

As part of our commitment to creating an agile, empowered, inclusive and respectful workplace, we continued to implement programs targeted at building high performance, capability and excellence within the department.

We are focused on *connecting to deliver from the heart of government* by delivering the following mandatory training programs via a centralised learning management platform, MyCareer:

- Governance, Cyber Security and Business Continuity eLearn modules (all staff)
 - Introduction to Health and Safety (all staff)
 - Protecting Privacy Information (all staff)
 - Emergency Management Training (all staff)
 - Handling Sensitive Information (all staff)
 - Sustaining your resilience and wellbeing when working with people who have experienced trauma (all Aboriginal Affairs NSW staff)
 - Managing challenging conversations using trauma-informed principles (all Aboriginal Affairs NSW staff)
 - Transforming your relationship with stress and wellbeing (all Aboriginal Affairs NSW staff)
 - iLead FlexABILITY: empowering leaders with the capability and confidence to manage a flexible workforce (people managers)
 - Inclusive Leadership: exploring implicit assumptions to motivate leaders to work with and empower diverse groups (people managers)
 - Leading Performance Development: building the capability of managers to have ongoing conversations with no surprises to support the Performance Development Framework (people managers).
- In addition, staff are encouraged to participate in the following programs to expand their knowledge and self-development:
- Navigating Performance Development: helping employees reach their career potential with a focus on ongoing conversations and career mobility
 - Flexing My Career
 - NSW Leadership Academy programs, including Aboriginal Leadership Development
 - Thirriwirri's First Peoples Leading Program
 - Premier's Department Leadership Program, for new and upcoming people managers
 - NSW Public Service Commission's People Manager Group Mentoring Program, a 12-month program focusing on uplifting capability
 - Plain English workshops, upskilling employees to communicate clearly and write succinct, to-the-point professional briefs specific to government

- Creating Accessible Content with Vision Australia
- Grace Papers live coaching and panel expert events, supporting working parents and staff with carer responsibilities
- Institute of Public Administration Australia, to provide opportunities for networking, learning and professional development
- Online learning library, providing online learning content mapped to the NSW Public Sector Capability Framework.

Staff are encouraged to seek support and participate in programs from the following organisations for confidential counselling and advice services:

- Converge Employee Assistance Program including dedicated First Nations specialist helpline
- Yamarruh Aboriginal Counselling and Supervision Services
- Good Therapy Australia.

Land disposal

There were no land disposals for the period 1 July 2023 to 30 June 2024.

Management and accountability

4

Management and accountability

Management

Privacy Management Plan

The department is supported by a dedicated Information and Privacy Unit (IAPU) within The Cabinet Office's Office of General Counsel. The IAPU is responsible for advising staff (including ministerial staff) about their privacy obligations under the *Privacy and Personal Information Protection Act 1998* (PPIP Act) and promoting privacy awareness. The department promotes privacy awareness to all staff and looks for new and innovative ways to do this each year.

In May 2024, the department promoted the Information and Privacy Commission's Privacy Awareness Week campaign, 'Privacy and technology: Improving transparency, accountability and security', through department-wide emails with links to Privacy Awareness Week webinars and resources, as well as links to internal privacy resources and information.

The department's privacy policy is clearly set out at paragraphs 5.10 to 5.11 of the Code of Conduct. New staff members are briefed on their obligations under the code, including in relation to the handling of personal information, and a mandatory e-learning module is provided at onboarding and is required to be completed by all staff annually.

The mandatory e-learning module was updated in June 2024 to include new content on the Mandatory Notification of Data Breach Scheme, which came into effect in November 2023. The department provided additional training on the scheme to all staff in December 2023 and created a dedicated intranet page with information and resources related to the scheme. The department also developed a Data Breach Policy, which was published on its website in November 2023. The Privacy Management Plan, which is also published on the department's website, was updated in March 2024.

The department's Privacy Contact Officer can be contacted via our website or at:

Privacy Contact Officer
Information and Privacy Unit
Office of General Counsel
The Cabinet Office
PO Box 5341 Sydney NSW 2001
Phone: (02) 9228 5871

Internal reviews

One internal review was conducted by the department, on behalf of the Aboriginal Languages Trust, under the PPIP Act during 2023–24.

No internal reviews were conducted by or on behalf of the department under the *Health Records and Information Privacy Act 2002* during 2023–24.

Public interest disclosures

The department is committed to building a 'speak up' culture, where public officials are encouraged to report any conduct that they reasonably believe involves wrongdoing.

The department has an arrangement in place under section 81 of the *Public Interest Disclosures Act 2022* (PID Act) for The Cabinet Office to exercise the department's functions under the PID Act on behalf of the department.

A Public Interest Disclosure Policy is in place, which guides staff in the reporting of public interest disclosures. Further information is provided on the department's intranet and website.

Actions taken to ensure staff awareness of the policy and the protections under the PID Act include:

- communicating and publishing the department's Public Interest Disclosure Policy, which aligns with the NSW Ombudsman's model policy and the PID Act
- communicating and publishing the department's Fraud and Corruption Control Policy

- publishing resources by the NSW Ombudsman to increase staff awareness and knowledge
- mandatory online learning for staff, which includes Fraud and Corruption, and NSW Ombudsman training for managers and Disclosure Officers
- communication on how to make a public interest disclosure via internal newsletters.

The department has complied with its obligation under section 78(1) of the PID Act to provide the Ombudsman with an annual return regarding public interest disclosures.

Government Information (GIPA)

We have obligations under the *Government Information (Public Access) Act 2009* (GIPA Act).

Review of proactive release program – Clause 8(a)

The department’s program for the proactive release of information involves:

- reviewing the information sought and released pursuant to applications under the GIPA Act received over the financial year
- considering the kinds of government information held by the department that may be suitable for proactive release
- asking department groups and branches to submit information that is suitable for proactive release to the IAPU within the Office of General Counsel of The Cabinet Office.

Following this review, the 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 IAPU consulted with various branches of the department, including the Finance, Workplaces and Transport Services Branch, regarding the proactive release of information. In the 2023–24 financial year, the department commenced a program of proactive release of domestic ministerial travel information. This information is released every 6 months on the department’s website.

The department continues to proactively release information about the costs of entitlements for former office holders and details of ministerial staff numbers.

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

Number of access applications received – Clause 8 (b)

During the reporting period, the department received 68 formal access applications (including withdrawn applications but not invalid applications).

Number of refused applications for Schedule 1 information – Clause 8 (c)

During the reporting period, the department refused information in 8 formal access applications because the information requested was information referred to in Schedule 1 to the GIPA Act. Of those applications, 7 decisions were made to refuse in full.

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	8	6	3	8	1	0	0	0
Members of Parliament	21	5	8	3	7	2	0	0
Private sector business	1	2	1	0	0	0	0	0
Not-for-profit organisations or community groups	4	2	1	2	1	0	0	0
Members of the public (application by legal representative)	0	2	0	2	1	0	0	0
Members of the public (other)	5	3	2	5	3	0	0	0

* 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*	2	0	0	2	1	0	0	0
Access applications (other than personal information applications)	37	20	15	18	12	2	0	0
Access applications that are partly personal information applications and partly other	0	0	0	0	0	0	0	0

* 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).

Table C: Invalid applications

Reason for invalidity	No of applications
Application does not comply with formal requirements (section 41 of the Act)	1
Application is for excluded information of the agency (section 43 of the Act)	0
Application contravenes restraint order (section 110 of the Act)	0
Total number of invalid applications received	1
Invalid applications that subsequently became valid applications	5

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

	Number of times consideration used*
Overriding secrecy laws	0
Cabinet information	3
Executive Council information	0
Contempt	5
Legal professional privilege	1
Excluded information	0
Documents affecting law enforcement and public safety	0
Transport safety	0
Adoption	0
Care and protection of children	0
Ministerial code of conduct	0
Aboriginal and environmental heritage	0
Information about complaints to Judicial Commission	0
Information about authorised transactions under <u>Electricity Network Assets (Authorised Transactions) Act 2015</u>	0
Information about authorised transaction under <u>Land and Property Information NSW (Authorised Transaction) Act 2016</u>	0

* 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 Act

	Number of occasions when application not successful
Responsible and effective government	17
Law enforcement and security	3
Individual rights, judicial processes and natural justice	18
Business interests of agencies and other persons	5
Environment, culture, economy and general matters	0
Secrecy provisions	0
Exempt documents under interstate Freedom of Information legislation	0

Table F: Timeliness

	Number of applications
Decided within the statutory timeframe (20 days plus any extensions)	54
Decided after 35 days (by agreement with applicant)	6
Not decided within time (deemed refusal)	1
Total	61

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	0	1
Review by Information Commissioner*	0	1	1
Internal review following recommendation under section 93 of Act	0	0	0
Review by NCAT	0	0	0
Total	1	1	2

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

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

	Number of applications for review
Applications by access applicants	2
Applications by persons to whom information the subject of access application relates (see section 54 of the Act)	0

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

	Number of applications transferred
Agency-initiated transfers	13
Applicant-initiated transfers	4

Orders for papers under Standing order 52 of the Legislative Council

The Cabinet Office coordinated returns by agencies and ministers to ensure their timely and orderly delivery to the Parliament. This is no longer a function of Premier's Department.

Governance framework

Premier's Department is committed to maintaining good governance. Our governance framework ensured we achieved all objectives while complying with relevant laws and meeting community expectations with respect to probity, accountability and transparency.

Audit and risk management is embedded in the department through:

- key governance committees
- increasing risk maturity in accordance with Treasury policy
- an Internal Audit Charter
- a risk management culture driven by the department's executive.

Regular reporting to the Audit and Risk Committee ensured continuous oversight and transparency of the department's audit and risk profile.

The department continued to review and update corporate policies and procedures to meet legislative requirements and ensure the quality and currency of corporate policies.

Employees completed mandatory online learning modules on the Code of Conduct, fraud and corruption, risk management and public interest disclosures (where applicable). The department continued to run training and information sessions on key corporate governance functions to educate and engage staff on their ongoing responsibilities, including requirements under the Code of Conduct.

Audit and risk management

The Secretary is required to provide an annual statement attesting to compliance with the 7 core requirements of Treasury's *TPP20-08 Internal Audit and Risk Management Policy for the NSW General Government Sector*. The Secretary's attestation is shown on page 32.

During 2023–24, the department's risk management actions included:

- conducting a risk maturity assessment in line with the Treasury Risk Maturity Assessment Tool
- embedding risk management across the department in line with the Risk Management

Policy, through a Risk Culture Group, to lift risk capability

- embedding a mature risk reporting process across the department through the quarterly risk reporting cycle to review and update branch, group and enterprise risk registers
- participating in the NSW Government Risk Management Community of Practice operated by Treasury
- providing mandatory risk management training to all staff and risk assessment/reporting training to branches as required
- providing enterprise risk management training for executives, including climate risk masterclasses
- further developing the department's identification and management of climate change risk and understanding of how climate change has the potential to directly and indirectly impact its values and objectives, now and in the future. This was achieved by:
 - participating in the Climate Change Risk Officer program, to deliver responsibilities in accordance with the *NSW Climate Change Adaptation Strategy*
 - developing an authorising environment for climate change risk reporting
 - setting climate risk maturity targets using the Climate Risk Ready Health Check tool
 - increasing climate change risk capability
 - collaborating with Treasury and the Department of Climate Change, Energy, the Environment and Water to prepare for the first mandatory climate-related financial disclosures for the department.

The department's internal audit actions included:

- conducting internal audits on:
 - Machinery of Government changes
 - communications and social media
 - delegations of authority
- procuring a new internal audit service provider
- reviewing the department's 3-year audit plan for FY2024–26
- updating the Audit and Risk Committee Shared Arrangement Charter

- updating the Audit and Assurance Strategy/Map
- updating the Internal Audit Charter, which includes the Internal Audit Manual and the Quality Assurance Improvement Program.

Implementing performance audit recommendations

The NSW Audit Office undertakes performance audits to assess whether the activities of the department are carried out effectively, economically, efficiently and in compliance with relevant laws. Audit recommendations are implemented across the business within agreed timeframes. The department's Audit and Risk Committee oversees the implementation of the recommendations.

As at 30 June 2024, the department is addressing the recommendations of the following performance audits:

- Facilitating and administering Aboriginal land claim processes.

Internal Audit and Risk Management Attestation Statement for the 2023-24 Financial Year for the Premier's Department

I, Simon Draper, Secretary of the Premier's Department, am of the opinion that the Premier's Department had internal audit and risk management processes in operation that are compliant with the seven (7) Core Requirements set out in the Internal Audit and Risk Management Policy for the General Government Sector TPP20-08, specifically:

Core Requirements

Risk Management Framework

- | | | |
|-----|---|-----------|
| 1.1 | The Accountable Authority shall accept ultimate responsibility and accountability for risk management in the agency. | Compliant |
| 1.2 | The Accountable Authority shall establish and maintain a risk management framework that is appropriate for the agency. The Accountable Authority shall ensure the framework is consistent with AS ISO 31000:2018. | Compliant |

Internal Audit Function

- | | | |
|-----|--|-----------|
| 2.1 | The Accountable Authority shall establish and maintain an internal audit function that is appropriate for the agency and fit for purpose. | Compliant |
| 2.2 | The Accountable Authority shall ensure the internal audit function operates consistent with the International Standards for Professional Practice for Internal Auditing. | Compliant |
| 2.3 | The Accountable Authority shall ensure the agency has an Internal Audit Charter that is consistent with the content of the 'model charter'. | Compliant |

Audit and Risk Committee

- | | | |
|-----|---|-----------|
| 3.1 | The Accountable Authority shall establish and maintain efficient and effective arrangements for independent Audit and Risk Committee oversight to provide advice and guidance to the Accountable Authority on the agency's governance processes, risk management and control frameworks, and its external accountability obligations. | Compliant |
| 3.2 | The Accountable Authority shall ensure the Audit and Risk Committee has a Charter that is consistent with the content of the 'model charter'. | Compliant |

Membership

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

- Independent Chair, Marcia Doheny, appointed 2 October 2021, term expires 1 October 2026 (Chair was reappointed to current term on 2 October 2024)
- Independent Member, Christine Feldmanis, appointed 1 December 2017, term expires 30 November 2025 (member was reappointed to current term on 1 December 2023)
- Independent Member, Mark Sercombe, appointed 1 April 2024, term expires 31 March 2027
- Independent Member, Garry Dinnie, appointed 1 October 2017, term ended 31 March 2024.

Shared Arrangements

I, Simon Draper, Secretary of the Premier's Department, advise that the Premier's Department entered into an approved collaborative shared arrangement with the following agencies:

- The Cabinet Office
- Parliamentary Counsel's Office.

The resources shared include the Audit and Risk Committee and the internal audit function.

The Premier's Department also shares its Chief Audit Executive with The Cabinet Office.

The shared Audit and Risk Committee is a Collaborative Shared Audit and Risk Committee.



Simon Draper PSM
Secretary
Premier's Department
Date: 15 October 2024

Contact Officer:
Julia Carland
Executive Director, Cabinet & Governance
Ph: 9372 8792

Promotion

There were no overseas visits taken by employees in the Premier's Department or the Governor of NSW from 1 July 2023 to 30 June 2024.

Finance

Insurance

Premier's Department is a member agency of the Treasury Managed Fund (TMF). The TMF is a self-insurance scheme created by the NSW Government to insure government agency risk.

As a member agency, the department is indemnified for all insurable risks, with claims funded by deposit contributions and managed by iCare. The TMF provides cover for:

- workers compensation
- legal liability
- property
- motor vehicles
- miscellaneous risks.

Account payment performance

Aged analysis at the end of each quarter – all suppliers

Quarter	Current (within due date) (\$)	<30 days overdue (\$)	31–60 days overdue (\$)	61–90 days overdue (\$)	90+ days overdue (\$)
Sep 23	1,887,994	413,326	0	0	46,977
Dec 23	788,275	370,541	179,087	0	65,250
Mar 24	2,041,988	1,534,337	73,126	5,543	11,524
Jun 24	1,253,641	58,301	270	-1,461	-21,311

Accounts due or paid within each quarter – all suppliers

Measure	Total	Sep 23	Dec 23	Mar 24	Jun 24
Number of accounts due for payment	6,037	1,238	1,277	1,594	1,928
Number of accounts paid on time	5,516	1,184	1,153	1,470	1,709
Actual percentage of accounts paid on time (based on # accounts)	91%	96%	90%	92%	89%
Dollar amount of accounts due for payment	265,513,122	68,973,477	56,780,845	68,124,095	71,634,706
Dollar amount of accounts paid on time	237,305,927	66,827,642	52,589,877	60,004,684	57,883,724
Actual percentage of accounts paid on time (based on \$ value)	89%	97%	93%	88%	81%

Accounts due or paid within each quarter – small business suppliers

Measure	Total	Sep 23	Dec 23	Mar 24	Jun 24
Number of accounts due for payment	1,337	241	286	329	481
Number of accounts paid on time	1,152	209	237	283	423
Actual percentage of accounts paid on time (based on # accounts)	86%	87%	83%	86%	88%
Dollar amount of accounts due for payment	26,164,139	3,731,804	4,823,000	5,621,978	11,987,357
Dollar amount of accounts paid on time	23,602,848	3,581,679	4,162,998	4,335,507	11,522,664
Actual percentage of accounts paid on time (based on \$)	90%	96%	86%	77%	96%
Number of payments for interest on overdue accounts	0	0	0	0	0
Interest paid on overdue accounts	0.00	0.00	0.00	0.00	0.00

Human resources

Human resources statistics as at 30 June 2024

Numbers and remuneration of senior executive

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

Premier's Department senior executives	2021–22*		2022–23*		2023–24	
	Female	Male	Female	Male	Female	Male
Band 4	0	1	0	1	0	1
Band 3	5	0	3	2	3	2
Band 2	10	6	12	6	10	5
Band 1	27	12	27	17	20	9
Totals	42	19	42	26	33	17
	61		68		50	

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

* Previous figures relate to Department of Premier and Cabinet.

Executive – average remuneration	*2021–22 (\$)	*2022–23 (\$)	2023–24(\$)
Band 4 (Secretary)	644,850	657,750	626,300
Band 3 (Deputy Secretary)	475,368	468,263	477,718
Band 2 (Executive Director)	299,313	317,842	318,641
Band 1 (Director)	243,765	244,144	244,984

Executive salaries represent 14.3% of overall salaries-related expenses for 2023–24. This excludes the Ministry, Leader of the Opposition's office, and the former Inspector of the Law Enforcement Conduct Commission.

* Previous figures relate to Department of Premier and Cabinet.

Staff profile by employment category

The following table shows the number of officers and employees the department employed by category over 4 years (excluding casuals).

	*2021			*2022			*2023			2024		
	Male	Female	Non-binary	Male	Female	Non-binary	Male	Female	Non-binary	Male	Female	Non-binary
Permanent full time	166	241	2	180	283	2	231	346	0	195	297	0
Permanent part time	77	169	1	7	45	0	6	49	0	2	41	0
Temporary full time	51	74	1	40	106	0	24	72	0	27	63	0
Temporary part time	7	45	0	0	10	0	4	9	0	2	8	0
Public service senior executive	21	39	0	19	42	0	26	42	0	17	33	0
Non-public service senior executive	0	0	0	0	0	0	0	0	0	0	0	0
Training positions	0	0	0	0	0	0	0	0	0	0	0	0
Retained staff	0	0	0	0	0	0	0	0	0	0	0	0
Total	322	568	4	246	486	2	291	518	0	243	442	0

* Data figures prior to 2024 are for the Department of Premier and Cabinet, which ceased operation 30 June 2023.

Consultancies

Consultancies valued at less than \$50,000

In 2023–24, 7 consultancies were valued at less than \$50,000, costing a total of \$113,769.72.

Consultancies valued at \$50,000 or more

In 2023–24, 8 consultancies were valued at \$50,000 or more, costing a total of \$1,166,084.24.

Consultancies of \$50,000 or more in value

Group	Supplier	Description	Amount (\$)
Office of the Secretary	DCL Consulting Services Pty Ltd	Review of DPC as part of the Public Sector Review	58,936.00
Community Engagement	Urbis	Community Building Partnerships program evaluation	69,965.43
Delivery and Coordination	Newgate	Volunteer review	117,707.49
Delivery and Coordination	Nous Group Pty Ltd	SES–RFS Interop assessment	138,149.79
Delivery and Coordination	Black Dog Institute	Support for the Mental Health Review	166,380.30
Delivery and Coordination	Scyne Advisory	Volunteer workforce capability planning pilot	200,000.00
Community Engagement	Acil Allen Consulting P/L	Countering Violent Extremism Program evaluation	205,435.63
Community Engagement	RPS AAP Consulting Pty Ltd	Rescue training facility strategic business case	209,509.60

Legal

Legislation and legal change

Acts allocated to the Premier (as at 30 June 2024)

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.

Australia Acts (Request) Act 1985 No 109

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 Special Minister of State and the Minister for Customer Service and Digital Government

Government Sector Audit Act 1983 No 152 – sections 28, 28A, 29 and 30 and Schedule 1

Government Sector Employment Act 2013 No 40

**Independent Commission Against Corruption Act 1988 No 35*

**Independent Commission Against Corruption (Commissioner) Act 1994 No 61*

Independent Pricing and Regulatory Tribunal Act 1992 No 39

Infrastructure NSW Act 2011 No 23 – jointly with the Treasurer (except Part 5 and the other provisions of the Act insofar as they relate to Part 5)

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

Natural Resources Commission Act 2003 No 102

**Ombudsman Act 1974 No 68*

**Parliamentary Evidence Act 1901 No 43*

**Parliamentary Precincts Act 1997 No 66*

**Parliamentary Remuneration Act 1989 No 160*

**Public Interest Disclosures Act 2022 No 14*

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 – whole Act (except section 37B)

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

**Subordinate Legislation Act 1989 No 146*

Acts allocated to the Special Minister of State (as at 30 June 2024)

The Special Minister of State has the administration of the following Acts (except those marked with an asterisk). Where Acts are marked with an asterisk, the Special Minister of State has joint administration with the Premier.

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*

**Electoral Funding Act 2018 No 20*

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

**Independent Commission Against Corruption Act 1988 No 35*

**Independent Commission Against Corruption (Commissioner) Act 1994 No 61*

**Law Enforcement Conduct Commission Act 2016 No 61*

**Legislation Review Act 1987 No 165*

**Lobbying of Government Officials Act 2011 No 5*

**Ombudsman Act 1974 No 68*

**Parliamentary Evidence Act 1901 No 43*
**Parliamentary Precincts Act 1997 No 66*
**Parliamentary Remuneration Act 1989 No 160*
**Public Interest Disclosures Act 2022 No 14*
**State Arms, Symbols and Emblems Act 2004 No 1*
**Statutory and Other Offices Remuneration Act 1975 (1976 No 4)*
**Subordinate Legislation Act 1989 No 146*

Acts allocated to the Minister for Industrial Relations (as at 30 June 2024)

Annual Holidays Act 1944 No 31
Broken Hill Trades Hall Site Act of 1898 No 31
Building and Construction Industry Long Service Payments Act 1986 No 19
Coal Industry (Industrial Matters) Act 1946 No 44
Contract Cleaning Industry (Portable Long Service Leave Scheme) Act 2010 No 122
Employment Protection Act 1982 No 122
Hairdressers Act 2003 No 62
Industrial Relations Act 1996 No 17 – whole Act except (a) sections 148, 156, 157 and Schedule 2 (except in relation to judicial members) – jointly with the Attorney General; and (b) sections 147, 149, 150, Chapter 4, Part 3, sections 155, 159(2), 164(2) and (3), 168, 180, 185(2)(d)–(e), 196, 197, 197B, 207 and 208, Chapter 7, Part 3, section 407 (in relation to provisions administered solely by the Attorney General), Schedule 2 (in relation to provisions administered solely by the Attorney General), and Schedule 4 (in relation to provisions administered solely by the Attorney General) – the Attorney General solely
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
Long Service Corporation Act 2010 No 123
Long Service Leave Act 1955 No 38
Long Service Leave (Metalliferous Mining Industry) Act 1963 No 48

Public Holidays Act 2010 No 115
Retail Trading Act 2008 No 49

Acts allocated to the Minister for Emergency Services (as at 30 June 2024)

Community Welfare Act 1987 No 52 – Part 5 and any other provisions of that Act insofar as they relate to functions under Part 5
Fire and Rescue NSW Act 1989 No 192
Fire Services Joint Standing Committee Act 1998 No 18
NSW Reconstruction Authority Act 2022 No 80 - jointly with the Minister for Planning and Public Spaces (except Parts 5, 6 and 7)
Rural Fires Act 1997 No 65
State Emergency and Rescue Management Act 1989 No 165
State Emergency Service Act 1989 No 164

Acts allocated to the Minister for Aboriginal Affairs and Treaty (as at 30 June 2024)

Aboriginal Land Rights Act 1983 No 42
Aboriginal Languages Act 2017 No 51

Acts allocated to the Minister for Women (as at 30 June 2024)

Royal Society for the Welfare of Mothers and Babies' Incorporation Act 1919 No 52, jointly with the Minister for Health

New and amending legislation

New and amending legislation in the Premier's portfolio (Acts assented to during 2023–24)

Constitution Amendment (Executive Council) Act 2024 No 1
Government Sector Employment and Other Legislation Amendment Act 2024 No 35

New and amending regulations in the Premier's portfolio (regulations made during 2023–24)

Government Sector Employment Amendment Regulation 2024

New and amending legislation in the portfolio of Acts jointly allocated to the Premier and the Special Minister of State (Acts assented to during 2023–24)

Electoral Funding Amendment Act 2024 No 40

Electoral Funding Amendment (Local Government Electoral Expenditure Caps) Act 2024 No 11

Electoral Funding Amendment Act 2023 No 55

ICAC and LECC Legislation Amendment Act 2023 No 17

Independent Commission Against Corruption Amendment Act 2024 No 17

Parliamentary Remuneration Amendment Act 2023 No 6

Statute Law (Miscellaneous Provisions) Act (No 2) 2023 No 35

Statute Law (Miscellaneous Provisions) Act 2023 No 7

Statutory and Other Offices Remuneration Amendment Act 2023 No 8

New and amending regulations in the portfolio of Acts jointly allocated to the Premier and Special Minister of State (regulations made during 2023–24)

Electoral Amendment (Technology Assisted Voting at By-elections) Regulation 2024

Parliamentary Remuneration Amendment Regulation 2023

Parliamentary Remuneration Amendment Regulation (No 2) 2023

Statutory and Other Offices Remuneration (Executive Office Holders and Senior Executives) Regulation 2023

Law Enforcement Conduct Commission Regulation 2023

New and amending legislation in the Minister for Industrial Relations' portfolio (Acts assented to during 2023–24)

Industrial Relations Amendment Act 2023 No 41

New and amending regulations in the Minister for Industrial Relations' portfolio (regulations made during 2023–24)

Industrial Relations (General) Amendment (Electoral Rolls) Regulation 2024

Industrial Relations (National System Employers) Amendment (Murray Art Museum Albury Limited) Order 2024

Industrial Relations (General) Amendment (Fees) Regulation 2024

New and amending legislation in the Minister for Emergency Services' portfolio (Acts assented to during 2023–24)

Emergency Services Legislation Amendment Act 2023 No 42

New and amending regulations in the Minister for Emergency Services' portfolio (regulations made during 2023–24)

Fire and Rescue NSW Regulation 2023

New and amending regulations in the Minister for Aboriginal Affairs and Treaty's portfolio (regulations made during 2023–24)

Aboriginal Land Rights Amendment Regulation 2023

Other information

Costs associated with producing the Annual Report

This Annual Report was produced by the department using internal resources, except for the below costs:

- PDF tagging to meet web content accessibility requirements: \$3,465 excluding GST.

The Premier's Department Annual Report 2023–24 can be found at www.nsw.gov.au/departments-and-agencies/premiers-department/access-to-information/annual-reports.

Sustainability

5

Sustainability

Workplace health, safety and wellbeing

The Premier's Department is committed to protecting the physical and psychological health, safety and wellbeing of our employees. To support this during the past financial year, we:

- offered trauma and self-care workshops in response to several traumatic events that occurred during 2023–24
- offered Mental Health First Aid and Return to Work in Practice training to all staff
- invited staff to participate in health and wellbeing events and programs
- encouraged staff to access Employee Assistance Programs, where necessary. These are available to all staff and their families, and include programs tailored to Aboriginal and Torres Strait Islander staff members
- promoted health and wellbeing through frequent leader-led webinars and regular communications from our Senior Executive team
- provided free influenza vaccinations through our annual flu vaccination program
- renewed our contract with Fitness Passport to offer staff discounted gym access and to promote physical wellbeing
- promoted the rollout of the Converge EAP App, which makes booking and accessing counselling services easier for staff
- updated the Bullying and Harassment Free Workplace Policy and the Internal Complaints Handling Policy
- established a quiet room to be used by all staff, and specifically neurodiverse staff
- renewed the department's accreditation as a Breastfeeding Friendly Workplace, advocating support for breastfeeding employees and removing the workplace as a barrier.
- achieved the status of Carers NSW employer.

Claims and reports

Compensation claims as at 30 June 2024

Data prior to the 2023–24 financial year represents the former Department of Premier and Cabinet.

Year	Premiums paid (\$)	Claims lodged	Open claims
2014–15	423,355	5	5
2015–16	254,797	3	5
2016–17	282,471	11	10
2017–18	261,290	5	7
2018–19	306,321	3	4
2019–20	1,917,602	9	10
2020–21	940,507	13	13
2021–22	776,507	6	7
2022–23	605,943	6	7
2023–24	1,766,330*	10	8

* Combined Premier's Department and The Cabinet Office premium paid prior to the Machinery of Government changes.

Accidents and incidents reported in 2023–24

Cause type	Count
Slip/trip/fall at work	3
Slip/trip (journey)	0
Lifting, carrying, hitting, pulling	0
Cuts/burns	0
Driving/car-related	13
Psychological	5
Ergonomics	5
Other*	6
Total	32

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

Workforce diversity

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

EEO group	Benchmark/target	2021*	2022*	2023*	2024
Women	100	108	109	109	111
Aboriginal and/or Torres Strait Islander people	100	100	100	101	104
People whose first language spoken as a child was not English	100	96	95	95	94
People with disability	100	93	93	94	102
People with disability requiring work-related adjustment	100	N/A	N/A	N/A	N/A

* Figures are for the previous Department of Premier and Cabinet, which ceased operation 30 June 2023.

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.

Our achievements across the Diversity and Inclusion Strategy

People with a disability

Disability inclusion is a core pillar of our Diversity and Inclusion Strategy. The department is committed to removing barriers to inclusion in our workplaces, systems and communications, and to fostering inclusive and safe environments where all employees can thrive irrespective of background or disability. We are also committed to improving employment outcomes and to increasing the representation of people with disability in our workforce. In 2023–24, we demonstrated these commitments by:

- consulting with employees and key stakeholders on the development of the *2024–2027 Disability Inclusion Action Plan*. The plan outlines our commitment to removing the barriers for people with disability so that they can more actively participate in the workforce
- promoting the social model of disability and embedding it into business processes and systems
- embedding the Workplace Adjustment Policy and Procedure, employing a clear structure for requesting and implementing workplace adjustments and providing a practical tool for employees to thrive at work
- continuing to support Stepping Into, a mutually beneficial disability-targeted work experience program that builds disability confidence, creates barrier-free recruitment pathways and raises awareness of the skills of people with disability within the department
- conducting a Dignified Access Review of 52 Martin Place, which included meeting requirements for correct signage or fully functioning hearing augmentation in some meeting rooms
- strengthening our partnership with Jigsaw, a social enterprise that trains and transitions people with disability into employment. Jigsaw works with our People, Culture and Talent branch to increase employment of people with disability and build a disability-confident workforce.

Diversity and Inclusion Network

The department's Diversity and Inclusion Network (DAIN) is an employee-led all-inclusive network that seeks to recognise and celebrate the diversity of our workplace.

In 2023–24, DAIN focused its support across 4 workstreams:

- Accessibility, Health and Wellbeing
- Pride Network
- Deadly Mob and Allies
- Culturally and Linguistically Diverse (CALD) Network.

The workstreams successfully delivered a huge range of programs including an anti-racism workshop, community-building and support, a PRIDE Month Morning Tea and events recognising International Day of People with Disability.

Aboriginal employment

During 2023–24, the department continued to implement initiatives aimed at increasing the representation of Aboriginal and Torres Strait Islander people across all levels and teams, and creating culturally safe and inclusive workplaces. Initiatives and programs included:

- developing and implementing an *Aboriginal Employment Strategy (AES) Action Plan* in collaboration with our Aboriginal workforce. Different platforms were used to collaborate and consult with staff, including an Aboriginal staff gathering (facilitated by external consultant Thirriwirri), online Aboriginal Employment Strategy workshops, and an Aboriginal staff engagement survey. The AES Action Plan builds on existing initiatives that aim to improve Aboriginal employment outcomes and create a culturally safe organisation
- recruiting a Senior Advisor Aboriginal Employment to lead the implementation of the Aboriginal Employment Strategy
- engaging with the department's Aboriginal and Torres Strait Islander Staff Advisory Group and Committee to further workforce initiatives and programs relating to Aboriginal staff
- in partnership with Internal Engagement, engaging Yamurrah, an Aboriginal organisation that provides counselling services, to host a special wellbeing session designed for Aboriginal employees. The session was

designed to help staff manage the conversation surrounding the referendum in the workplace and look after themselves and their mob

- piloting Everyone's Business in May and June, a training package developed by the NSW Public Service Commission about the impacts of past forcible removal policies and practices on Aboriginal communities. This training will help staff better understand the stories of Stolen Generations survivors and integrate this knowledge directly into their day-to-day work
- promoting and participating in Aboriginal employment pathway programs such as CareerTrackers and the Public Service Commission Graduate Program
- promoting First Peoples Leaders Program, Next Gen Aspiring Leaders Program and other leadership development programs to Aboriginal employees across all grades
- providing wellbeing programs that specifically address Aboriginal needs, including debriefing and culturally appropriate counselling services
- providing mandatory Aboriginal Cultural Awareness training as part of the onboarding program for all staff
- providing mandatory Trauma and Self-Care training for all staff working within Aboriginal Affairs NSW
- delivering tailored Manager Performance Development training that focuses on raising awareness of Aboriginal cultural safety principles and on developing cultural capabilities
- embedding cultural safety objectives into work health and safety strategies and plans, and risk management processes.

Multicultural policies and services

NSW has one of the most culturally diverse populations of any region in the world. Our department celebrates this and supports the implementation of the multicultural principles established in the *Multicultural NSW Act 2000*. The department is committed to driving the NSW Government's efforts to build and maintain a socially cohesive, harmonious multicultural society in NSW. We promote whole-of-government recognition of the principles of multiculturalism and encourage NSW agencies to deliver services, policies and programs that respond to the needs of diverse communities.

At the department, diversity and inclusion are central to our culture and achieving our purpose. Our goal is to create a culturally safe workplace that is respectful, welcoming and inclusive. We are committed to building awareness of equity and diversity issues across the department by acknowledging significant dates, such as Harmony Day and National Reconciliation Week, and hosting events that foster meaningful discussion, initiate action and broaden understanding among staff. We enhance cultural diversity and inclusion within the department by implementing the *Diversity and Inclusion Strategy*, and through activities facilitated by employee-led networks such as DAIN. Networks create culturally safe environments where staff of diverse backgrounds are encouraged to profess, practise and maintain their own linguistic and ancestral heritage.

Internships and trainees

The department continued its partnership with CareerTrackers and the Australian Disability Network, offering targeted internships to students or graduates who identify as Aboriginal and/or Torres Strait Islander or as having a disability.

The department also recruited trainees through the NSW Government Infrastructure Traineeship Program, which offers young people a pathway to a future career with paid work, on-the-job training and nationally accredited qualifications in business, project management, or procurement and contracting.

NSW Government Graduate Program

The department continued to participate in the NSW Government Graduate Program, recognising the importance of providing graduates with central agency experience. The award-winning sector-wide program supports and nurtures entry-level graduates, providing 18 months of work experience across different NSW Government agencies. Each graduate is offered ongoing employment after successfully completing the program.

Young Professionals Network

The Young Professionals Network is a volunteer-run committee that champions the voices and interests of employees aged 35 and under across the department. The aim is to help create opportunities for young professionals to connect, grow and learn.

The network provides professional development, networking and social opportunities to help young professionals develop their skills and build connections with each other and executive staff.

Supporting carers

The department is responsible for implementing the *Carers (Recognition) Act 2010* and recognises the valuable contribution that carers make to our society.

During 2023–24, we supported carers in a variety of ways including:

- engaging with Carers NSW to review how we can better support carers in the workplace
- achieving the status of Carers NSW employer
- promoting case studies and carer stories
- allowing flexible work practices for all staff
- providing programs for carers through our partnership with Grace Papers, including personal coaching
- embedding inclusive work practices throughout the employee life cycle
- supporting a \$50,000 grant to Carers NSW through the NSW Women's portfolio to support replacement care for carers to participate in job-seeking activities.

Modern Slavery Act 2018

Since 1 January 2022, NSW Government agencies and other entities have been required to take reasonable steps to ensure that the goods and services they procure are not the product of modern slavery.

The department is committed to implementing the guidance developed by the Office of the Anti-Slavery Commissioner to address modern slavery risks in its procurement and contracting activities. The department's Procurement Policy references the *Modern Slavery Act 2018* as part of the legislative and administrative framework underpinning the policy.

Where possible, department staff are encouraged to procure goods and services from whole-of-government arrangements. For agreements outside the Standard Commercial Framework, the department has added a clause addressing modern slavery to the standard Goods and Services contract template. This clause requires the supplier to confirm that, to the best of their knowledge, they and their suppliers do not participate in modern slavery.

There have been no concerns raised by the Anti-Slavery Commissioner concerning the operations of the department or identified by the Commissioner as being a significant issue during the financial year ended 30 June 2024.

Financial performance

6

Financial performance

Statement by Secretary of Premier's Department

Premier's Department Statement by the Secretary for the year ended 30 June 2024

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

- have been prepared in accordance with the Australian Accounting Standards and the applicable requirements of the Act, the Government Sector Finance Regulation 2024 and the Treasurer's Directions; and
- present fairly the financial position, financial performance and cash flows of the Premier's Department for the year ended 30 June 2024.



Simon Draper
Secretary

8 October 2024

Independent Auditor's report



INDEPENDENT AUDITOR'S REPORT

Premier's Department

To Members of the New South Wales Parliament

Opinion

I have audited the accompanying financial statements of Premier's Department (the Department), which comprise the Statement by the Accountable Authority, the Statement of Comprehensive Income for the year ended 30 June 2024, the Statement of Financial Position as at 30 June 2024, the Statement of Changes in Equity and the Statement of Cash Flows, for the year then ended, and notes to the financial statements, including a Statement of Material Accounting Policy Information and other explanatory information.

In my opinion, the financial statements:

- have been prepared in accordance with Australian Accounting Standards and the applicable financial reporting requirements of the *Government Sector Finance Act 2018* (GSF Act), the *Government Sector Finance Regulation 2024* (GSF Regulation) and the Treasurer's Directions
- present fairly the Department's financial position, financial performance and cash flows.

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

Basis for Opinion

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

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

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

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

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

Secretary's Responsibilities for the Financial Statements

The Secretary is responsible for the preparation and fair presentation of the financial statements in accordance with Australian Accounting Standards, the GSF Act, GSF Regulation and Treasurer's Directions. The Secretary's responsibility also includes such internal control as the Secretary

determines is necessary to enable the preparation and fair presentation of the financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the Secretary is responsible for assessing the Department's ability to continue as a going concern, disclosing as applicable, matters related to going concern and using the going concern basis of accounting.

Auditor's Responsibilities for the Audit of the Financial Statements

My objectives are to:

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

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

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

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

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



Bola Oyetunji
Auditor-General for New South Wales

10 October 2024
SYDNEY

Annual financial statements

Premier's Department

(ABN 34 945 244 274)

for the year ended 30 June 2024

Premier's Department Statement of comprehensive income for the year ended 30 June 2024

	Notes	Budget 2024 \$'000	Actual 2024 \$'000	Actual 2023 \$'000
Expenses excluding losses				
Operating expenses				
Employee related expenses	2 (a)	187,293	157,787	184,890
Other operating expenses	2 (b)	81,735	80,894	100,013
Depreciation and amortisation expense	2 (c)	11,430	8,377	8,077
Grants and subsidies	2 (d)	160,203	122,336	96,440
Finance costs	2 (e)	38	348	243
Total expenses excluding losses		440,699	369,742	389,663
Revenue				
Appropriation	3 (a)	389,068	345,303	402,308
Sale of goods and services	3 (b)	7,436	17,093	5,992
Grants and contributions	3 (c)	45,128	21,231	15,237
Acceptance by the Crown of employee benefits and other liabilities	3 (d)	2,469	2,522	6,588
Other revenue		-	-	-
Total revenue		444,101	386,149	430,125
Operating result		3,402	16,407	40,462
Gain / (loss) on disposal	4	-	(254)	(272)
Other gains / (losses)	5	-	592	(664)
Net result		3,402	16,745	39,526
Other comprehensive income				
<i>Items that will not be reclassified to net result in subsequent periods</i>				
Net increase/(decrease) in property, plant and equipment revaluation surplus	9	-	8,627	5,027
Total other comprehensive income		-	8,627	5,027
Total comprehensive income		3,402	25,372	44,553

The accompanying notes form part of these financial statements.

Premier's Department
Statement of financial position
as at 30 June 2024

	Notes	Budget 2024 \$'000	Actual 2024 \$'000	Actual 2023 \$'000
ASSETS				
Current assets				
Cash and cash equivalents	7	112,750	93,576	119,663
Receivables	8	9,442	13,908	9,564
Total current assets		122,192	107,484	129,227
Non-current assets				
Property, plant and equipment	9			
- Land and buildings		174,326	177,005	168,164
- Plant and equipment		30,412	9,889	8,483
- Leasehold improvements		-	10,240	13,747
- Heritage and cultural assets		-	8,406	8,501
Total property, plant and equipment		204,738	205,540	198,895
Right-of-use assets	10	1,310	924	1,310
Intangible assets	11	12,198	10,013	8,123
Total non-current assets		218,246	216,477	208,328
Total assets		340,438	323,961	337,555
LIABILITIES				
Current liabilities				
Payables	13	53,602	16,042	55,597
Borrowings	14	151	128	151
Provisions	15	12,019	16,399	15,417
Other current liabilities	16	3,209	3,208	3,210
Total current liabilities		68,981	35,777	74,375
Non-current liabilities				
Payables		1,510	-	-
Borrowings	14	992	1,192	991
Provisions	15	7,056	6,947	7,235
Other non-current liabilities	16	3,816	763	3,816
Total non-current liabilities		13,374	8,902	12,042
Total liabilities		82,355	44,679	86,417
Net assets		258,083	279,282	251,138
Equity				
Reserves	17	64,176	72,803	64,176
Accumulated funds		193,907	206,479	186,962
Total equity		258,083	279,282	251,138

The accompanying notes form part of these financial statements.

Premier's Department
Statement of changes in equity
for the year ended 30 June 2024

	Notes	Accumulated Funds \$'000	Asset Revaluation Surplus \$'000	Total \$'000
Balance 1 July 2023		186,962	64,176	251,138
Net result for the year		16,745	-	16,745
Other comprehensive income:				
Net change in revaluation surplus of property, plant and equipment		-	8,627	8,627
Total other comprehensive income		-	8,627	8,627
Total comprehensive income for the year		16,745	8,627	25,372
Transactions with owners in their capacity as owners				
Increase / (decrease) in net assets from equity transfers	17	2,772	-	2,772
Balance at 30 June 2024		206,479	72,803	279,282

	Notes	Accumulated Funds \$'000	Asset Revaluation Surplus \$'000	Total \$'000
Balance 1 July 2022		147,939	59,149	207,088
Net result for the year		39,526	-	39,526
Other comprehensive income:				
Net change in revaluation surplus of property, plant and equipment		-	5,027	5,027
Total other comprehensive income		-	5,027	5,027
Total comprehensive income for the year		39,526	5,027	44,553
Transactions with owners in their capacity as owners				
Increase / (decrease) in net assets from equity transfers	17	(503)	-	(503)
Balance at 30 June 2023		186,962	64,176	251,138

The accompanying notes form part of these financial statements.

Premier's Department
Statement of cash flows
for the year ended 30 June 2024

	Notes	Budget 2024 \$'000	Actual 2024 \$'000	Actual 2023 \$'000
Cash flows from operating activities				
Payments				
Employee related		(184,824)	(155,991)	(184,134)
Grants and subsidies		(160,203)	(122,336)	(96,440)
Other		(82,170)	(135,466)	(87,630)
Total payments		(427,197)	(413,793)	(368,204)
Receipts				
Appropriations (excluding equity appropriations)		389,068	345,303	402,308
Sale of goods and services		7,436	28,252	16,778
Grants and contributions		45,128	21,231	15,237
Reimbursements from the Crown		-	956	3,843
Total receipts		441,632	395,742	438,166
Net cash flows (used in)/from operating activities	20	14,435	(18,051)	69,962
Cash flows from investing activities				
Purchases of property, plant and equipment		(14,985)	(4,804)	(5,555)
Purchases of intangible assets		(6,363)	(2,384)	(4,247)
Net cash flows used in investing activities		(21,348)	(7,188)	(9,802)
Cash flows from financing activities				
Payment of principal portion of lease liabilities		-	(848)	(770)
Net cash flows used in financing activities		-	(848)	(770)
Net (decrease)/increase in cash and cash equivalents		(6,913)	(26,087)	59,390
Opening cash and cash equivalents		119,663	119,663	60,273
Cash transferred in/(out) as a result of administrative restructuring	17	-	-	-
Closing cash and cash equivalents	7	112,750	93,576	119,663

The accompanying notes form part of these financial statements.

Premier's Department

Notes to and forming part of the Financial Statements

for the year ended 30 June 2024

1. Statement of Material Accounting Policy Information

(a) Reporting entity

The Premier's Department (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.

On 1 July 2023 changes to the Department under *Administrative Arrangements (Administrative Changes-Miscellaneous) Order (No 4) 2023* resulted in the name of the Department changing from the Department of Premier and Cabinet to the Premier's Department and the Office of General Counsel, Policy Group (other than WestInvest, Emergency Management Branch, Women NSW and Flood Inquiry Project Management Office) and the Shaping Futures Branch transferring out of the Department to The Cabinet Office.

On 1 January 2024, changes to the Department under *Administrative Arrangements (Administrative Changes-Miscellaneous) Order (No 6) 2023* resulted in the Strategic Communications Branch transferring from the Department of Customer Service to the Department.

Impacting on the prior year, on 16 December 2022 changes to the Department under *Administrative Arrangements (Administrative Changes-Miscellaneous) Order (No 10) 2022* resulted in the Strategic Emergency Management Policy and Coordination Branch transferring to the Department from Resilience NSW.

Details of increases / decreases in Net Assets from these equity transfers are contained in Note 17.

These financial statements for the year ended 30 June 2024 have been authorised for issue by the Secretary on 8 October 2024.

(b) Basis of preparation

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

- applicable Australian Accounting Standards (AAS) (which include Australian Accounting Interpretations).
- the requirements of the *Government Sector Finance Act 2018* (GSF Act) and the Government Sector Finance Regulation 2024 (GSF Regulation).
- Treasurer's Directions issued under the GSF Act.

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 2024 of \$93,576k. As at 30 June 2024, the Department had a net working capital surplus of \$71,707k.

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 of the allocated budget and the ongoing support of the State of New South Wales.

The Department receives its funding under appropriations from the Consolidated Fund. Appropriations for each financial year are set out in the Appropriation Act for that year.

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

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

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

Premier's Department
Notes to and forming part of the Financial Statements
for the year ended 30 June 2024

1. Statement of Material Accounting Policy Information (continued)

(c) Statement of compliance

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

(d) 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 an asset's cost of acquisition or as part of an item of expense and
- receivables and payables are stated with the amount of GST included.

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

(e) Comparative information

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

The comparative information presented reflects that of the Department prior to the Administrative Order changes that occurred from 1 July 2023. Refer Note 1 (a). As such, comparatives for some notes are not directly comparable to the current year.

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

(i) Effective for the first time in 2023-24

The accounting policies applied in 2023-24 are consistent with those of the previous financial year except as a result of the following new or revised AAS that have been assessed to have no impact on the financial statements:

- *AASB 2021-2 Amendments to Australian Accounting Standards – Disclosure of Accounting Policies and Definition of Accounting Estimates*
- *AASB 2021-6 Amendments to Australian Accounting Standards – Disclosure of Accounting Policies: Tier 2 and Other Australian Accounting Standards*
- *AASB 2021-7b Amendments to Australian Accounting Standards – Effective Date of Amendments to AASB 10 and AASB 128 and Editorial Corrections*
- *AASB 2022-1 Amendments to Australian Accounting Standards – Initial Application of AASB 17 and AASB 9 – Comparative Information*
- *AASB 2022-7 Editorial Corrections to Australian Accounting Standards and Repeal of Superseded and Redundant Standards*
- *AASB 2022-8 Amendments to Australian Accounting Standards – Insurance Contracts: Consequential Amendments*

(ii) Issued but not yet effective

NSW public sector entities are not permitted to early adopt new AAS, 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 (TPG 24-06):

- *AASB 2020-1 Amendments to Australian Accounting Standards – Classification of Liabilities as Current or Non-current* (effective from 1 January 2024)

Premier's Department
Notes to and forming part of the Financial Statements
for the year ended 30 June 2024

1. Statement of Material Accounting Policy Information (continued)

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

(ii) Issued but not yet effective (continued)

- AASB 2022-5 *Amendments to Australian Accounting Standards – Lease Liability in a Sale and Leaseback* (effective from 1 January 2024)
- AASB 2022-6 *Amendments to Australian Accounting Standards – Non-current Liabilities with Covenants* (effective from 1 January 2024)
- AASB 2022-9 *Amendments to Australian Accounting Standards – Insurance Contracts in the Public Sector* (effective from 1 July 2026)
- AASB 2022-10 *Amendments to Australian Accounting Standards – Fair Value Measurement of Non-Financial Assets of Not-for-Profit Public Sector Entities* (effective from 1 January 2024)
- AASB 2023-1 *Amendments to Australian Accounting Standards – Supplier Finance Arrangements* (effective from 1 January 2024)
- AASB 2023-3 *Amendments to Australian Accounting Standards – Disclosure of Non-current Liabilities with Covenants: Tier 2* (effective from 1 January 2024)
- AASB 2023-5 *Amendments to Australian Accounting Standards – Lack of Exchangeability* (effective from 1 January 2025)

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

(g) Impact of Climate-related matters on Financial Reporting for 2023-24

The department has no information indicating any material financial impact from climate related matters. The department's real property assets are limited to those of Government House Sydney and the last valuation report indicated no climate related effects on the valuation.

(h) Superannuation Guarantee Levy on Annual Leave Loading

The Department has determined that it is not probable a liability arises to pay superannuation on annual leave loading. This position has been formed based on current inquiries, other information currently available to management, and after considering the facts from a decision in the Federal Court of Australia: *Finance Sector Union of Australia v Commonwealth Bank of Australia* [2022] FedCFamC2G 409. That decision confirmed that, in relation to the industrial agreement considered in that case, annual leave loading did not form part of ordinary time earnings and therefore, did not require superannuation contributions to be made under superannuation guarantee legislation because the obligation to pay annual leave loading was not referable to ordinary hours of work or to ordinary rates of pay. Rather, it was paid by reference to the period of annual leave, and for the purpose of compensating employees for their loss of opportunity to work additional hours at higher rates during this period.

This position will be re-assessed in future reporting periods as new information comes to light on this matter.

Premier's Department
Notes to and forming part of the Financial Statements
for the year ended 30 June 2024

2. Expenses Excluding Losses

(a) Employee related expenses

	2024	2023
	\$'000	\$'000
Salaries and wages (including annual leave)	125,834	135,800
Superannuation – defined benefit plans	263	419
Superannuation – defined contribution plans	11,756	12,022
Long Service Leave ¹	2,533	6,551
Workers' Compensation Insurance	685	611
Payroll tax and fringe benefits tax	9,894	11,522
Redundancies	207	10,689
Agency contractors	6,615	7,276
	157,787	184,890

Employee related costs that have been capitalised and excluded from the above are \$1,903k (2023: \$1,395k).

(b) Other operating expenses

	2024	2023
	\$'000	\$'000
Auditor's remuneration – audit of financial statements	233	286
Audit costs – internal and performance	-	212
Committee fees and expenses	650	765
Community events	4,871	4,509
Consultancy costs	1,116	3,629
Contractor – projects	393	1,286
Corporate services	6,347	4,425
Fees for services rendered	22,485	39,480
Impairment of assets and bad debts	744	126
Information dissemination	823	1,334
Information technology expenses	4,369	3,294
Insurance	962	717
Maintenance expenses*	1,778	1,500
Motor vehicle expenses	565	601
Occupancy costs – fees ¹	17,737	17,144
Occupancy costs – other	7,984	8,281
Operating lease rental expense – minimum lease payments	2,097	1,952
Other expenses	1,452	2,994
Sponsorships and donations	387	570
Stores and minor assets	320	271
Telephone and communication costs	485	794
Training (staff development)	2,247	2,116
Travel costs	2,849	3,727
	80,894	100,013
<u>Total maintenance costs</u>		
* Maintenance expense – contracted labour and other (non-employee related), as above	1,778	1,500
Total maintenance expenses included in Note 2(a) + 2(b)	1,778	1,500

¹ Occupancy costs – fees are payments made to Property NSW as a service fee in relation to occupancy agreements.

Premier's Department
Notes to and forming part of the Financial Statements
for the year ended 30 June 2024

2. Expenses Excluding Losses (continued)

(b) Other operating expenses (continued)

Recognition and Measurement

Maintenance expense

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

Insurance

The Department'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.

Lease expense

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

- Leases that meet the definition of short-term. i.e. where the lease term at commencement of the lease is 12 months or less. This excludes leases with a purchase option.
- Leases of assets that are valued at \$10,000 or under when new.

(c) Depreciation and amortisation expense

	2024	2023
	\$'000	\$'000
<u>Depreciation</u>		
Buildings and improvements	221	199
Plant and equipment	2,661	1,787
<u>Amortisation</u>		
Leasehold improvements	5,180	5,446
Intangible assets	315	645
	8,377	8,077

Refer to Note 9 for recognition and measurement policies on depreciation and amortisation.

(d) Grants and subsidies

	2024	2023
	\$'000	\$'000
NSW government agencies ¹	24,673	25,125
Local government	489	1,459
Grants to external organisations and individuals ²	93,757	65,855
Miscellaneous grants approved by the Premier	3,417	3,220
Regional and rural miscellaneous grants fund	-	781
	122,336	96,440

¹ Grants to NSW government agencies include grants paid to affiliated agencies in the Premier's Department portfolio.

² Grants to external organisations and individuals include reparation payments under the 'Stolen Generations Reparations Scheme', which are ex-gratia payments recognised upon Ministerial approval. Reparation payments for the year ended 30 June 2024 included \$6,968k in grants and subsidies (2023: \$13,800k). Future costs under the scheme are contingent liabilities, which are discussed in Note 18.

Premier's Department
Notes to and forming part of the Financial Statements
for the year ended 30 June 2024

2. Expenses Excluding Losses (continued)

(e) Finance costs

	2024	2023
	\$'000	\$'000
Interest expense from lease liabilities	62	24
Unwinding of discount rate	286	219
	348	243

3. Revenue

Recognition and measurement

Income is recognised in accordance with the requirements of AASB 15 *Revenue from Contracts with Customers* or AASB 1058 *Income of Not-for-Profit Entities*, dependent on whether there is a contract with a customer defined by AASB 15 *Revenue from Contracts with Customers*.

(a) Appropriations

	2024	2023
	\$'000	\$'000
Amount appropriated per Appropriation Act	389,068	417,245
Variations made to the appropriations during the financial year		
- Section 4.9 GSF Act (transfer of functions between GSF agencies)	19,268	10,132
- Contingencies relating to integrity agencies (per section 35 of the Appropriation Act)	-	11,600
Total spending authority from parliamentary appropriations, other than deemed appropriations	408,336	438,977
Add:		
The spending authority from deemed appropriations during the year	53,011	21,620
The unutilised spending authority from deemed appropriations from prior years	769,368	747,748
Total	1,230,715	1,208,345
Less: total expenditure out of Consolidated Fund	(424,023)	(373,468)
Variance	806,692	834,877
Less:		
The spending authority from appropriations lapsed at 30 June	-	(65,509)
Deemed appropriations balance carried forward to following years	806,692	769,368
	2024	2023
	\$'000	\$'000
Transfer payments	-	-
Equity appropriations	-	-
Appropriations (per Statement of Comprehensive Income)	345,303	402,308
Total amount drawn down against Annual Appropriations	345,303	402,308

Premier's Department

Notes to and forming part of the Financial Statements

for the year ended 30 June 2024

3. Revenue (continued)

(a) Appropriations (continued)

The *Appropriations Act 2023* and the subsequent variations appropriates the sum of \$389,068k to the Premier out of the Consolidated Fund for the services of the Premier's Department for the year 2023-24. The spending authority of the Premier from the *Appropriations Act* has been delegated or subdelegated to officers of the Premier's Department and entities that it is administratively responsible for, including the Natural Resources Commission.

The lead Minister for each entity above, being the Premier, is taken to have been given an appropriation out of the Consolidated Fund under the authority of section 4.7 of the GSF Act, at the time the Department receives or recovers any deemed appropriation money, for an amount equivalent to the money that is received or recovered by the Department. These deemed appropriations are taken to have been given for the services of the Premier's Department.

The delegation/sub-delegations for 2023/24 and 2022/23, authorising officers of the Premier's Department to spend Consolidated Fund money, impose limits on the amounts of individual transactions, but do not specify an aggregate expenditure limit for the Premier's Department. However, as they relate to expenditure in reliance on a sum appropriated by legislation, the delegation/sub-delegations are subject to the overall authority of the Premier's Department to spend monies appropriated under relevant legislation. The individual transaction limits have been properly observed. The information in relation to the aggregate expenditure limit from the *Appropriations Act* and other sources is disclosed in the summary of compliance table above.

The summary of compliance has been prepared by aggregating the spending authorities of the Premier for the services of Premier's Department. It reflects the status at the point in time this disclosure statement is being made.

The summary of compliance does not include appropriations for the Public Service Commission and its expenditure. This is because a separate amount has been appropriated for its services under the *Appropriations Act*.

The Department receives its funding under appropriations from the Consolidated Fund. Appropriations for each financial year are set out in the Appropriation Bill that is prepared and tabled for that year.

Recognition and measurement

Parliamentary appropriations other than deemed appropriations

Income from appropriations, other than deemed appropriations (of which the accounting treatment is based on the underlying transaction), does not contain enforceable and sufficiently specific performance obligations as defined by AASB 15. Therefore, except as specified below, appropriations (other than deemed appropriations) are recognised as income when the Department obtains control over the assets comprising the appropriations. Control over appropriations is normally obtained upon the receipt of cash.

Equity appropriations to fund payments to adjust a for-profit entity's capital structure are recognised as equity injections (i.e. contribution by owners) on receipt and equity withdrawals on payment to a for-profit entity are not recognised as income.

Premier's Department
Notes to and forming part of the Financial Statements
for the year ended 30 June 2024

3. Revenue (continued)

(b) Sale of goods and services

	2024	2023
	\$'000	\$'000
Services in-kind	467	494
Personnel services ¹	2,568	1,852
Functions & events	460	159
Corporate services rendered ²	13,193	1,571
Other	405	1,916
	17,093	5,992

¹ Personnel services provided to Aboriginal Languages Trust (2024 and 2023).

² Corporate Services rendered are services provided to The Cabinet Office.

Recognition and measurement

Rendering of services

Revenue from rendering of services is recognised when the Department satisfies the performance obligation by providing the promised services. The payments are typically due 30 days from an invoice being raised.

(c) Grants and contributions

	2024	2023
	\$'000	\$'000
Grants without sufficiently specific performance obligations		
Commonwealth Government	613	-
NSW Government	17,121	11,344
Grants with sufficiently specific performance obligations		
Private sector contributions – events	3,497	3,893
	21,231	15,237

Recognition and measurement

Revenue from grants with sufficiently specific performance obligations is recognised when the Department satisfies a performance obligation by transferring the promised services. The Department typically receives grants in respect of administrative related projects and events. The Department uses various methods to recognise revenue over time, depending on the nature and terms and conditions of the grant contract. The payments are typically based on an agreed timetable or on achievement of different milestones set up in the grant agreement.

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

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

Premier's Department
Notes to and forming part of the Financial Statements
for the year ended 30 June 2024

3. Revenue (continued)

(d) Acceptance by the Crown of employee benefits and other liabilities

	2024	2023
	\$'000	\$'000
The following liabilities and/or expenses have been assumed by the Crown or other government entities:		
Superannuation – defined benefit	243	394
Long service leave	2,267	6,175
Payroll tax on superannuation	12	19
	2,522	6,588

4. Gain / (Losses) on Disposal

	2024	2023
	\$'000	\$'000
Written down value of assets disposed	(254)	(272)
	(254)	(272)

5. Other Gains / (Losses)

	2024	2023
	\$'000	\$'000
Other gains/(losses)	592	(664)
	592	(664)

Recognition and measurement

Impairment losses on non-financial assets

Impairment losses may arise on non-financial assets held by the Department from time to time. Accounting for impairment losses is dependent upon the individual asset (or group of assets) subject to impairment. Accounting Policies and events giving rise to impairment losses are disclosed in the following notes:

Receivables – Note 8

Property, plant and equipment – Note 9

Leases – Note 10

Intangible assets – Note 11.

Premier's Department
Notes to and forming part of the Financial Statements
for the year ended 30 June 2024

6. Disaggregated Disclosure Statements

On 1 July 2023 changes to the Department under *Administrative Arrangements (Administrative Changes-Miscellaneous) Order (No 4) 2023* resulted in the Office of General Counsel, Policy Group (other than WestInvest, Emergency Management Branch, Women NSW and Flood Inquiry Project Management Office) and the Shaping Futures Branch transferring out of the Department to The Cabinet Office. This resulted in changes to Major Activity Group 1: Government Coordination and Major Activity Group 2: Integrity Support.

Impacting on the prior year, on 16 December 2022 changes to the Department under *Administrative Arrangements (Administrative Changes-Miscellaneous) Order (No 10) 2022* resulted in the Strategic Emergency Management Policy and Coordination Branch transferring to the Department into Major Activity Group 1: Government Coordination.

(a) Major Activity Group Descriptions

Major Activity Group 1: Government Coordination

Purpose:

Supporting strategic direction, coordination, assurance and project delivery across government, supporting and attracting new and expanding businesses to create jobs for the people of New South Wales and growing the visitor economy.

Major Activity Group 2: Aboriginal Affairs

Purpose:

Empowering Aboriginal communities leads to a transformed relationship between Aboriginal peoples and government as well as supporting the delivery of policies and practices that support Aboriginal peoples' right to self-determination.

Major Activity Group 3: Integrity Support

Purpose:

Supporting good government decision-making and upholding government integrity.

Premier's Department
Notes to and forming part of the Financial Statements
for the year ended 30 June 2024

6. Disaggregated Disclosure Statements (continued)

(b) Disaggregated Disclosure Statements for year ended 30 June 2024

Expenses & Income	Major Activity Group 1: Government Coordination *		Major Activity Group 2: Aboriginal Affairs *	
	2024 \$'000	2023 \$'000	2024 \$'000	2023 \$'000
Expenses excluding losses				
Operating expenses				
Employee related expenses	118,360	154,521	38,511	29,760
Other operating expenses	62,811	83,347	16,972	15,760
Depreciation and amortisation	6,132	7,427	2,161	650
Grants and subsidies	73,208	19,165	42,369	65,529
Finance costs	246	217	99	26
Total expenses excluding losses	260,757	264,677	100,112	111,725
Revenue				
Appropriations	-	-	-	-
Sale of goods and services	10,871	3,667	6,068	2,325
Grants and contributions	20,856	12,845	375	2,392
Acceptance by the Crown of employee benefits and other liabilities	1,903	5,358	614	1,211
Total revenue	33,630	21,870	7,057	5,928
Gain / (loss) on disposal	(213)	(253)	(39)	(19)
Other gains / (losses)	388	(515)	199	(149)
Net result	(226,952)	(243,575)	(92,895)	(105,965)
Other comprehensive income				
Increase/(decrease) in asset revaluation surplus	8,627	5,027	-	-
Total other comprehensive income	8,627	5,027	-	-
Total comprehensive income	(218,325)	(238,548)	(92,895)	(105,965)

Premier's Department
Notes to and forming part of the Financial Statements
for the year ended 30 June 2024

6. Disaggregated Disclosure Statements (continued)

(b) Disaggregated Disclosure Statements for year ended 30 June 2024

Expenses & Income	Major Activity Group 3: Integrity Support *	
	2024 \$'000	2023 \$'000
Expenses excluding losses		
Operating expenses		
Employee related expenses	916	609
Other operating expenses	1,111	906
Depreciation and amortisation	84	-
Grants and subsidies	-	-
Finance costs	3	-
Total expenses excluding losses	2,114	1,515
Revenue		
Appropriations	-	-
Sale of goods and services	154	-
Grants and contributions	-	-
Acceptance by the Crown of employee benefits and other liabilities	5	19
Total revenue	159	19
Gain / (loss) on disposal	(2)	-
Other gains / (losses)	5	-
Net result	(1,952)	(1,496)
Other comprehensive income		
Increase/(decrease) in asset revaluation surplus	-	-
Total other comprehensive income	-	-
Total comprehensive income	(1,952)	(1,496)

Premier's Department
Notes to and forming part of the Financial Statements
for the year ended 30 June 2024

6. Disaggregated Disclosure Statements (continued)

(b) Disaggregated Disclosure Statements for year ended 30 June 2024

Expenses & Income	Not Attributable **		Total	
	2024 \$'000	2023 \$'000	2024 \$'000	2023 \$'000
Expenses excluding losses				
Operating expenses				
Employee related expenses	-	-	157,787	184,890
Other operating expenses	-	-	80,894	100,013
Depreciation and amortisation	-	-	8,377	8,077
Grants and subsidies**	6,759	11,746	122,336	96,440
Finance costs	-	-	348	243
Total expenses excluding losses	6,759	11,746	369,742	389,663
Revenue				
Appropriations	345,303	402,308	345,303	402,308
Sale of goods and services	-	-	17,093	5,992
Grants and contributions	-	-	21,231	15,237
Acceptance by the Crown of employee benefits and other liabilities	-	-	2,522	6,588
Total revenue	345,303	402,308	386,149	430,125
Gain / (loss) on disposal		-	(254)	(272)
Other gains / (losses)		-	592	(664)
Net result	338,544	390,562	16,745	39,526
Other comprehensive income				
Increase/(decrease) in asset revaluation surplus	-	-	8,627	5,027
Total other comprehensive income	-	-	8,627	5,027
Total comprehensive income	338,544	390,562	25,372	44,553

Premier's Department
Notes to and forming part of the Financial Statements
for the year ended 30 June 2024

6. Disaggregated Disclosure Statements (continued)

(b) Disaggregated Disclosure Statements for year ended 30 June 2024

Assets & Liabilities	Major Activity Group 1: Government Coordination *		Major Activity Group 2: Aboriginal Affairs *	
	2024 \$'000	2023 \$'000	2024 \$'000	2023 \$'000
ASSETS				
Current Assets				
Cash and cash equivalents	-	-	-	-
Receivables	9,354	7,367	4,276	2,037
Total current assets	9,354	7,367	4,276	2,037
Non-current assets				
Receivables	-	-	-	-
Land & buildings	177,005	168,164	-	-
Plant and equipment	8,222	8,073	1,605	410
Leasehold Improvements	8,335	12,824	1,834	923
Heritage and Cultural Assets	8,382	8,477	24	24
Right of use assets	664	1,201	250	109
Intangible assets	7,352	7,379	2,567	744
Total non-current assets	209,960	206,118	6,280	2,210
Total assets	219,314	213,485	10,556	4,247
LIABILITIES				
Current liabilities				
Payables	11,145	46,644	4,786	8,907
Borrowings	101	143	26	8
Provisions	12,780	12,504	3,483	2,830
Other	2,332	2,957	826	253
Total current liabilities	26,358	62,248	9,121	11,998
Non-current liabilities				
Borrowings	857	912	322	79
Provisions	4,706	6,208	2,173	1,025
Other	549	3,499	206	317
Total non-current liabilities	6,112	10,619	2,701	1,421
Total liabilities	32,470	72,867	11,822	13,419
Net assets	186,844	140,618	(1,266)	(9,172)

Premier's Department
Notes to and forming part of the Financial Statements
for the year ended 30 June 2024

6. Disaggregated Disclosure Statements (continued)

(b) Disaggregated Disclosure Statements for year ended 30 June 2024

	Major Activity Group 3: Integrity Support *	
Assets & Liabilities	2024	2023
	\$'000	\$'000
ASSETS		
Current Assets		
Cash and cash equivalents	-	-
Receivables	278	160
Total current assets	278	160
Non-current assets		
Receivables	-	-
Land & buildings	-	-
Plant and equipment	62	-
Leasehold Improvements	71	-
Heritage and Cultural Assets	-	-
Right of use assets	10	-
Intangible assets	94	-
Total non-current assets	237	-
Total assets	515	160
LIABILITIES		
Current liabilities		
Payables	111	46
Borrowings	1	-
Provisions	136	83
Other	50	-
Total current liabilities	298	129
Non-current liabilities		
Borrowings	13	-
Provisions	68	2
Other	8	-
Total non-current liabilities	89	2
Total liabilities	387	131
Net assets	128	29

Premier's Department
Notes to and forming part of the Financial Statements
for the year ended 30 June 2024

6. Disaggregated Disclosure Statements (continued)

(b) Disaggregated Disclosure Statements for year ended 30 June 2024

Assets & Liabilities	Not Attributable **		Total	
	2024 \$'000	2023 \$'000	2024 \$'000	2023 \$'000
ASSETS				
Current Assets				
Cash and cash equivalents	93,576	119,663	93,576	119,663
Receivables	-	-	13,908	9,564
Total current assets	93,576	119,663	107,484	129,227
Non-current assets				
Receivables	-	-	-	-
Land & buildings	-	-	177,005	168,164
Plant and equipment	-	-	9,889	8,483
Leasehold Improvements	-	-	10,240	13,747
Heritage and Cultural Assets	-	-	8,406	8,501
Right of use assets	-	-	924	1,310
Intangible assets	-	-	10,013	8,123
Total non-current assets	-	-	216,477	208,328
Total assets	93,576	119,663	323,961	337,555
LIABILITIES				
Current liabilities				
Payables	-	-	16,042	55,597
Borrowings	-	-	128	151
Provisions	-	-	16,399	15,417
Other	-	-	3,208	3,210
Total current liabilities	-	-	35,777	74,375
Non-current liabilities				
Borrowings	-	-	1,192	991
Provisions	-	-	6,947	7,235
Other	-	-	763	3,816
Total non-current liabilities	-	-	8,902	12,042
Total liabilities	-	-	44,679	86,417
Net assets	93,576	119,663	279,282	251,138

Premier's Department
Notes to and forming part of the Financial Statements
for the year ended 30 June 2024

6. Disaggregated Disclosure Statements (continued)

(c) Transfer of Major Activity Groups

On 1 January 2024, changes to the Department under *Administrative Arrangements (Administrative Changes-Miscellaneous) Order (No 6) 2023* resulted in the Strategic Communications Branch transferring to the Department. The following summarises the expenses and income, recognised by Department of Customer Service (up to date of transfer) and the Premier's Department (from date of transfer to period end) for the reporting period. Refer Note 17 for details regarding transferred assets and liabilities.

	Department of Customer Service Strategic Communications 1 July 2023 to 31 Dec 2023 \$'000	Premier's Department Strategic Communications 1 January 2024 to 31 March 2024 \$'000	2024 Strategic Communications \$'000	2023 Strategic Communications \$'000
Expenses excluding losses				
Operating expenses				
Employee related expenses	425	184	609	526
Other operating expenses	-	-	-	-
Depreciation and amortisation expense	-	-	-	-
Grants and subsidies	-	-	-	-
Finance costs	-	-	-	-
Total expenses excluding losses	425	184	609	526
Revenue				
Sale of goods and services from contracts with customers	-	-	-	-
Grants and other contributions	-	-	-	-
Acceptance by the Crown of employee benefits and other liabilities	-	-	-	-
Other income	-	-	-	-
Total revenue	-	-	-	-
Operating result	(425)	(184)	(609)	(526)
Gains / (loss) on disposal	-	-	-	-
Other gains / (losses)	-	-	-	-
Net result	(425)	(184)	(609)	(526)
Other comprehensive income				
<i>Items that will not be reclassified to net result in subsequent periods</i>				
Net increase/(decrease) in property, plant and equipment revaluation surplus	-	-	-	-
Total other comprehensive income	-	-	-	-
Total comprehensive income	(425)	(184)	(609)	(526)

Premier's Department
Notes to and forming part of the Financial Statements
for the year ended 30 June 2024

7. Current Assets – Cash and Cash Equivalents

	2024	2023
	\$'000	\$'000
Cash at bank and on hand	93,576	119,663
	93,576	119,663

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 period to the statement of cash flows as follows:

	2024	2023
	\$'000	\$'000
Cash and cash equivalents (per statement of financial position)	93,576	119,663
Closing cash and cash equivalents (per statement of cash flows)	93,576	119,663

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

8. Current Assets – Receivables

	2024	2023
	\$'000	\$'000
Current Receivables		
Sale of goods and services	11,930	5,049
Less: Allowance for expected credit loss *	(975)	(186)
Goods and services tax recoverable from ATO	2,440	2,361
Prepayments	287	1,152
Accrued income	57	1,055
Other receivables	169	133
	13,908	9,564

	2024	2023
	\$'000	\$'000
* Movement in the allowance for credit loss		
Balance at 1 July	186	95
Amounts written off during the year	-	(32)
Amounts recovered during the year	(17)	-
Amount transferred in due to administrative restructure	-	-
Increase / (decrease) in allowance recognised in profit or loss	806	123
Balance at 30 June	975	186

Details regarding credit risk, liquidity risk and market risk, including financial assets that are neither past due or impaired, are disclosed in Note 22.

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.

Premier's Department
Notes to and forming part of the Financial Statements
for the year ended 30 June 2024

8. Current Assets – Receivables (continued)

Recognition and measurement (continued)

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

Subsequent measurement

The 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

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.

Premier's Department
Notes to and forming part of the Financial Statements
for the year ended 30 June 2024

9. Property, Plant and Equipment

	Land and Buildings \$'000	Plant and Equipment \$'000	Leasehold Improvements \$'000	Heritage and Cultural Assets \$'000	Total \$'000
At 1 July 2022 - fair value					
Gross carrying amount	164,877	22,594	47,135	8,501	243,107
Accumulated depreciation and impairment	(2,014)	(15,310)	(30,354)	-	(47,678)
Net carrying amount	162,863	7,284	16,781	8,501	195,429
Year ended 30 June 2023					
Net carrying amount at beginning of year	162,863	7,284	16,781	8,501	195,429
Additions	431	2,593	2,531	-	5,555
Disposals	(26)	(4,082)	(453)	-	(4,561)
Administrative restructures - transfers in/(out)	-	-	-	-	-
Net revaluation increment less revaluation decrements recognised in reserves	5,027	-	-	-	5,027
Depreciation expense	(139)	(1,259)	(5,446)	-	(6,844)
Write back of depreciation	8	3,947	334	-	4,289
Net carrying amount at end of year	168,164	8,483	13,747	8,501	198,895
At 1 July 2023 - fair value					
Gross carrying amount	170,579	21,105	49,215	8,501	249,400
Accumulated depreciation and impairment	(2,415)	(12,622)	(35,468)	-	(50,505)
Net carrying amount	168,164	8,483	13,747	8,501	198,895
Year ended 30 June 2024					
Net carrying amount at beginning of year	168,164	8,483	13,747	8,501	198,895
Additions	375	2,739	1,690	-	4,804
Disposals	-	(3,694)	-	(95)	(3,789)
Net revaluation increment less revaluation decrements recognised in reserves	8,627	-	-	-	8,627
Depreciation expense	(161)	(1,371)	(5,180)	-	(6,712)
Reclassifications	-	55	(17)	-	38
Write back of depreciation	-	3,677	-	-	3,677
Net carrying amount at start of year	177,005	9,889	10,240	8,406	205,540
At 30 June 2024 - fair value					
Gross carrying amount	179,581	20,205	50,888	8,406	259,080
Accumulated depreciation and impairment	(2,576)	(10,316)	(40,648)	-	(53,540)
Net carrying amount	177,005	9,889	10,240	8,406	205,540

Premier's Department

Notes to and forming part of the Financial Statements

for the year ended 30 June 2024

9. Property, Plant and Equipment (continued)

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

Recognition and measurement

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 17.

Capitalisation thresholds

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

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.

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.

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. Such assets are not subject to depreciation. The decision not to recognise depreciation for these assets is reviewed annually.

Premier's Department
Notes to and forming part of the Financial Statements
for the year ended 30 June 2024

9. Property, Plant and Equipment (continued)

Recognition and measurement (continued)

Depreciation or property, plant and equipment (continued)

The following depreciation rates have been adopted:

	2024	2023
Category of Assets	Depreciation Rates	Depreciation Rates
<i>Depreciation</i>		
Buildings	2%	2%
Office furniture and fittings	10%	10%
Computer equipment	20% - 33%	20% - 33%
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.

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 21-09) and Treasurer's Direction *Valuation of Physical Non-Current Assets at Fair Value* (TD21-05). TPP21-09 and TD21-05 adopt 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 12 for further information regarding fair value.

Revaluations are made with sufficient regularity to ensure the carrying amount of each asset in the class does not differ materially from its fair value at reporting date. The Department 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 assets. Comprehensive revaluations were completed during 2023 for land and buildings and the Government House Sydney heritage and cultural collection.

Interim revaluations are conducted between comprehensive revaluations where cumulative changes to indicators suggest fair value may differ materially from carrying value.

Non-specialised assets with short useful lives are measured at depreciated historical cost which for these assets approximate fair value. The Department has assessed that any difference between fair value and depreciated historical cost is unlikely to be material.

Premier's Department
Notes to and forming part of the Financial Statements
for the year ended 30 June 2024

9. Property, Plant and Equipment (continued)

Recognition and measurement (continued)

Revaluation of property, plant and equipment (continued)

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 to the extent that it offsets an existing revaluation surplus on the same class of assets, in which case, the decrement is debited directly to the revaluation surplus.

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

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

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.

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.

Land and Buildings – held and used by the Department

This asset class balance reflects the fair value of the land and buildings comprising Government House Sydney. A comprehensive revaluation of the land and buildings for Government House Sydney was performed during 2023 by the Valuation Services, Department of Planning and Environment and FPV Consultants. An indexation was also applied for the period April to June 2023. The valuer used a range of evidence to determine the valuation such as local sales evidence, building cost publications, statistical information and the unique nature of Government House. This resulted in an increase in the fair value of land and buildings by \$20.8 million (14%) from the last comprehensive revaluation in 2020, to \$168.2 million.

An interim revaluation was completed for 30 June 2024 for land and buildings, as a result of a cumulative increase in indicators of approximately 5% and 5.3%. The Department used an external professionally qualified valuer to provide an indication of indexation movement.

Premier's Department

Notes to and forming part of the Financial Statements

for the year ended 30 June 2024

9. Property, Plant and Equipment (continued)

Recognition and measurement (continued)

Revaluation of property, plant and equipment (continued)

Heritage and Cultural assets

The asset class reflects the fair value of the Government House Sydney heritage and cultural assets, which include artworks, furniture and other special collection items. The assets have been valued by external experts to reflect fair value, based on highest and best use, given any restrictions in place. The highest and best use for the collection assets is the existing use, as part of the collection of Government House Sydney.

The Government House Collection assets were revalued during 2023 by an independent valuer, Shapiro Auctioneers and Gallery, based on similar items in the market place and taking into consideration their provenance, rarity and condition. The result of the valuation assessed the total collection assets as increasing by approximately \$400k (5%). With the incorporation of the costs of capital restoration works since the previous revaluation, the overall collection valuation was assessed as very close to the existing book value, and no revaluation adjustment was processed in the financial period.

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.

After an impairment loss has been recognised, it is reversed only if there has been a change in the assumptions used to determine the asset's recoverable amount. The reversal is limited so that the carrying amount of the asset does not exceed its recoverable amount, nor exceed the carrying amount that would have been determined, net of depreciation, had no impairment loss been recognised for the asset in prior years. The reversal is recognised in other comprehensive income and is treated as a revaluation increase, except to the extent that an impairment loss on the same class of asset was previously recognised in net result, a reversal of that impairment loss is also recognised in net result.

Premier's Department
Notes to and forming part of the Financial Statements
for the year ended 30 June 2024

10. Leases

(a) Department as a lessee

The Department leases various properties, equipment and motor vehicles. Lease contracts are typically made for fixed periods of 1 to 10 years but may have extension options. Lease terms are negotiated on an individual basis and contain a wide range of different terms and conditions. The lease agreements do not impose any covenants, but leased assets may not be used as security for borrowing purposes. The Department does not provide residual value guarantees in relation to leases.

Extension and termination options are included in a number of property and equipment leases. These terms are used to maximise operational flexibility in terms of managing contracts. The majority of extension and termination options held are exercisable only by the Department and not by the respective lessor. In determining the lease term, management considers all facts and circumstances that create an economic incentive to exercise an extension option, or not exercise a termination option. Extension options (or periods after termination options) are only included in the lease term if the lease is reasonably certain to be extended (or not terminated). The assessment is reviewed if a significant event or a significant change in circumstances occurs which affects this assessment and that is within the control of the lessee.

AASB 16 *Leases* (AASB 16) requires a lessee to recognise a right-of-use asset and a corresponding lease liability for most leases.

The Department has elected to recognise payments for short-term leases and low value leases as expenses on a straight-line basis, instead of recognising a right-of-use asset and lease liability. Short-term leases are leases with a lease term of 12 months or less.

During the financial year ended 30 June 2022, the Department accepted the changes in the office accommodation arrangements with Property NSW (PNSW). The main change was the introduction of the "substitution right" clause for PNSW to relocate the Department during the term of the agreement. The clause provides PNSW with a substantive substitution right. Therefore, these agreements are no longer accounted for as a lease within the scope of AASB 16. The corresponding right of use assets and lease liabilities were derecognised on 30 June 2022, the effective date of the new clause.

Right-of-use assets under leases

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

	Buildings	Equipment	Total
	\$'000	\$'000	\$'000
Balance at 1 July 2023	82	1,228	1,310
Additions	-	973	973
Disposals	-	(432)	(432)
Depreciation expense	(60)	(1,290)	(1,350)
Write back of depreciation	-	423	423
Balance at 30 June 2024	22	902	924

	Buildings	Equipment	Total
	\$'000	\$'000	\$'000
Balance at 1 July 2022	142	738	880
Additions	-	1,085	1,085
Disposals	-	(67)	(67)
Depreciation expense	(60)	(528)	(588)
Balance at 30 June 2023	82	1,228	1,310

Premier's Department
Notes to and forming part of the Financial Statements
for the year ended 30 June 2024

10. Leases (continued)

(a) Department as a lessee (continued)

Lease liabilities

The following table presents liabilities under leases.

	2024	2023
	\$'000	\$'000
Balance at 1 July	1,142	873
Additions	973	1,083
Remeasurement	-	-
Termination of leases	(9)	(68)
Interest expenses	62	24
Payments	(848)	(770)
Balance at 30 June	1,320	1,142

The following amounts were recognised in the statement of comprehensive income during the period in respect of leases where the Department is the lessee:

	2024	2023
	\$'000	\$'000
Depreciation expense of right-of-use assets	1,350	588
Interest expense on lease liabilities	62	24
Expense relating to short-term leases	2,097	1,952
Total amount recognised in the statement of comprehensive income	3,509	2,564

The Department had total cash outflows for leases of \$2,945k in 2024 (2023: \$2,722k).

Recognition and measurement

i. Right-of-use assets

Right-of-use assets are initially measured at the amount of initial measurement of the lease liability, adjusted by any lease payments made at or before the commencement date, lease incentives, any initial direct costs incurred, and estimated costs of dismantling and removing the asset or restoring the site. The right-of use assets are subsequently measured at cost. They are depreciated on a straight-line basis over the shorter of the lease term and the estimated useful lives of the assets.

The right-of use assets are also subject to impairment. 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. After an impairment loss has been recognised, it is reversed only if there has been a change in the assumptions used to determine the asset's recoverable amount. The reversal is limited so that the carrying amount of the asset does not exceed its recoverable amount, nor exceed the carrying amount that would have been determined, net of depreciation, had no impairment loss been recognised for the asset in prior years. Such reversal is recognised in the net result.

Premier's Department
Notes to and forming part of the Financial Statements
for the year ended 30 June 2024

10. Leases (continued)

Recognition and measurement (continued)

ii. Lease liabilities

At the commencement date of the lease, the Department recognises lease liabilities measured at the present value of lease payments to be made over the lease term. Lease payments include:

- fixed payments (including in substance fixed payments) less any lease incentives receivable;
- variable lease payments that depend on an index or a rate;
- amounts expected to be paid under residual value guarantees;
- exercise price of a purchase options reasonably certain to be exercised by the Department; and
- payments of penalties for terminating the lease, if the lease term reflects the Department exercising the option to terminate.

Variable lease payments that do not depend on an index or a rate are recognised as expenses (unless they are incurred to produce inventories) in the period in which the event or condition that triggers the payment occurs.

The lease payments are discounted using the interest rate implicit in the lease. If that rate cannot be readily determined, which is generally the case for the Department's leases, the lessee's incremental borrowing rate is used, being the rate that the Department would have to pay to borrow the funds necessary to obtain an asset of similar value to the right-of-use asset in a similar economic environment with similar terms, security and conditions.

After the commencement date, the amount of lease liabilities is increased to reflect the accretion of interest and reduced for the lease payments made. In addition, the carrying amount of lease liabilities is remeasured if there is a modification, a change in the lease term, a change in the lease payments (e.g., changes to future payments resulting from a change in an index or rate used to determine such lease payments) or a change in the assessment of an option to purchase the underlying asset.

The Department's lease liabilities are included in borrowings.

iii. Short-term leases and leases of low-value assets

The Department applies the short-term lease recognition exemption to its short-term leases (i.e. those leases that have a lease term of 12 months or less from the commencement date and do not contain a purchase option). It also applies the lease of low-value assets recognition exemption to leases of office equipment that are considered to be low value. Lease payments on short-term leases and leases of low value assets are recognised as expense on a straight-line basis over the lease term.

Premier's Department
Notes to and forming part of the Financial Statements
for the year ended 30 June 2024

11. Intangible Assets

	Software at cost \$'000	Total \$'000
At 1 July 2022		
Gross carrying amount	15,067	15,067
Accumulated amortisation and impairment	(10,546)	(10,546)
Net carrying amount	4,521	4,521
At 30 June 2023		
Gross carrying amount	19,314	19,314
Accumulated amortisation and impairment	(11,191)	(11,191)
Net carrying amount	8,123	8,123
Year ended 30 June 2023		
Net carrying amount at start of year	4,521	4,521
Additions	4,247	4,247
Amortisation (recognised in "depreciation and amortisation")	(645)	(645)
Reclassification	-	-
Net carrying amount at the end of year	8,123	8,123

	Software at cost \$'000	Total \$'000
At 1 July 2023		
Gross carrying amount	19,314	19,314
Accumulated amortisation and impairment	(11,191)	(11,191)
Net carrying amount	8,123	8,123
At 30 June 2024		
Gross carrying amount	18,410	18,410
Accumulated amortisation and impairment	(8,397)	(8,397)
Net carrying amount	10,013	10,013
Year ended 30 June 2024		
Net carrying amount at start of year	8,123	8,123
Additions	2,384	2,384
Disposals	(3,250)	(3,250)
Amortisation (recognised in "depreciation and amortisation")	(315)	(315)
Write back of amortisation	3,109	3,109
Reclassification	(38)	(38)
Net carrying amount at the end of year	10,013	10,013

The Department also continues to derive service potential and economic benefit from some fully amortised assets.

Recognition and measurement

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 Department'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.

Premier's Department
Notes to and forming part of the Financial Statements
for the year ended 30 June 2024

11. Intangible Assets (continued)

Recognition and measurement (continued)

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 15 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.

12. Fair Value Measurement of Non-Financial Assets

(a) 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 Department categorises, for disclosure purposes, the valuation techniques based on the inputs used in the valuation techniques as follows:

- 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).

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

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

	Notes	Level 1 \$'000	Level 2 \$'000	Level 3 \$'000	Total Fair Value \$'000
2024					
Property, plant and equipment					
Land and buildings	9	-	-	177,005	177,005
Heritage and cultural assets	9	-	8,406	-	8,406
		-	8,406	177,005	185,411

	Notes	Level 1 \$'000	Level 2 \$'000	Level 3 \$'000	Total Fair Value \$'000
2023					
Property, plant and equipment					
Land and buildings	9	-	-	168,164	168,164
Heritage and cultural assets	9	-	8,501	-	8,501
		-	8,501	168,164	176,665

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

Premier's Department
Notes to and forming part of the Financial Statements
for the year ended 30 June 2024

12. Fair Value Measurement of Non-Financial Assets (continued)

(b) Valuation techniques, inputs and processes

Government House land has been valued using the market approach, utilising recent site sales of similarly zoned land, with adjustment for condition, location and comparability. Restrictions for the existing use as Government House has been taken into account and a discount has been applied to the market evidence. The Government House land value is therefore categorised as level 3.

Building assets, valued using depreciated replacement cost, are categorised as level 3. Published cost information has been utilised by valuers to ascertain the replacement cost of improvements. Allowances for physical depreciation and functional obsolescence have been applied to arrive at the assessed depreciated replacement cost of the building components.

Government House collection assets are valued using market values and are categorised as level 2.

(c) Reconciliation of recurring level 3 fair value measurements

2024	Notes	Land and buildings \$'000	Total Recurring Level 3 Fair Value \$'000
Fair value as at 1 July 2023	9	168,164	168,164
Additions	9	375	375
Revaluation	9	8,627	8,627
Disposals	9	-	-
Write back of depreciation	9	-	-
Depreciation	9	(161)	(161)
		177,005	177,005

2023	Notes	Land and buildings \$'000	Total Recurring Level 3 Fair Value \$'000
Fair value as at 1 July 2022	9	162,863	162,863
Additions	9	431	431
Revaluation	9	5,027	5,027
Disposals	9	(26)	(26)
Write back of depreciation	9	8	8
Depreciation	9	(139)	(139)
		168,164	168,164

Premier's Department
Notes to and forming part of the Financial Statements
for the year ended 30 June 2024

13. Current Liabilities - Payables

	2024	2023
	\$'000	\$'000
Accrued salaries, wages and on-costs	3,124	3,871
Creditors ¹	12,918	51,726
Total	16,042	55,597

¹ Creditors includes \$225k accrued for Stolen Generations Reparations Scheme payments as at 30 June 2024.

Details regarding credit risk, liquidity risk and market risk, including a maturity analysis of the above payables, are disclosed at Note 22.

Recognition and measurement

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 are financial liabilities at amortised cost, initially measured at fair value, net of directly attributable transaction costs. These are subsequently measured at amortised cost using the effective interest method. Gains and losses are recognised net result when the liabilities are derecognised as well as through the amortisation process.

Payables relating to grant payments are recognised when the legal obligation to pay occurs. Grant and subsidies expense generally comprise contributions in cash or in kind to various local government authorities and not-for-profit community organisations to support their objectives and activities. The grant and subsidies are expensed on the transfer of the cash or assets. The transferred assets are measured at their fair value.

14. Current / Non-Current Liabilities – Borrowings

	2024	2023
	\$'000	\$'000
Borrowing - current		
Lease liability	128	151
	128	151
Borrowing - non-current		
Lease liability	1,192	991
	1,192	991

Recognition and measurement

Borrowings classified as financial liabilities at amortised cost are initially measured at fair value, net of directly attributable transaction costs. These are subsequently measured at amortised cost using the effective interest method. Gains and losses are recognised in net result when the liabilities are derecognised as well as through the amortisation process.

Lease liabilities are determined in accordance with AASB 16 and disclosed as borrowings.

Premier's Department
Notes to and forming part of the Financial Statements
for the year ended 30 June 2024

15. Current / Non-Current Liabilities – Provisions

	2024	2023
	\$'000	\$'000
Current Provisions		
Annual leave including on-costs	13,008	12,112
Long service leave on-costs	1,603	1,766
Payroll tax	1,461	1,539
Parental leave	327	-
Current employee benefits and related on-cost provisions	16,399	15,417
Current Other Provisions		
Restoration costs	-	-
Total Current Other Provisions	-	-
Total Current Provisions	16,399	15,417
Non-Current Provisions		
Long service leave on-costs	178	175
Payroll tax	92	93
Non-current employee benefits and related on-cost provisions	270	268
Non-Current Other Provisions		
Restoration costs	6,677	6,967
Total Non-Current Other Provisions	6,677	6,967
Total Non-Current Provisions	6,947	7,235
Total Provisions	23,346	22,652

	2024	2023
	\$'000	\$'000
Aggregate employee benefits and related on-costs		
Provisions - current	16,399	15,417
Provisions - non-current	270	268
Accrued salaries, wages and on-costs (Note 13)	3,124	3,871
	19,793	19,556

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

Based on statistics showing 14% (2023: 17%) of employees with greater than 30 days annual leave at 30 June 2024, it is estimated that \$926k (2023: \$888k) 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 period, other than employee benefits are set out below:

	2024	2023
	\$'000	\$'000
Provision for Restoration Costs		
Carrying amount at 1 July 2023	6,967	6,084
Unwinding /change in discount rate	(271)	883
Amounts used	(19)	-
Carrying amount at 30 June 2024	6,677	6,967

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

Premier's Department
Notes to and forming part of the Financial Statements
for the year ended 30 June 2024

15. Current / Non-Current Liabilities – Provisions (continued)

Recognition and measurement

Employee benefits

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 8.4% of the nominal value of annual leave) can be used to approximate the present value of the annual leave liability. The Department has assessed the actuarial advice based on the Department's circumstances and has determined that the effect of discounting is immaterial to annual leave. All annual leave is classified as a current liability even where the Department does not expect to settle the liability within 12 months as the Department does not have an unconditional right to defer settlement.

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

Long service leave and superannuation

The Department's liabilities for long service leave and defined benefit superannuation are assumed by the Crown. 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 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. Consideration is given to certain factors based on actuarial review, including expected future wage and salary levels, experience of employee departures, and periods of service. Expected future payments are discounted using Commonwealth government bond rate at the reporting date.

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.

Consequential 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.

Premier's Department
Notes to and forming part of the Financial Statements
for the year ended 30 June 2024

15. Current / Non-Current Liabilities – Provisions (continued)

Recognition and measurement (continued)

Other 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 4.31% in 2024 (4.03% in 2023), 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.

16. Current / Non-Current Liabilities – Other

	2024	2023
	\$'000	\$'000
Other - current		
Unamortised accommodation incentive	3,053	3,053
Unearned revenue	143	145
Other liabilities	12	12
	3,208	3,210
Other - non-current		
Unamortised accommodation incentive	763	3,816
	763	3,816

Premier's Department
Notes to and forming part of the Financial Statements
for the year ended 30 June 2024

17. Equity

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 9.

Accumulated funds

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

Reserves

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

Equity transfers – Recognition and measurement

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. Refer to the following tables for details on equity transfers.

Premier's Department
Notes to and forming part of the Financial Statements
for the year ended 30 June 2024

17. Equity (continued)

Transfers in arising from *Administrative Arrangements (Administrative Changes—Miscellaneous) Order (No 6) 2023*

2024
\$'000

Transfer in - Strategic Communications Branch from the Department of Customer Service*

Assets

Current assets

Cash and cash equivalents -

Receivables -

Total current assets -

Non-Current assets

Property, plant and equipment -

Right-of-use assets -

Intangible assets -

Total non-current assets -

Total assets -

Liabilities

Current liabilities

Payables -

Borrowings -

Provisions 70

Other current liabilities -

Total current liabilities 70

Non-current liabilities

Payables -

Borrowings -

Provisions 1

Other current liabilities -

Total non-current liabilities 1

Total liabilities 71

Net assets (71)

* The transfer in at 1 January 2024 involved \$71k.

Increase/(Decrease) in Net Assets From Equity Transfers IN (71)

Premier's Department
Notes to and forming part of the Financial Statements
for the year ended 30 June 2024

17. Equity (continued)

Transfers out arising from <i>Administrative Arrangements (Administrative Changes—Miscellaneous) Order (No 4) 2023</i>	
	2024 \$'000
Transfer out - The Cabinet Office *	
Assets	
Current assets	
Cash and cash equivalents	-
Receivables	1,208
Total current assets	1,208
Non-Current assets	
Property, plant and equipment	-
Right-of-use assets	-
Intangible assets	-
Total non-current assets	-
Total assets	1,208
Liabilities	
Current liabilities	
Payables	580
Borrowings	-
Provisions	3,412
Other current liabilities	-
Total current liabilities	3,992
Non-current liabilities	
Payables	-
Borrowings	-
Provisions	59
Other current liabilities	-
Total non-current liabilities	59
Total liabilities	4,051
Net assets	(2,843)

* The transfer out at 1 July 2023 involved \$2,778k of assets and liabilities.

Increase/(Decrease) in Net Assets From Equity Transfers OUT	2,843
Increase/(Decrease) in Net Assets From Equity Transfers	2,772

Premier's Department
Notes to and forming part of the Financial Statements
for the year ended 30 June 2024

17. Equity (continued)

Transfers – up to 30 June 2023 (for comparative purposes)

Transfers in arising from *Administrative Arrangements (Administrative Changes-Miscellaneous) Order (No 10) 2022*

2023

\$'000

Transfer in - Strategic Emergency Management Policy and Coordination Branch from Resilience NSW *

Assets

Current assets

Cash and cash equivalents -

Receivables -

Total current assets -

Non-Current assets

Property, plant and equipment -

Right-of-use assets -

Intangible assets -

Total non-current assets -

Total assets -

Liabilities

Current liabilities

Payables -

Borrowings -

Provisions 492

Other current liabilities -

Total current liabilities 492

Non-current liabilities

Payables -

Borrowings -

Provisions 11

Other current liabilities -

Total non-current liabilities 11

Total liabilities 503

Net assets (503)

* The transfer in at 16 December 2022 involved \$503k of employee provisions.

Increase/(Decrease) in Net Assets From Equity Transfers IN (503)

Premier's Department
Notes to and forming part of the Financial Statements
for the year ended 30 June 2024

18. Contingent Liabilities and Contingent Assets

Contingent Liabilities

Stolen Generations Reparations Scheme

In December 2016, the NSW Government announced the 'Stolen Generations Reparations Scheme' in acknowledgement of the suffering caused by the forcible removal of Aboriginal children by the NSW Government in the past. The Department manages the scheme on behalf of the NSW Government, to ensure Stolen Generation survivors receive approved ex-gratia payments under the scheme. A standard payment of \$75k is paid for approved reparations applications, unless varied by ministerial discretion to a lower amount.

The scheme was open for applications until 30 June 2023. Whilst future payments are expected under the scheme, the liability for payment of reparations will only be confirmed upon the occurrence of a number of uncertain future events. Ex-gratia payments are entirely at the Minister's discretion and therefore future costs under the scheme are considered to be contingent liabilities, and expenses are recognised upon ministerial approval. Also refer to Note 2 (d) and Note 13.

Other matters

Claims have been made against the department. The amount of the liability that may arise from these claims cannot be measured reliably at this time, and there is significant uncertainty as to whether a future liability will arise in respect to these items. If successful, the legal costs, disbursements and financial settlements are generally expected to be met by the Attorney General's Legal Fund and the NSW Treasury Managed Fund.

Contingent Assets

There are no known contingent assets at balance date.

Premier's Department

Notes to and forming part of the Financial Statements

for the year ended 30 June 2024

19. Budget Review

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

Net Result

The net result was a \$16,745k surplus compared to a budgeted surplus of \$3,402k. This is an favourable variance of \$13,343k. Variances to budget are as follows:

Expenses

Total expenses excluding losses were \$369,742k compared to a budget of \$440,699. This was \$70,957k under budgeted total expenses. Grant expense was \$37,867k under budget mainly due to the \$18,000k underspend in the Local Small Commitments Allocation Grant, the \$3,394k underspend in the Local Decision-Making Grant and \$13,778k underspend in the Stolen Generations Collective Healing Reparation Grant. Depreciation and amortisation expense was \$3,053k under budget. The residual underspend mainly relates to delays in implementation of various program of works within Aboriginal Affairs.

Revenue

Total revenue was \$386,149k compared to a budget of \$444,101k. This was \$57,952k lower revenue compared to budget. Appropriations were decreased by \$43,765k which was mainly driven by the recurrent appropriation decreases resulting from the delay in various programs of work referred to above.

Gain / (loss) on disposal

Gain / (loss) on disposal was a loss of \$254k compared to a budget of nil. This was a result of write-offs of IT equipment.

Other gains / (losses)

Other gains / (losses) was a gain of \$592k compared to a budget of nil. This was a result of net present value calculations driven by a lower than prior year consumer price index and increased discount rate.

Assets and Liabilities

Net assets were \$279,282k compared to a budget of \$258,083k. This is \$21,199k greater than budget. The major variances are noted below:

Assets

Current assets were \$107,484k compared to a budget of \$122,192k, which is \$14,708k lower than budget. A factor in this is the lower than budgeted cash held, which resulted from sooner than budgeted payments made at year-end.

Liabilities

Current liabilities were \$35,777k compared to a budget of \$68,981k, which is \$33,204k lower than budget, which is a result from year-end payables paid sooner than budgeted.

Cash flows

The closing cash position was \$93,576k compared to a budget of \$112,750k, which is \$19,174k lower than budget. This was due to year-end payments made sooner than budgeted.

Premier's Department
Notes to and forming part of the Financial Statements
for the year ended 30 June 2024

20. Reconciliation of Cash Flows from Operating Activities to Net Result

Reconciliation of cash flows from operating activities to the net result as reported in the Statement of Comprehensive Income as follows:

	2024	2023
	\$'000	\$'000
Net cash used on operating activities	(18,051)	69,962
Depreciation and amortisation	(8,377)	(8,077)
Finance Costs	(348)	(243)
Decrease / (increase) in provisions	(4,384)	2,931
Increase / (decrease) in receivables & prepayments	5,535	1,308
(Increase) / decrease in creditors	38,977	(29,015)
Net gain / (loss) on sale of plant and equipment	(254)	(272)
Other gain / (loss)	592	(664)
Decrease / (increase) in other liabilities	3,055	3,596
Net result	16,745	39,526

21. Trust Funds

	2024	2023
	\$'000	\$'000
Unclaimed Wages account		
Cash balance at the beginning of the financial year	2,064	1,837
Add: Receipts	1,038	983
Less: Expenditure	(615)	(756)
Cash balance at the end of the financial year	2,487	2,064

	2024	2023
	\$'000	\$'000
Public Trust account		
Cash balance at the beginning of the financial year	9	10
Add: Receipts	38	18
Less: Expenditure	(38)	(19)
Cash balance at the end of the financial year	9	9

Recognition and measurement

The Department holds money in Miscellaneous Trust Funds which are used for Unclaimed Wages and Public Trust. As the Department performs only a custodial role in respect of these monies, and because the monies cannot be used for the achievement of the Department's own objectives, these funds are not recognised in the financial statements.

Premier's Department
Notes to and forming part of the Financial Statements
for the year ended 30 June 2024

22. 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.

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

Class	Note	Category	Carrying amount	
			2024	2023
			\$'000	\$'000
Financial Assets				
Cash and cash equivalents	7	Amortised cost	93,576	119,663
Receivables ¹	8	Amortised cost	11,181	6,052
Financial Liabilities				
			\$'000	\$'000
Payables ²	13	Financial liabilities at amortised cost	14,897	54,310
Borrowings	14	Financial liabilities at amortised cost	1,320	1,142
Other	16	Financial liabilities at amortised cost	3,828	6,881

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

(b) Derecognition of financial assets and financial liabilities

A financial asset is derecognised when the contractual rights to the cash flows from the financial assets expire; or if the Department transfers its rights to receive cash flows from the asset or has assumed an obligation to pay the received cash flows in full without material delay to a third party under a 'pass-through' arrangement; and either:

- The Department has transferred substantially all the risks and rewards of the asset;
or
- the Department has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred 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.

Premier's Department
Notes to and forming part of the Financial Statements
for the year ended 30 June 2024

22. Financial Instruments (continued)

(c) Credit risk

Credit risk arises when there is the possibility that the counterparty will default 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 credit losses).

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 receivables as at 30 June 2024 and 30 June 2023 was determined as follows:

	30 June 2024					
	\$'000					
	Current	<30 days	30-60 days	61-90 days	>91 days	Total
Expected credit loss rate	0.0%	0.0%	0.0%	0.0%	79.9%	
Estimated total gross carrying amount at default	3,886	414	3	93	1,220	5,616
Expected credit loss	-	-	-	-	975	975

	30 June 2023					
	\$'000					
	Current	<30 days	30-60 days	61-90 days	>91 days	Total
Expected credit loss rate	0.0%	0.0%	0.0%	0.0%	14.7%	
Estimated total gross carrying amount at default	2,503	176	(59)	87	1,267	3,974
Expected credit loss	-	-	-	-	186	186

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.

Premier's Department
Notes to and forming part of the Financial Statements
for the year ended 30 June 2024

22. Financial Instruments (continued)

(c) Credit risk (continued)

The Department is not materially exposed to concentrations of credit risk to a single trade debtor or group of debtors as at 30 June 2024. Most of Department's debtors have a AAA credit rating.

(d) 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 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.

Premier's Department
Notes to and forming part of the Financial Statements
for the year ended 30 June 2024

22. Financial Instruments (continued)

(d) Liquidity risk (continued)

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 years
2024								
Payables ¹ :								
Accrued salaries, wages and on-costs	-	2,041	-	-	2,041	2,041	-	-
Creditors	-	12,856	-	-	12,856	12,856	-	-
		14,897	-	-	14,897	14,897	-	-
Borrowings:								
Lease liabilities	-	1,320	-	-	1,320	128	1,192	-
		1,320	-	-	1,320	128	1,192	-
Other Liabilities:								
Unamortised discount	-	3,816	-	-	3,816	3,053	763	-
Other	-	12	-	-	12	12	-	-
		3,828	-	-	3,828	3,065	763	-
Total		20,045	-	-	20,045	18,090	1,955	-
2023								
Payables ¹ :								
Accrued salaries, wages and on-costs	-	2,638	-	-	2,638	2,638	-	-
Creditors	-	51,672	-	-	51,672	51,672	-	-
		54,310	-	-	54,310	54,310	-	-
Borrowings:								
Lease liabilities ¹	-	1,142	-	-	1,142	151	991	-
		1,142	-	-	1,142	151	991	-
Other Liabilities:								
Unamortised discount	-	6,869	-	-	6,869	3,053	3,816	-
Other	-	12	-	-	12	12	-	-
		6,881	-	-	6,881	3,065	3,816	-
Total		62,333	-	-	62,333	57,526	4,807	-

¹ The amounts disclosed here exclude statutory payables and unearned revenue (not within scope of AASB 7).

Premier's Department
Notes to and forming part of the Financial Statements
for the year ended 30 June 2024

22. Financial Instruments (continued)

(e) 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 2022. 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 following table demonstrates the sensitivity to a reasonably possible change in interest rates:

Consolidated	Carrying Amount	-1%	Equity	1%	Equity
		Profit \$'000	\$'000	Profit \$'000	\$'000
2024					
<i>Financial assets</i>					
Cash and cash equivalents	93,576	(936)	(936)	936	936
Receivables	11,181	(112)	(112)	112	112
<i>Financial liabilities</i>					
Payables	14,897	149	149	(149)	(149)
Borrowings	1,320	13	13	(13)	(13)
Other liabilities	3,828	38	38	(38)	(38)
2023					
<i>Financial assets</i>					
Cash and cash equivalents	119,663	(1,197)	(1,197)	1,197	1,197
Receivables	6,052	(61)	(61)	61	61
<i>Financial liabilities</i>					
Payables	54,310	543	543	(543)	(543)
Borrowings	1,142	11	11	(11)	(11)
Other liabilities	6,881	69	69	(69)	(69)

(f) 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.

Premier's Department
Notes to and forming part of the Financial Statements
for the year ended 30 June 2024

23. Related Party Disclosures

In accordance with AASB 124 Related Party Disclosures, key management personnel are the Senior Executive Board members, having authority and responsibility for planning, directing and controlling the activities of the Department.

(a) Compensation of key management personnel

The Department's key management personnel compensation are as follows:

	2024 \$'000	2023 \$'000
Short-term employee benefits:		
Salaries	2,769	3,117
Other monetary allowances	-	-
Non-monetary benefits	1	4
Other long-term employee benefits	-	-
Post-employment benefits	-	-
Termination benefits	-	244
Total remuneration	2,770	3,365

(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 period, 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.

These transactions include:

- Corporate services provided and governance and legal services received to and from The Cabinet Office
- Long Service Leave and Defined Benefit Superannuation assumed by the Crown
- Service fee paid to Property NSW for Office occupancy agreement
- Fee paid to Department of Customer Services for Corporate shared services
- Appropriations (and subsequent adjustments to appropriations)
- Transactions relating to the Treasury Banking System
- Employer contributions paid to Defined Benefit Superannuation funds
- Grants paid to portfolio agencies
- Payments into the Treasury Managed Fund for workers compensation insurance and other insurances
- Receipts from the provision of personnel and related services to Aboriginal Languages Trust.

The Department did not have any related party transactions with the portfolio Ministers during the financial year.

Premier's Department
Notes to and forming part of the Financial Statements
for the year ended 30 June 2024

24. Events After the Reporting Period

Administrative Arrangements (Administrative Changes – Miscellaneous) Order (No 2) 2024 resulted in changes to the Department effective from 1 July 2024. These changes involved the transfer in of:

- Office of Chief Scientist and Engineer Group and Investment NSW Group from the Department of Enterprise, Investment and Trade. It is estimated that the impact will be the transfer in of net assets of \$1,150k;
- staff of the Public Service Commission following the abolition of the Commission. It is estimated that the impact will be the transfer in of net liabilities of \$2,315k; and
- Regional Coordination and Delivery Branch from the Department of Regional NSW. There is no current estimate available for the net liabilities to transfer in;

and transfer out of:

- Women NSW Branch to The Cabinet Office. It is estimated that the impact will be the transfer out of \$364k in liabilities; and
- staff responsible for the delivery of Australia Day events and programs to the Department of Creative Industries, Tourism, Hospitality and Sport. It is estimated that the impact will be the transfer out of \$184k in liabilities.

End of audited financial statements

Machinery of Government costs/benefits

The Department of Premier and Cabinet to The Cabinet Office and the Premier's Department

Benefits

On 1 July 2023, the Premier's Department and The Cabinet Office were established, replacing the Department of Premier and Cabinet. The departments were created to be strong central agencies, essential to leading, coordinating and driving whole-of-government policy and delivery to address the challenges NSW faces today and into the future. The role of the central agencies is to translate the government's intentions into executable policy and articulate clear outcomes that line agencies can organise to deliver. The departments work in tandem to ensure the sector is focused on the government's priorities.

Premier's Department drives delivery and supports line agencies to deliver on their accountabilities. It is focused on delivery and implementation, driving the public sector to fulfill its mandate of serving the community.

The Cabinet Office works closely with Premier's Department, Treasury and line agencies on the formulation of new policy ideas for government consideration, positioning itself as the linchpin of strong, robust government decision-making. It has a clear purpose to provide expert and independent policy advice to Cabinet and to support collective ministerial decision-making and accountability.

Savings

Premier's Department and The Cabinet Office entered into shared service arrangements to achieve the most cost-effective operating model while ensuring new functions were set up to deliver on government priorities. This meant these functions were not duplicated across departments. A memorandum of understanding was entered into by both Secretaries to formalise the agreement.

New funding was required to create additional roles across the two departments; however, \$2.6 million was able to be absorbed within existing resources, bringing the overall cost associated with the change down.

Costs

Implementation of the new structures increased overall staff numbers by 28.25 full-time equivalent (FTE) staff. From the \$6.6 million per annum new funding required, \$2.6 million was absorbed within existing resources, bringing the overall cost down to \$4 million.

Summary of significant one-off costs of implementing the Machinery of Government change, to 30 June 2024*

Description	Amount (\$)
Implementation staffing	Nil (achieved within existing resources)
IT – records, email and data migration	592,952
IT – branding and communication changes	231,603
Accommodation – The Cabinet Office fit-out	310,593
Total costs	1,287,267

* Other minor costs are not included in the summary but are included in total costs

The whole-of-sector communications team

Benefits

The whole-of-sector communications team transferred from the Department of Customer Service to the Premier's Department on 1 January 2024. This change enhances the department's ability to coordinate whole-of-government communications activity for priority areas such as renewable energy and domestic violence, as well as its ability to ensure best practice in relation to using government channels for engagement.

Costs

Premier's Department did not incur any significant one-off or incremental costs relating to the whole-of-sector communications team transferring from the Department of Customer Service to the Premier's Department.

Contacts

Premier of New South Wales

The Honourable Chris Minns MP
52 Martin Place Sydney NSW 2000
GPO Box 5341 Sydney NSW 2001
T 02 7225 6000
W nsw.gov.au/premier

Premier's Department

Sydney CBD office
52 Martin Place Sydney NSW 2000
GPO Box 5341 Sydney NSW 2001
T 02 9228 5555
W nsw.gov.au

Premier's Department

More information

www.nsw.gov.au

Contact us

T 02 9228 5555

W nsw.gov.au/premiers-department/contact-us

Copyright

© State of New South Wales 2024 [Premier's Department]

Unless otherwise stated, the contents of this publication are licensed under the Creative Commons Attribution 4.0 Licence, except as noted right. Terms and conditions of the licence can be viewed at creativecommons.org/licenses/by/4.0/legalcode.



Please give attribution in the following form:

© State of New South Wales.

Material not licensed under the Creative Commons Licence

The following material is not licensed under the Creative Commons 4.0 Licence.

1. The State's Coat of Arms or any other symbols, logos or trademarks of the State of NSW or of any department or agency of the State (unless incidentally reproduced on an unaltered copy of this document).
2. Any third-party material (whether or not identified as such) unless expressly stated to be published under the Creative Commons Licence.
3. Personal information, including photographs of people.

Disclaimer

The Premier's Department does not guarantee or warrant, and accepts no legal liability whatsoever arising from or connected to, the accuracy, reliability, currency or completeness of any material contained in this publication.