Annual Report
2021–22

| **Our vision**	To provide every person, business, and community with a world class experience accessing the services and support they need from the NSW Government.
Our mission	We are committed to enhancing the quality of life in NSW by making it easy for people, businesses, and communities to access the support and services they need.
Our purpose	We are the one-stop-shop for NSW Government Services. We collaborate with partner agencies to provide an exceptional, customer-centric omni-channel experience of government.
Our values	• Passion • Teamwork • Accountability • Service • Integrity • Trust

Contents

Acknowledgement of Country

Service NSW acknowledges, respects and values Aboriginal peoples as the Traditional Custodians of the lands on which we live, walk and work. We pay our respects to Elders past, present and future. We recognise and remain committed to honouring Aboriginal and Torres Strait Islander peoples' unique cultural and spiritual relationships, and continuing connection to their lands, waters and seas. We acknowledge their history here on these lands and their rich contribution to our society.

We also acknowledge our Aboriginal employees who are an integral part of our diverse workforce, and recognise the knowledge embedded forever in Aboriginal and Torres Strait Islander custodianship of Country and cultures.

The 'Connecting Communities' artwork used here is by Alison Williams, proud Gumbaynggirr woman.
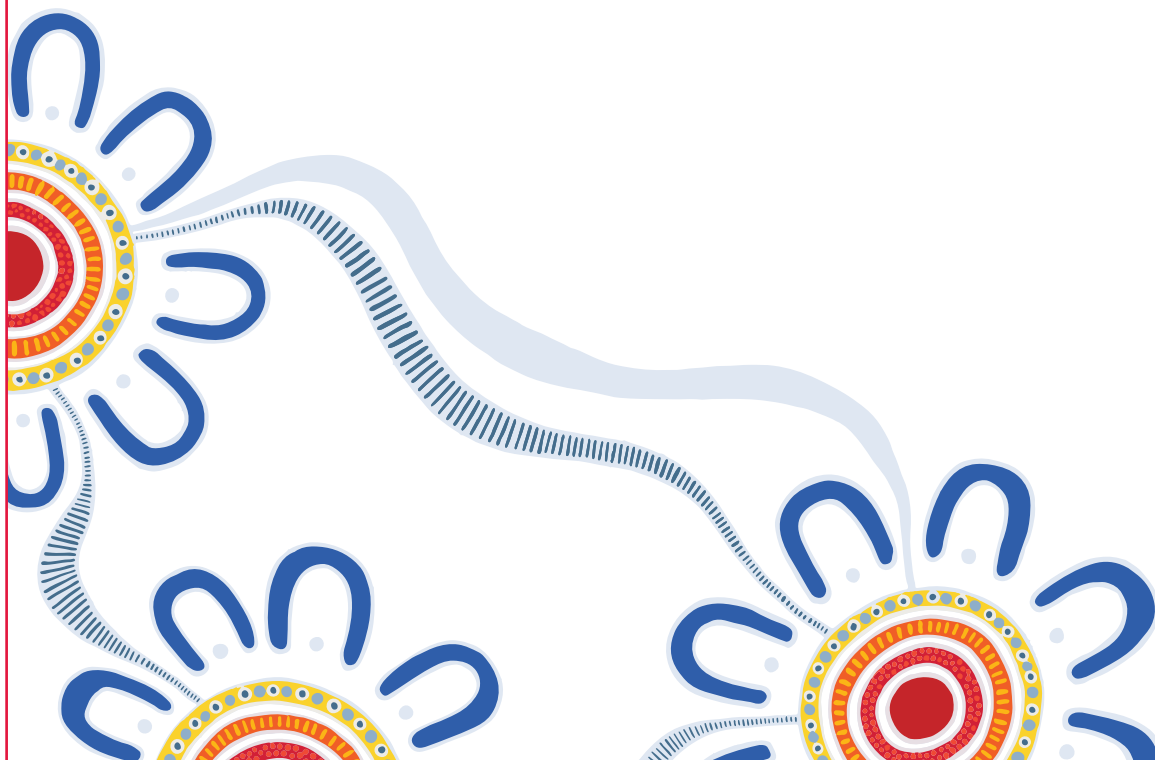
30 November 2022

The Hon Victor Dominello
Minister for Customer Service and Digital Government
Minister for Fair Trading
Minister for Small Business
GPO Box 5341
SYDNEY NSW 2001

Dear Minister

Service NSW Annual Report 2021–22

I am pleased to submit the annual report for Service NSW for the year ended 30 June 2022, for your information and presentation to the Parliament of NSW.

This report has been prepared in accordance with the *Annual Reports (Departments) Act 1985*, the *Government Sector Finance Act 2018* and the regulations under those Acts.

Due to delays arising from completion of the Service NSW financial statements, an application for extension of time to submit this report was made under section 16 of the *Annual Reports (Departments) Act 1985*. An extension of time was granted to submit the annual report to the Minister by 30 November 2022.

Yours sincerely

Damon Rees
Chief Executive Officer
Service NSW

Message from the Minister

Service NSW and the NSW Government have continued to support the people of NSW through the substantial challenges of 2021–22.

With devastating floods, and the ongoing global COVID-19 pandemic experienced during the year, the critical assistance provided to NSW citizens and businesses by our dedicated Service NSW staff has never been more needed.

Supported by colleagues from the Department of Customer Service, the staff at Service NSW continued to demonstrate why they are the world leaders in customer service, connecting NSW communities with the essential government services they need.

The customer-centric service provided to NSW citizens and businesses continued to be the foundation of helping NSW communities through extremely difficult and often traumatic circumstances and events during the year.

This exceptional government assistance provided by Service NSW was hugely significant in helping our State to respond to these challenges.

COVID-19 continued to make it difficult for NSW businesses to keep operating, as their operations were impacted by Public Health Orders and restrictions in place to help stop the spread of the virus.

To date, Service NSW has received over 2.21 million calls to its dedicated 24/7 COVID-19 hotline.

To help support businesses during the COVID-19 lockdown and to encourage customer patronage for businesses when Public Health Order restrictions were eased in late 2021, Service NSW worked closely with other NSW Government agencies and business partners to deliver crucial initiatives, such as financial support for businesses, QR Code Check-In, COVID-19 Safety Plans and the hugely successful Dine & Discover NSW program.

Service NSW launched Dine & Discover NSW in March 2021 to boost business impacted by COVID-19. More than 16,754 businesses registered to participate in the program. The program was extended to 30 June 2022, with over 23.7 million vouchers redeemed, totalling over $586 million.

Dine & Discover NSW provided strong stimulus for NSW businesses and for the State's economy, with an average additional $42 spent by customers with each voucher transaction, bringing the total spend to over $977 million. The popular program also helped individuals and families with the cost of dining out and entertainment following months of lockdowns.

To support Health NSW's contact tracing and to help citizens and businesses manage requirements to display COVID-19 vaccination certificates, an optional digital version of the certificate was introduced to the Service NSW app in October 2021. There are currently 3.1 million customers with a digital certificate linked to their Service NSW app.

This year, Service NSW continued our focus on improving the customer experience, enhancing systems, and strengthening risk management, payments and fraud control. The outward payments offering continues and is now one of the key services delivered by Service NSW.

In 2021–22, Service NSW paid out over $12.07 billion in outward payments, vouchers redeemed and rebates.

> *Service NSW is the envy of governments across Australia and throughout the world.*

Along with COVID-19, natural disasters also continued to have a devastating impact on communities across NSW this year. Following on from the catastrophic storms and floods of February and March 2021, many communities were again left devastated by storms and floods in November 2021 and again in February and March 2022.

Similarly with previous natural disasters, Service NSW was there to help, deploying response teams to affected communities in approximately 80 Local Government Areas, providing essential personalised support and assistance tailored to individual needs.

During 2021–22, Service NSW for Business continued its critical role providing 'one front door' for businesses to access NSW Government services, information and financial support. Through these initiatives, it assisted over 97,670 businesses through the impact of COVID-19 and other disaster events.

In response to the COVID-19 outbreak in mid-2021 and new stay-at home orders for Greater Sydney, Service NSW continued to provide essential services across its network of 112 Service Centres, its Contact Centres and business concierge service.

This year, the cost of living emerged as one of the greatest challenges facing governments and citizens across the world. With more than 70 government rebates available for households in NSW, our Savings Finder (formerly Cost of Living) program is well placed to meet those challenges.

To date, the Savings Finder program has delivered $6.3 billion in estimated savings to the people of NSW.

Service NSW has continued to be instrumental in supporting the NSW Government's initiative to digitise licences.

The Digital Driver Licence continues to be strongly supported by customers. Over 4.1 million drivers in NSW now have a Digital Driver Licence, accounting for more than 71 per cent of all drivers.

Digital trade licences also continued to be popular this year, with the addition of five SafeWork NSW and NSW Fair Trading licences and credentials being delivered through the Service NSW App. The digital contractor licence, released in February 2022, has gained 28,003 opt ins along with the digital high risk work licence reaching 8,572 opt ins, as at 30 June 2022.

Service NSW is the envy of governments across Australia and throughout the world.

The NSW Government is proud of its customer service flagship, and we are committed to supporting this amazing agency and its incredible culture, to link NSW citizens, communities and businesses with essential services.

While natural disasters and COVID-19 have been a constant challenge in recent years, the reliable and tireless world-leading customer service and assistance delivered by Service NSW staff and its partners has been even more constant.

The Hon Victor Dominello
Minister for Customer Service and Digital Government
Minister for Fair Trading
Minister for Small Business

Message from the CEO

In another year of severe storms and flooding, and the ongoing COVID-19 pandemic, Service NSW continued to be a world-leading one-stop-shop for customers to connect with much-needed government services across NSW.

Following on from the significant challenges of last year, we continued to adapt, evolve and innovate in 2021–22 to support personal and business customers through our omni-channel mix of face-to-face, phone and online services, providing customers choice to best suit their needs.

Our people strive to provide an outstanding experience of government that is delivered through world-class personalised customer service that is caring and empathetic.

In 2021–22, we opened two new Service Centres in Merrylands and Edmondson Park. NSW residents now have more access to government services and transactions than ever before with a total of 112 Service Centres across the state, 69 of which are in regional NSW. Overall, we have 159 points of presence which includes the Service Centres, 32 Council Agencies, one Government Access Centre, 10 digital self-serve kiosks, and four Mobile Service Centres. This coverage means 99 per cent of NSW citizens live within 30 minutes of a Service NSW point of presence.

We have also grown our digital services to cater to our customers' increasing use of digital technology as their preferred go-to means for accessing government services. The percentage of transactions available digitally through Service NSW is 87.4 per cent, an increase from 83.6 per cent in 2020–21.

This year, Service NSW had more than 259 million customer interactions through our Service Centres, Contact Centres and website. This is an increase of 144 per cent on the 180 million interactions recorded in the previous year. We maintained a customer satisfaction score average of 95 per cent.

There were also 1.6 million new MyServiceNSW accounts created during the year. As at 30 June 2022, there were 8.7 million accounts, with 4.8 million active app users recorded.

As at 30 June 2022, customers only need to provide us their information or prove their identity once for 85 services. This supports the NSW Premier's Priority Government Made Easy initiative. In addition to this, there have been 1.2 billion visits through the Service NSW app, including a significant number of COVID-Safe Check-ins in 2021.

We are very proud of our ongoing work with customer care, helping people and businesses to access support and services tailored to their needs. This service allows our people to gain a deep understanding of the needs of customers across a range of communities and cohorts in order to assist those customers navigate both government and non-government support to find an outcome for their personal circumstances. In 2021–22, our customer care staff delivered both face to face and over the phone booked appointments, inbound call activity and outbound follow up for customers from culturally diverse backgrounds and needs. The work was also essential in helping us to deliver crisis relief support to many NSW individuals and businesses.

> *We are very proud of our ongoing work with customer care, helping people and businesses to access support and services tailored to their needs.*

We partnered with Resilience NSW to respond to the February and March 2022 catastrophic storms and floods. This response included staffing over 80 locations supporting recovery centres, multiple council outreach hubs and assistance points and Mobile Service Centre outreach.

Individuals and businesses in the Northern Rivers were among those impacted the most. Our teams supported 90,000 of our Northern Rivers customers by phone through our Contact Centres, and 12,000 customers face-to-face with a customer care specialist in recovery centres, recovery assistance points and flood blitz road shows.

Payments, grants and vouchers is a growing part of our business. In 2021–22, a total of $12.07 billion has been administered in financial support through the Service NSW front door to 19.3 million business and individual customers in response to disaster events, economic stimulus, and to aid recovery in the response to COVID-19.

Throughout the year, we also continued to support individuals and businesses to navigate through the challenges of the COVID-19 pandemic, including delivery of the QR Code check-in to help with contact tracing. As at 7 June 2022, when the QR Code check-in was no longer required following changes to Public Health Orders, over 1.7 billion check-ins had been registered, with customer satisfaction tracking at over 94 per cent.

To help eligible customers who needed to isolate and lost income while waiting for their COVID-19 PCR result, we administered the Test and Isolate Support Payment as financial assistance. Businesses were supported with the JobSaver Grant, Small Business Fees and Charges Rebate, Return to Work Grant, and Small and Micro Business Support Grants. We also supported the dining, entertainment, arts and accommodation sectors with Dine and Discover vouchers, Stay NSW vouchers and the Parent NSW vouchers.

Over the last year, the increasing cost of living has been a major concern for households and businesses throughout the world. This made our very successful Cost of Living Program even more valuable for our customers. The program was given additional focus during the 2021–22 year with a rebrand to 'Savings Finder' and a marketing uplift to raise awareness. Under COVID-safe conditions face-to-face service was limited, however our people continued to successfully support customers with inbound and outbound phone appointments.

To date it is estimated we have delivered $6.3 billion in savings from the Savings Finder program. In 2021–22, over half a million customers accessed the Savings Finder tool and more than 24,000 customers met with a Savings Specialist. The average customer saved approximately $707 through cost-of-living rebates and savings.

This year, Service NSW for Business continued to build on its mandate to be the 'one front door' for businesses to access NSW Government support and services, helping business owners to start, grow and operate in NSW. In 2021–22, the Service NSW for Business digital platform received over 76 million views and we now have over 514,000 customers signed up for a Business Profile – a digital tool that enables businesses to manage their transactions with government in one place.

We have created further efficiencies, more technology improvements and better customer outcomes through our Customer Engagement Integration Program, including the migration of Business Connect into Service NSW for Business and the migration of Long Service Corporation customer facing teams into Service NSW Service Delivery.

To date, 1.9 million additional customers are now benefiting from being able to access their services via Service NSW.

I am extremely proud of our teams who have done an incredible job over the past year, especially the rapid and empathetic assistance provided to our customers in regions ravaged by devastating floods. Our people have continued to put our customers and communities at the centre of everything we do, and they place Service NSW in a strong position to provide our customers with caring tailored support and assistance they need during the next 12 months.

Damon Rees
CEO, Service NSW

Access

Web

service.nsw.gov.au

Email

info@service.nsw.gov.au

Phone

13 77 88

Head office

McKell Building,
2–24 Rawson Place,
Haymarket, NSW 2000

Details of Service NSW locations, opening hours and the services available can be found on our website at www.service.nsw.gov.au. This annual report has been produced by Service NSW using in-house resources only. An electronic copy of this annual report is available on our website at service.nsw.gov.au, by email or by calling 13 77 88.

About Service NSW

What we do

Service NSW delivers world-class one-stop-shop services for our customers, businesses and our partner agencies across NSW via an omni-channel network made up of Service NSW Service Centres, Contact Centres, Mobile Service Centres, the Service NSW website and the popular MyServiceNSW app. We also provide a business concierge service for metropolitan and regional areas and a dedicated business digital platform.

Service NSW prides itself on delivering a positive customer experience. It is our highest priority. We draw on the best in service delivery from the public and private sectors to provide a quality end-to-end journey for our customers. With 99 per cent of NSW citizens living within 30 minutes of a Service NSW point of presence and with a customer satisfaction score of over 95 per cent in 2021–22, Service NSW has a wide reach, and its services are well received by customers.

We also take great pride in being rated as one of the best places to work. Service NSW is accredited as a White Ribbon organisation. This is a reflection of our ongoing commitment to foster a culture of non-violence, respect and gender equality within our organisation, to help ensure the safety and wellbeing of our colleagues, customers and communities.

Service NSW takes a genuine interest in our teams and in caring for the whole person. This became essential during the pandemic and with greater numbers of people needing to work from home. We seek to ensure a healthy work/life balance providing growing opportunities for wellbeing.

In the wellbeing and mental health area, we have provided access to the Benestar counselling support service and the Headspace app, both at no cost to teams. 58 Mental Health First Aid Officers were trained, and a regular network established in June. This MHFA support officer network assists and supports, providing information for our teams which can be accessed for both staff and customers.

Service NSW provides access to cheaper gym memberships through the Fitness Passport and promotes getting active with charity initiatives such as STEPtember. Managers reach out to their teams regularly to offer support to those working from home. Negotiations have been undertaken to provide safe return and partial returns to the office, while still allowing the flexibility to work from home for many teams.

About Service NSW

Professionally we engage our people by regularly seeking their valuable views and opinions. Over 115 initiatives have been implemented during the past year in response to PMES (People Matter Employee Survey) and VOOP (Voice Of Our People) feedback. These annual events provide a framework in which to examine what we do and why we do it. Through this feedback, improvements have been made in the areas of recruitment and onboarding, learning and development, wellbeing, communication, flexibility and change.

Service Delivery has made vast changes in providing flexibility for their frontline staff. Contact Centre staff and Service Centre staff have been able to select different working options that include a 9-day fortnight, split shifts, piloting working in hubs and creating a relief pool for the Contact Centres. Other options for improving flexibility continue to be trialled and implemented.

Training and development are key components to supporting teams.

The Aboriginal Traineeship Program provides an opportunity to engage with the Aboriginal and Torres Strait Islander community whilst providing access to meaningful employment pathways in NSW Government. The Aboriginal Traineeship Program is unique as it provides a paid employment opportunity that combines on the job learning, development and study.

A partnership with TAFE has resulted in the bespoke Service NSW Leaders Certificate – a 12-month program to support and develop team members with leadership aspirations. This helps to secure long-term career progression in the public sector with the Certificate IV Government generalist qualification. Aboriginal & Torres Strait Islander staff are also prioritised for inclusion into this course, supporting the Aboriginal Employment Strategy by building a talent pipeline for leadership roles.

The Service NSW team contributes to the delivery of the NSW Premier's Priorities and NSW State Priorities of improving government services, providing better government digital services, making it easier to do business and driving public sector diversity. We do this by:

- Providing a customer-centric service for the NSW Government through a single point of contact
- Transforming our customers' digital experience with government
- Expanding access to face-to-face services across metropolitan and regional NSW
- Supporting our people who help customers across NSW
- Building awareness of the services we offer and the brand we proudly stand behind.

We have a 97.9 per cent customer satisfaction rate for our Service NSW Service Centres, 96.5 per cent for our six Contact Centres which field customer calls, and 94.3 per cent for our online experience. These satisfaction rates tell us that our customers appreciate the efforts of our passionate and dedicated team members, to make it easier for the people and businesses of NSW to access government services.

Our commitment to our customers

As the service delivery flagship for the Department of Customer Service, we strive to deliver the NSW Government Customer Commitments to the highest standard, with every interaction we have with our customers.

Customer Commitments

Easy to access
Make it easy to access what I need
Make it simple for me to understand

Act with empathy
Show you understand my situation
Treat me fairly and with respect
Provide service in my time of need

Respect my time
Tell me what I need to know beforehand
Minimise the need for me to repeat myself
Make what I need to do straightforward

Explain what to expect
Be clear about what steps are involved
Contact me when I need to know something
Let me know what the outcomes could be

Resolve the situation
Be accountable for your actions
Be clear in decision-making
Reach an outcome

Engage the community
Listen to the community to understand our needs
Ask us how we want services delivered

Our commitment to our partner agencies

Our partner satisfaction has grown from 80 per cent in April 2021 to 81 per cent in April 2022.

We are committed to working together collaboratively, respectfully, and transparently with our partners. Everything we deliver is in partnership and we continually look for ways to add value to these partnerships and for our customers. Ultimately, we aim to optimise the end-to-end outcomes for customers and government by working together. We will endeavour to bring the voice of the customer and a whole of government perspective into every partnership. We are also committed to being agile and to respond quickly to agency and customer needs.

Our commitment to government

We are committed to making the NSW Government the most customer-centric government in Australia. We will remain focused on building trust and delivering a world-class customer experience for the people and businesses of NSW. We will respond quickly to the Government's priorities and ensure that government programs are delivered quickly, responsibly, and successfully for the people and businesses of NSW. We will endeavour to continuously maximise the value, efficiency and productivity of Service NSW and ensure we maintain a lean, cost effective, high performing organisation.

Our commitment to our customers

As the service delivery face for the Department of Customer Service, we strive to deliver the NSW Government Customer Commitments to the highest standard, every time we interact with our customers..

Authorising legislation

Service NSW's authorising legislation is the *Service NSW (One-stop Access to Government Services)* Act 2013, which came into effect on 21 June 2013.

Service NSW is an executive agency related to the Department of Customer Service.

Our network

Service NSW has a strong presence across NSW, supported by 112 Service Centres, 32 Council Agencies, 10 digital self-serve kiosks, 1 Government Access Centre and 4 Mobile Service Centre buses. This range in service delivery access means 99 per cent of NSW citizens live within 30 minutes of a Service NSW point of presence.

The following overall customer satisfaction ratings were achieved across Service NSW's key delivery channels: 97.9 per cent for Service Centres, 94.3 per cent for the Service NSW website, and 96.5 per cent for Contact Centres.

TWEED HEADS
MURWILLUMBAH
LISMORE
BALLINA
CASINO
MACLEAN
TENTERFIELD
LIGHTNING RIDGE   MOREE
WALGETT
GRAFTON
WARIALDA   GLEN INNES
INVERELL
BINGARA
BOURKE   BREWARRINA
COFFS HARBOUR
NARRABRI   BARRABA
ARMIDALE
NAMBUCCA HEADS
GUNNEDAH
TAMWORTH   WALCHA   KEMPSEY
QUIRINDI
COONAMBLE
PORT MACQUARIE
WAUCHOPE
COONABARABRAN
COBAR   GILGANDRA   GLOUCESTER   TAREE
WARREN   COOLAH
NYNGAN   MERRIWA   TUNCURRY
DUBBO   MUSWELLBROOK   DUNGOG
WELLINGTON   SINGLETON   RAYMOND TERRACE
CONDOBOLIN   MUDGEE   MAITLAND   NELSON BAY
LAKE CARGELLIGO   CESSNOCK   WALLSEND
WARNERS BAY   NEWCASTLE
WILCANNIA   PARKES   TUGGERAH   TOUKLEY
FORBES   ORANGE
BROKEN HILL   BATHURST   GOSFORD   ERINA
OBERON   LITHGOW
WEST WYALONG   KATOOMBA   RICHMOND
GRENFELL   COWRA   BLUE MOUNTAINS
PENRITH
GLENMORE PARK   SYDNEY
MACARTHUR
WENTWORTH   CORRIMAL
GRIFFITH   YOUNG   WOLLONGONG
TEMORA   WARRAWONG
LEETON   CROOKWELL   KIAMA
MITTAGONG
GOULBURN   NOWRA
BALRANALD   NARRANDERA   COOTAMUNDRA
HAY   JUNEE   YASS
WAGGA WAGGA
MOULAMEIN   TUMUT   ULLADULLA
DENILIQUIN   QUEANBEYAN
BARHAM   FINLEY   TUMBARUMBA   BATEMANS BAY
COROWA   MORUYA
MOAMA   ALBURY   NAROOMA
COOMA   BEGA
BOMBALA
EDEN

SYDNEY

HORNSBY   WARRIEWOOD
SCHOFIELDS
CASTLE HILL
BLACKTOWN   BROOKVALE
MT DRUITT
CHATSWOOD
NORTHMEAD
PARRAMATTA   RYDE
MERRYLANDS   SILVERWATER   NORTH SYDNEY
AUBURN
WETHERILL PARK   WYNYARD
ROZELLE
BURWOOD   HAYMARKET
BONDI JUNCTION
BANKSTOWN   MARRICKVILLE   RANDWICK
LIVERPOOL   ROSELANDS
REVESBY   BOTANY
PRESETONDS/EDMONDSON PARK
ROCKDALE
HURSTVILLE

ENGADINE   MIRANDA

● SERVICE CENTRES CURRENT
● SERVICE CENTRES FUTURE
○ STORE-IN-STORE COUNCIL AGENCIES

Year at a glance

Activity levels across our products, services and channels continued to grow in 2021–22, and were largely shaped by the pandemic requiring a reduction in face-to-face customer interactions and our support for COVID-19 and flood related services driving a significant increase in customer interactions via digital and Contact Centre channels.

112
Service Centres

106K
customers in Service Centres each week

97.9%
customer satisfaction in Service Centres

$12.07B#
in paid grants, vouchers redeemed and rebates

221K
answered calls by Contact Centres each week

96.5%
customer satisfaction for Contact Centres

294K
Business Concierge customer cases

4.8M*
active Service NSW app users

1.2B
visits through the Service NSW app

8.7M
MyServiceNSW Accounts

4.1M
NSW Digital Driver Licence downloads

271K
digital trade licence downloads

374K
Business Profiles created

76M
Service NSW for Business Digital platform views

1.39B†
COVID Safe check-ins by customers using the Service NSW app

94.3%
customer satisfaction for Digital Channel

70+
agencies with whom we partner

81%
partner satisfaction

205
community outreach programs

2.25M
physical licences and cards issued

This amount varies from the amount in the financial statements. Please see page 17 for more detail.

* Active users within the last 30 days taken at 30 June 22. †This includes primary check-ins and dependents recorded upon check-in.

Highlights of our year

Service NSW is now accessible to more customers than ever before, with 112 Service Centres, 69 of which are in regional NSW. Overall, Service NSW has 159 points of presence which includes the Service Centres, 32 Council Agencies, 1 Government Access Centre, 10 digital self-serve kiosks, and 4 Mobile Service Centres, ensuring 99 per cent of NSW citizens live within 30 minutes of a Service NSW point of presence.

Service NSW assisted customers with more than 259 million visits during the year, including visits to our Service Centres, calls to our Contact Centres and visits to our www.service.nsw.gov.au website. This is a 144 per cent increase on the previous year during which we assisted customers with 180 million interactions. In addition to this, customers have used the Service NSW app on 1.2 billion occasions, mainly driven by the COVID-Safe Check In. The app has been downloaded over 13 million times.

There were also 1.6 million new MyServiceNSW accounts created during the year. As at 30 June 2022, there were 8.7 million accounts, (up from up from 7.01 million in June 2021), with 4.8 million active app users for June 2022.

We provided $12.07 billion total in grants paid and vouchers redeemed during 2021–22 with our business partners. This figure is different from the financial statements which discloses amounts from 1 July 2021 to 30 June 2022, due to delays between customers redeeming vouchers up to 30 June 2022 and participating businesses being paid for voucher redemptions shortly after in 2022–23.

Despite this massive growth in our customer visits, we maintained high customer satisfaction levels with an average satisfaction rating across our Service Centres, Contact Centres and digital channels of 95%.

Service NSW is now accessible to more citizens than ever before
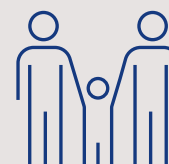
112
Service Centres

69
regional NSW locations

4
Mobile Service Centres

259M
visits to our Service Centres

1.2B
visits through the Service NSW app

Delivery achievements

Supporting the response to floods

Service NSW partnered with Resilience NSW, NSW Treasury and Regional NSW to respond to the catastrophic floods and storms during the year. This response included staffing over eighty locations supporting recovery centres, multiple council outreach hubs and Mobile Service Centre outreach.

Our role involved triage of customers as well as providing assistance to businesses, assisting with applications for individual and business recovery grants, and assisting customers to access other support via our updated disaster assistance finder.

Service NSW delivered financial support to businesses and individuals impacted by the floods, in partnership with Resilience NSW, NSW Treasury and Regional NSW.

Financial support provided to businesses and individuals impacted by the floods include:

- Small Business Northern Flood Grant ($10,000) – to help businesses in the Northern Rivers pay for business operating costs during the immediate recovery period
- Northern Rivers Medium Business Grant (up to $200,000) – to help medium sized business or not-for-profit organisations pay for the costs of clean-up and reinstatement
- $50,000 Business Grant (up to $50,000) – to help pay for the costs of clean-up and reinstatement of a small business or not-for-profit organisation's operations after being impacted by the 2022 storms and floods
- Back Home Grant (up to $20,000) – to help cover the costs of restoring property damaged during 2022 storms and floods to a habitable condition or replacing essential household items
- Rental Support Payment – to help NSW residents who are unable to live in their home due to the 2022 storms and floods.

Top five hardest hit industries by storms and flooding based on grant applications:

1. Construction
2. Personal and other services
3. Food and beverage services
4. Building Cleaning Pest Control and Other Support Services
5. Professional Scientific and Technical Services (Except Computer System Design and Related Services).

Key highlights of Service NSW's flood response:

- More than 16,000 customers triaged in Recovery Centres
- More than 14,000 businesses, individuals and families provided registration assistance face to face in recovery centers and assistance points
- Over 3,250 business customers were assisted through the Recovery Centres
- Over 2,000 flood appointments were held virtually to support the customers who couldn't attend the recovery center network
- Responded to 6,154 business customer call backs for flood support
- Over 90,000 calls received on the Disaster Welfare Assistance Line in our Contact Centres
- Assessed more than 18,700 small business grant applications and 28,000 rental support and back home applications for individuals and families
- Business Concierges visited 750 customers to promote awareness of support and help with grant applications
- More than 110 Service NSW staff in Recovery Centres in the Northern Rivers, Central Coast, Hunter, Sydney, Western NSW and South Coast regions between late March and June 2022.

Helping the community through the COVID-19 pandemic

Service NSW has continued to play a critical role supporting the NSW community during the COVID-19 pandemic, adapting swiftly to the ever-changing situation with our teams working tirelessly to support our customers as part of the NSW Government's response.

Working closely with various NSW Government agencies, Service NSW has assisted with the delivery of vital initiatives in response to the impact of COVID-19, such as Border Permits, the Dine & Discover NSW program, financial support for individuals and businesses, QR Code Check-In, and COVID-19 Safety Plans.

Key highlights at 30 June 2022:

- Service NSW received 2.7 million calls to its dedicated 24/7 COVID-19 hotline
- More than 16,600 enquiries have gone through its COVID live chat tool
- More than 16,600 enquiries were processed through our COVID live chat tool
- 1.39 billion COVID safe check-ins with a 94.6 per cent thumbs up by customers using the Service NSW app
- Over 5.5 million customer registrations and 16,750 participating businesses with Dine & Discover NSW
- Over 23.7 million Dine & Discover NSW vouchers have been redeemed, with a total value of over $586 million

- $362,669,943 paid for Dine & Discover NSW in 2021–22, which is different to the $306.9 million in payments in the financial statements. As a voucher program, there was a delay between customers redeeming vouchers up to 30 June 2022 and participating businesses being paid after 30 June for voucher redemptions, bringing the total to $362,669,943
- Service NSW for Business responded to 264,259 calls from businesses requesting support during the year. The team made 159,589 outbound calls to ensure customers received the support they needed
- Service NSW for Business' dedicated online COVID-19 information hub received nearly 2.8 million views and the online flood information hub over 200,000 views
- 514,481 customers have now registered for the Business Profile which enables business customers to manage their transactions and interactions with the NSW Government in one place. Customers were able to log in to their profile to track the status of their COVID-19 grant applications
- Service NSW delivered a range of economic stimulus and disaster recovery support measures, including business grants, vouchers, and rebates directly to businesses that have needed it most

Recovery Centres	24/7 COVID-19 hotline	Dine and Discover NSW
16K+	**2.7M**	**23.7M+**
customers triaged	calls received	vouchers redeemed

Case study 1

Vouchers keep cinema reels rolling

The Dine & Discover NSW vouchers continued to be popular this year.

Roseville Cinema Director, Emma Addario, said the vouchers enabled the cinema to keep its doors open.

"Quite frankly, the voucher programs have kept us in business," Ms Addario said.

Introduced in March 2021, Dine and Discover was delivered by Service NSW in collaboration with NSW Treasury to help boost to boost the recreation, tourism, arts and hospitality sectors, as part of the NSW Government's targeted economic stimulus initiatives.

The Dine & Discover NSW program provided all eligible NSW residents with three $25 vouchers to eat at participating restaurants, cafés, and pubs.

Dine and Discover NSW

586M+

in redeemed vouchers

> *...a truly life-saving initiative...*

Eligible customers also received three $25 vouchers to spend on entertainment and recreation, including cinemas, museums and galleries.

The average voucher redemptions throughout the life of the program were around 43,000 per day, however in the final week there was a massive increase of over 800 per cent to around 400,000 redemptions per day, or 10 times the previous average.

In the final bumper two days of the program this jumped to 685,721 and approximately 1.18 million redemptions, on 29 June and 30 June 2022, respectively.

Dine & Discover NSW generated $976 million in customer spend into the NSW economy, with $586 million in redeemed vouchers. The program ran from March 2021 to June 2022. Customers received direct benefits during this period by reducing their payments by the voucher amount and businesses were paid shortly after customer redemption.

With the program finishing on 30 June 2022, this pushed payments to businesses into the 2022–23 financial year. This figure will differ to the $528.6 million figure in the financial statements due to a further $57.2 million being paid to business after 30 June bringing the program total to $586 million.

Ms Addario appreciated the flow-on affect the voucher discounts had on the entertainment sector.

"They entitle our customers to discounts, and therefore bring more foot traffic to small businesses like ours," Ms Addario said.

The Dine and Discover program closed positively, with business application sentiment of 97.2 per cent, consumer registration sentiment of 97.6 per cent and customer redemption sentiment of 90.5 per cent.

Ms Addario said for the Roseville Cinemas, the Dine and Discover vouchers were "a truly life-saving initiative."

Top 5 LGAs for Business redemption – Total spend

Metro Business LGA	$	Regional Business LGA	$
Sydney	303,577,066	Central Coast	50,243,726
Blacktown	99,445,040	Wollongong	30,976,583
North Sydney	41,045,434	Lake Macquarie	30,542,556
Northern Beaches	38,530,098	Newcastle	28,785,733
Mosman	36,392,811	Blue Mountains	24,043,284

Top 5 LGAs for Customer redemption – Vouchers redeemed

Metro Customer LGA	Redeemed	Regional Customer LGA	Redeemed
Blacktown	1,351,180	Central Coast	1,242,973
Canterbury–Bankstown	1,070,121	Lake Macquarie	765,113
Parramatta	933,487	Wollongong	752,508
Northern Beaches	929,805	Newcastle	603,607
Sutherland Shire	836,354	Shoalhaven	346,190

Customer Care

A personalised approach to government customer service

Service NSW is developing its expertise in customer care in all channels of service delivery, transitioning into a wraparound service for vulnerable customer cohorts, and partnering across all levels of government and non-government organisations to ensure our navigational offerings are strong.

Customer Care delivers a personalised customer care service to support and empower Service NSW customers to tell their story once to find and access the assistance they require in a caring and empathetic environment, be it in person, over the phone or online.

Growing our Customer Care services is a priority initiative for Service NSW and one of 19 initiatives to be implemented to achieve the NSW Government's vision to become the world's most customer-centric government by 2030.

In the past three years, there continues to be a significant shift towards Customer Care Programs following an unprecedented accumulation of disaster events including bushfires, floods, and a pandemic. This year, the Floods Customer Care and COVID-19 Hypercare programs again provided personalised and navigational services which were supported with local tailoring and outreach.

In 2021–22, Service NSW developed the skills required to respond quickly and with empathy to business and consumer customers impacted by any disaster. The February 2022 Northern Rivers floods resulted in Service NSW supporting over 90,000 inbound customer phone calls to Contact Centres; and around 12,000 customers who told their story face to face with customer care specialists in recovery centres, recovery assistance points and flood blitz road shows. The specialist teams helped customers get the support they needed, including emergency housing and emergency supplies for stranded customers, financial assistance, property clean up and much more.

These programs were delivered alongside the Savings Finder program to provide caring personalised support for our customers. These customer care skills were also applied to other vulnerable cohorts in other groups such as refugee youth. After a successful long-term pilot, Service NSW worked with Multicultural NSW this year to develop customer care capability for refugees, and a deeper focus on cross-government refugee youth support.

Helpful staff doing a great job to help people.

Our Customer Care strategy and vision

Customer care is designed around the principle of 'no wrong door' and has the end-to-end customer journey front of mind. Service NSW's role is to 'guide' customers through each step of their interaction with us via an omni-channel approach.

Our Customer Care Strategy has evolved with input from staff across Service NSW involved in delivering customer care programs, as well as customer insights – across disaster impacted customers, senior citizens and customers experiencing financial hardship. The strategy presents a service model blueprint and an action plan to implement a sustainable, scalable service into the future to ensure our people are adequately supported to deliver customer care and our services are digitally enabled and integrated.

The vision for customer care is delivering a needs-based service with a no-wrong-door approach. Service NSW staff will help customers navigate information and services in a tailored way, and with empathy.

Service NSW Flood Grant Support Session specialist teams were established in 11 locations, following the February/March 2022 floods in NSW, including this one at the Evans Head Recovery Centre in June 2022.

Customer response

Feedback from customers show that they appreciate the personalised support provided by our customer care specialists. Our customers have remarked:

"The whole experience has been pleasant and very informative. I couldn't [have] asked for a better experience."

"The specialist was very friendly and knowledgeable, she even sent through an overview for us".

"Helpful staff doing a great job to help people".

"Face to face appointment have been a blessing".

We will continue to develop our customer care service offering including new programs of work, expanding personalised customer care to our more vulnerable customers within communities of need, and continuing to uplift our capability in disaster recovery support. We will be delivering this work with our partner agencies across government and the non-government sectors.

'Savings Finder' evolved from our very successful 'Cost of Living

6.3B

savings delivered to date
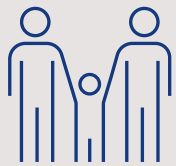
Average customer saved

$707

500K

have used the Savings Finder tool

24K

meetings with a Service NSW Savings Specialist

Customer-friendly Savings Finder appointments

With the increasing cost of living emerging as one of the greatest challenges for many households around the world, Service NSW's Savings Finder was a welcome tool for thousands of customers during the year.

'Savings Finder' evolved from our very successful 'Cost of Living' program introduced in 2017. The program was given additional focus during the 2021–22 year with a rebrand to 'Savings Finder'.

To date the Savings Finder has delivered an estimated $6.3 billion in savings to customers. In 2021–22, more than half a million customers used the Savings Finder tool and over 24,000 customers met with a Savings Specialist. The average customer saved approximately $707 through Savings Finder rebates and savings, with some customers saving several thousand dollars.

The Turner family

With three children under the age of 7, the Turner family were very happy with the $761 savings our Savings Specialist was able to find for their family.

"The savings specialist was amazing. She certainly knew her stuff and looked at everything I could be entitled to. I would recommend this to everyone," Ms Turner said.

Ms Turner was particularly happy to learn about how other members of her family could also benefit from the Savings Finder tool.

"The appointment was really interesting – I didn't realise there were more ways to save on my bills!" Ms Turner said. "I know so many people that could benefit from this service. My nephew is an apprentice, and my parents are pensioners. I am sure there are savings they are not aware of."

> " *The savings specialist was amazing. She certainly knew her stuff and looked at everything I could be entitled to. I would recommend this to everyone.* "

MyServiceNSW Account

Making dealing with government easier

The MyServiceNSW Account is the single front door for government services, providing one place for customers to access, connect and manage all their digital services with the NSW Government.

The platform has further evolved this year, to continue providing disaster recovery support and services, with access to rapid assistance and information including rebates, vouchers, COVID-19 updates, and flood assistance.

As at 30 June 2022, there were 8.7 million accounts, up from 7.01 million in 2021.

Since its launch in October 2015, phenomenal growth in the use of the MyServiceNSW Account has been driven by customer demand for quick and mobile digital services, together with the roll out of more digital services, with our business partners including Transport for NSW, NSW Health, NSW Treasury and the NSW Department of Education.

During 2021–22, growing adoption and use of the MyServiceNSW Account by both customers and businesses enabled outcomes like targeted economic stimulus via programs like Dine and Discover NSW and various business grants and rebates.

A customer's digital profile in a MyServiceNSW account allows them to securely store personal details and validate identity credentials to simplify access to government transactions. Our partner agencies are also able to verify an individual's credentials for other digital transactions.

Enhancements to the MyServiceNSW Account to enable the NSW Premier's Priority Government Made Easy (GME) initiative means customers only need to provide us their information or prove their identity. This allows customers to opt in and save their information for reuse when adding or accessing other services.

There are 85 Service NSW services that use the 'save and reuse' functionality to enable customers to re-use saved identity documents to assist in prefilling their application or proving who they are. Of these 85 services, 38 services have met one of the three GME categories 'About you, When things change and When you need help'.

In 2021–22 the GME program launched 15 additional initiatives on the MyServiceNSW account to contribute to the program's objective to "Increase the number of government services (60) where citizens of NSW only need to "Tell Us Once" by 2023.

Some key GME features that were introduced during this period included:

- The launch of the Digital Vehicle Registration (DRV service in partnership with Transport NSW. DRV enables customers to receive renewal notices by email as well as access a digital Certificate of Registration through their MyServiceNSW Account.

- Delivery of the Digital Seniors Card in partnership with the Department of Justice (DoJ). Eligible NSW residents can now opt in to get a digital Seniors/Senior Savers Card through the Service NSW app. Over 100,000 customers have opted in since January 2022.

- The Change of Address Service as a one-stop-shop Sharing Centre for updating details with NSW Government continued to evolve to include the newly connected Seniors Card, Maritime and Responsible Service of Alcohol/Responsible Conduct of Gambling Competency Card services in addition to already available NSW licence and vehicle registration services. 1.5 million customers change their address each year and over one million customers have taken advantage of the GME feature.

During the year, MyServiceNSW helped connect approximately 650,000 online roads licence renewals and upgrades to provisional licences that would have otherwise been done in a Service Centre. This represents a 56.4 per cent of digital uptake, compared to a digital uptake of 50.8 per cent in 2020–21.

- 5.1 million accounts have used the Profile Connect (Save and Reuse) functionality, applied to 103 Service NSW transactions, which has improved the customer experience by enabling customers to opt-in and save time and effort by pre-filling their personal information stored within the MyServiceNSW Account.
- Profile Connect (GME feature) initiative has supported some of Service NSW's biggest transactions including the Dine & Discover vouchers, with over 5 million document verifications through this function.

We have also had
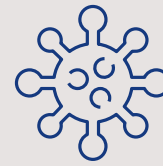
1.39B
COVID Safe Check-ins with 94.6 per cent thumbs up

650K
online roads licence renewals

574K
businesses onboarded with the QR code

4.8M
active app users checking-in

COVID-19 travel registrations and nominated visitor permits

To contain the spread of the COVID-19 virus, NSW temporarily introduced Public Health Orders to restrict unnecessary travel within the state and Greater Sydney. In situations where a customer was required to travel for work or other reasons, they could register with Service NSW and be issued with a QR code and document for roadside checks with NSW Police.

Where people lived by themselves, they were able to register for a nominated visitor who would be able to travel and spend time together whilst restrictions were in place.

Service NSW worked tirelessly with Department of Customer Service colleagues in Customer, Transformation and Delivery and Spatial Services, and with NSW Health, NSW Police and the Department of Premier and Cabinet, to enable travellers and nominated visitors to register.

Highlights include:

32,189 registrations on 21 August 2021 – the first day of registrations

At its peak, **335,356 registrations** in a single day on 27 August 2021 following changes to the Public Health Orders requiring all citizens in NSW to register their travel

2,289,183 travel registrations were issued up to 10 October 2021

22,849 nominated visitors were registered up to 23 September 2021

Permits featured a QR code enabling NSW Police to check permit validity

NSW entry declarations

In response to COVID-19 outbreaks in various other states and territories and in line with new Public Health Orders for travellers entering NSW, Service NSW developed an online entry declaration to obtain travellers' details to assist NSW Health with contact tracing.

The online entry declaration was agile which allowed it to go live or be deactivated quickly, when requested by Health NSW, in accordance with changes to Public Health Orders.

Since the first entry declaration went live in November 2020 and up until when the final Public Health Order ended on 31 October 2021, we recorded 790,452 declarations from travellers entering NSW. The customer sentiment on the NSW entry declaration was high, with 92.7.2 per cent thumbs up.

The Service NSW digital teams were tireless in their efforts to rapidly deploy the declaration which played a huge part in protecting the health of NSW citizens.

Travellers entering NSW

790,452

entry declarations at
31 October 2021

Partnerships help families breathe a sigh of relief

Ciara and Joe Barrett, with daughter Maggie

Many NSW households have struggled during the last couple of years with the pressures of COVID-19, disrupted access to schooling and the rising cost of living. Thanks to the introduction of the Before and After School Care (BASC) vouchers this year, many families were able to breathe a sigh of relief.

The BASC vouchers are provided by Service NSW in partnership with the NSW Department of Education to help make the cost of before and after school care more affordable for families.

Ciara Barrett, mum of Maggie, said the application process was easy and the vouchers were likely to be a big help for many NSW families, as well as her own.

"I applied online for the BASC voucher in February 2022 using my home computer. The application process itself was simple and quick. Redeeming the voucher was also very straightforward," Ms Barrett said. "Our BASC provider shared a simple email template that we filled out and returned to them. Then the $500 voucher itself was reflected in our next invoice from our provider.

"My family avails of before and after school care every day – morning and evening. We spend just over $500 per month, so to get a one-month reprieve from paying this sizeable bill was fantastic. For many families struggling financially, this lifeline would make an enormous difference. This whole program is well thought out and seamless and very quick in terms of application and redemption," Ms Barrett said.

Gigi's mum, **Marci Sazdanoff**, also praised the straightforward application process, applying through the Service NSW App.

"Applying for the Before and After School care voucher was a breeze. I applied using my mobile phone after finding the voucher information in my Service NSW App. Because my ID was saved, it took me just a few minutes to apply, which was great being a busy mum. Juggling full time work and parenting with the cost of living, we're grateful to have had financial relief for after school care for more than a full school term." Ms Sazdanoff said.

Ms Sazdanoff felt the vouchers would benefit providers as well as families.

"I think the best thing about this initiative is the roll-on effect, whether you're a family claiming the voucher or a provider of before and after school care, this support assists in boosting the family budget and supports the economy. Thank you to the NSW Government for supporting families in NSW," Ms Sazdanoff said.

Through the easy-to-navigate Service NSW App and the Service NSW Savings Finder tool on our website, both Ciara and Marci claimed the $500 Before and After School Voucher as well as the $200 Active Kids and $100 Creative Kids vouchers among others.

Delivered in collaboration with our partners NSW Education and the Office of Sport, Service NSW's voucher offerings continued to be popular with NSW families this year, helping them to ease the burden on their hip pocket.

The Before and After School Care, Active Kids* and Creative Kids* vouchers provided NSW families with a total amount of $227,731,800 of redeemed value in 2021–22.

* Amount Paid based off Claimed $100 vouchers.

Marci and Gigi Sazdanoff

Delivering with our partners

During 2021–22, Partnerships, Projects and Insights continued to work with our 70 plus agencies, with whom we partner, and with our colleagues across Service NSW to deliver approximately 1,300 services to customers, on behalf of our partners.

We have played a critical role in supporting the State's response to COVID-19 and natural disasters, stepping in quickly to partner with various state, local and federal agencies, and non-government organisations to define and deliver targeted support to businesses and customers.

These services included the COVID Safe Check-in to support contact tracing; Dine & Discover NSW; the JobSaver payment; the COVID-19 Small Business Grant; Parents NSW; and Stay NSW, to support the arts and recreation, tourism, accommodation and hospitality businesses that have been heavily impacted by COVID-19 through a lack of customer patronage; and grants for small businesses and not-for-profit organisations directly impacted by the NSW storms and floods. We have supported our programs with real time insights via dashboards delivered directly to partners to enable monitoring of volumes and program decision making at scale.

We are increasingly recognised for our role supporting crisis response programs and initiatives. During 2021–22, we continued to build on the trust, confidence, and satisfaction of our partners to ensure programs provided the citizens, businesses, and communities of NSW with the support that was suited to their needs.

Together with our partners, we lead change on how Service NSW delivers services by creating more options for agencies and customers. We continue to grow the number of transactions digitally available through Service NSW. By creating a digital option, customers can perform critical transactions without needing to visit Service Centres, if they so choose.

We continue to expand on the success of digital licensing. Since its release in 2019, the Digital Driver Licence has been strongly supported by customers, with over 4.1 million drivers now opting in to carry a digital version of their driver licence, and customer satisfaction consistently being tracked at over 92 per cent.

Following on from this success, Service NSW initiated a trial of a Digital Photo Card which commenced in February 2021. The Digital Photo Card can be used to assist customers who may not drive to prove age, identity, and/or address. As of 30 June 2022, more than 53,500 customers had opted into this trial and customer satisfaction has continued to track over 95 per cent. This trial will continue until additional digital identity solutions become available within the Service NSW app.

Service NSW continues to partner with the Department of Customer Service to support the Licensing Program to deliver digital trade licences in the Service NSW app and Government Made Easy capability, via My Service NSW account capabilities for digital licence applications.

Service NSW has enabled the digitisation of a number of online licence transactions delivering benefits to a vast number of customers. Over the last year, more than 21,000 customers have completed digital licence transactions, including online registrations for Design Builder Practitioner, applications for Asbestos and Demolition and licence applications for Conveyancer. The offering for Digital Licences and Credentials has also been expanded and has continued to see great customer uptake and satisfaction, including the High Risk Work Licence with more than 29,000 downloads and 95 per cent satisfaction rate.

Service NSW, in partnership the NSW Department of Education, supported the delivery of innovative programs including Careers NSW, which is transforming the way customers receive careers advice and support.

The Before and After School Care Voucher was designed to help ease the challenge for working families accessing affordable and convenient before and after school care as part of a broader $155 million Premiers election commitment.

Families with children attending NSW Primary Schools were eligible for a digital voucher delivered by Service NSW and valued at $500 per child to reduce their out-of-pocket costs.

The $75,178,500 total value of Before and After School Care vouchers redeemed captures vouchers redeemed from 1 July 2021 to 30 June 2022. This is different from the financial statements which discloses payments from 1 July 2021 to 30 June 2022. As a voucher program, there was a delay between customers redeeming vouchers up to 30 June 2022 and participating businesses being paid for voucher redemptions.

Before and After School Care voucher uptake:

Registration

839
Total provider registrations

166,114
Total customer/ parent registration

93.5%
98.4% Web registration
96.2% App registration

Vouchers

227,400
number created
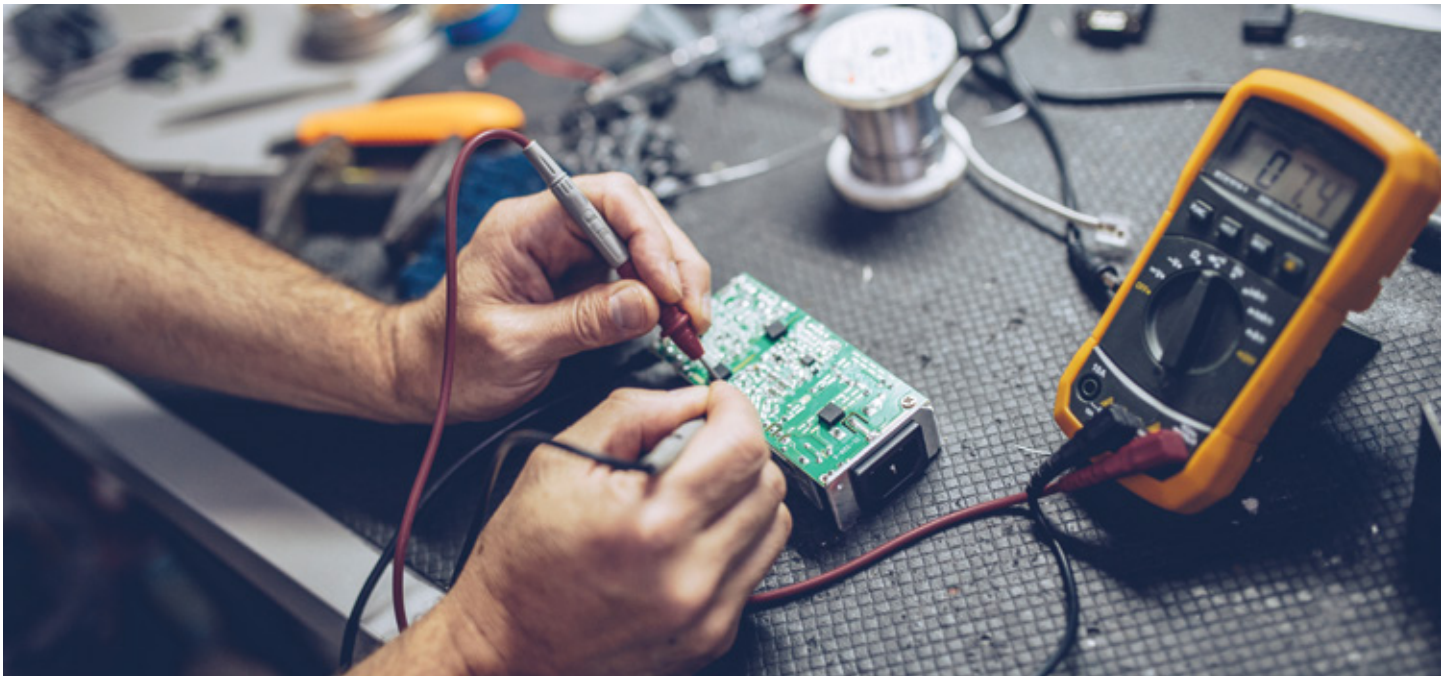**$113,700,000**
value created

150,357
number redeemed
$75,178,500
value redeemed

68.9%
redeemed via App

Case study 4

COVID-19 support sparks life into border business

When the NSW border with Queensland closed due travel restrictions under COVID-19 Public Health Orders, Hinterland Electrical Services in Byron Bay lost 70 per cent of its client base.

Owner Eli Glenister said the impact of the restrictions was devastating for the family-operated business he had spent five years building.

"Before COVID hit, 70 per cent of our business was Queensland-based and 30 per cent was in the local Byron Bay area. When border restrictions were enforced, we had to flip those numbers," Mr Glenister said.

In the midst of further restrictions for the construction industry and a struggling local economy, Mr Glenister applied for the 2021 COVID-19 Business Grant and the JobSaver payment to ease pressure on his cash-flow and give himself time to focus on sales and marketing.

"The application process was seamless and only took me about ten minutes to apply for the Business Grant and JobSaver. When the money came through, it was just awesome! It took so much of the stress and pressure off. It gave me the time to focus on sales, shoring up more local work, and planning for the next six months.

"We also haven't been doing any marketing or advertising, so the money will be used to advertise in the local area that we're still here, we survived, and we're ready to go," Mr Glenister said.

Mr Glenister said the personalised Business Concierge service offered by Service NSW reassured him that he wasn't facing his challenges alone.

"My Business Concierge was proactively getting in contact with me when COVID kicked off to make sure I was okay and to see if I needed any help. I just remember feeling really lucky that someone had my back. That was the nice thing about it," Mr Glenister said.

Supporting NSW businesses to start, run, adapt, recover, and prosper

Service NSW has continued to help NSW businesses through a year that saw much of NSW suffer unprecedented natural disasters and ongoing COVID-19 implications.

An ongoing dedication to helping businesses through this was the primary focus for Service NSW for Business for 2021–22. With its 'one front door' approach, Service NSW for Business has expanded and built on the strong foundations already available to businesses so they can better recover and adapt during challenging times.

During 2021–22, Service NSW for Business has provided free, personalised support through a multi-channel service approach, assisting businesses in ways that best suit their needs.

Support during the year included:

- a free, personalised Business Concierge service, offering one-on-one tailored information and support
- access to free professional independent advisors through the Business Connect program, following its transition from the NSW Treasury on 1 April 2022
- the digital Service NSW Business Profile, making it faster and easier to transact with the NSW Government
- the online business information hub, filled with business support and resources, including dedicated COVID-19 and storm and flood information hubs
- on the ground support through the Business Concierge team and Council Relationship Managers.

The Business Connect program plays a critical role in supporting businesses through the COVID-19 pandemic and natural disasters through business advice, webinars, and events. This includes assistance to develop recovery plans, adapt business models, and find and market to new customers.

The program had an overall customer satisfaction score of 99 per cent in 2021–22.

The dedicated COVID-19 online information hub received over 2.8 million views during 2021–22 and the online flood information hub over 200,000 visits, demonstrating the extraordinary demand for information and support.

Since the start of the pandemic and the 2021–22 flood events, Service NSW for Business has helped deliver over $12.49 billion in support to NSW businesses. Over 500,000 businesses were supported through these initiatives.

Support to businesses during this period included promotion of available assistance, personalised help with applications, and ensuring issues and complaints were resolved.

Supporting NSW businesses to start, run, adapt, recover, and prosper

During 2021–22, Service NSW for Business responded to 259,264 inbound calls and made 159,589 outbound calls which included call back requests.

Service NSW for Business recognises the importance of face-to-face customer service across NSW. During the year when the COVID-19 Public Health Orders allowed, the team completed 356 outreach visits to connect with stakeholders including councils and local business communities in metropolitan and regional NSW, to ensure they remained informed of local business needs and to promote the Service NSW for Business assistance offering.

Increasingly, businesses are signing up for a Service NSW Business Profile, a digital tool that enables businesses to manage their transactions with government in one place. As at 30 June 2022, 514,481 businesses had registered for the Business Profile.

During the year, additional functionality was released within the Business Profile, enabling customers to remove a business from their profile, access procurement and tender opportunities via the Business Profile for specific ANZSIC code industries, and housing and construction businesses can now search for and save contractor licences to their Business Profile.

Design and building practitioner registrations and asbestos assessor applications have been digitised and businesses can receive, or choose not to receive, notifications of available support and upcoming initiatives. The notification functionality includes alerting businesses if there has been a status change to a licence that they have saved in their Business Profile, providing greater transparency to customers and real-time updates as to the status of licences.

Grants, payments and vouchers paid, as at 30 June 2022:

2022 Small Business Support Program

$98,981,836

25,937 claims paid

Accommodation Support Grant

$11,409,000

2,502 claims paid

Commercial Landlord Hardship Grant

$22,738,273

3,166 claims paid

Export Assistance Grant Application

$9,834,681

1,210 claims paid

Flood Recovery Grant – Feb 21

$40,681,581

2,654 claims paid

Flood Recovery Grant – Nov 21

$1,619,649

123 claims paid

Flood Recovery Grant – Feb 22

$88,072,651

5,753 claims paid

Mouse Control Program

$33,863,069

66,166 claims paid

Music and Overnight Camp Support Payment

$200,292

7 claims paid

Small Business Bushfire Support Grant

$177,820,000

17,782 claims paid

Small Business COVID-19 Restart Grant

$109,069,540

36,692 claims paid

Small Business COVID-19 Support Grant

$520,786,196

52,600 claims paid

Small Business COVID-19 Northern Beaches Hardship Grant

$11,689,000

2,485 claims paid

Small Business Hardship Grant

$2,359,878,210

206,604 claims paid

Small Business Northern Flood Grant

$6,860,000

686 claims paid

Dine & Discover

$362,669,943[*]

14,619,634 vouchers redeemed

Parent Voucher

$61,135,785

1,239,972 claims paid

Stay and Rediscover

$17,832,180

357,008 claims paid

Job Saver

$7,418,492,697

1,629,831 claims paid

Micro Business support

$780,738,510

556,294 claims paid

Northern Rivers Medium Business Grant

$2,025,808

37 claims paid

Small Business Fee and Charges Rebate

$205,148,488

402,387 claims paid

* This amount varies from the amount in the financial statements. Please see page 19 for more detail.

Quiet Hour pilot providing a low-sensory customer experience

Forbes Service Centre Coordinator, Iesha Sinclair

In June 2022, Service NSW commenced a 'Quiet Hour' pilot to provide a lower-sensory customer experience, making it easier for our customers who find it challenging to complete transactions in a higher-sensory environment.

The three-month pilot was rolled out in eight Service Centres – Auburn, Dubbo, Edmondson Park, Engadine, Erina, Forbes, Lithgow and Queanbeyan.

During Quiet Hour, adjustments are made within the Service Centre such as reducing noise, distractions, and where possible dimming lighting.

Forbes Service Centre Coordinator, Iesha Sinclair, said that although the pilot's main aim is to produce an environment particularly helpful for target customer groups, it creates an inclusive and supportive environment for all customers.

"In Forbes customers like Quiet Hour," Iesha said. "For example, an older gentleman told me how great it was, as his wife is hard of hearing, and it gave her the option of attending the centre alone as it was quieter."

"Other community members also benefit, for example some young people seeking a lower sensory environment to do their Driver Knowledge Test," Iesha said.

The timing of each of the pilot Service Centres' quiet hours was driven by community consultation.

As a part of the Quiet Hour pilot, Service NSW frontline staff within the eight pilot centres have completed additional disability awareness training. This is to enhance our customers receiving maximum appropriate support during their visit.

The pilot will help inform the potential extension of Quiet Hour to more Service Centres in late 2022. Based on initial feedback and demand, additional Quiet Hours have already been planned to be rolled out in some pilot centres.

Leading community engagement

The case study on page 38 about the pilot of Quiet Hour is just one small piece of work being undertaken by the Social Impact and Engagement Team at Service NSW. It forms part of the disability phase of the Cultural Program, designed to build the cultural capability uplift in our staff, to better enable us to deliver a positive experience to all our customers and team members.

The Aboriginal and Torres Strait Islander phase of the Cultural Program was rolled out during the past year and has resulted in better training and awareness for our people, improved outreach to communities across the state and a host of important changes to ways of working to improve the feelings of safety and inclusiveness for Aboriginal community members.

We continue to work with various government and non-government agencies to support the NSW Premier's Priorities of breaking the cycle of disadvantage and making it easier for our customers through initiatives designed to improve our team member cultural competency to improve easier service delivery for specific customer cohorts.

In 2021–22, we continued to work on employment programs to increase diversity representation at Service NSW, including aligning these programs to the DCS Aboriginal Employment Strategy and the DCS Disability Inclusion Action Plan.

The Service NSW Cultural program expanded further during the year, with a focus on people with a disability. The cultural program aims to build the cultural capability uplift in our staff, to better enable us to deliver a positive experience to all our customers and team members. Through community engagement we are building relationships with local disability and carer organisations, to improve our customer experience, including our 'Quiet Hour' pilot to provide a lower-sensory experience for customers in eight Service Centres.

Service NSW continues to engage refugee interns and in 2021–22, Service NSW engaged 16 refugees to support our frontline teams and culturally and diverse communities in Greater Sydney region. This latest intake of refugee interns focused on supporting recent refugees from the Afghanistan community. Future intakes will focus on refugees from both Afghanistan and Ukraine. The program has an 85 per cent retention rate with our refugee interns employed in temporary and ongoing roles across the NSW Public Sector. Since its introduction in 2017, we have now employed 88 refugees through this program.

Service NSW, for the second year, released a Charity Calendar to partner with various organisations. The focus was to care for vulnerable and disadvantaged people within society. The charities supported included Dress for Success Clothing Drive, STEPtember, White Ribbon, Christmas Toy Appeal, Royal Far West, Twenty10 and Pass It On Clothing. Service NSW teams generously gave clothing, toys, raised over $68,000.

Service NSW Refugee Internship Program graduates

Our people matter

At Service NSW we value our people and the diversity of skills and experiences they bring with them. We strive to create a positive team culture that is inclusive and values diversity, innovation, and creativity.

In the 2021 People Matter Employee Survey, we had a 94 per cent participation rate and maintained strong engagement with a score of 78 per cent. We had a positive shift in the inspiration our people feel as a result of being a part of the Service NSW team, with 79 per cent of our people saying they felt inspired to do their best work with us.

Service NSW is committed to ensuring an inclusive environment for our people and customers alike with 92 per cent of our people saying that we respect individual differences, that difference is not a barrier to participation, and that people care for each other at

Service NSW. This is pleasing to see given the challenge extended lockdowns placed on our customers and workforce, our people's sense of team spirit increased with 88 per cent indicating that their team has good team spirit and collaborates well to achieve its goals.

Over the past 12 months continuous improvement and innovation has been a focus for our people with 87.5 per cent of our people saying that we have a culture that encourages learning from our mistakes, this has supported further positive growth in sentiment towards making improvements to meet future challenges with 79 per cent of our people indicating that this is evident at Service NSW.

BRAVO Awards

Throughout the year, we recognised teams and individuals who went above and beyond to make a difference to our customers. This peer recognition was celebrated through the monthly 'Being Recognised as a Valuable member of our Organisation' (BRAVO) Awards.

During the year, we received 1,324 award nominations recognising the exceptional contribution of our team members. This year, Service NSW also revamped our BRAVO Awards nominations platform, making it even easier for our people to recognise and celebrate the achievements of their colleagues.

Service NSW Awards

Since 2013, the Service NSW Awards has recognised Service NSW employees for outstanding customer service. It is the annual culmination of our employee recognition program which includes the monthly BRAVO Awards.

In 2021, due to pandemic restrictions the Service NSW Awards were hosted a little differently with our Senior Leaders travelled to present awards to the winners in person rather than holding an awards event. This celebration culminated in the release of 18 videos across 18 consecutive days, each day celebrating one of our award winners for their amazing contributions helping Service NSW continue to provide outstanding customer service to NSW citizens throughout 2021–22.

Award categories include:

- Voice of the Customer
- DNA All Star
- Make it Happen
- People Leader
- Digital Innovation and Delivery, Individual and Team Awards (newly established to reflect the importance of our work in digital innovation, moving more government transactions online and improving customer experience with our digital channels).

Appendices

1 Customer response

Service NSW Service Centres, Contact Centres and Digital

Our customers can provide feedback or make a complaint at our Service NSW Service Centres, by telephone, to our Contact Centres, via email, through mail, with thumbs up or down on our digital channels, or on our website via our Contact Us page or the Feedback Assist tool.

During 2021–22, we assisted more than 259 million customers in our Service NSW Service Centres, Contact Centres, and on our website – up 144 per cent from 180 million customers in 2020–21. More than 27.9 million customers provided feedback on their experiences.

Service NSW maintained a customer satisfaction score average of 95 per cent.

Service NSW received 6,344 customer complaints about our services, with 6,297 of these complaints resolved and closed. This included 177 referrals from the NSW Ombudsman. Service NSW also received an additional 1,552 customer complaints about other issues or our partner agencies. Some of the complaints were received late into 2021–22 or were of a complex nature and will be carried over into 2022–23.

The five main customer issues in 2021–22 were:

1. Service Centre – transaction error, customer service (attitude) incorrect/unclear information provided (rated first for complaints in 2020–21).
2. Contact Centre – transaction error, customer service (attitude), incorrect/unclear information provided (rated third for complaints in 2020–21).
3. COVID-19 – QR code, Service Centre hygiene practices, individual and business grant applications (rated fourth for complaints in 2020–21).
4. Driver Testing/Computer knowledge tests – wait times, request for review (rated second for complaints in 2020–21).
5. Website, Service NSW app, MyServiceNSW Account – information not clear, technical issues (rated fifth for complaints in 2020–21).

With a total 7,896 customer complaints received in 2021–22, there was a 24 per cent increase (in absolute terms) in the number of customer complaints from the previous year, with 6,366 complaints received, however the average number of complaints by customer visits decreased by 15 per cent in 2021–22, due to the 44 per cent increase in customer visits this year.

The Customer Resolution team worked with both internal teams and partner agencies to resolve customer issues. They also continue to monitor complaint trends to identify customer pain points, and work with internal teams to improve the delivery of our products and services.

Service NSW for Business

The Service NSW for Business Customer Resolution team received 16,609 complaints during 2021–22, an increase on the 13,364 complaints received during 2020–21. The team resolved and closed out 14,021 complaints this year. They also responded to 660 items of Ministerial correspondence and resolved 106 referrals from the NSW Ombudsman.

Enquiries and complaints were predominantly from business customers seeking financial assistance through stimulus packages and grant support. The five key issues raised by business customers were:

1. Processing and payment delays for grant and financial support across all grants
2. Matters relating to late application requests for grant and rebate financial support programs that have closed across all grants
3. Issues relating to withdrawal claims submitted for the Small Business Fees and Charges Rebate including queries on the correct information to include and pathways to resubmit
4. Matters relating to eligibility and application enquiries relating to grant and rebate financial support including customer deemed not eligible querying the process and technical issues submitting applications
5. Issues raised while assisting business customers who have been victims of fraud to process applications for grant and rebate financial support

The 2021 Small Business Hardship Grant accounted for 4,151 complaints over the reporting period which was significantly more than any other support program. Most of the complaints received in relation to the grant relate to timeframes for making support payments to customers.

Throughout the year, the Business Customer Resolution team strengthened and enhanced processes and capabilities to improve the management of complaints received by Service NSW for Business. These improvements included:

- developing and implementing a robust quality assurance framework
- establishing stronger governance processes through regular internal reporting and internal complaint handling processes
- developing and implementing a Complaint Handling Guide and Complaint Resolution Process.

We welcome feedback and complaints from our customers. This information is used to address issues requiring further action, such as providing targeted training for our teams. We will also continue to identify emerging trends and customer pain points and work with our internal teams and partner agencies to improve the overall customer experience.

2 Executive Leadership Team

The table below reflects the Executive Leadership Team, as at 30 June 2022.

Table 1. Executive Leadership Team profile

Name and qualifications	Role	Overview
Mr Damon Rees Executive Master of Business Administration Bachelor of Information Technology	Chief Executive Officer (CEO)	The CEO is responsible for the strategic leadership and operational performance of Service NSW. The CEO leads the Service NSW strategic direction by driving and shaping reform to ensure the delivery of timely, integrated and cost-effective transactional service delivery to customers and businesses, in line with the Service NSW Strategic Roadmap and supporting NSW Government's commitment to simplify customer access to government services. The CEO is also a member of the Department of Customer Service (DCS) Executive Leadership Team.
Mr Russ Murphy (From June 2022) Master of Arts Bachelor of Arts **Mr Thomas Triebsees** (March – June 2022) PhD in Computer Science Master of Computer Science **Ms Cassandra Gibbens** (November 2021 – February 2022) Bachelor of Business **Ms Mandy Young** (Until November 2021) Bachelor of Social Work	Executive Director Partnerships, Projects and Insights	The Executive Director Partnerships, Projects and Insights, leads strategic program management and onboards and maintains service delivery relationships on behalf of partner agencies spanning across all levels of government (local, State and Federal) and includes non-government organisations. The role leads in end-to-end relationship management including service improvements and optimisation, project delivery and enterprise change. This includes delivery of government priorities and supporting other agencies in the delivery of key initiatives through Service NSW. Additionally, Partnerships and Insights provide expert advice on related matters to influence strategy, decision and initiatives, analytics and reporting, to recommend opportunities for performance improvement.
Ms Laura Christie PSM Bachelor of Economics and Social Sciences (Honours)	Executive Director Service Delivery – Frontline Channels	The Executive Director Service Delivery – Frontline Channels, leads our Service NSW shop fronts across metro, regional and rural NSW, our Contact Centres, as well as our Mobile Service Centres, Council Agencies and Live Chat Function. Laura and her team oversee the delivery of the majority of Service NSW's customer interactions in person or over the phone, with a key focus on improving and optimising these services with learnings from customer feedback. With over 3,000 teammates in Service Delivery, Laura and her team also have a key responsibility for ensuring that Service NSW remains a great place to work for our people.

Name and qualifications	Role	Overview
Ms Melissa Clemens Sydney University – Cyber Security Harvard Kennedy School – Executive Education	Chief Security Officer	The Chief Security Officer's purpose is to build trust with customers and staff. The role is responsible for addressing challenging security issues, upholding the agency's security risk appetite, and laying the foundation for government in providing a more secure future for the community. The role provides an integrated approach to detecting, preventing, and responding, which empowers Service NSW to truly transform how it delivers services to customers.
Ms Katherine McDermott Bachelor of Business	Executive Director Digital Services	The Executive Director Digital Services is driving the global standard in digital excellence. The role strives for customer care with a focus on empowering the agency to become world-class in delivering customer-centric technology and services. The team is responsible for leading the NSW Government's one-stop-digital-shop to ensure government services are accessible, reliable and easy to navigate for the diverse citizens of NSW.
Ms Cassandra Gibbens (From March 2022) Bachelor of Business **Ms Bridget Barrett** (Until February 2022) Master of Commerce, Workplace Reform and Change Management	Executive Director Service NSW for Business	The Executive Director Service NSW for Business leads a team that makes it easier for businesses across NSW to start, run, adapt, recover and prosper. Service NSW for Business provides one front door for businesses to access government information and services. The team is responsible for delivering a range of services to assist businesses across NSW, including a digital Business Profile for businesses to manage their interactions with government in one place, personalised Business Concierge support and ensuring businesses can access a range of government stimulus packages during disasters such as bushfires, floods and the COVID-19 pandemic.
Ms Catherine Ellis Graduate, Australian Institute of Company Directors (GAICD) Master of Arts Bachelor of Business	Executive Director Risk, Strategy and Performance	The Executive Director Risk, Strategy and Performance leads Service NSW's strategic planning and business performance, risk, fraud prevention and privacy and information governance functions working together with teams across Service NSW and with partner agencies to continually uplift our strategy, performance and governance functions to ensure they support the increasingly diverse and complex products and services being delivered by Service NSW. The Executive Director Risk, Strategy and Performance also leads Service NSW's payments assessment team responsible for assessing customer applications for financial support delivered via grants, payments and vouchers, and Middle Office teams delivering specialised partner agency services, dealer and fleet services, photo card operations in a network of locations across metropolitan and regional NSW.
Ms Felicity Cox PhD in Physics Master of Public Policy Bachelor of Science (Advanced) (Honours 1st)	Executive Director Disaster Preparation and Recovery	The Executive Director Disaster Preparation and Recovery leads Service NSW's emergency management functions. The team continuously improves organisational preparedness, co-ordinates with partners under the all-hazards all-agencies approach and oversees delivery of the Service NSW's disaster recovery services in pursuit of providing customers with timely, effective and empathetic support, following natural disasters and unexpected events.

3 Management structure

Chief Executive Officer (CEO)

Executive Director
Service Delivery –
Frontline Channels

Executive Director
Service NSW for Business

Executive Director
Partnerships, Projects and Insights

Executive Director
Risk, Strategy and Performance

Executive Director
Digital Services

Executive Director
Disaster Preparation and Recovery

Chief Security Officer
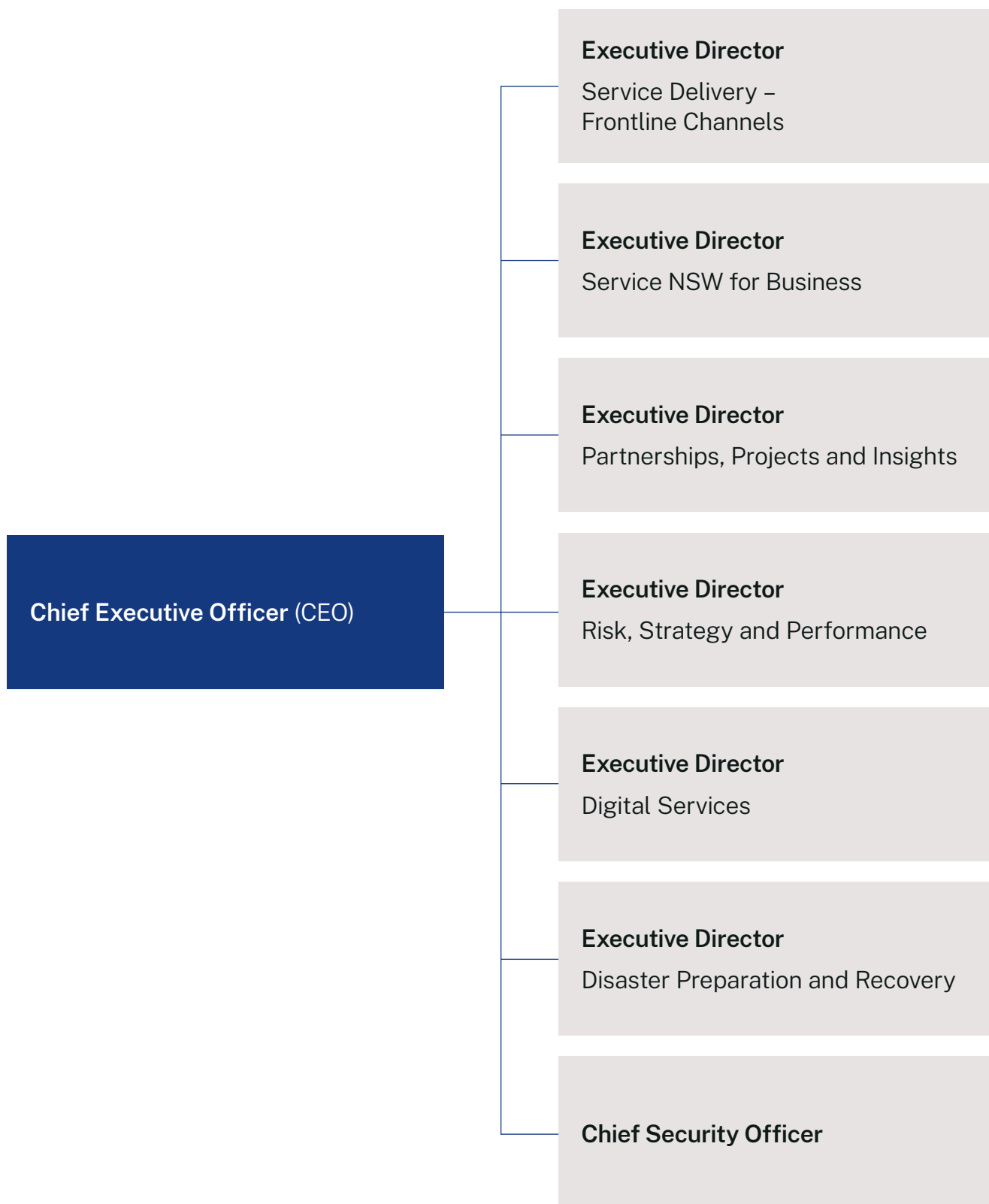
4 Workforce

a. Senior executive

Table 2. Senior executive profile

Senior Executive Band	Total 2020–21[1]	Total 2019–20[1]	Total 2018–19
4	–	–	–
3	1	1	1
2	6	5	4
1	30	23	24
Total	37	29	29

1. Statistics are based on Workforce Profile census date 23 June 2022, 24 June 2021 and 25 June 2020.

b. Female senior executive roles

At 23 June 2022, 24 (65%) of the senior executive roles at Service NSW were held by female employees. This has increased by 3 percentage points compared to last year.

Table 3. Female senior executive profile

Senior Executive Band	Total 2020–21[1]	Total 2019–20[1]	Total 2018–19
4	–	–	–
3	–	–	–
2	6	5	4
1	18	13	14
Total	24	18	18

1. Statistics are based on Workforce Profile census date 23 June 2022, 24 June 2021 and 25 June 2020

c. Workforce profile by employment category

At 23 June 2022, 24 of the senior executive roles at Service NSW were held by female employees. This compares to 18 at 24 June 2021.

Table 4. Workforce profile by employment agency

Staff category		Permanent full time	Permanent part time	Temporary full time	Temporary part time	SES full time	SES part time	Total
Female	2021–22[1]	2,010	800	499	104	23	1	3,443
	2020–21[1]	1,703	670	346	107	17	1	2,844
	2019–20[1]	1,288	605	394	78	17	1	2,383
Male	2021–22[1]	1,210	139	271	37	13	0	1,675
	2020–21[1]	947	91	216	42	11	0	1,307
	2019–20[1]	653	91	279	14	11	0	1,048
Indeterminate/ Intersex/ Unspecified	2021–22[1]	2	1	2	0	0	0	6
	2020–21[1]	3	0	0	0	0	0	3
	2019–20[1]	2	0	0	0	0	0	2
Total	2021–22[1]	3,222	940	772	141	36	1	5,124
	2020–21[1]	2,653	761	562	149	28	1	4,154
	2019–20[1]	1,943	696	673	92	28	1	3,433

1. Statistics are based on Workforce Profile census date 23 June 2022, 24 June 2021 and 25 June 2020

d. Number of Executive Officers and remuneration

Table 5. Number of Executive officers and remuneration

Band	Female	Male	Remuneration range (at 24 June 2021)	Average remuneration
4	–	–	$499,251 – $576,700	–
3	–	1	$354,201 – $499,250	$498,952
2	6	–	$281,551 – $354,200	$321,439
1	18	12	$197,400 – $281,550	$249,757
Total	**24**	**13**	**–**	**–**

In 2021–22, 2.41 per cent of Service NSW employee-related expenditure was related to senior executive employees. In 2020–21, 2.75 per cent of Service NSW employee-related expenditure was related to senior executive employees.

The total expenditure (in absolute terms) for senior executive staff increased in 2022 but decreased as a percentage of total employee related expenditure due to non-executive headcount and associated expenditure increases.

e. Movements in wages, salaries or allowances

Movements in wages, salaries or allowances for Service NSW employees' remuneration and conditions are covered by the Service NSW (Salaries and Conditions) Employees Award 2020, excluding senior executive employees. From the first full pay period after 1 July 2021, there was an increase in award rates of 2.5 per cent (inclusive of a 0.5% increase in employer compulsory superannuation contributions).

The increase in award rates followed the decision of the NSW Industrial Relations Commission on 9 July 2021. Negotiations for a new award to operate from 1 July 2022 were also managed centrally on behalf of the Industrial Relations Secretary (including Service NSW) by Public Sector Employee Relations, following changes in the NSW Government's public sector wages policy for the 2022 to 2023 period.

f. Diversity

The Service NSW diversity and inclusion programs align with the DCS Care and Belonging Strategy 2022–2025, including the Premier's Priorities of 'breaking the cycle of disadvantage' and 'putting customer at the center of everything we do'. Service NSW continues to work towards the DCS Aboriginal Employment Strategy, the DCS Disability Inclusion Action Plan, have recently participated in consultation to develop DCS's first Multicultural Plan and contributing to the Women NSW Strategy.

Throughout 2021–22, the Service NSW Cultural program continued to expand with further phases of the program, including people with disability. The cultural program aims to build the cultural capability uplift in our people so Service NSW can deliver a positive experience to all our customers and team members. Service NSW also participates in and brings to life DCS diversity initiatives including the following:

- Harmony Week and Inclusion Month celebrations. Staff attended online internal events including conversations with Australian of the Year Local Hero recipient, Rosemary Kariuki, on the importance of connecting with community and Media Diversity Australia CEO, Mariam Veiszadeh, on the importance of embedding inclusion properly in workplaces
- Resources were published for staff on practical ways to be anti-racist and support culturally and linguistically diverse (CALD) colleagues
- Worked with the CALD comm the first DCS Multicultural Plan. The Plan is due to be launched in September Q4 2022.
- Utilising the DCS CALD calendar to build awareness of different cultural events that occur in the year, focusing on a cultural highlight and spotlighting an employee's 'story' to connect our people with our cultures. Internal social
- Media platform Workplace is used by thousands of our people each year to share photos of their celebrations of a wide variety of cultural events.

g. Workforce diversity report

Table 6. Size of Agency (Headcount)

	2020	2021	2022	% Change 2020 to 2021
Headcount at Census Date	3,435	4,154	5,124	23.4%
Non-casual Headcount at Census Date	3,435	4,154	5,112	23.1%

Table 7. Workforce Diversity Survey Response Rate (Non-casual Headcount at Census Date)

	2019	2020	2021
Non-casual Headcount at Census Date	2,862	3,435	4,154
Non-casual Workforce Diversity Survey Respondents at Census Date	2,655	3,230	3,765
Response Rate	**92.8%**	**94.0%**	**90.6%**

Note: Survey Respondents are employees who have provided an answer for any of the Workforce Diversity questions, whether they have chosen to withdraw their response or not. In other words, a respondent is an employee with at least one non-missing value for the set of Workforce Diversity questions.

Table 8. Workforce Diversity Actual Staff Numbers (Non-casual Headcount at Census Date) – 2021

Remuneration level of substantive position	Total staff (men, women and unspecified)	Respondents	Men	Women	Unspecified gender	Aboriginal and/or Torres Strait Islander people	People from racial, ethnic, ethno-religious minority groups	People whose language first spoken as a child was not English	People with a disability	People with a disability requiring work-related adjustment
$0 – $50,479	2	2	0	2	0	2	1	0	0	0
$50,479 – $66,298	1,940	1,828	531	1,403	6	85	373	490	56	17
$66,298 – $74,117	359	322	67	292	0	7	41	51	5	0
$74,117 – $93,791	1,631	1,484	528	1,081	22	43	196	272	59	19
$93,791 – $121,288	494	432	185	306	3	10	102	118	11	6
$121,288 – $151,609	447	405	219	228	0	6	134	194	7	2
$151,609 > (SES)	37	18	13	24	0	0	4	5	0	0
$151,609 > (Non SES)	202	180	119	83	0	1	45	46	5	2
Total	**5,112**	**4,671**	**1,662**	**3,419**	**31**	**154**	**896**	**1,176**	**143**	**46**

Note: "Unspecified Gender" incorporates unknown, withdrawn, and indeterminate/intersex values.

Table 9. Workforce Diversity Actual and Estimated Staff Numbers (Non-casual Headcount at Census Date) – 2021

Remuneration level of substantive position	Actual					Estimated				
	Total staff (men, women and unspecified)	Respondents	Men	Women	Unspecified gender	Aboriginal and/or Torres Strait Islander people	People from racial, ethnic, ethno-religious minority groups	People whose language first spoken as a child was not English	People with a disability	People with a disability requiring work-related adjustment
$0 – $50,479	2	2	0	2	0	2	1	0	0	0
$50,479 – $66,298	1,940	1,828	531	1,403	6	85	373	490	56	17
$66,298 – $74,117	359	322	67	292	0	7	41	51	5	0
$74,117 – $93,791	1,631	1,484	528	1,081	22	43	196	272	59	19
$93,791 – $121,288	494	432	185	306	3	10	102	118	11	6
$121,288 – $151,609	447	405	219	228	0	6	134	194	7	2
$151,609 > (SES)	37	18	13	24	0	0	4	5	0	0
$151,609 > (Non SES)	202	180	119	83	0	1	45	46	5	2
Total	**5,112**	**4,671**	**1,662**	**3,419**	**31**					

Note 1: Estimated figures are only provided for agencies with a response rate greater than 65%. For agencies with a response rate less than 65%, actual figures are reported in all instances.

Note 2: Estimated figures are calculated for each salary band by taking the number of employees who have responded "yes" to the Workforce Diversity question as a proportion of the total number of employees who have responded to the Workforce Diversity survey, multiplied by the total number of staff, and rounded to zero decimal places. E.g., Estimated number of People with a Disability in Salary Band 1 = (Actual number of People with a Disability in Salary Band 1/Total number of Survey Respondents in Salary Band 1) * Total number of Staff in Salary Band 1, and rounded to zero decimal places.

Table 10. Workforce Diversity Actual and Estimated Staff Numbers (Non-casual Headcount at Census Date) as Percentages – 2021

Remuneration level of substantive position	Actual					Estimated				
	Total staff (men, women and unspecified)	Respondents	Men	Women	Unspecified gender	Aboriginal and/or Torres Strait Islander people	People from racial,ethnic, ethno-religious minority groups	People whose language first spoken as a child was not English	People with a disability	People with a disability requiring work-related adjustment
$0 – $50,479	2	100.0%	0.0%	100.0%	0.0%	100.0%	50.0%	0.0%	0.0%	0.0%
$50,479 – $66,298	1,940	94.2%	27.4%	72.3%	0.3%	4.6%	20.4%	26.8%	3.1%	0.9%
$66,298 – $74,117	359	89.7%	18.7%	81.3%	0.0%	2.2%	12.7%	15.8%	1.6%	0.0%
$74,117 – $93,791	1,631	91.0%	32.4%	66.3%	1.3%	2.9%	13.2%	18.3%	4.0%	1.3%
$93,791 – $121,288	494	87.4%	37.4%	61.9%	0.6%	2.3%	23.6%	27.3%	2.5%	1.4%
$121,288 – $151,609	447	90.6%	49.0%	51.0%	0.0%	1.5%	33.1%	47.9%	1.7%	0.5%
$151,609 > (SES)	37	48.6%	35.1%	64.9%	0.0%	0.0%	22.2%	27.8%	0.0%	0.0%
$151,609 > (Non SES)	202	89.1%	58.9%	41.1%	0.0%	0.6%	25.0%	25.6%	2.8%	1.1%
Total	**5,112**	**91.4%**	**32.5%**	**66.9%**	**0.6%**					

Note: Table 10 presents the figures in Table 9 as percentages. E.g., Estimated % of People with a Disability in Salary Band 1 = (Estimated number of People with a Disability in Salary Band 1/Total number of Staff in Salary Band 1) * 100. Estimated figures are only provided for agencies with a response rate greater than 65%. For agencies with a response rate less than 65%, actual figures are reported in all instances.

Table 11. Trends in the Representation of Workforce Diversity Groups

Workforce Diversity Group	Benchmark	2020	2021	2022
Women	50%	69.1%	68.0%	66.9%
Aboriginal and/or Torres Strait Islander People	3.3%	2.8%	2.7%	3.3%
People whose first language spoken as a child was not English	23.2%	16.9%	21.5%	25.2%
People with a disability	5.6%	2.5%	2.8%	3.0%
People with Disability Requiring Work-Related Adjustment	N/A	0.8%	0.9%	1.0%

Note 1: The benchmark of 50% for representation of women across the sector is intended to reflect the gender composition of the NSW community.

Note 2: The NSW Public Sector Aboriginal Employment Strategy 2014 – 17 introduced an aspirational target of 1.8% by 2021 for each of the sector's salary bands. If the aspirational target of 1.8% is achieved in salary bands not currently at or above 1.8%, the cumulative representation of Aboriginal employees in the sector is expected to reach 3.3%.

Note 3: A benchmark from the Australian Bureau of Statistics (ABS) Census of Population and Housing has been included for People whose First Language Spoken as a Child was not English. The ABS Census does not provide information about first language but does provide information about country of birth. The benchmark of 23.2% is the percentage of the NSW general population born in a country where English is not the predominant language.

Note 4: In December 2017 the NSW Government announced the target of doubling the representation of people with disability in the NSW public sector from an estimated 2.7% to 5.6% by 2027. More information can be found at: Jobs for People with Disability: A plan for the NSW public sector. The benchmark for 'People with Disability Requiring Work-Related Adjustment' was not updated.

Table 12. Trends in the Distribution Index for Workforce Diversity Groups

Workforce Diversity Group	Benchmark	2020	2021	2022
Women	100	88	87	87
Aboriginal and/or Torres Strait Islander People	100	86	88	83
People whose First Language Spoken as a Child was not English	100	115	110	106
People with a Disability	100	97	97	97
People with a Disability Requiring Work-Related Adjustment	100	100	90	102

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.

Table 13. Representation of Workforce Diversity Groups

Workforce Diversity Group	Benchmark	2020	2021	2022
Women	50%	69.1%	68.0%	66.9%
Aboriginal and/or Torres Strait Islander People	3.3%	2.8%	2.7%	3.3%
People whose First Language Spoken as a Child was not English	23.2%	16.9%	21.5%	25.2%
People with a Disability	N/A	2.5%	2.8%	3.0%

h. Multicultural Policies and Services

Service NSW is committed to multiculturalism and as part of this commitment has undertaken work to ensure all members of the NSW community have access to our services. In addition to the broader multiculturalism initiatives undertaken by DCS in 2021–22, some of our key programs to support our people, customers or suppliers who come from culturally and linguistically diverse backgrounds have included the following programs:

Cost of Living Program

Service NSW continues to provide outreach services to our culturally and linguistically diverse communities via our Cost of Living Service. This includes a community event in Fairfield hosted by Settlement Services International, which was attended by recent newly arrived refugee families as part of the Humanitarian Settlement Program. Attended by over 500 people, Service NSW was able to provide information about the services we offer our customers and help our newest local community members settle in NSW.

Refugee Internship Employment Program

The Refugee Internship Employment program has been successful in creating job opportunities for refugees to gain paid employment and work experience whilst building confidence in an Australian workplace. This successful program is a true testament to belonging and inclusivity at Service NSW.

Service NSW continues to engage refugee interns and in 2021–22, Service NSW engaged 16 refugees to support our frontline teams and culturally and diverse communities in Greater Sydney region. This latest intake of refugee interns focused on supporting recent refugees from the Afghan community. Future intakes will focus on refugees from both Afghanistan and Ukraine.

Service NSW have employed 88 refugees in the last five years through this program, with 85 per cent of refugee interns remaining in temporary and ongoing roles across the NSW Public Sector.

In 2022–23, Service NSW will continue our commitment to multiculturalism by ensuring all members of the NSW community continue to have access to our service. We will continue to support initiatives undertaken by DCS in 2022–23 as well as our key programs to support our people, customers or suppliers who come from culturally and linguistically diverse backgrounds including our key Cost of Living Programs and our Refugee Internship Employment Program.

Refugee intern placements per year
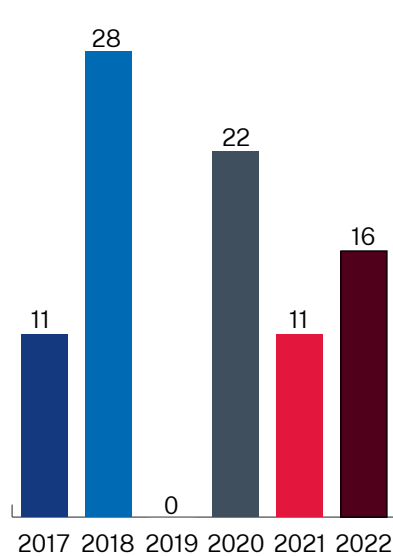
There was no Refugee intake in 2019 due to the Machinery of Government (MoG) changes.

COVID-19 led to lower intake levels in both 2020 and 2021.

Two intakes are planned in 2022 – March intake completed.

Initial role at Service NSW
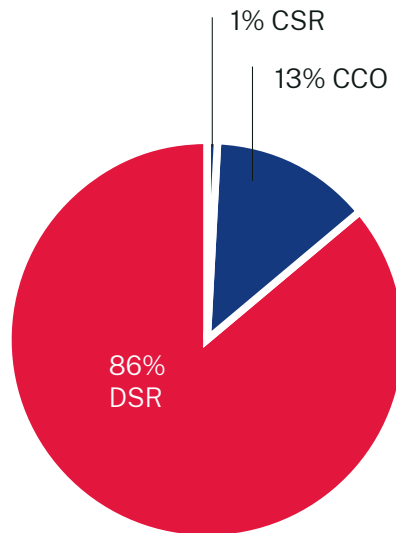
86% of Refugee Interns commenced as a Digital Service Representative (DSR) in Service Centres.

11% started as a Customer Concierge Operator (CCO) in Contact Centres.

Although initial roles are at the entry level, it is a career pathway opportunity for eligible applicants.

Initial role at Service NSW
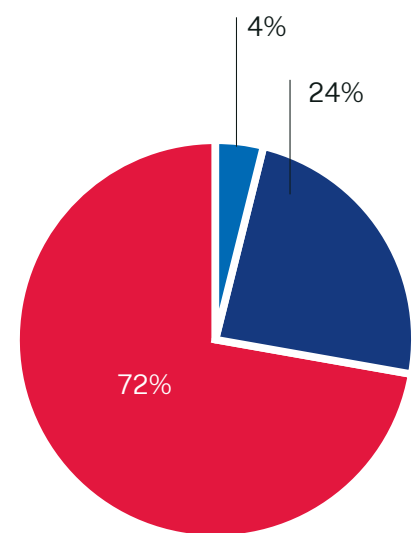
19% of interns currently in temporary positions are from the most recent 2022 intake.

72% of former Refugee Interns are now in ongoing roles.

4% of former Refugee Interns are currently in Secondment opportunities.

Total Refugees Interns Recruited	Current SNSW & DCS Refugee Interns	Refugee Intern Retention Rate
88	74	85%

Refugee country representation

- 2% Tibet
- 1% Egypt
- 2% Iran
- 5% Saudi Arabia
- 13% Afghanistan
- 24% Iraq
- 41% Syria
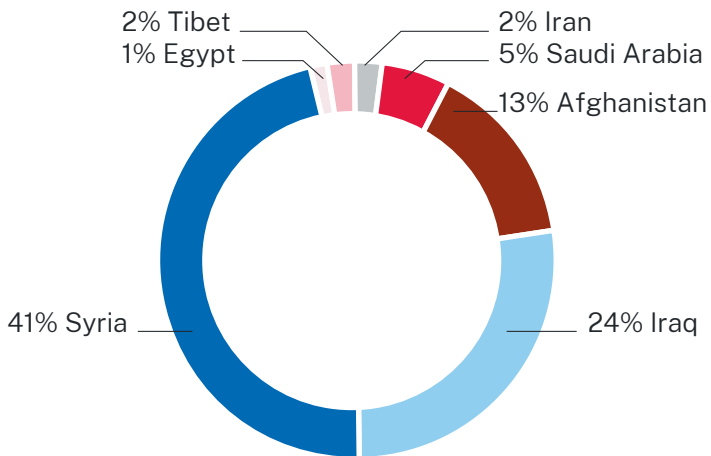
2017 & 2018 intakes had a high proportion of Syrian Refugees.

In our 2022 intake, 69% were from Afghanistan.

The next intake will target refugees from Ukraine and Afghanistan.

Refugee country representation

Department	Count
Service Centres	54
Contact Centres	3
Risk, Strategy Performance	1
Digital Services	7
Service for Business	0
Partnerships, Projects and Insights	3
Deptartment of Customer Service	6
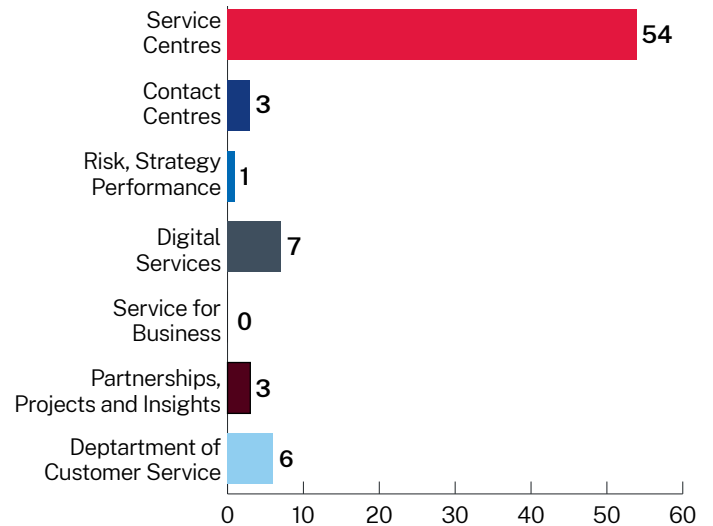
Majority of former Refugee Interns are currently in grade 2/3 roles located in Service Centres.

23% have moved to alternate mobility opportunities since initial placement.

i. Agreements with Multicultural NSW

SNSW has the following agreements in place with Multicultural NSW:

1. **Memorandum Of Understanding for the provision of Interpreting by Multicultural NSW for Service NSW Service Centres** – This is the agreement for Multicultural NSW to provide NAATI accredited interpreters (in person) at Service Centres.

2. **Service Agreement for Service NSW to provide BAU support for Multicultural NSW transactions** – Under this agreement, Service NSW provides Multicultural NSW over-the-counter support for customers that require documents translated and Contact Centre and Middle Office support for customer inquiries.

3. **Project Agreement – Multicultural Youth Linker – Customer Care** – Under this project, Service NSW lead targeted community engagement and managed social media engagement of the Multicultural Youth Linker program to deliver a service design model to be integrated with the Service NSW operating model.

   The Multicultural Youth Linker Pilot Program emerged from the Refugee Youth Policy Initiative, a process of co-design, collaboration and partnership with young people from refugee backgrounds. This initiative was led by Professor Peter Shergold as NSW Coordinator General for Refugee Resettlement, the Agency and the NSW Department of Customer Service.

   A key outcome realised throughout the initiative was the need to support young people with navigating and accessing government services available to them through a peer-to-peer 'navigation' model. The Youth Linker service is to work closely with the community and non-government agencies to support applicable services through a peer-to-peer navigation model. The pilot was interrupted with COVID restrictions and was extended to provide further insights on the benefits. In May 2022 Service & Multicultural entered an agreement to review how the service can be expanded and embedded into Service NSW Customer Care Program, to continue the peer to peer 'navigation' model and improve access to government services and rebates.

4. **Memorandum of Understanding for the Pilot Program of Telephone Interpreting Services between Service NSW and Multicultural NSW** – This pilot program commenced in December 2021, where two access points are provided to Culturally and Linguistically Diverse (CALD) customers to provide the customer with language translation assistance when accessing services and information from Service NSW Contact Centres.

   The pilot program involved more than 500 CALD customers having two options to request assistance to Service NSW for information and services. CALD customers are able to call either the Multicultural NSW phone number advertised on their website or the Service NSW 13 77 88 number and be connected to a three-way conference (between the CALD customer, the interpreter and the Contact Centre team member).

   Currently in pilot till December 2022, the program began with inter-agency participation from Transport for NSW (registration and licensing) and Births, Deaths and Marriages. The service provides an improved customer journey as it reduces the time it takes for an interpreter to join the call and, subsequently, for them to receive the assistance they need. The pilot is expected to be upscaled later in 2022 to cater to around 1,000 customers per month.

j. Disability Inclusion Action Plan

Service NSW is committed to the principles of the Department of Customer Service's Disability Inclusion Action Plan 2020–2025 (DIAP), which creates a five-year roadmap to ensure our services, facilities and workplaces are accessible to all.

Mapped to the NSW Disability Inclusion Plan, our DIAP uses ten key areas of access and inclusion to ensure that DCS includes all our customers, people and suppliers with disability. As well as publishing the full document, we have provided public summaries in Auslan and Easy English.

Key achievements in the last 12 months include:

- Quiet Hour Pilot was launched in June 2022 across eight Service Centres, allowing customers to benefit from a less stimulating environment at participating locations.
- Updates to Service Centre accessibility information on the Service NSW website, to help customers make an informed decision as to which Service Centre they visit depending on their individual needs.
- Improvements to the information available via the Disability Assistance page on the Service NSW website, providing easier access to a wider variety of information and resources relating to disability and accessibility, available at one central location.
- Establishment of a team of 58 Mental Health First Aid Officers across all business areas and divisions within Service NSW to support all our people.
- Development of an online Disability Toolkit, accessible through SharePoint, providing all Service NSW staff access to a variety of resources and information relating to disability and accessibility.
- A Capability Uplift and Community Engagement pilot, which included mandatory disability awareness training for all our people. The pilot also encouraged teams to build ongoing relationships with local disability and carer organisations, obtain ongoing feedback and assist in improving our customer experience.

Actions achieved in Digital Accessibility at Service NSW includes:

- Established the Principal Accessibility Specialist position.
- Provided guidance and leadership to teams on accessibility, inclusive design, customer research and testing via internal communications and the Service NSW intranet as well as mentoring and guild sessions.
- Developed quality assurance standards and guidance known as Digital Experience Standards to embed inclusive design and accessibility.
- Commenced alignment of thought leadership and insights on accessibility across DCS and Service NSW through collaboration with the Behavioural Insights Unit, Accessibility.NSW, the Social Impact and Engagement Team and the Principal Accessibility Specialist.
- Incorporated modules on inclusive design, customer research and testing within Digital Service's Onboarding Academy.
- Invited Industry specialists and customers as speakers to strengthen insights into customer needs and current barriers they face.
- Implemented role specific digital accessibility training for all Digital Services staff.
- Sought proof from our customer recruitment/research vendors on accessibility of their products/services.
- Consulted with disability peak bodies about involvement in customer research and testing.

k. Work Health and Safety

Service NSW is committed to the health, safety, and wellbeing of all employees, including contractors, agency staff, and volunteers. Our strategies and initiatives are focused on promoting, supporting, and enabling a robust safety and wellbeing culture that enables safe and healthy workplaces.

Work Health and Safety (WHS)

In 2021–22, a key focus was to launch and implement mySafety – an online hazard and incident reporting system with a focus on a real time incident and hazard dashboard.

- MySafety is our new online hazard, near miss and incident reporting tool available for all our employees. The system ensures managers conduct WHS investigations and close out of any actions submitted in their respective teams. The tool enhanced physical and psychological reporting in addition to introducing a dedicated channel for confidential reporting to Safety and Wellbeing for further support and follow-up. Implementation was supported by a communication plan, dedicated intranet page, training guides and drop-in sessions for staff and Managers.

- A Work Health and Safety dashboard has been implemented, allowing managers and other people leaders to obtain a snapshot of incidents, hazards, and investigation details from an easy-to-use and simple customised WHS dashboard. The dashboard is online and streamlined into existing HR tools linking to the mySafety data to report on exemplar reporting with lead and lag indicators. The reports are updated daily, allowing managers to review and act on WHS data, including partnering with HR and WHS support partners to reduce WHS risks across their business.

A major focus for 2021–22 was our response to the COVID-19 pandemic and flood response. It included:

COVID-19 Wellbeing Support

- **Hypercare support team**

  A People and Culture Hypercare team was established to support our people through the implementation of our DCS Vaccination approach. Service NSW staff were able to access this dedicated support which was delivered through a three-Tier Hypercare model to manage the complexity of our engagement.

- **COVID-19 Support Hub and support resources**

  The hub is a dedicated SharePoint site available to all employees. The site was updated regularly with communications and curated information and frequently asked questions to provide our employees with accurate, clear, and simple support including working from home guidance and support checklist for managers who have an employee test positive for COVID-19. A Rapid Antigen Testing (RAT) guide was also developed.

- **Regular communication and updates**

  Email communications, 'Town halls' and social platform messaging was regularly shared with employees to ensure prompt communication and implementation of advice issued by NSW Department of Health with a priority on keeping our people safe, healthy, and well.

- **Mental health support**

  Dedicated support was provided for those areas of the business that were impacted due to shutdowns such as our Service NSW Service Centers which had flow on effects to isolation requirements. We stood up weekly virtual debrief sessions with those impacted employees with leader updates, followed by psychoeducation from a Benestar clinician and tips and support about how to keep well while in isolation. Dedicated support was also arranged for our people leaders managing teams whilst being impacted themselves by the lockdown complexities.

- **Ergonomic support**

  Ergonomics was identified as a key focus due to the COVID-19 pandemic, given the large numbers of employees working from home. Resources were developed to support employees. This included the development of a Working from Home Ergonomic Guide, a refreshed Home Ergonomics intranet page, and virtual ergonomic assessments being made available to our people. Office equipment, such as chairs and monitors, was offered to all employees to provide a safe working environment at home.

COVID-19 policy development and risk assessment process

· **Phased risk assessment and consultation**

A phased COVID-19 risk assessment and consultation process was undertaken to identify and implement COVID-19 vaccination requirements for our people. Phase 1 (28 September – 8 October 2021) included team members who could not work from home and phase 2 (1 November – 12 November 2021) incorporated those who could work from home. A total of 40 COVID risk assessments were completed during phase 1 and phase 2, with further review undertaken in 2022. Throughout the above process consultation with staff and specific workgroups was a key priority to ensure the success of the implementation.

Flood support response

People & Culture Hypercare support was provided for flood affected teams to ensure a proactive and early intervention approach and psychological support through our EAP provider Benestar. This included critical incident support for Flood Recovery Centers through virtual and mobile support hubs. Session needs were monitored and adjusted to include employee and manager support to continually update our response as required during the recovery phases.

DCS Illness prevention strategy

This strategy included key measures that are reasonably practicable to implement to minimise the risks of COVID-19 and other potential infectious diseases such as influenza and measles. Our suite of controls supports a healthy workplace by reducing the risk of illness.

NSW Work Health & Safety Government Sector Plan

The NSW Government sector is a priority sector of the *Australian Work Health and Safety Strategy 2012-2022* due to the sector's high rates of injury and illness. The *NSW Government Work Health and Safety Sector Plan* is also an integral part of the *Work Health and Safety Roadmap for NSW 2022*. By implementing the Plan, the NSW Government intends to deliver on the roadmap's commitment to significantly reduce fatalities; serious injuries and illnesses; and serious musculoskeletal injuries and illnesses by 2022. Additionally, the NSW Government will lead as an example with respect to responding to mental health issues in the workplace. Since launching in July 2018, DCS has participated in two cluster self-assessments and one round of peer-to peer reviews, in which Service NSW was included.

Wellbeing support

· **Wellbeing hub**

A centralized SharePoint depository for wellbeing to promote, prevent and support our employees with self-care tips, tools, and resources. The cluster-wide hub provides information to support our employees to be their best at work and at home, to boost workplace wellbeing and resilience.

· **Employee Assistance Program (EAP)**

We continue to provide exemplar EAP support to actively create greater awareness of the program and the range of services offered. We have integrated EAP services and information into our safety systems through proactive staff engagement and our EAP partnership. This contributed to an 8 per cent use of EAP services, compared to a public sector industry standard of 4.3 per cent and all industries at 2.9 per cent, as at June 2022.

· **Fitness Passport**

Through the DCS partnership with Fitness Passport, Service NSW staff can access a low cost, flexible corporate gym and pool membership program in their preferred area at a reduced cost.

· **Flu vaccination program**

A free annual flu vaccination program runs in the lead-up to winter each year and is available to all our people including temporary employees.

· **Respect & Resilience Program**

A 3.5-hour course adapted from research conducted by Griffith University about customer misbehaviour was trialled by Service NSW managers in Service Delivery, followed by an additional e-learning module offered to our frontline teams. The course focuses on providing our customer-facing employees with practical skills that can be used to prevent, contain, and cope with customer misbehaviour. The training's success will be monitored with the view to expanding it to other teams during 2022–23.

Policy update

- **Review of the Recover at Work policy**

    The cluster-wide Recover at Work policy was refreshed and updated following key stakeholder feedback from SafeWork and SIRA to continue best practice recovery at work framework and processes. This policy recognises the importance of helping and supporting our employees through injury or illness through early intervention, active engagement with their support team and key preventative strategies as they recover at work.

- **Respectful Workplace policy & guide**

    The DCS respectful workplace framework is aimed at creating behaviour change by increasing staff awareness, training requirements, understanding, capability and confidence in building and maintaining respectful workplaces across the cluster, including Service NSW. The policy supports existing policies, the Positive Productive Workplace Policy and Code of Ethics and Conduct Policy. The framework outlines how we will provide a safe and respectful workplace where all our people are treated fairly and inclusively; differences are acknowledged and valued; and communication is open and courteous. The framework was developed in collaboration with key stakeholders and workgroups from our Health and Safety Representatives and SafeWork inspectors from Health & Psychological Services, and through formal employee consultation.

Service NSW had nil prosecutions under the *Work Health and Safety Act 2011* during the 2021–22 financial year.

Workers compensation

During 2021–22, Service NSW reported 37 claims and the net incurred cost was $1,556,114.16. This is a reduction of 50 per cent in claim numbers when compared with the previous financial year.

Mental stress-related claims continue to drive the claims cost upwards for Service NSW. The total amount paid on mental stress related claims was 37 per cent of the total amount paid on all Service NSW claims during 2021–22.

During the year, the Recover at Work team continued to meet fortnightly with the workers compensation insurer (EML) to ensure the safe and timely return of our employees to work. These claims reviews are focused on premiums impacting claims (lodged since 01/07/2018) as well as new claims with a no capacity work status.

Data regarding the number of claims and relevant costs were sourced from iCare as at 30 June 2022. They are based on claims lodged and relevant assessment. The final cost may vary when compared to the same period in previous annual reports due to the timing of loss incurred, claims reported and the outcomes of the negotiated settlement.

l. COVID-19 policy

After extensive consultation, multiple risk assessments, and in line with NSW Health advice, the Department of Customer Service, including Service NSW, implemented a mandatory vaccination policy in November 2021 in order to protect the safety and wellbeing of our people, other workers and customers who interact with our employees. People and Culture provided support with individual case management throughout this process with a dedicated Hypercare team. In June 2022, a review of the risk assessment framework, further consultation, revised health advice, and a focus on our Illness Prevention Strategy allowed the policy to be lifted from 1 July 2022.

Service NSW has adopted the Public Sector Policy and Principles to apply Pandemic Special Leave during the COVID-19 response.

The Departmental Flexible Working Hours Agreement was varied in March 2020 to provide for extended band width and suspension of core working hours. This change has continued through the 2021–22 financial year and allows for our people to work their hours in a more flexible pattern over a longer band of time to help balance organisational needs with carer and other responsibilities. During 2021 Service NSW adopted similar arrangements for the Service NSW Flexible Working Hours Agreement on a trial basis, to more closely align with those applying to the Department of Customer Service cluster.

m. Personnel policies and practices

Positive and Productive Workplace Policy

Service NSW has a Positive and Productive Workplace policy to assist employees in managing conflicts and grievances in the workplace. The policy focuses on maintaining a harmonious workplace by addressing conflicts as quickly and as close to the source as possible. This is done by utilising three separate pathways (Pathway 1 – Direct Resolution at a local level, Pathway 2 – Facilitated resolution, Pathway 3 – External Resolution) from informal through to formal processes.

m. Industrial relations policies and practices

Managing for Improvement Framework

Service NSW aims to ensure that all managers and employees are equipped with the appropriate support and resources to enable them to work together and improve issues of performance. The Managing for Improvement framework provides managers and employees with proper resources and is a two-step process (Step 1 – Informal work plan, Step 2 – Formal Performance Improvement Plan). A total of 50 (31 of which were still open as at 1 July 2022) employee relations matters were actioned in the 2021–22 financial year. The matters related to conduct, performance, probationary performance, bullying, harassment, discrimination, abandonment of employment and medical retirements.

Industrial Relations Matters

The following types of matters were dealt with at the NSW Industrial Relations Commission:

Table 14. Matters Dealt with at the NSW Industrial Relations Commission

Type of Matter	Quantity
Award matters	1
Unfair dismissal	1
General disputes	0
Government Sector Appeal	2
General Protections Claim	1
Australian Human Rights Commission	1

There were no employment matters dealt with at the NSW Anti-Discrimination Board.

5 Governance

Service NSW is recognised as an executive agency under Schedule 1 of the *Government Sector Employment Act 2013*. The Chief Executive Officer is appointed as agency head.

a. Service NSW Audit and Risk Committee

The Service NSW Audit and Risk Committee (the Committee) has been established in compliance with the NSW Treasury Policy Internal Audit and Risk Management Policy for the General Government Sector (TPP 20-08). It provides independent assurance to the Service NSW Chief Executive Officer.

During 2021–22 the Committee met seven times (four times in 2021 and three times in 2022) to provide oversight of financial reporting, risk management, internal and external audit activities, and the operational management of Service NSW. Members of the Committee are listed in the Service NSW Internal Audit and Risk Management Policy Attestation Statement on page 67.

b. Risk management

Service NSW continued to improve risk management through the development of a Risk Management Program in 2021–22 designed to promote more holistic risk management practices, structures, and best practice standards within the agency. A two-year risk management plan was also developed to complement the delivery of the Risk Management Program. This will help to strengthen enterprise risk management through close alignment with the Department of Customer Service Risk Management Framework and the *ISO 31000:2018 Risk Management Guidelines*.

The Service NSW Chief Risk Officer supports the Executive and the CEO by providing advice on risk related matters. Service NSW adopts the three lines of defense model in line with TPP20-08 Internal Audit and Risk Management Policy. The risk team provides risk management support in the delivery of critical services to the community.

In 2021–22, the risk team facilitated risk identification and assessment workshops with project teams and key stakeholders across a range of projects and programs. The Service NSW Audit and Risk Committee provide independent and regular oversight of risk management to ensure it continues to remain fit for purpose with regards to the agency's operations, size, and complexity.

In 2021–22, the business continuity team continued to play a vital role during natural disasters such as floods and the COVID-19 pandemic. The team, led by a cross functional steering committee of senior leaders from key business areas, established a business continuity working group to interface with the State Emergency Operations Centre to support the organisation and the people of NSW.

The Service NSW Business Continuity Working Group identified Critical Business Functions across Service NSW, implementing Business Continuity Plans to document recovery strategies under development according to the Service NSW Business Continuity delivery plan. The annual review cycle commenced in May and included covering Business Impact Assessments and Business Continuity Plans for every business unit and Frontline site in the agency.

The scope of the Operations Centre has been expanded to provide incident management support to all business units within Service NSW. During 2021–22 the Centre's resources also expanded to cater to its growing responsibilities, and now includes four ongoing and two temporary Incident Controllers reporting to the Operations Centre Response Controller, as well as a Business Support Officer. The team provided emergency support across the State to any incident that impacts the network, including floods, fires, storms, acts of aggression, threats of violence and medical episodes in both staff and customers. The engagement of the Operations Centre continues to increase significantly, with 365 incidents managed in the 2019–20 financial year, 847 in 2020–21, and 964 as of 28 July 2022 for 2021–22.

c. Internal Audit

Service NSW Internal Audit provides independent and objective assurance services and risk and control consulting advice to the Executive Leadership Team, the Audit and Risk Committee and the CEO. It also plays an important role in supporting Service NSW to achieve its strategic objectives by providing independent assurance that reviews the effectiveness of our risk management practices and internal controls framework.

The Chief Audit Executive (CAE) reports functionally to the Audit and Risk Committee and administratively to the CEO in accordance with NSW Treasury Policy TPP 20-08. The CAE reported to the CEO and the Audit and Risk Committee quarterly on the risk-based internal audit annual plan, and the progress towards completion of the plan, as well as the implementation of audit issues and recommendations.

In 2021–22 the internal audit function updated its Charter and Policy and Procedures and completed the following assurance activities:

1. Transport for NSW DRIVES database access certification
2. Customer complaints and remediation
3. Strengthened relationship management framework for Service NSW partner agencies
4. Purchasing Cards
5. Risk management review
6. Payroll processes

In all the above audits, management agreed with the audit findings and have either implemented or are implementing the agreed actions.

Internal Audit Investigations also received 18 internal reports of fraud, corruption and maladministration matters, which underwent assessment and investigation as appropriate. Of those 18 reports, the Reporter of one matter was assessed to be eligible as a Public Interest Disclosure (PID). Internal Audit Investigations also provided advice to management on corruption prevention, risk and internal control improvements, and facilitated regulatory reporting to the Independent Commission Against Corruption and the NSW Ombudsman.

An internal Quality Assurance Improvement Program (QAIP) was also conducted in 2021–22 confirming that Internal Audit conformed with the Institute of Internal Auditors International Standards for the Professional Practice of Internal Auditing and met the requirements of the NSW Treasury Policy TPP 20-08 Internal Audit and Risk Management Policy for the General Government Sector.

d. External Audit

The Audit Office of NSW audited the Service NSW financial statements for the year ended 30 June 2022, and the opinion in the Independent Auditor's Report was unmodified.

e. Insurance

Service NSW has insurance arrangements in place for all its assets and major risks. Insurable risk cover was primarily provided through participation in the NSW Treasury Managed Fund (TMF), the NSW Government self-insurance scheme.

The TMF SoC provides cover for the following risk exposure:

- Legal liability including:
  – public liability
  – product liability
  – environmental liability
  – liability for claimed misleading representations
  – cyber liability
  – statutory liability
  – professional indemnity and
  – directors/officer's liability.
- Workers' compensation
- Property
- Motor Vehicles
- Miscellaneous including employee fidelity, personal accident (officials who are not covered under the NSW Workers Compensation), personal effects, cancellation of events and travel (domestic and international).

Claims performance

Table 15. Number of insurance claims

Line of Business	2021–22
Workers Compensation	37
Motor Vehicle	5
Property	7
Liability	11
Total	**60**

Table 16. Net incurred insurance claims cost ($)

Line of Business	2021–22
Workers Compensation	$1,556,114
Motor Vehicle	$25,936
Property	$3,632,034
Liability	$7,166
Total	**$5,221,249**

Data regarding incurred claims and relevant costs was sourced from iCare TMF dashboard. They are based on the claims reported and relevant assessment as at 30 June 2022. The final costs and claim numbers may vary due to the timing of loss incurred, claims reported, and the outcome of the negotiated settlement.

f. Internal audit and risk management policy attestation

I, Damon Rees, Chief Executive, am of the opinion that Service NSW has 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, specifically:

Core Requirements		For each requirement, please specify whether compliant, non-compliant, or in transition
Risk Management Framework		
1.1	The Accountable Authority shall accept ultimate responsibility and accountability for risk management in the agency.	**Compliant**
1.2	The Accountable Authority shall establish and maintain a risk management framework that is appropriate for the agency. The Accountable Authority shall ensure the framework is consistent with AS ISO 31000:2018.	**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 independent chair and members of the Audit and Risk Committee are:

- Independent Chair, Dianne Hill, 18 September 2018 to 17 September 2021
- Independent Chair, Josephine Rozman 12 October 2021 to 11 October 2024
- Independent Member, Stephen Horne, 1 July 2016 to 30 June 2022 (has been extended in FY22/23)
- Independent Member, Gary Blair, 1 April 2020 to 31 March 2023

[

Chief Executive Officer, Service NSW
1 September 2022

g. Cyber security annual attestation statement

Annual Cyber Security Attestation FY 2021–2022

Cyber Security Annual Attestation Statement for the 2021–2022 Financial Year for Service NSW.

I am committed to ensuring that Service NSW (SNSW) manages cyber security risks in a manner consistent with the mandatory requirements set out in the NSW Government Cyber Security Policy (CSP).

During FY2021–2022, SNSW has continued to uplift its maturity against the CSP requirements by strengthening cyber risk management and security practices across our agency, ensuring information safety for all NSW citizens and businesses.

- **Governance** – SNSW has executive governance forums where cyber security is appropriately addressed and discussed on a regular basis. There is an opportunity to further integrate cyber security into daily operations to drive improvements.

- **Cyber Culture** – SNSW has strived to create a cyber aware culture amongst its staff through regular cyber security awareness campaigns run across multiple channels. These campaigns include phishing simulations, cyber training and targeted communications to uplift staff maturity in cyber security.

- **Risk Management** – Cyber security risks, including low target maturity levels for the next reporting period have been identified and are managed in accordance with the established organisational risk management framework. In addition, work is continuing to further improve and strengthen cyber security risk management principles across all areas of SNSW.

- An **Information Security Management System** (ISMS) certified against ISO27001:2013 is in place at SNSW. The scope of SNSW ISMS is being further expanded ensuring our critical systems and information is better protected.

- **Incident Response** – SNSW has an established cyber incident response plan and associated procedures. These have been tested at regular intervals throughout the reporting period allowing SNSW to be better prepared to respond to an incident in a coordinated and effective manner.

SNSW will continue to uplift management of cyber security governance and resilience by:

- Execution of planned cyber security uplift initiatives using a risk–based approach

- Improving implementation of governance and security risk management frameworks at all levels of SNSW

Damon Rees,
Chief Executive Officer, Service NSW
1 September 2022

h. Government Information (Public Access) Act 2009 (GIPA Act)

- The GIPA Act requires NSW Government agencies to make mandatory disclosures of information, encourages proactive release of information and provides mechanisms for individuals to apply to access government information. More information on how to access information held by Service NSW is available at www.service.nsw.gov.au/accessing-information.

Review of proactive release program

The GIPA Act authorises agencies to release information through proactive release programs to promote open government which must be reviewed each year.

The agency's program for the proactive release of information involves analysing data collected on requests for information under the GIPA Act over the financial year, considering the kinds of government information held by the agency that may be suitable for proactive release and asking divisions and branches to consider information relevant to the agency that we want the public to know about.

During the year, we proactively released a range of information free of charge via our webpage and social channels including information about NSW Government assistance programs and services, COVID-19 advice and updates, storm and flood recovery support and updates, statistics, guidelines, fact sheets, annual reports, news updates and media releases.

Examples of information proactively released during the year include:

- Performance dashboard – provided weekly updates and statistics via our website on how Service NSW is tracking across our delivery channels and programs such as processing flood recovery grants, COVID-19 check-in data, voucher and recovery programs, and grants and payments distributions by local government area.

- Worked with various NSW Government agencies to continually update our website and social media channels with the latest COVID-19 information on testing clinics, travel restrictions, COVID-19 safety and rules, and support for citizens and businesses during COVID-19.

- Reviewed and updated the Service NSW Agency Information Guide available on our website to assist members of the public to identify and access government information held by Service NSW.

- Continued to update the Savings Finder tool to help NSW residents find and access new rebates, vouchers and savings offered across NSW Government.

During 2021–22, Service NSW received 173 access applications (including withdrawn applications, but not including invalid applications). There were zero access applications refused, either wholly or in part, because the application was for disclosure of information for which there is conclusive presumption of overriding public interest against disclosure.

Table 17. Number of applications by type of applicant and outcome[1]

Application type	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	0	0	0	1	0	0	0	1
Members of Parliament	0	0	0	0	0	0	0	0
Private sector business	0	1	0	0	0	0	0	3
Not-for-profit organisations or community groups	0	0	0	0	0	0	0	1
Members of the public (application by legal representative)	0	0	0	0	0	0	0	1
Members of the public (other)	6	1	0	5	1	0	0	50

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

Table 18. Number of applications by type of application and outcome

Application type	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]	4	0	0	3	0	0	0	24
Access applications (other than personal information applications)	2	1	0	3	1	0	0	17
Access applications that are partly personal information applications and partly other	0	1	0	0	0	0	0	15

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

Table 19. Invalid applications

Reason for invalidity	Number of applications
Application does not comply with formal requirements (section 41 of the GIPA Act)	10
Application is for excluded information of the agency (section 43 of the GIPA Act)	0
Application contravenes restraint order (section 110 of the GIPA Act)	0
Total number of invalid applications received	10
Invalid applications that subsequently became valid applications	4

Table 20. Conclusive presumption of overriding public interest against disclosure: matters listed in Schedule 1 of the GIPA Act

Reason	Number of times consideration used[3]
Overriding secrecy laws	0
Cabinet information	0
Executive Council information	0
Contempt	0
Legal professional privilege	0
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 *Electricity Network Assets (Authorised Transactions) Act 2015*	0
Information about authorised transactions under *Land and Property Information NSW (Authorised Transaction) Act 2016*	0

3. 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 21. Other public interest considerations against disclosure: matters listed in table to section 14 of the GIPA Act

Reason	Number of occasions when application not successful
Responsible and effective government	2
Law enforcement and security	1
Individual rights, judicial processes and natural justice	1
Business interests of agencies and other persons	2
Environment, culture, economy and general matters	0
Secrecy provisions	0
Exempt documents under interstate Freedom of Information legislation	0

Table 22. Timeliness

Timeframe	Number of applications
Decided within the statutory timeframe (20 days plus any extensions)	119
Decided after 35 days (by agreement with applicant)	2
Not decided within time (deemed refusal)	1
Total	**122**

Table 23. Number of applications reviewed under Part 5 of the GIPA Act (by type of review and outcome)

Review type	Decision varied	Decision upheld	Total
Internal review	0	0	0
Review by Information Commissioner[4]	0	0	0
Internal review following recommendation under section 93 of the GIPA Act	0	0	0
Review by NCAT (NSW Civil and Administrative Tribunal)	0	0	0
Total	**0**	**0**	**0**

4. 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 24. Applications for review under Part 5 of the GIPA Act (by type of applicant)

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

Table 25. Applications transferred to other agencies under Division 2 of Part 4 of the GIPA Act (by type of transfer)

Type of transfer	Number of applications transferred
Agency-initiated transfers	104
Applicant-initiated transfers	3

i. Privacy

At Service NSW we take the privacy of the citizens of NSW and of our employees seriously. Service NSW follows the 12 information principles regulating the collection, storage, access and accuracy, use and disclosure of personal information in the *Privacy and Personal Information Protection Act 1998* (PPIP Act); and the 15 health privacy principles in the *Health Records and Information Privacy Act 2002* (HRIP Act).

As was noted in the 2020–21 annual report, Service NSW made significant improvements and changes to our privacy management in response to the 2020 cyber-attack and subsequent performance audit by the NSW Audit Office. In 2021–22, Service NSW continued to embed these changes to further optimise the management of privacy risks.

Notable programs and projects conducted in 2021–22 include:

- The continuation of a dedicated Privacy Program to enact the eight recommendations of the Audit Office
- Identifying and conducting privacy impact assessments (PIAs) in relation to existing 'high risk' transactions and systems, in addition to conducting privacy impacts assessments on new transactions and initiatives
- Including more detailed and explicit privacy provisions in all new agreements with our government partner agencies
- Deploying a technical solution to replace using email for transmitting customers' scanned personal information to other government agencies completing their transactions.

The Service NSW Privacy Management Framework and Privacy Management Plan demonstrates how we uphold and respect the privacy of our customers, staff and others about whom we hold personal information. The plan also demonstrates how we meet our privacy obligations under the PPIP and HRIP Acts.

Service NSW uses 'privacy by design' principles to embed good privacy practices into the way our products or services are designed. This includes building privacy into the design specifications and use of new systems and processes implemented by Service NSW. We generally use PIAs to operationalise privacy by design principles.

In 2020–21, there was a significant uptick in PIAs conducted by Service NSW, primarily on new products and transactions being offered to customers, and systems we use to hold or process information. The significant volume of PIAs conducted in 2021–22 reflects the privacy assurance conducted over the assistance programs provided by the NSW Government in response to the COVID-19 pandemic and natural disasters.

Applications made under the *Privacy and Personal Information Protections Act 1998*

Access request applications under section 14 of the PPIP Act

In 2021–22, Service NSW received 27 formal requests for personal information under the PPIP Act. Service NSW also dealt with numerous informal requests by individuals requesting their personal information.

Applications for internal review of the conduct of Service NSW under section 53(1) of the PPIP Act

In 2021–22, Service NSW completed three requests for internal review under the PPIP Act. While this figure is significantly reduced from 2020–21, it should be noted that 60 of the 62 requests for internal review received in 2020–21 arose from the cyber-attack and associated data breach incident in 2020.

j. Public Interest Disclosures

Service NSW values contributions of all team members to improve administrative and management practices. We encourage team members to report serious wrongdoing under the Public Interest Disclosures Act 1994 relating to corrupt conduct, serious maladministration, serious and substantial waste of public money or failure to exercise functions properly under the GIPA Act.

As part of the DCS cluster, the DCS Report Wrongdoing and Public Interest Disclosure Policy outlined for Service NSW staff the support and protections available under the Public Interest Disclosures Act 1994 for a person making a public interest disclosure. The policy was available to Service NSW staff on the DCS intranet and included details of the nominated officers who are authorised to receive a disclosure.

PID resources were available to staff on the DCS intranet and highlighted during induction training.

Table 26. Public interest disclosure

	Category 1 Public interest disclosures made by public officials in performing day to day functions	Category 2 Public interest disclosures not covered by category 1 that are made under a statutory or other legal obligation	Category 3 All other public interest disclosures
Number of public officials who made PIDs	–	–	–
Number of PIDs received	–	–	1
Corrupt conduct	–	–	1
Maladministration	–	–	–
Serious and substantial waste	–	–	–
Government information contravention	–	–	–
Local government pecuniary interest contravention	–	–	–
Number of PIDs finalised during the financial year	–	–	–

k. Legal change

Amendments were made to the *Service NSW (One-stop Access to Government Services) Act 2013* by the *Service NSW (One-stop Access to Government Services) Amendment (COVID-19 Information Privacy) Act 2021* to limit the disclosure and use of any personal and health information collected by Service NSW as required under the COVID-19 public health orders.

No amendments were made to the *Service NSW (One-stop Access to Government Services) Regulation 2018* during the 2021–22 financial year.

l. Significant Judicial Decisions

There were no significant judicial decisions affecting Service NSW or its customers during the 2021–22 financial year.

m. Payment of accounts

Service NSW continues to evaluate and where appropriate implement initiatives to improve its accounts payable performance.

Under the NSW Government's Faster Payment Terms Policy, Service NSW aims to pay 100 per cent of registered small businesses within five business days of a correctly rendered invoice. As COVID-19 is ongoing, Service NSW has continued its extension of this policy to all suppliers, aiming to pay all invoices within five days of receiving a correctly rendered invoice.

During 2021–22, there were no instances where penalty interest was paid for the late payment of invoices, although not all payments were paid on time. Factors affecting the timing of payments were invoices not being received on time, purchase orders not being completed prior to procurement, and invoices not correctly rendered.

Table 27. Aged analysis at the end of each quarter

Quarter	Current $,000	Less than 30 days overdue $'000	Between 30 and 60 days overdue $'000	Between 61 and 90 days overdue $'000	More than 90 days overdue $'000	Total $'000
All Suppliers						
Sep 21	25,845	12,586	3,256	2,873	999	45,559
Dec 21	32,061	25,914	4,789	4,009	1,770	68,543
Mar 22	27,762	13,296	6,476	2,493	966	50,993
June 22	39,124	5,902	1,824	725	135	47,710
Small business suppliers						
Sep 21	353	1,300	119	157	28	1,957
Dec 21	6	1,069	83	0	7	1,165
Mar 22	119	391	266	12	13	801
June 22	1,025	1,673	222	36	9	2,965

Table 28. Quarterly performance in payment of accounts

All suppliers	Sept 2021	Dec 2021	Mar 2022	Jun 2022
Invoices due for payment	1,208	1,072	1,078	1,261
Invoices paid on time	637	583	528	935
Actual percentage of accounts paid on time (based on number of invoices)	52%	54%	49%	74%
Amount due for payment	$45,558,860	$68,543,164	$50,993,099	$47,710,076
Amount paid on time	$25,845,354	$32,061,233	$27,762,336	$39,124,347
Actual percentage of accounts paid on time (based on $)	57%	47%	54%	82%
Number of payments for interest on overdue accounts	0	0	0	0
Interest paid on late accounts	0	0	0	0
Small Business Suppliers	**Sept 2021**	**Dec 2021**	**Mar 2022**	**Jun 2022**
Invoices due for payment received from small businesses	93	71	83	110
Invoices from small businesses paid on time	11	6	6	24
Actual percentage of small business invoices paid on time (based on the number of invoices)	12%	8%	7%	22%
Amount due for payment to small businesses	$1,957,441	$1,164,811	$801,039	$2,965,400
Amount due to small businesses paid on time	$353,455	$6,362	$118,507	$1,025,456
Actual percentage of small business accounts paid on time (based on $)	18%	–	15%	35%
Number of payments to small business for interest on overdue accounts	0	0	0	0
Interest paid to small businesses on late accounts	0	0	0	0

n. Disclosure of controlled entities and subsidiaries

For the purposes of financial reporting, Service NSW had no controlled entities or subsidiaries for the 2021–22 financial year.

o. Overseas travel

Service NSW incurred no expenditure for overseas travel.

p. Payments to consultants

Table 29. Consultancies of value equal to or greater than $50,000

Name of consultant	The title/nature of consultancy	Cost (AUD)
Cybercx Pty Ltd	Undertake review of Service NSW current Cyber Security Program	$118,950
IMB Australia Ltd	Review the current state of development, security and operations practices for the ongoing matrix uplift and assess security risks.	$65,971
		$184,921

Consultancies of a value less $50,000

There were four individual consultancies with a value of less than $50,000. They were for management services and totalled $62,450.

q. Funds granted to non-government community organisations

Service NSW did not fund any grants to non-government community organisations in 2021–22.

r. Research and development

Digital Inclusion for Digital Identity and Verifiable Credentials Program

The NSW Government is committed to ensuring the Digital Identity & Verifiable Credentials Program is accessible and inclusive. The overall objective of this research is to provide a robust evidence base that can inform the strategic direction of the NSW Digital Identity Roadmap through engaging a cross section of NSW customers to generate actionable insights.

The research involved consultation with 17 identified vulnerable community cohorts, as well as community representatives and workers who deliver services to these community members. We investigated the perceived barriers and challenges faced by these communities and how to best overcome them, including customer sentiment and preferences for accessing identity and credentials. The research highlighted the following insights:

- There is a high preference for digital service interactions (44%) followed by face-to-face interactions (38%)
- Customers mainly prove their identity by physical means, and the most frequently accessed forms of identification are driver's licence and Medicare card
- The greatest barrier to holding digital identity is personal information theft and email, SMS or phone scams. However, if barriers are removed, 40% say they are highly likely to use digital identity
- There is a strong indication from customers to improve available education and information for those who are not well versed with technology, including how to use and navigate the Service NSW app.

These findings will form a digital inclusion strategy that addresses barriers to digital inclusion for digital identity and credentials, enabling more customers to realise the benefits of the digital economy. The research, conducted in partnership with Faster Horses and the Department of Customer Service, commenced in March 2022 at a total cost of $63,000.

Service NSW for Business research

During 2021–22 Service NSW for Business conducted the research below to inform the design and enhancement of its digital products.

Table 30. Service NSW for Business research activities

Research title	Consultancy	Purpose	Timeframe	Deliverables	Cost (AUD)
Business Profile Notifications – Licences	Askable	Validate design decisions relating to notifications for construction licences in the business profile	5 – 10 Nov 2021	Usability testing and customer insights	$812.00
Business Profile Notification – Opt in experience	Askable	Validate design decisions relating to customers opting in to notifications on email and SMS via the business profile	15 – 18 Feb 2022	Usability testing and customer insights	$1,167.36
Business Profile Notification – Opt in topics	Askable	Understand how customers perceive the various kinds of notifications types we offer and their appetite	25 Feb 2022	Survey responses with insights	$1,506.00
Survey tool for research in cell B:4	Optimal Workshop	Allow survey responders to give us insights in a mature manner	25 Feb 2022	Survey responses with insights	$138.00
Assured Revenue Program	Askable	Revenue NSW will use the identity verification services to support the management of access to their services for both individuals and business entities	14 – 31 Aug 2021	Insights to support Revenue <> Service NSW service linking feature	$1,459.00
Business Relationship Proofing integration with Business Profile	Askable	Validating our assumptions regarding integration of Business Relationship Proofing app within Business Profile	24 Mar 2022 – 07 Apr 2022	Insights to inform user experience of business relationship proofing feature in Business Profile	$1,459.00
Relationship Authorisation Manager	Qualtrics + Optimal Workshop	Understanding how customers would like to be onboarded in RAM, and customers' expectations around RAM	10 – 30 July 2022	Insights to inform user experience of Relationship Authorisation Manager application	$1,582.00
Licence Manager (CCE program)	Askable and direct recruitment	Researching how business users organise and manage their licences and the licences of their staff & subcontractors. R1: trades R2 real estate/property R3 Automotive	31 June 2021 – Present	Licence Manager Release 1 (July 2021) Release 2 (July 2022) and Release 3 (Sept 2022)	$2,000.00
Programs Navigation Experience	Askable	Navigating and scaling our program's experience. Creating the framework for a new programs space and identifying issues impacting users when onboarding to/and configuring programs within the business profile.

This research is to better understand user sentiment on the user navigation experience. | 11 – 14 Apr 2022 | Sub-navigation framework synthesis and designs | $1,216.80 |
| Feature discovery | | Where does a mobile app fit within our customer business journey? | Dec 2021 | | $1,000.00 |

Service NSW for Business also continued to work with Woolcott Research Pty Ltd to conduct research and engagement with businesses in NSW to inform future marketing, communications and service support development strategies. The research, which to date has cost $32,230, has increased the team's understanding of the current issues, challenges and priorities facing small and medium sized businesses. The final phases of the research will be carried out in 2022–23.

s. Changes after the reporting period

Refer to Note 27 in the audited financial statements.

t. Land disposal

No properties were disposed of during 2021–22.

u. Major works in progress (projects over $1 million)

Table 31. New major works in 2021–22

Project name and location	Total expenditure to 30 June 2022 ($'000 excl GST)	Estimated total cost ($'000 excl GST)	Start (year)	Completion date (actual or estimated)	Details of any significant: • Cost overruns • Delays • Amendments • Deferments • Cancellations
Commercial Identity Exchange	$958.2	$2,338.3	Feb 2022	Nov 2022	Schedule at risk, legal framework required
Digital Identity & Verifiable Credentials	$1,316.8	$2,503.9	Sep 2021	Jun 2022	At risk – stakeholder & procurement & dependencies
NSW Digital Identity Program	$1,190.0	$1,190.0	Apr 2022	Dec 2022	On track
Knowledge Management System (KMS)	$468.8	$6,166.9	Nov 2021	FY23/FY24	On track
SNSW Wi-Fi Remediation (WIF)	$2,238.4	$5,943.1	May 2022	FY23/FY24	On track

Table 32. Continuing major works in 2021–22

Project name and location	Total expenditure to 30 June 2022 ($'000 excl GST)	Estimated total cost ($'000 excl GST)	Start (year)	Completion date (actual or estimated)	Details of any significant: • Cost overruns • Delays • Amendments • Deferments • Cancellations
Service NSW for Business	$55,798	$72,398	2018	2023	On Track
New Metro Service Centres	$10,455	$14,850	2019	2023	Ramp-up after previous delays to construction due to COVID-19 restrictions – prolongation costs Changes to Service NSW business requirements requiring larger tenancy area and additional spatial planning and fit out Project resourcing costs not included in CAPEX Budget
Customer Engagement Integration (CEI)	$2,312,2	$4,084.8	2019	2022	On Track
Digital Driver Licence Phase 2 – Photo Card	$6,849	$7,500	2019	Dec 2021	Statewide launch to be confirmed
Service Centres Refresh Program[1]	$19,957	$26,700	2017	2022	Below estimate
Modernisation of Platforms[1]	$5,030	$5,030	2020	Nov 2021	On Track
Customer Channel Digital Delivery Framework	$2,873	$3,120	2020	2021	On Track

1. Sourced from Budget Papers submitted to Treasury.

Annual Financial Statements

for the year ended
30 June 2022

Statement by the Chief Executive Officer

Service NSW

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

- have been prepared in accordance with the Australian Accounting Standards and the applicable requirements of the Act, the Government Sector Finance Regulation 2018 and the Treasurer's directions, and
- present fairly Service NSW's financial position, financial performance and cash flows.

....

Damon Rees
Chief Executive Officer, Service NSW
25 November 2022

INDEPENDENT AUDITOR'S REPORT

Service NSW

To Members of the New South Wales Parliament

Opinion

I have audited the accompanying financial statements of Service NSW, which comprises the Statement by the Chief Executive Officer, the Statement of Comprehensive Income for the year ended 30 June 2022, the Statement of Financial Position as at 30 June 2022, the Statement of Changes in Equity and the Statement of Cash Flows, for the year then ended, notes comprising a Summary of Significant Accounting Policies, and other explanatory information.

In my opinion, the financial statements:

- have been prepared in accordance with Australian Accounting Standards and the applicable financial reporting requirements of the *Government Sector Finance Act 2018* (GSF Act), the Government Sector Finance Regulation 2018 (GSF Regulation) and the Treasurer's Directions
- presents fairly Service NSW'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 Service NSW in accordance with the requirements of the:

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

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

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

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

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

Chief Executive Officer's Responsibilities for the Financial Statements

The Chief Executive Officer is responsible for the preparation and fair presentation of the financial statements in accordance with Australian Accounting Standards, the GSF Act, GSF Regulations and Treasurer's Directions. The Chief Executive Officer's responsibility also includes such internal control as the Chief Executive Officer 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 Chief Executive Officer is responsible for assessing Service NSW'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 Service NSW carried out its activities effectively, efficiently and economically
- about the assumptions used in formulating the budget figures disclosed in the financial statements
- about the security and controls over the electronic publication of the audited financial statements on any website where they may be presented
- about any other information which may have been hyperlinked to/from the financial statements.

Weini Liao
Director, Financial Audit

Delegate of the Auditor-General for New South Wales

25 November 2022
SYDNEY

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STATEMENT OF COMPREHENSIVE INCOME
FOR THE YEAR ENDED 30 JUNE 2022

	Notes	Actual 2022 $'000	Budget 2022 $'000	Actual 2021 $'000
Expenses excluding losses				
Operating expenses				
Employee related	2a	480,035	261,244	359,821
Other operating expenses	2b	373,499	142,645	246,514
Depreciation and amortisation	2c	56,516	65,299	62,170
Grants and subsidies	2d	660	-	899
Finance costs	2e	2,288	1,884	2,286
Total expenses excluding losses		**912,998**	**471,072**	**671,690**
Revenue				
Sale of goods and services	3a	62,285	68,699	65,687
Grants and contributions	3b	719,449	346,452	478,894
Acceptance by the Crown of employee benefits and other liabilities	3c	3,399	4,886	7,789
Investment revenue	3d	46	192	73
Other Revenue	3e	100,816	7	71,715
Total revenue		**885,995**	**420,236**	**624,158**
Operating result		**(27,003)**	**(50,836)**	**(47,532)**
Gains/(losses) on disposal	4	1,737	-	67
Other gains/(losses)	5	(568)	216	(10,705)
Net result		**(25,834)**	**(50,620)**	**(58,170)**
Other comprehensive income		**-**	**-**	**-**
Total comprehensive income	22	**(25,834)**	**(50,620)**	**(58,170)**

The accompanying notes form part of these financial statements.

STATEMENT OF FINANCIAL POSITION
AS AT 30 JUNE 2022

	Notes	Actual 2022 $'000	Budget 2022 $'000	Actual 2021 $'000
ASSETS				
Current assets				
Cash and cash equivalents	6	14,359	3,617	15,672
Receivables	7	35,182	16,808	37,098
Contract assets	8	6,337		1,742
Other assets	9	14,844	-	6,555
Other financial assets	10	110	-	-
Total current assets		**70,832**	**20,425**	**61,067**
Non-current assets				
Property, plant and equipment				
Leasehold improvements	11	65,587	-	60,749
Plant and equipment	11	16,261	41,400	2,025
Total property, plant and equipment		**81,848**	**41,400**	**62,774**
Right of use asset	12	293	79,319	96,511
Intangible assets	13	62,270	77,991	85,000
Total non-current assets		**144,411**	**198,710**	**244,285**
Total assets		**215,243**	**219,135**	**305,352**
LIABILITIES				
Current liabilities				
Payables	15	92,055	67,153	70,043
Borrowings	16	387	15,877	16,899
Provisions	17	52,318	30,939	38,656
Total current liabilities		**144,760**	**113,969**	**125,598**
Non-current liabilities				
Borrowings	16	858	72,418	88,455
Provisions	17	11,530	6,878	7,457
Total non-current liabilities		**12,388**	**79,296**	**95,912**
Total liabilities		**157,148**	**193,265**	**221,510**
Net assets		**58,095**	**25,870**	**83,842**
EQUITY				
Accumulated funds		58,095	25,870	83,842
Total equity		**58,095**	**25,870**	**83,842**

The accompanying notes form part of these financial statements.

STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 30 JUNE 2022

	Notes	Accumulated funds $'000	Total $'000
Balance at 1 July 2021		83,842	83,842
Net result for the year		(25,834)	(25,834)
Other comprehensive income		-	-
Total comprehensive income for the year		**(25,834)**	**(25,834)**
Transactions with owners in their capacity as owners			
Increase / (decrease) in net assets from equity transfers	**18**	87	87
Balance at 30 June 2022		**58,095**	**58,095**
Balance at 1 July 2020		142,012	142,012
Net result for the year		(58,170)	(58,170)
Other comprehensive income		-	-
Total comprehensive income for the year		**(58,170)**	**(58,170)**
Balance at 30 June 2021		**83,842**	**83,842**

The accompanying notes form part of these financial statements.

STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 30 JUNE 2022

	Notes	Actual 2022 $'000	Budget 2022 $'000	Actual 2021 $'000
Cash flows from operating activities				
Payments				
Employee related		(456,660)	(256,358)	(339,126)
Grants and Subsidies		(660)	-	(899)
Finance cost		(2,288)	(1,884)	(2,286)
Payments to suppliers		(385,254)	(127,645)	(287,779)
Other		(20,138)	-	(5,511)
Total payments		**(865,000)**	**(385,887)**	**(635,601)**
Receipts				
Sales of goods and services		88,965	68,699	90,127
Grants and contributions		736,235	346,452	478,894
Other		98,092	199	77,241
Total receipts		**923,292**	**415,350**	**646,262**
Net cash from operating activities	22	**58,292**	**29,463**	**10,661**
Cash flows from investing activities				
Proceeds from sale of intangibles		201	-	-
Purchase of plant and equipment		(2,289)	(5,259)	(3,043)
Purchase of intangibles		(40,488)	(19,225)	(48,524)
Net cash from investing activities		**(42,576)**	**(24,484)**	**(51,567)**
Cash flows from financing activities				
Payment of principal portion of lease liabilities		(17,029)	(17,266)	(16,082)
Net cash from financing activities		**(17,029)**	**(17,266)**	**(16,082)**
Net increase/(decrease) in cash		(1,313)	(12,288)	(56,988)
Opening cash and cash equivalents		15,672	15,672	72,660
Closing cash and cash equivalents	6	**14,359**	**3,384**	**15,672**

The accompanying notes form part of these financial statements.

1. Summary of Significant Accounting Policies

a. Reporting entity

Service NSW is a NSW government agency and is controlled by the State of New South Wales, which is the ultimate parent. Service NSW is an Executive Agency under the principal Department of Customer Service (DCS). The entity is a not-for-profit entity (as profit is not its principal objective) and it has no cash generating units. Its principal objectives are:

- to provide an enhanced customer experience for residents interacting with the NSW Government through the provision of government services through service centres, contact centre telephone service and digital channel and
- to increase the cost efficiency of providing government services in the NSW Public Sector.

Service NSW administers grants on behalf of other agencies to support individuals and businesses through bushfires, floods and the COVID-19 pandemic.

The reporting entity is consolidated as part of the NSW Total State Sector Accounts.

The financial statements for the period ended 30 June 2022 have been authorised for issue by the Chief Executive Officer on 25 November 2022.

b. Basis of preparation

Service NSW's financial statements are general purpose financial statements which have been prepared on an accrual basis and in accordance with:
- applicable Australian Accounting Standards (AAS) (which include Australian Accounting Interpretations)
- the requirements of the *Government Sector Finance Act 2018* (GSF Act), the *Government Sector Finance Regulation 2018* and
- Treasurer's Directions issued under the GSF Act.

Non-specialised assets with short useful lives, plant and equipment and leasehold improvements are measured at depreciated historical cost, as an approximation for fair value except where specified otherwise. Other financial statement items are prepared in accordance with the historical cost convention except where specified otherwise.

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

The financial statements have been prepared on a going concern basis. On this basis, Service NSW is expected to be able to pay its debts as and when they are due and payable.

All amounts are rounded to the nearest one thousand dollars ($'000) and are expressed in Australian currency, which is the entity's presentation and functional currency.

c. Statement of Compliance

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

d. Amounts held on behalf of other agencies

Service NSW delivers transactional services on behalf of other agencies under a fee for service arrangement but does not control these activities. Service NSW does not have the discretion to deploy the resources for the achievement of Service NSW's own objectives. The disclosure of receipts and payments in Note 23 is based on related cash flows, rather than the accrual basis accounting.

Transactions and balances relating to these activities are not recognised as Service NSW's income, expenses, assets and liabilities, but disclosed in Note 23.

e.   Administered activities

Service NSW administers, but does not control, certain activities on behalf of the Crown in right of the State of New South Wales (the Crown). It is accountable for the transactions relating to those administered activities but does not have the discretion to deploy the resources for the achievement of the entity's own objectives.

Transactions and balances relating to administered activities are not recognised as Service NSW's income, expenses, assets and liabilities, but are disclosed in the accompanying schedules as 'Administered Income', 'Administered Expenses', 'Administered Assets' and 'Administered Liabilities' in Note 24.

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

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

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

g.   Comparative information

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

h.   Changes in accounting policies, including new or revised AAS

i.   Effective for the first time in 2021/22

The following amendments and interpretations apply for the first time in FY2021/22, but do not have an impact on the financial statements of Service NSW:
- AASB 2020-5 Amendments to Australian Accounting Standards – Insurance Contracts
- AASB 2020-7 Amendments to Australian Accounting Standards – COVID-19 Related Rent Concessions Tier 2 Disclosures
- AASB 2020-8 Amendments to Australian Accounting Standards - Interest Rate Benchmark Reform - Phase 2
- AASB 2020-9 Amendments to Australian Accounting Standards - Tier 2 Disclosures: Interest Rate Benchmark Reform (Phase 2) and Other Amendments
- AASB 2021-1 Amendments to Australian Accounting Standards – Transition to Tier 2: Simplified Disclosures for Not-for-Profit Entities
- AASB 2021 - 3 Amendments to Australian Accounting Standards - COVID-19 related Rent Concessions beyond 30 June 2021
- AASB 1060 General Purpose Financial Statements - Simplified Disclosures for For-Profit and Not-for-Profit Tier 2 Entities

ii.   Issued but not yet effective

NSW public sector entities are not permitted to early adopt new Australian Accounting Standards, unless Treasury determines otherwise. In accordance with the NSW Treasury mandate (TPP 22/07), Service NSW did not adopt any of the accounting standards and interpretations that have been issued but are not yet effective.

Certain new accounting standards and interpretations have been published that are not mandatory for 30 June 2022 reporting periods.

- AASB 2020-1 Amendments to Australian Accounting Standards – Classification of Liabilities as Current or Non-current
- AASB 2020-6 Amendments to Australian Accounting Standards – Classification of Liabilities as Current or Non-current – Deferral of Effective Date
- 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

These standards have been assessed for their possible impact on the financial statements, if any, in the period of their initial application. The assessment concluded that the above standards will not have a material impact on the financial statements of Service NSW based on its current operations.

i.   Impact of COVID-19 and Recent Severe NSW Floods on Financial Reporting for 2021/22

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

The primary area of heightened risk from COVID-19 is to the Service NSW workforce, in both public-facing and office-based roles. As a result, significant focus has been placed on managing work health and safety (WHS) risks, physical, mental and social. Most office-based staff have moved to working from home arrangements and Service NSW has acted to reduce any adverse impact on staff arising from these work arrangements. Frontline staff have also been provided with guidance in relation to hygiene, travel, illness prevention and flexible working. Service NSW continues to support the health and safety of its staff.

Service NSW has identified and quantified, where possible, the impact and reported this in the financial statements for the financial year ended 30 June 2022.

The currently known impacts of COVID-19 are as follows:

Right-of-Use assets ("ROUA") relating to accommodation leases have a reversal of prior year impairment recognised due to COVID-19 impact of $472,000 (2021: loss $3.1 million) based on the valuation of lease contracts under existing market conditions and verifying market data up to the date of this report. Refer to Note 12 for details on the assumptions and estimates used.

There is no uncertainty about Service NSW's ability to continue as a going concern at 30 June 2022 as liquidity and credit risk are not significant areas of risk for Service NSW. There has been no impact on Service NSW's liquidity or credit risk profiles as a result of COVID-19.

On account of COVID-19, a further assessment on the fair value of the following accounts, taking into account relevant assumptions and estimates, has been performed resulting in either no impact or insignificant impact being identified:

Receivables – Note 7
Property, plant and equipment – Note 11
Intangibles – Note 13; and
Financial instruments – Note 25.

In FY2021/22, Service NSW has been administering several COVID-19 Stimulus programs on behalf of other NSW Government agencies. As a result, Service NSW has recruited additional frontline and support staff across the State to manage the anticipated increase in enquiries and customer flow.

Refer to Note 24 for further details relating to the above COVID-19 Stimulus programs.

In 2021/22, NSW flood activity resulted in damage to leasehold improvements, leased property and plant and equipment at Lismore, Casino and Murwillumbah. Service NSW has recognised impairment losses to reflect the damage of property and office equipment at these locations. Refer to Note 5 for further details.

Service NSW is administering flood grant programs to assist the people and businesses impacted by these flood events. These programs include Flood Relief $50,000 grant, $50,000 Business grant, Rental Support Scheme, Return to Home $10,000 grant, Northern Rivers Small Business Support $10,000 grant and Low-income grants for individuals. Refer to Note 24 for details.

This has cost Service NSW $252.3 million for COVID-19 stimulus and flood grant programs. Service NSW has recovered this cost from the appropriations funding as approved by Treasury.

Other than the above, it has not come to Service NSW's attention that there would be any other significant impact on the financial statements for the financial year ended 30 June 2022.

j.   Superannuation Annual Leave Loading

Service NSW 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 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.

2.   Expenses Excluding Losses

a.   Employee related expenses

	2022	2021
	$'000	$'000
Salaries and wages (including annual leave)	411,725	301,430
Long service leave	2,544	7,251
Superannuation - defined benefit plan	679	507
Superannuation - defined contribution plan	37,219	29,206
Payroll tax and fringe benefit tax	21,331	17,202
Workers' compensation insurance	4,577	3,165
Other	1,960	1,060
	480,035	**359,821**

Employee related costs of $17.1 million (2021: $12.2 million) have been capitalised in various capital works and therefore are excluded from the above.

b.   Other operating expenses

	2022	2021
	$'000	$'000
Auditor's remuneration		
- audit of financial statements*	389	233
Expenses relating to short-term leases	9,665	8,025
Variable lease payments, not included in lease liabilities	742	827
Maintenance	773	792
Insurance	1,073	482
Consultants	247	97

Contractors	94,597	55,768
Travel	4,879	3,558
Energy costs	743	1,810
Advertising, general marketing, promotions etc	10,630	743
Property related	15,458	15,272
Printing	8,668	9,424
Clothing	1,191	1,256
Information technology	62,638	48,765
Office equipment	2	1
Telephone and communications	10,227	6,984
Bank charges	20,700	19,088
Shared service charges	34,408	3,100
Courier and freight	2,074	2,309
Interpreters & translators	1,549	1,322
Staff recruitment	348	1,329
Postage costs	4,478	3,799
Office supplies	1,260	1,591
Department of Customer Service - Corporate costs	60,684	44,206
Other	26,076	15,733
	373,499	**246,514**

	2022	2021
	$'000	**$'000**
Reconciliation of Total Maintenance		
Maintenance expense - contract labour and other (non-employee related, as above)	773	792
Employee related maintenance expense included in Note 2(a)	-	-
Total maintenance expenses included in Note 2(a) + 2(b)	**773**	**792**

* Audit fees includes $74,000 charges that are related to FY2020/21 that was billed in FY2021/22.

Recognition and Measurement
Contractors
Contractors includes costs of contingent labour hire.

Department of Customer Service - Corporate costs
From 1 July 2019 some corporate and shared services have transferred to Department of Customer Service (DCS) under a centralised model. This includes Corporate technology functions, People & Culture, Corporate Affairs, Procurement, and Governance and Risk. DCS provides corporate service support to Service NSW as an in-kind benefit. In 2021/22 Service NSW continues to consume the Corporate services provided by DCS as in-kind benefit with a value of $60.7 million. These benefits are primarily estimated based on Full Time Equivalent (FTE) staff numbers allocated to Service NSW.

Property related
Property related costs include costs incurred for cleaning, minor fit-out costs, rates and outgoings, security and waste disposal of corporate office and service centres.

Information technology
Information technology includes network costs, software and hardware maintenance, software as a service, cloud computing, software licences, and offsite storage costs.

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

Insurance

Service NSW 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.

Shared service charges

Shared service charges include external costs that are shared between Service NSW and Department of Customer Services such as GovConnect charges.

Lease expense

Service NSW recognises the lease payments associated with the following types of leases as an expense on a straight-line basis:

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

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

c.   Depreciation and amortisation expense

	2022 $'000	2021 $'000
Depreciation:		
Plant and equipment	4,094	3,590
Leasehold improvements	13,085	12,720
Right of use asset	17,459	16,690
	34,638	**33,000**
Amortisation:		
Intangible assets	21,878	29,170
	56,516	**62,170**

Refer to Note 11, 12 and 13 for recognition and measurement policies on depreciation and amortisation.

d.   Grants and subsidies

	2022 $'000	2021 $'000
Grants to Transport for NSW	**660**	**899**

The transfer of the Registry functions occurs pursuant to an assignment model. Transactions, and contracts for the functions of the motor registries continue to be directly incurred by Transport for NSW (Transport) until the relevant motor registries and other support functions are integrated into the Service NSW network.

The costs incurred by Transport for these functions are reimbursed by Service NSW monthly on the receipt of an invoice accompanied by appropriate supporting documentation.

The reduction in expenses represents the absorption of costs directly into Service NSW, thus reducing the grant payment to Transport.

The 2021-2022 grants to Transport are represented by the following:

	2022 $'000	2021 $'000
Operating lease rental expense		
- minimum lease payments	57	109
Printing	-	22
Information Technology	603	768
	660	**899**

e.   Finance costs

	2022 $'000	2021 $'000
Interest expense from lease liabilities	2,288	2,286
	2,288	**2,286**

Recognition and Measurement – Finance Costs

Finance costs consist of interest and other costs incurred in connection with the borrowing of funds. Borrowing costs are recognised as expenses in the period in which they are incurred, in accordance with Treasury's Mandate for not-for-profit NSW General Government Sector entities.

3.   Revenue

Recognition and Measurement

Revenue is recognised in accordance with the requirements of AASB 15 *Revenue from Contracts with Customers* (AASB 15) or AASB 1058 *Income from Not-for-Profit Entities* (AASB 1058), dependent on whether there is a contract with a customer defined by AASB 15. Comments regarding the accounting policies for the recognition of income are discussed below.

a.   Sale of goods and services from contracts with customers

	2022 $'000	2021 $'000
Rendering of Services	62,285	65,687
	62,285	**65,687**

Recognition and Measurement

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

Service NSW delivers government services on behalf of other agencies. It operates on a fee for service pricing model, which is based on full recovery of costs incurred in delivering this service. Service NSW satisfies its performance obligation when the service is provided or by reference to the stage of completion (based on labour hours and costs incurred to date).

The payments are due after the invoice is issued in accordance with the agreement, typically within thirty (30) days of the date of issue.

The revenue is measured at the transaction price agreed under the contract once the services are delivered in accordance with the governing agreement and it is highly probable that a reversal will not occur. No element of financing is deemed present as payments are due when service is provided.

As at 30 June 2022, Service NSW fully satisfied the performance obligations of its fees for service revenue.

There is no estimation uncertainty inherent in management's estimates of revenue.

b.   Grants and contributions

	2022 $'000	2021 $'000
Grants without sufficiently specific performance obligations	716,229	461,115
Grants to construct a recognisable non-financial asset to be controlled by the entity	3,220	17,779
	719,449	**478,894**

Recognition and Measurement

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

Revenue from grants with sufficiently specific performance obligations are recognised when Service NSW satisfies a performance obligation by transferring the promised goods. Service NSW typically satisfies its performance obligations under the transfer to construct assets over time as the non-financial assets are being constructed. Service NSW received funding from the Digital Restart Fund, with obligations to create and deliver digital projects such as MyService Mobile Application, Whole of Government Online Booking project, Digital Identity Hub/Digital Wallet and Customer Details Sharing Centre.

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.

c.   Acceptance by the Crown of employee liabilities

The following liabilities and/or expenses have been assumed by the Crown:

	2022 $'000	2021 $'000
Superannuation - defined benefit	679	507
Long service leave	2,690	7,251
Payroll tax	30	31
	3,399	**7,789**

d.   Investment revenue

	2022 $'000	2021 $'000
Interest revenue	46	73
	46	**73**

Recognition and Measurement

Interest income is calculated by applying the effective interest rate to the gross carrying amount of a financial asset except for financial assets that subsequently become credit impaired. For financial assets that become credit impaired, the effective interest rate is applied to the amortised cost of the financial asset (i.e. after deducting the loss allowance for expected credit losses).

e. Other revenue

	2022 $'000	2021 $'000
Credit card processing fee recovery	19,709	17,947
Project Cost recoveries	12,392	6,704
In-kind Contributions from Department of Customer Service	60,684	44,206
Other income	8,031	2,858
	100,816	71,715

Recognition and Measurement

Credit card processing fee recovery

Credit card processing fee includes recovery of fees earned on the customers use of merchant card facilities. Financial institutions charge Service NSW merchant fee for online transactions. Service NSW recovers merchant fees from customers. The revenue is measured at the transaction price agreed with financial institutions.

Project Cost recoveries

Project cost recoveries include recoveries for projects undertaken by Service NSW, on behalf of other New South Wales Government agencies.

In – kind Contributions from Department of Customer Service

From 1 July 2019 some corporate and shared services have transferred to Department of Customer Service (DCS) under a centralised model. This includes Corporate technology functions, People & Culture, Corporate Affairs, Procurement, and Governance and Risk. DCS provides corporate service support to Service NSW as an in-kind benefit. In 2021/22 Service NSW continues to consume the Corporate services provided by DCS as in-kind benefit with a value of $60.7 million. Refer to Note 2, where a corresponding expenditure has been recognised.

f. Parliamentary Appropriations

The Appropriation Act 2021 (Appropriations Act) appropriates the sum of $17,029,595,000 (2021: $2,187,754,000) to the Minister for Customer Service out of the Consolidated Fund for the services of Department of Customer Service for the year 2021–22. The spending authority of the Minister from the Appropriations Act has been delegated or subdelegated to officers of Department of Customer Service and entities that it is administratively responsible for, including the Service NSW.

The responsible Minister for each GSF agency is taken to have been given an appropriation out of the Consolidated Fund under the authority s4.7 of the Government Sector Finance Act, at the time the GSF agency receives or recovers any deemed appropriation money, for an amount equivalent to the money that is received or recovered by the GSF agency. The spending authority of the responsible Minister(s) from deemed appropriation money has been delegated or sub-delegated to officers of Service NSW for its own services.

A summary of compliance is disclosed in the financial statements of the Annual Report of Department of Customer Service. It has been prepared on the basis of aggregating the spending authorities of both the Minister for Customer Service for the services of Department of Customer Service and the responsible Ministers for the services of the entities the principal department is administratively responsible for that receives or recovers deemed appropriation money. It reflects the status at the point in time this disclosure statement is being made. The Service NSW spending authority and expenditure is included in the summary of compliance.

The delegation/sub-delegations for FY21/22 and FY20/21, authorising officers of the Service NSW to spend Consolidated Fund money, impose limits to the amounts of individual transactions, but not the overall expenditure of Service NSW. However, as it relates to expenditure in reliance on a sum appropriated through an *annual Appropriation Act,* the

delegation/sub-delegations are referrable to the overall authority to spend set out in the relevant *Appropriations Act.* The individual transaction limits have been properly observed. The information in relation to the limit from the *Appropriations Act* is disclosed in the summary of compliance table included in the financial statements of the Annual Report of Department of Customer Service.

4. Gains/(losses) on disposal

	2022 $'000	2021 $'000
Gain/(Loss) on disposal of right of use assets	7,873	80
Disposal of plant and equipment	(1,046)	(13)
Disposal of intangible assets	(5,090)	-
	1,737	**67**

Recognition and Measurement

Gain/(losses) on disposal

Derecognition of right-of-use assets and lease liabilities with Property NSW

The net gains/(losses) are recognised from the derecognition of the right-of-use asset and lease liability with Property NSW as at 30 June 2022. Please refer to Note 12 for further details on the derecognition.
The net gain/(loss) from the derecognition of right-of-use asset and lease liability as at 30 June 2022 is reconciled as below:

	2022 $'000
Right-of-use asset	
Gross carrying value	159,390
Less: accumulated depreciation and accumulated impairment provision	(48,815)
Net book value	**110,575**
Amortised balance of incentives received	(1,962)
Lease Liability	120,410
Net Gains/(Losses)	**7,873**

Disposal of intangible Assets

Of the $5.1 million of Assets Under Construction - intangible assets disposed, $4.6 million relates to the write off of project costs in WIP ($1.3m RMS initiatives, $1.9m Fraud control framework). The remaining $0.5m relates to the transfer of Virtual Contact Centre assets to DCS.

Loss arising from NSW flood

Recent flood activity in New South Wales has resulted in damage to Service centre facilities at Lismore, Casino and Murwillumbah.

As a result, Service NSW wrote off $769,960 for Rights of Use asset, reflected in the Gain on disposal of right of use assets and $939,398 for Plant and Equipment at these facilities, included in the Disposal of plant and equipment.

5.   Other gains / (losses)

	2022 $'000	2021 $'000
Impairment loss on intangible assets	(1,150)	(7,583)
Impairment gain/(loss) on right of use assets	472	(3,122)
Fair value unrealised gain	110	-
	(568)	**(10,705)**

Recognition and Measurement

Impairment losses on non-financial assets

Impairment losses may arise on non-financial assets held by Service NSW 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:
Property, plant and equipment – Note 11
Right-of-use assets – Note 12
Intangible assets – Note 13

Impairment loss on intangible assets

At 30 June 2022, Service NSW assessed its intangible assets, whether there were any indications that assets may be impaired in accordance with Note 13 (Impairment Policy). Indications did exist, based on significant changes in how the assets have been used, or will be used, as new capability has been developed. As a result, the impacted assets were written down to their recoverable amount resulting in an impairment loss of $1.2 million (2021: $7.6 million).
Of the $1.2 million of intangible assets impaired, $0.9 million relates to the Real Estate Licensing product which was developed and subsequently not used by the partner agency.

Impairment loss on right- of-use asset

In 2021/22, due to post pandemic COVID-19 recoveries of the commercial rental market, there were indications of rise in the market rental index and hence Service NSW recognised a reversal of impairment of $0.472 million (2021: loss $3.1 million) of Right-of-use asset. Accounting Policies and events giving rise to impairment losses are disclosed in Note 12.

Fair value unrealised loss

TPP 18-03, NSW Government Foreign Exchange Risk Policy requires for supplier payments exceeding $0.5million AUD to be hedged, to reduce risk of losses from adverse movement of foreign currency. In line with TPP 18-03, NSW Government Foreign Exchange Risk Policy, Service NSW has engaged in a Forward Foreign Exchange Contact. This is a contract to hedge its monthly supplier payments to one of its vendors based overseas. As part of hedging arrangement, Service NSW through TCorp purchased US Dollars in advance for monthly payments. The fair value of unrealised gain/(losses) relates to the gain or loss arising from the movement of the observable trade prices of foreign currency against the hedged prices. The global effects of rise in fuel prices, interest rates and negative movement in foreign exchange market activity, had resulted in unrealised gain of $110,261 in the Forward Foreign Exchange Contract. Refer to Note 10.

6.   Cash and Cash Equivalents

	2022 $'000	2021 $'000
Cash at bank	14,207	15,541
Cash on hand	152	131
	14,359	**15,672**

	2022 $'000	2021 $'000
Cash and cash equivalents (per Statement of Financial Position)	**14,359**	**15,672**

Please refer to Note 25 for details regarding credit risk and market risk arising from financial instruments.

7.   Receivables

	2022	2021
	$'000	$'000
Current		
Trade receivables from contracts with customers	5,378	9,365
Goods and Services Tax recoverable from ATO	12,421	5,370
Other receivables	6,776	4,277
Cost recoveries from other agencies	-	8,662
Accrued revenue	10,607	9,424
	35,182	**37,098**

Details regarding credit risk of trade debtors that are neither past due nor impaired are disclosed in Note 25.

Recognition and Measurement

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

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

Subsequent measurement
Service NSW 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
Service NSW 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 Service NSW expects to receive, discounted at the original effective interest rate.

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

8.   Contract Assets

	2022	2021
	$'000	$'000
Contract assets - current	6,337	1,742
	6,337	**1,742**

Recognition and Measurement

Contract assets relate to Service NSW's right to consideration in exchange for services transferred to customers/work completed, but not billed at the reporting date in respect of services provided to partner agencies. The balance of contract assets was impacted by delays in the billing process. In 2021/22, System and process update of the Fee for Service revenue transactions means that one less day is available to raise invoices hence there has been an increase in the accruals relating to this revenue, which is invoiced in the subsequent month. There is no estimation uncertainty inherent in management's estimates of contract asset.

9. Other Assets

	2022 $'000	2021 $'000
Prepayments	14,844	6,555
	14,844	**6,555**

10. Other Financial Assets

	2022 $'000	2021 $'000
Derivative – Forward Foreign Exchange Contract	110	-
	110	**-**

Please refer to Note 25 for details regarding credit risk and market risk arising from financial instruments.

11. Non-Current Assets – Property, Plant and Equipment

	Leasehold improvements $'000	Plant and Equipment $'000	Work in progress $'000	Total $'000
At 1 July 2020 - fair value				
Gross carrying amount	114,431	22,564	2,328	139,323
Accumulated depreciation and impairment	(53,181)	(18,735)	-	(71,916)
Net carrying amount	**61,250**	**3,829**	**2,328**	**67,407**
Year ended 30 June 2021				
Net carrying amount at start of year	61,250	3,829	2,328	67,407
Additions	95	-	2,948	3,043
Transfers to / from WIP	5,252		(5,252)	-
Disposal of plant and equipment	(5)	(8)	-	(13)
Transfer to / from Intangible Assets	6,853	1,794	-	8,647
Depreciation expense	(12,720)	(3,590)	-	(16,310)
Net carrying amount at end of year	**60,725**	**2,025**	**24**	**62,774**
At 1 July 2021 - fair value				
Gross carrying amount	126,626	21,775	24	148,425
Accumulated depreciation and impairment	(65,901)	(19,750)	-	(85,651)
Net carrying amount	**60,725**	**2,025**	**24**	**62,774**
Year ended 30 June 2022				
Net carrying amount at start of year	60,725	2,025	24	62,774
Additions	-	-	2,266	2,266
Transfers to / from WIP	43		(43)	-
Disposal of plant and equipment	(870)	(174)		(1,044)
Transfer to / from Intangible Assets^	13,593	15,715	5,723	35,031
Depreciation expense	(13,085)	(4,094)	-	(17,179)
Net carrying amount at end of year	**60,406**	**13,472**	**7,970**	**81,848**

At 30 June 2022 - fair value

Gross carrying amount	138,199	30,801	7,970	176,970
Accumulated depreciation and impairment	(77,793)	(17,329)	-	(95,122)
Net carrying amount	**60,406**	**13,472**	**7,970**	**81,848**

The transfer of intangible assets of $35.0 million, included a set of already capitalised hardware item SD Wan ($5.1 m), which was incorrectly classified as an intangible asset in 2020/21. There is no depreciation impact arising from this transfer. The balance of this transfer consists of assets under construction, that has been correctly capitalised to property, plant and equipment.

Further details regarding the fair value measurement of property, plant and equipment are disclosed in Note 14.

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 AAS.

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

Where payment for an 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.

Capitalisation thresholds

Property, plant and equipment and intangible assets costing $5,000, where project costs relating to leasehold improvements exceed $20,000 (individually or forming part of a network costing more than $5,000) are capitalised.

Restoration costs

The present value of the expected cost for the restoration or cost of dismantling of an asset after its use is included in the cost of the respective asset if the recognition criteria for a provision are met.

Revaluation of property, plant and equipment

Plant and equipment and leasehold improvements are non-specialised assets with short useful lives, and are measured at depreciated historical cost, as an approximation of fair value. Service NSW has assessed that any difference between fair value and depreciated historical cost is unlikely to be material.

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

Impairment of property, plant and equipment

As a not-for-profit entity with no cash generating units, impairment under AASB 136 *Impairment of Assets* is unlikely to arise. Since property, plant and equipment is carried at fair value or an amount that approximates fair value, impairment can only arise in rare circumstances such as where the costs of disposal are material.

Service NSW 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, Service NSW 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.

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, when the reversal was recognised in net result.

Depreciation of property, plant and equipment

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

All material separately identifiable components of assets are depreciated over their useful lives of years at the following rates:

	2022	**2021**
- Plant and equipment	3-5	3-5
- Leasehold improvements	*	*

* Shorter of lease term or 10 years.

12. Leases

Service NSW leases various properties and motor vehicles. Lease contracts are typically made for fixed periods of 3 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. Service NSW does not provide residual value guarantees in relation to leases.

Extension and termination options are included in a number of property and motor vehicle 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 Service NSW 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). Potential future cash outflows have not been included in the lease liability because it is not reasonably certain that the leases will 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. During the current financial year, the financial effect of revising lease terms to reflect the effect of exercising extension and termination options was a decrease in recognised lease liabilities and right-of-use assets of $0.6million.

Service NSW 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. Low value leases are assets with a fair value of $10,000 or less when new and comprise mainly of printers.

During financial year ended 30 June 2022, Service NSW has accepted the changes in the office accommodation arrangements with Property NSW (PNSW). The office accommodation agreement with PNSW is no longer accounted for as a lease from 30 June 2022. This involves judgment that the "substitution right" clause in the agreement provides PNSW with a substantive substitution right. Management has made judgment that PNSW can obtain benefits from exercising the substitution right when it achieves office accommodation efficiency at the whole-of-government level and/or its other service objectives. It is also considered practical for PNSW to exercise the substitution right due to the general nature of

the relevant office accommodation. The corresponding right of use assets and lease liabilities have been derecognised on 30 June 2022, the effective date of the new clause. The net impact of the derecognition is recognised in "Other Gains/(Losses) (refer to Note 5). From 1 July 2022, the accommodation charges will be recognised as expenses when incurred over the agreement duration.

Service NSW continues to carry the responsibility to make good, and to control the fit-out during the remaining occupancy period as the entity receives the economic benefits via using the fit-out or expected compensation from PNSW upon relocation. The incentives received prior to the 30 June 2022 apply to the remaining occupancy period. Therefore, the entity's accounting treatment for make-good provision and fit-out costs in relation to the relevant accommodation remains unchanged.

a.   Right-of-use assets under leases

The following tables present right-of-use assets

	Buildings $'000	Motor Vehicle $'000	Total $'000
Balance at 1 July 2021	96,195	316	96,511
Additions	20,028	150	20,178
Lease remeasurement	11,169	(3)	11,166
Disposal	(110,575)	-	(110,575)
Depreciation expense	(17,289)	(170)	(17,459)
Impairment	472	-	472
Balance at 30 June 2022	-	293	293

	Buildings $'000	Motor Vehicle $'000	Total $'000
Balance at 1 July 2020	106,284	277	106,561
Additions	2,703	224	2,927
Lease remeasurement	6,835	-	6,835
Depreciation expense	(16,505)	(185)	(16,690)
Impairment	(3,122)	-	(3,122)
Balance at 30 June 2021	96,195	316	96,511

b.   Lease liabilities
The following table presents liabilities under leases:

	2022 $'000	2021 $'000
Balance at 1 July	(105,355)	(111,754)
Additions	(20,178)	(2,927)
Lease remeasurement	(11,188)	(6,835)
Interest expense	(2,288)	(2,286)
Payments	19,317	18,369
Lease incentives	(1,962)	-
De-recognition of Rights of use asset	120,410	-
Other movements	-	78
Balance at 30 June	(1,244)	(105,355)

c.   Right-of-use expenses under leases
The following amounts were recognised in the statement of comprehensive income during the period in respect of leases where the entity is the lessee:

	2022 $'000	2021 $'000
Depreciation expense of right-of-use assets	17,459	16,690
Interest expense on lease liabilities	2,288	2,286
Expense relating to short-term leases	9,696	8,027
Expense relating to leases of low-value assets	10,214	6,980
Variable lease payments, not included in the measurement of lease liabilities	742	827
Gains arising from derecognising right-of-use asset	(472)	-
Total amount recognised in the statement of comprehensive income	**39,927**	**34,810**

Service NSW had total cash outflows for leases of $26.4 million in FY2021/22 (FY2020-21: $24.6 million).

Recognition and measurement
Service NSW assesses at contract inception whether a contract is, or contains, a lease. That is, if the contract conveys the right to control the use of an identified asset for a period in exchange for consideration. Service NSW recognises lease liabilities to make lease payments and right-of-use assets representing the right to use the underlying assets, except for short-term leases and leases of low-value assets.

i. Right-of-use assets
Service NSW recognises right-of-use assets at the commencement date of the lease (i.e., the date the underlying asset is available for use). Right-of-use assets are initially measured at the amount of initial measurement of the lease liability (refer ii below), adjusted by any lease payments made at or before the commencement date and lease incentives, any initial direct costs incurred, and estimated costs of dismantling and removing the asset or restoring the site.
Right-of-use assets are depreciated on a straight-line basis over the shorter of the lease term and the estimated useful lives of the assets, as follows:
* Buildings 3 to 10 years
* Motor vehicles 1 to 3 years

If ownership of the leased asset transfers to Service NSW at the end of the lease term or the cost reflects the exercise of a purchase option, depreciation is calculated using the estimated useful life of the asset.

The right-of-use assets are also subject to impairment. Service NSW 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, Service NSW 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 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.

ii. Lease liabilities
At the commencement date of the lease, Service NSW 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 Service NSW; and
* payments of penalties for terminating the lease, if the lease term reflects Service NSW 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 Service NSW's leases, the lessee's incremental borrowing rate is used, being the rate that Service NSW 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.

Service NSW's lease liabilities are included in borrowings.

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

Service NSW applies the short-term lease recognition exemption to its short-term leases of machinery and equipment (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.

Impairment Losses for Right-of-Use Assets

The COVID-19 outbreak occurring throughout the 2020/21 and 2021/22 financial years had an unprecedented effect on the NSW and global economies. COVID-19 significantly impacted the market rent for office accommodation properties and therefore the value of some lease right-of-use assets in the Statement of Financial Position.

Service NSW has therefore undertaken an impairment assessment for the above right-of-use assets, to determine whether the carrying amount exceeded their recoverable amount. Impacted right-of-use assets were written down to their recoverable amounts by reference to the right-of-use asset's fair value less costs of disposal (or value in use) and an impairment loss is recognised.

The Right of Use – Buildings for which an impairment loss has been recognised during the year, was due to the significant decline in market rent. It has been written down to its recoverable amount of $111.0 million (2021: $95.0 million) prior to de-recognition, which is determined by reference to its fair value less costs of disposal. The reversal of impairment loss recognised during the financial year is $472,000 (2021: loss $3.1 million). Severe flooding at Lismore, Murwillumbah and Casino has contributed towards impairment of leased assets of $769,960.

13. Intangible Assets

	Software $'000	Work in progress $'000	Total $'000
At 1 July 2020			
Cost (gross carrying amount)	155,260	37,450	192,710
Accumulated amortisation and impairment	(110,834)	-	(110,834)
Net carrying amount	**44,426**	**37,450**	**81,876**
Year ended 30 June 2021			
Net carrying amount at start of year	44,426	37,450	81,876
Additions	-	48,521	48,521
Transfers to / from WIP	41,358	(41,358)	-
Transfer to / from PPE	-	(8,647)	(8,647)
Impairment loss	(3,420)	(4,160)	(7,580)
Amortisation	(29,170)	-	(29,170)
Net carrying amount at end of year	**53,194**	**31,806**	**85,000**
At 1 July 2021			
Cost (gross carrying amount)	104,341	31,806	136,147
Accumulated amortisation and impairment	(51,147)	-	(51,147)
Net carrying amount	**53,194**	**31,806**	**85,000**

Year ended 30 June 2022

Net carrying amount at start of year	53,194	31,806	85,000
Additions	-	40,076	40,076
Disposals	(201)	(4,546)	(4,747)
Transfers to / from WIP	14,356	(14,356)	-
Transfer to / from PPE	(5,081)	(29,950)	(35,031)
Impairment loss	(1,150)	-	(1,150)
Amortisation	(21,878)	-	(21,878)
Net carrying amount at end of year	**39,240**	**23,030**	**62,270**

At 30 June 2022

Cost (gross carrying amount)	99,681	23,030	122,711
Accumulated amortisation and impairment	(60,441)	-	(60,441)
Net carrying amount	**39,240**	**23,030**	**62,270**

Recognition and Measurement

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

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

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

Intangible assets are subsequently measured at fair value only if there is an active market. As there is no active market for intangible assets, the assets are carried at cost less any accumulated amortisation and impairment losses.
Intangible assets are amortised using the straight-line method over the period of estimated useful life. Software is amortised over 4 years.

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

14. Fair value measurement of non-financial assets

Fair value measurement and hierarchy

Valuation of Physical non-current assets at fair value allows non-specialised assets with short useful lives to be recognised at depreciated historical cost as a surrogate for fair value. Service NSW holds non-specialised assets with short useful lives. Service NSW has assessed that any difference between fair value and depreciated historical cost is unlikely to be material.

15. Current Liabilities – Payables

	2022 $'000	2021 $'000
Accrued salaries, wages and on-costs	6,785	4,327
Creditors and accruals	68,112	65,346
Unearned revenue	17,158	370
	92,055	70,043

Details regarding liquidity risk, including a maturity analysis of the above payables, are disclosed in Note 25.

Recognition and Measurement

These amounts represent liabilities for goods and services provided to Service NSW 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. Subsequent measurement is at amortised cost using the effective interest method. Gains and losses are recognised in the net result when the liabilities are derecognised as well as through the amortisation process.

16. Current/Non-Current Liabilities – Borrowings

	2022 $'000	2021 $'000
Current		
Lease liabilities	387	16,899
	387	**16,899**
Non-current		
Lease liabilities	858	88,455
	858	**88,455**

Details regarding liquidity risk, including a maturity analysis of the above borrowings, are disclosed in Note 25.

Recognition and Measurement
Borrowing represents interest bearing liabilities and lease liabilities.

Financial liabilities at amortised cost
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 AASB16. Refer to Note 12 for the recognition and measurement criteria.

17. Current/Non-Current Liabilities – Provisions

	2022 $'000	2021 $'000
Current		
Employee benefits and related on-costs		
Annual leave	44,740	32,054
Long service leave	5,143	5,142
Payroll tax	1,599	1,460
	51,482	**38,656**
Current annual leave obligations expected to be settled after 12 months	11,200	6,587
Current long service leave obligations expected to be settled after 12 months	4,645	4,628
	15,845	**11,215**
Other provisions		
Provision for makegood	836	-
	836	**-**
Total current provisions	**52,318**	**38,656**
Non-current		
Employee benefits and related on-costs		
Long service leave	509	447
	509	**447**

Other provisions

Provision for makegood	11,021	7,010
	11,021	**7,010**
Total non-current provisions	**11,530**	**7,457**

Aggregate employee benefits and related on-costs

Provisions	51,991	39,103
Accrued salaries and wages (Note 15	6,785	4,327
	58,776	**43,430**

	2022	2021
Reconciliation of provision for makegood	**$'000**	**$'000**
Carrying amount at the beginning of the period	7,010	6,667
Additional provision recognised	1,525	77
Amounts used	(93)	(15)
Unwinding of discount or change in discount rate	3,415	281
Carrying amount at end of financial year		
	11,857	**7,010**

To determine the consequential cost split on Long Service Leave, Service NSW has adopted the actuarial advice from Treasury Circular 21-03 using 91% current and 9% non-current.

Provision for make good represents an estimate of future outgoings in respect of leasehold improvements where refurbishment activity had commenced at year end. The amount of provisioning is based on the application of a market estimate of the cost of make good in comparable buildings applied to the area of leased space. The discount rate used to calculate present value of makegood provision is between 2.93% and 3.77%.

Recognition and Measurement
Employee Benefits and other provisions

Salaries and wages, annual leave, sick leave and on-costs

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* (AASB 119) (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. Service NSW has assessed the actuarial advice based on the entity'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 Service NSW does not expect to settle the liability within 12 months as it does not have an unconditional right to defer settlement.

Unused non-vesting sick leave does not give rise to a liability as it 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

Service NSW's liabilities for long service leave and defined benefit superannuation are assumed by the Crown. Service NSW 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 the present value of expected future payments to be made in respect of services provided up to reporting date in accordance with AASB 119. This is based on the application of certain factors (specified in NSWTC 21-03) to employees with five or more years of service, using current rates of pay, expected future age, salary level and experience of employee departures. These factors were determined based on an actuarial review to approximate

present value. Expected future payments are discounted using the 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 Aware 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 on-costs

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

Other Provisions

Other provisions exist when a present legal or constructive obligation exists as a result of a past event; it is probable that an outflow of resources will be required to settle the obligation; and a reliable estimate can be made of the amount of the obligation. When Service NSW expects some or all of a provision to be reimbursed, for example, under an insurance contract, the reimbursement is recognised as a separate asset, but only when the reimbursement is virtually certain. The expense relating to a provision is presented net of any reimbursement in the Statement of Comprehensive Income.

Any provisions for restructuring are recognised only when Service NSW has a detailed formal plan and Service NSW 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 between 1.34% and 2.50%, 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.

18.   Equity

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

Increase/decrease in net assets from equity transfers

Transfer of assets and liabilities from agencies, which are treated as 'administrative restructure' are detailed below.

Department/Agency	2022 $'000	2021 $'000
From Treasury	87	-
	87	-

Recognition and Measurement

The transfer of net assets between entities as a result of an administrative restructure, transfers of programs/functions and parts thereof between NSW public sector entities and 'equity appropriations' are designated or required by AAS to be

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

Transfers arising from an administrative restructure involving not-for-profit and for-profit government entities are recognised at the amount at which the assets and liabilities were recognised at the amount at which the assets and liabilities were recognised by the transferor immediately prior to the restructure.

During the year, there was a Machinery of Government (MOG) change, which effectively transferred computers and employee related liabilities relating to Business Connect Division from Treasury. The equity transfer amounted to $87,000.

19. Commitments for Expenditure

	2022 $'000	2021 $'000
Capital Commitments		
Aggregate capital expenditure for the acquisition of property, plant and equipment contracted for at balance date and not provided for:		
Not later than one year	2,921	4,809
Later than one year and not later than five years	7	39
Greater than five years	-	-
Total (including GST)	**2,928**	**4,848**

The total commitments above include total input tax credits of approximately $0.3 million (2021: $0.4 million) that are expected to be recoverable from the Australian Taxation Office.

20. Contingent Liabilities and Contingent Assets

Contingent liabilities

Service NSW is not aware of any contingent liability , which may materially impact on the financial position of Service NSW as shown in the financial statements.

Contingent Asset

Service NSW is in the process of making claims with TMF on the damage to leasehold property and office facilities arising from recent floods at the service centres located at Lismore, Murwillumbah and Casino.

At this stage, it is not practical to estimate the financial value of this contingent asset.

21. Budget Review

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

Net Result

Actual statutory net loss was $25.8 million compared to a budgeted statutory net loss of $50.6 million – a favourable variance of $24.8 million.

The above variance is comprised of higher than originally budgeted revenue of $ 468.9 million, partially offset by higher than originally budgeted expenses of $445.0 million and unbudgeted net impairment loss of $0.6 million.

Expenses
- Employee related expenses were higher than the original budget by $218.8 million. This was mainly because of additional staff hired to undertake COVID-19 and flood initiatives.
- Other operating expenses were higher than the budget by $230.8 million primarily due to ICT costs associated with the administration of COVID-19 initiatives & COVID-19 related operational costs and due to in-kind contributions from Department of Customer Service (DCS) of $60.6 million relating to corporate and shared service functions. This has resulted in increased demand across multiple platforms.
- Depreciation and amortisation were lower than the budget by $8.9 million mainly as a result of lower capitalisation and asset write-offs and impairments processed in last financial year 2020-21.

Revenue
- Sale of goods and services includes fee for service arrangements with agencies, which generated revenue of $62.3 million. This has remained stable from last year.
- Grants and contributions were higher than the budget by $373.0 million mainly as a result of increased funding from Department of Customer Service to cover budgetary gap, recovery of $252.3million of costs in relation to administration of COVID-19 and flood initiatives and there was $3.2 million of revenue recognised in relation to Digital Restart Fund project.
- Other revenue was $100.8 million favourable to budget. This was primarily due to in-kind contributions from Department of Customer Service (DCS) of $60.6 million relating to corporate and shared service functions. Additionally, the budget for credit card processing fee recoveries of $19.9 million, and project cost recoveries of $12.4 million was originally included in sale of goods of services.
- Based on Actuarial assessment, the present value of long service leave balance has only increased by $314,000 from last year, despite a nominal increase of long service leave by $4.5 million. This is mainly as a result of significant decrease in the bond rate, which is a key input into the actuarial assessment. The falling bond rate contributed towards a lower than budgeted revenue relating to Acceptance by the Crown of employee benefits and other liabilities.
- There was an unbudgeted net gain arising from disposal of non-financial assets of $1.8 million. Derecognition of right of use assets had resulted in a net gain of $7.9 million which was offset by loss arising from write of intangible projects of $5.1 million, damage sustained from flood and stocktake write off.

Assets and Liabilities
- The actual cash balance of $14.4 million was $10.7 million higher than the budgeted balance of $3.6 million primarily due to minor timing differences.
- A significant GST receivable of $12.9 million has resulted in a higher Receivables position as at 30 June 2022 by $18.3milliion.
- Contract assets of $6.3 million was unbudgeted for. In 2021/22, system and process update of the Fee for Service revenue transactions means that one less day is available to raise invoices hence there has been an increase in the accruals relating to this revenue, which is invoiced in the subsequent month.
- Reclassification of Service Centre refurbishment and SD Wan project which was initially recorded under Intangible assets in the prior year to property, plant and equipment in 2021/22, mainly contributed towards a $40.5 million gap between actual and budgeted position of property, plant, and equipment.
- Intangible Assets were lower than budget by $15.7 million mainly arising from write offs and impairment.
- The derecognition of the right-of-use asset and lease liability with Property NSW as at 30 June 2022 has resulted in significant variance between actual and budgeted amounts for Rights of Use asset of $79.0 million and Borrowings of $87.1 million.
- Deferring Digital Restart Funds revenue by $17.0 million by has mainly contributed towards the payable being higher than original budget by $24.9 million.

- Total provision was higher than the original budget by $26.0 million, recreational leave continues to increase because the ability for staff to take leave over the past two years has been significantly impacted by organisations role responding to crisis events.

Cash flows
- Total cash flow payments were higher than the original budget by $479.1 million, mainly as a result of increased employee related and other operating expenses driven by administration of COVID-19 initiatives and flood recovery programs.
- Total cash inflows were higher than the original budget by $511.0 million. Additional unbudgeted grant contributions and fees for service revenue relating to COVID-19 and flood initiatives contributed to this higher cash inflow.
- Cash outflows from investing activities were higher than original budget by $18.1 million. Cash flow timing issues associated with supplier payments mainly contributed towards this.

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

	2022 $'000	2021 $'000
Net cash from on operating activities	58,292	10,661
Add/(less) non-cash items:		
Depreciation / amortisation	(56,516)	(62,170)
Gain/(Losses) on disposal	1,737	67
Other gains/(losses)	(568)	(10,705)
Changes in operating assets and liabilities		
Increase / (decrease) in Contract assets	4,595	1,742
Increase / (decrease) in receivables	6,373	(15,256)
(Increase) / decrease in payables	(22,012)	28,424
(Increase) / decrease in other provisions	(17,735)	(10,933)
Net result	**(25,834)**	**(58,170)**

23. Amounts Held on Behalf of Other Agencies

Service NSW holds money in a dedicated bank account which is used for various purposes as disclosed below. Service NSW performs only a custodial role in respect of these monies, and because the monies cannot be used for the achievement of Service NSW's own objectives, these funds are not recognised in the financial statements. Service NSW delivers transactional services on behalf of NSW Government agencies. Refer to Note 1(d) for policy.

The following is a summary of the transactions for each program:

Program	Partner Agency	Opening Balance as at 1 Jul 2021	Add: Receipts	Less: Expenditure	Cash balance as at 30 Jun 2022
		$'000	$'000	$'000	$'000
Active Kids	Office of Sports	8,955	91,000	93,465	6,490
Creative Kids	Dept. Of Premier & Cabinet	6,360	60,000	61,503	4,867
Bushfire $10k Small Business Rebate	Resilience NSW	7,184	854	50	7,988
Bushfire $50k Small Business Rebate	Resilience NSW	6,501	70	-	6,571
Volunteer Firefighter Program	Resilience NSW	2,241	-	-	2,241
In Vitro Fertilisation Rebate	NSW Health	3,595	2,405	2,376	3,624
Jobs for Tomorrow	Dept. of Education	645	-	38	607
Senior Energy Rebate	Dept. of Planning, Industry & Environment	1,612	6,601	7,254	959
Remitting account	Service NSW	29,740	4,706,799	4,694,248	42,291
COVID-19 $10k Small Business Grant	NSW Treasury	588	234	822	-
Export Assistance Grant	Investment NSW	4,852	-	4,703	149
Taxi Rebate Program	Transport for NSW	263	-	263	-
COVID-19 $3k Small Business Grant	NSW Treasury	136	34	170	-
Southern Border Assistance Grant	NSW Treasury	47	-	47	-

Alfresco Dining	NSW Treasury Dept of Planning, Industry & Environment	-	25,000	2	24,998
Before and After School Care	Dept. of Education	-	80,000	73,395	6,605
First Lap Voucher	Office of Sports	-	16,000	14,393	1,607
Icare / PIAWE	The Workers Compensation Nominal Insurer	-	9,500	7,642	1,858
Mouse Plague	Regional NSW	-	37,585	33,853	3,732
Northern Rivers Business Grant	Regional NSW	-	10,000	2,027	7,973
Overpayment**	Service NSW	-	15	15	-
Recovery Account***	Service NSW	12	54,294	53,593	713
Taxi Transport Scheme	Transport for NSW	-	4,829	2,899	1,930
Toll Relief Program	Transport for NSW	1,863	-	552	1,311
TOTAL		**74,594**	**5,105,220**	**5,053,310**	**126,504**

* The remitting account balance and movement above include fees collected by Service NSW which have been remitted to the agencies during the year. These include Land and Housing NSW, Department of Customer Service, Transport for NSW (Transport), Department of Planning, Industry and Environment (DPIE), Department of Communities and Justice, Liquor and Gaming NSW and Multicultural NSW. Transport for NSW represents a significant portion, with a remittance of $4.3 billion for the financial year.

** Overpayment account is a pass-through account where overpayment of cheque payment is made by customers. The payments are subsequently refunded back to customers.

*** Recovery account is mainly used to retrieving recovery payment from customers who need to repay Service NSW of any overpaid grant payments, along with funds recovered by Revenue NSW. There was an additional deposit of $40M into this account in June 2022 for the Council Rate Relief – Flood Program (CRF) as the designated bank account was not ready in time. This $40M is included under Administered Items, leaving the balance in Amounts held on behalf of other Agencies.

24. Administered Items

Service NSW administers grant programs on behalf of the Crown. Service NSW does not recognise the income and expenses as disclosed below in its Statement of Comprehensive Income because Service NSW is responsible for transferring the amounts to eligible beneficiaries, consistent with agreements and frameworks controlled by the Crown. As such, the expenses are recognised as grants by the Crown as they are deemed to control the programs. Service NSW receives the funding via transfer payments from DCS. Refer to Note 1(e) for policy.

During the year, Service NSW incurred the following Administered expenses on behalf of the Crown:

	2022 $'000	2021 $'000
Administered Expenses		
COVID-19 Stimulus - Dine & Discover Vouchers [1]	306,920	221,763
Flood Relief/Recovery Grant [2]	131,036	10,831
Northern Beaches Hardship [3]	605	11,083
Return to Work [4]	718	5,821
Small Business Fees & Charges Rebate [5]	191,621	13,929
2022 Small Business Support (Bizsaver) [6]	98,979	-
Accommodation Providers Grant [7]	11,531	-
Commercial Landlord Hardship [8]	22,732	-
Job Saver [9]	7,421,030	-
MicroBusiness [10]	779,478	-
Music and Overnight Camp [11]	200	-
Northern Rivers Recovery Grant [12]	6,862	-
Parent NSW Vouchers [13]	58,764	-
Rental Support Scheme/Back Home – Flood [14]	126,909	-
Small Business Hardship [15]	2,359,817	-
Stay and Rediscover Vouchers [16]	17,100	-
Test and Isolate [17]	92,278	-
Total Administered Expenses	**11,626,580**	**263,427**

Recognition and Measurement

The above Administered Grants are recognised as an expense when the control of the contribution is transferred to the grant applicants. The control associated with the grant is deemed to be transferred to the grantee when the grant is paid or payable.

Transfer payments received to fund programs includes grants received from Treasury and other partner agencies through Department of Customer Service.

	2022 $'000	2021 $'000
Transfer Payments received		
COVID-19 Stimulus - Dine & Discover Vouchers [1]	257,730	400,000
Flood Relief/Recovery Grant [2]	187,670	12,870
Northern Beaches Hardship [3]	-	13,000
Return to Work [4]	-	10,000
Small Business Fees & Charges Rebate [5]	205,130	31,001
2022 Small Business Support (Bizsaver) [6]	127,524	-
Accommodation Providers Grant [7]	16,512	-
Commercial Landlord Hardship [8]	40,000	-
Job Saver [9]	7,750,142	-
Micro Business [10]	784,600	-
Music and Overnight Camp (Skill Enhancement) [11]	14,000	-
Northern Rivers Recovery Grant [12]	60,000	-
Parent NSW Vouchers [13]	59,265	-
Rental Support Scheme – Flood [14]	248,000	-
Small Business Hardship [15]	2,369,100	-

Stay and Rediscover Vouchers [16]	52,653	-
Test and Isolate [17]	93,117	-
Council Rates Relief – Flood [18]	40,000	-
Total Transfer Payments received	**12,305,443**	**466,871**

Recognition and Measurement

Transfer payments received to fund programs are recognised based on the receipt of cash.

(1) Service NSW administers Dine & Discover to encourage the community to get out and about and support dining, arts, and recreation businesses. Three vouchers each are issued for recreational purposes and dining activities. The grant expenses recognised are based on the value of the vouchers that have been scanned and paid.

(2) Flood Relief $50,000 Grant provides grants for eligible small businesses and not-for-profit agencies directly impacted by the NSW storms and floods from 19 February 2021.

(3) Northern Beaches Hardship Grant provides a one-off payment to help small businesses impacted by the Northern Beaches Public Health Order.

(4) Return to Work Grants are to assist women whose employment has been affected by COVID-19 to overcome obstacles in returning to the workforce.

(5) Small Business Fees & Charges Rebate supports businesses with the cost of government fees and charges to recover from the impact of the COVID-19 pandemic and to incentivise business growth.

(6) The 2022 Small Business Support Grant provides cashflow support to help businesses survive the immediate impacts of density restrictions in January 2022 from the Omicron wave. Eligible businesses may receive a one-off payment covering the four-week period in February 2022 with a minimum payment of $750 per week or $5,000 per week

(7) The Accommodation Support Grant Program provides support to accommodation premises that experienced cancellations for stays as a result of the June – July 2021 lockdown restrictions.

(8) Commercial Landlord Hardship provides grants of up to $3,000 per month per property to eligible small landlords who will or have experienced hardship as a result of providing rental relief to their tenant(s) under the Retail and Other Commercial Leases Regulation 2021.

(9) Job Saver provides cashflow support to impacted businesses to help maintain their NSW employee headcount. The program objective is to help businesses save jobs to support the economy after restrictions are lifted. Eligible businesses may receive fortnightly payments based on decline in turnover. The minimum payment was $1,500 per week and the maximum payment was $100,000 per week.

(10) The Micro Business grant provides cashflow support for micro businesses with an aggregated annual turnover more than $30,000 and less than $75,000. Eligible businesses can apply for a fortnightly payment of $1,500 to cover business expenses for the duration of the Greater Sydney lockdown.

(11) The Music and Overnight camp are to provide financial assistance to businesses impacted by settings in schools, in particular overnight camp businesses and music providers working in schools. Payments was up to $30k on single application.

(12) Northern Rivers Recovery Grant is a one-off payment of $10,000 for eligible small businesses and not-for-profit organisations in highly impacted local government areas (LGAs) that have been directly or indirectly impacted by the floods and can demonstrate a 40% decline in turnover in March 2022, compared to March 2021 or March 2020.

(13) The Parent Thank You Vouchers were launched to support households for their efforts with children learning from home during 2021. The vouchers are aimed to encourage households to get out and about to support Stay & Rediscover businesses. Each NSW household in which there is a child enrolled in school in 2021 in NSW is eligible for 5 x $50 vouchers.

(14) The Rental Support payment was created to support residents impacted by the 2022 floods. It is a one-off payment for eligible households to help pay for the cost of short-term accommodation where the residential property they have occupied as the principal place of residence is considered non habitable due to being directly impacted by the eligible disaster.

(15) The Small Business Hardship grant provides cashflow support to businesses for the first three weeks of the Greater Sydney lockdown (from 26 June to 17 July). The intention of the grant is to help businesses survive the lockdown after restrictions are lifted. Eligible businesses can apply for a one-off payment of $7,500 (tier 1), $10,500 (tier 2) or $15,000 (tier 3).

(16) Stay and Discover vouchers are offered to NSW residents to use against the cost of accommodation bookings in the Sydney CBD to boost business activity in the CBD.

(17) The Test & Isolate payment was a one off $320 payment to provide financial support to NSW workers who are required to self-isolate after a Coronavirus test and stay in isolation while waiting for their test results.

(18) Council Flood Rates Relief Program provides support for eligible owners directly impacted by the NSW severe weather and flooding events commencing 22 February 2022 onwards who own property in the 7 LGAs of Ballina, Byron, Clarence Valley, Kyogle, Lismore, Richmond Valley and Tweed Shire.

The following is a list of Administered Assets and Liabilities:

	2022 $'000	2021 $'000
Administered Assets		
Cash at bank[(i)]	665,865	203,444
Receivable[(ii)]	68,858	-
Total Administered Assets	**734,723**	**203,444**

Recognition and Measurement

(i) Cash at bank represents funds held as at 30 June 2021 and 30 June 2022 in relation to these COVID-19 stimulus and flood relief programs, of which $665.9 million represent funds that are yet to be distributed to the public in relation to the programs mentioned above.

(ii) COVID-19 This represents receivables of $65.7million (2021: nil) less expected credit losses (provision for doubtful debts) of $3.2 million as at 30 June 2022. Receivables mainly represents those fraudulent grants that are currently being subject to recovery action through legal processes. Management has assessed that the likelihood of recovering $3.2million of debts is low, as they were based on the ageing of debts. $3.1 million of the $65.7 million was receivable from the Department of Customer Service relating to incorrect recharge of costs incurred for administered programs and was repaid after 30 June 2022.

Administered Contingent Asset

Service NSW is currently investigating its grants for fraud and non-compliance, the outcome of many of these reviews are yet to be determined. Depending on the outcome of these reviews, Service NSW is expected to undertake action to recover the overpayment of the grant monies as a result of fraud or non-compliance. The number and amounts under investigation are not disclosed since the quantum in each case cannot be reliably measured, given that some of these grant payments are known to be in a preliminary phase of review.

It is not practical to reliably estimate the financial value of these administered assets currently.

Refer to the Note 27, Events After the Reporting Period for outcome on the status of the investigations up to 18 November 2022 for payments made up to 30 June 2022.

25. Financial Instruments

Financial instruments arise directly from operations or are required to finance operations. Service NSW does not enter into or trade financial instruments, including derivative financial instruments, for speculative purposes.

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

The Chief Executive Officer monitors, reviews and provides advice about governance processes, risk management and control frameworks, and its accountability obligations in relation to managing these risks. Risk management policies are established to identify and analyse the risks faced by Service NSW, to set risk limits and controls and to monitor risks. Compliance with these policies is reviewed by Service NSW on a continuous basis.

a.   Financial instrument categories

Financial Assets	Note	Category	2022	2021
Class:			$'000	$'000
Receivables [1]	7	Amortised cost	22,761	31,728
Contract assets	8	Amortised cost	6,337	1,742
Derivative asset	10	Fair value through profit and loss	110	-
Carrying amount of financial assets			**43,567**	**49,142**

Financial Liabilities	Note	Category	2022	2021
Class:			$'000	$'000
Payables [2]	15	Financial liabilities measured at amortised cost	74,874	69,673
Borrowings	16	Financial liabilities measured at amortised cost	1,245	105,354
Carrying amount of financial liabilities			**76,119**	**175,027**

Notes:
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).

b.   Derecognition of financial assets and financial liabilities

A financial asset (or, where applicable, a part of a financial asset or part of a group of similar financial assets) is derecognised when the contractual rights to the cash flows from the financial assets expire; or if the entity 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 entity has transferred substantially all the risks and rewards of the asset; or
- the entity has neither transferred nor retained substantially all the risks and rewards of the asset but has transferred control.

When the entity has transferred its rights to receive cash flows from an asset or has entered a pass-through arrangement, it evaluates if, and to what extent, it has retained the risks and rewards of ownership. Where the entity has neither transferred nor retained substantially all the risks and rewards or transferred control, the asset continues to be recognised to the extent of the entity's continuing involvement in the asset. In that case, the entity also recognises an associated liability. The transferred asset and the associated liability are measured on a basis that reflects the rights and obligations that the entity has retained.

Continuing involvement that takes the form of a guarantee over the transferred asset is measured at the lower of the original carrying amount of the asset and the maximum amount of consideration that the entity could be required to repay.

A financial liability is derecognised when the obligation specified in the contract is discharged or cancelled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the derecognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognised in the net result.

c.   Offsetting financial instruments

Financial assets and financial liabilities are offset, and the net amount is reported in the Statement of Financial Position if there is a currently enforceable legal right to offset the recognised amounts and there is an intention to settle on a net basis, or to realise the assets and settle the liabilities simultaneously.

d.   Financial risk

i. Credit risk

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

Credit risk arises from the financial assets, including cash and receivables. No collateral is held by Service NSW. Service NSW has not granted any financial guarantees.

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

The entity considers a financial asset in default when contractual payments are 90 days past due. However, in certain cases, the entity may also consider a financial asset to be in default when internal or external information indicates that the entity is unlikely to receive the outstanding contractual amounts in full before considering any credit enhancements held by the entity.

Cash and cash equivalents

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

Accounting policy for impairment of trade debtors and other financial assets

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 entity 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. The historical loss rates are adjusted to reflect current and forward-looking information on macroeconomic factors affecting the ability of the customers to settle the receivables.

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 90 days past due.

The loss allowance for trade debtors as at 30 June 2022 and 30 June 2021 was determined to be nil.

	Current $'000	<31 days $'000	31-60 days $'000	61-90 days $'000	>91 days $'000	Total $'000
30 June 2022						
Expected credit loss rate	0%	0%	0%	0%	0%	0%
Estimated total gross carrying amount at default	8,074	911	320	963	1,441	11,709
Expected credit loss	-	-	-	-	-	-
30 June 2021						
Expected credit loss rate	0%	0%	0%	0%	0%	0%
Estimated total gross carrying amount at default	6,450	7,563	493	1,306	1,095	16,907
Expected credit loss	-	-	-	-	-	-

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

The entity is not materially exposed to concentrations of credit risk to a single trade debtor or group of debtors as at 30 June 2022.

ii. Liquidity risk

Liquidity risk is the risk that Service NSW will be unable to meet its payment obligations when they fall due. Service NSW manages this risk through monitoring future operating cash flows and the timing of receiving approved funding allocation from NSW Treasury, which is on a cashflow needs basis, to facilitate the coordination and adoption of an optimal cash management strategy for the State. Service NSW maintains a suitable cash buffer to manage ad-hoc unscheduled payments, when required to ensure that working capital is sufficient to meet current liabilities. Liabilities are recognised for amounts due to be paid in the future for goods or services received, whether invoices are received or not. Amounts owing to suppliers (which are unsecured) are settled in accordance with the policy set out in TC11-12. 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. For payments to other suppliers, the Head of an authority (or a person appointed by the Head of an authority) may automatically pay the supplier simple interest.

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

Maturity analysis and interest rate exposure of financial liabilities

	Weighted Average Effective Int. Rate %	Nominal Amount $'000	Fixed Interest Rate $'000	Variable Interest Rate $'000	Non-interest bearing $'000	< 1 year $'000	1 -5 years $'000	>5 years $'000
2022								
Payables	n/a	74,874	-	-	74,874	74,874	-	-
Borrowings	0.78%	275	275	-	-	163	112	-
2021								
Payables	n/a	69,673	-	-	69,673	69,673	-	-
Borrowings	2.00%	113,687	113,687	-	-	18,560	62,626	32,501

Note: The amounts disclosed are the contractual undiscounted cash flows of each class of financial liabilities based on the earliest date on which Service NSW can be required to pay.

iii. Market risk

Market risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices. Service NSW has no exposure to market risk due to nil borrowings. Service NSW has limited exposure to foreign currency risk which is insignificant as noted in the derivative note above.

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 entity 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 reporting date. The analysis is performed on the same basis as for 2021.

The analysis assumes that all other variables remain constant.

Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. Exposure to interest rate risk arises primarily through Service NSW's interest-bearing liabilities. This risk is minimised by undertaking mainly fixed rate borrowings, primarily with NSW TCorp. Service NSW does not account for any fixed rate financial instruments at fair value through profit or loss or at fair value through other comprehensive income. Therefore, for these financial instruments, a change in interest rate would not affect the carrying value or interest paid/earned. 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:

	Carrying amount	2022 $'000 -1%		2022 $'000 +1%	
		Net result	Equity	Net result	Equity
2022					
Financial assets					
Cash and cash equivalents	14,359	(144)	(144)	144	144
2021					
Financial assets					
Cash and cash equivalents	15,672	(157)	(157)	157	157

e.   Fair value of financial instruments

i.   Fair value compared to carrying amount

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either in the principal market for the asset or liability or in the absence of a principal market, in the most advantageous market for the asset or liability.

ii.   Fair value recognised in the Statement of Financial Position

Management assessed that cash, trade receivables, trade payables, and other current liabilities approximate their fair values, largely due to the short-term maturities of these instruments.

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, Service NSW categorises, for disclosure purposes, the valuation techniques based on the inputs used in the valuation techniques as follows:
- Level 1 - quoted (unadjusted) prices in active markets for identical assets / liabilities that Service NSW can access at the measurement date.
- Level 2 – inputs other than quoted prices included within Level 1 that are observable, either directly or indirectly.
- Level 3 – inputs that are not based on observable market data (unobservable inputs).

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

	Level 1 $'000	Level 2 $'000	Level 3 $'000	Total
2022				
Financial Assets at fair value				
Derivative – Forward Foreign Exchange Contract	110	-	-	110
Total	**110**	**-**	**-**	**110**

The value of Derivative is based on the movement of observable trading prices in the foreign exchange market.

The fair value of financial instruments that are not traded in an active market is determined using valuation techniques. These valuation techniques maximise the use of the observable market data where it is available and rely as little as possible on entity specific estimates.

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

26.   Related Party Disclosures

Key management Personnel

Compensation for Service NSW key management personnel is as follows:

	2022 $'000	2021 $'000
Short-term employee benefits		
Salaries	2,643	2,508
Other monetary allowances	-	-
Post-employment benefits	184	150
Termination benefits	-	-
Total remuneration	**2,827**	**2,658**

Service NSW did not enter into transactions with key management personnel, their close family members and controlled or jointly controlled entities thereof. One of the key management personnel is paid through corporate services charges to DCS. Their remuneration is included in the list.

Government-related Entities

During the year, Service NSW entered into transactions with other entities that are controlled/jointly controlled/significantly influenced by NSW Government. These transactions in aggregate are a significant portion of its rendering of services/receiving of services. These transactions are primarily in the form of fees for services, general operating expenses, grants paid and received, and are disclosed in Notes 2 and 3.

From 1 July 2019 some corporate and shared services have transferred to Department of Customer Service (DCS) under a centralised model. This includes Corporate technology functions, People & Culture, Corporate Affairs, Procurement, and Governance and Risk. In 2021/22 Service NSW continues to consume the Corporate Services provided by DCS as in-kind benefit with a value of $60.6 million. Refer to Note 2(b) for expenses and Note 3 (e) for revenue respectively.

In 2021/22, Service NSW received additional grant contributions of $228.0 million in relation to services provided to Transport for NSW (Transport), which previously was invoiced to Transport as fee for service.

As at 30 June 2022, Service NSW recognised project cost recovery revenue of $12.4million, these mainly comprised of $3.2 million for Department of Education, $0.5million for Department of Planning, Industry and Environment and $0.5 million for Icare. Refer to Note 3(e).

In 2021/22, Service NSW reimbursed DCS $10.2million for advertising expenses incurred on its behalf to support administered grant programs such as Cost of Living, Alfresco rebate and other Stimulus measures. These costs are included as part of Advertising expenses in Note 2b.

Services rendered to agencies that represent a significant proportion of the fees for service, disclosed under Note 3 (a) are as follows:

	2022 $'000	2021 $'000
Sale of good and services		
Insurance and Care NSW	15,831	18,479
Department of Customer Service	9,945	3,210
Office of the Children's Guardian	7,160	5,496
Office of Sport	6,036	6,891
Transport for NSW	4,880	-
NSW Trains	3,983	4,314
NSW Police Force	3,233	3,561
Department of Planning and Environment	2,461	-
Department of Regional NSW	2,030	-
	55,559	**41,951**
Purchases of goods and services		
Department of Customer Service	60,684	44,206
Property NSW	11,644	31,794
Transport for NSW	660	857
	72,988	**76,857**

27. Events After the Reporting Period

As New South Wales continues to respond to the recent severe flooding event, Service NSW will continue to administer disaster grants and financial assistance for people living in affected areas.

Subsequent to 30 June 2022, Service NSW is continuing its review of grant payments made that were identified as fraudulent or non-compliant. $58.9 million of grants reviewed up to 18 November2022 have been assessed as fraudulent or non-compliant are currently being pursued for recovery. Service NSW is expected to recover these funds and has legal ground to do so as they were originally paid based on misrepresentations or non-compliance.

End of audited financial statements.

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