

Budget Estimates Supplementary Questions FINANCE, SERVICES AND PROPERTY

Questions from Dr Mehreen Faruqi MLC

Use of artificial intelligence

1. What current uses of artificial intelligence does the department undertake?

Note: Please include all uses of AI including uses for resource allocation and administrative support, big data analysis, replacement and assistance of experts and researchers, procedural matters, or summarising diverse data – for reference this might include:

- Chatbots for customer service or advice
- Customer management systems
- Scanning legal documents to find relevant case law
- Categorising and searching documents
- Directing petitions efficiently
- Translation
- Document drafting

2. What planned uses does the department have for artificial intelligence?

3. What policy guidelines, if any, guide the exploration and use of artificial intelligence by the department?

4. What research, if any, has the department undertaken regarding the use of AI in Government services?

1-4. ANSWER:

As outlined in the Digital Government Strategy, the NSW Government will continue to explore the use of cognitive and machine learning, and related Artificial Intelligence technologies, to simplify processes, eliminate duplication, and improve customer experience

Questions from the Hon Shaoquett Moselmane MLC (on behalf of the NSW Labor Opposition)

Procurement – Ministers Evidence to Budget Estimates September 4, 2017

5. Do you stand by your evidence/testimony given during Budget Estimates that “it was not specifically stated that corporate history or corporate background was a direct criterion to take into account” given that at the time of making the Statement that you did not have the NSW Code of Practice for Procurement in front of you?

5. ANSWER:

Yes. I have acted to ensure that these matters of corporate history and corporate background are even more explicit.

6. Do you also believe that it is not specifically stated that corporate history or corporate background is not a criterion to take into account when you read and interpret Procurement Board Direction PBD-2014-01?

(a) If not, how do you then explain and interpret the mandatory dot point that instructs Government that they will “not do business with suppliers with a history of poor performance, inappropriate conduct, or fail to meet requirements...”?

6. ANSWER:

PBD-2014-01 does not specifically mention corporate history or corporate background.

(a) As per question 5, I have acted to further strengthen these requirements.

7. Minister, what do you interpret the word “finding” to mean in the context of corporate history and background, and do you support Mr Hoffman’s interpretation, as per his evidence/testimony at Budget Estimates that a “finding” is a legal term is limited to a Court?

7. ANSWER:

I concur with Mr Hoffman’s interpretation.

Procurement – St Hilliers

8. How many organisations applied for the tender to construct the Finance, Services and Innovation building in Gosford?

8. ANSWER

Six.

9. Your spokesperson claimed that it was a “rigorous” two-stage process, what did this process actually entail?

9. ANSWER

The procurement process was comprised of a two stage process – expression of interest and then a request for tender among the shortlisted proponents based on the evaluation criteria identified.

10. When was the decision made to award the tender to St Hilliers?

10. ANSWER:

8 March 2017

11. Can you confirm that there had been some background research done, by your Department, on the company St Hilliers, prior to the media release you issued on 8 May 2017, when you claimed that St Hilliers “has more than 20 years’ experience in major developments”?

11. ANSWER:

Yes

12. At the time the tender was awarded, did your Department have any awareness or knowledge of the company record and history of St Hilliers in terms of finances and government contract construction work?

12. ANSWER:

Yes

13. At the time of the May 8 media release, was your Department aware St Hilliers went into voluntary administration in 2012?

13. ANSWER:

Yes

14. During the tender process, was St Hilliers record and experience researched?

14. ANSWER:

Yes

15. Do you agree that the *NSW procurement Policy Framework for NSW Government Agencies* has a number of policies and practices that require a Tenderer to be open, honest and transparent about their company history?

15. ANSWER:

Yes

16. Do you agree that the *NSW Code of Practice for Procurement* has a number of policies and practices that require a Tenderer to be open, honest and transparent about their company history?

16. ANSWER:

Yes

17. During the tender process, did St Hilliers offer, for the record, any company history or background that included their financial issues in 2012 and the failure to complete a Victorian Government contract for construction of a new prison?

17. ANSWER:

Yes

18. Can you confirm that the wording the 2014 Procurement Board Direction, known as PBD-2014-01 that deals with the issue of Conduct By Suppliers under the heading *Dishonest, unfair, unreasonable, corrupt or otherwise illegal conduct by suppliers*, reads in part that agencies will "...not do business with suppliers with a history of poor performance, inappropriate conduct, or fail to meet requirements of suppliers under this Framework".

18. ANSWER:

No. PBD-2014-01 does not include this statement. This statement is on page 19 of the NSW Procurement Policy Framework: *"Suppliers should note that agencies, as the entities responsible for the expenditure of public moneys, will ... not do business with suppliers with a history of poor performance, inappropriate conduct, or fail to meet requirements of suppliers under this Framework."*

19. Can you confirm that the implementation of the 2014 Procurement Board Direction known as PBD-2014-01 is marked as a "Mandatory Requirement"?

19. ANSWER:

Yes. NSW Government agencies compliance with PBP 2014-01 is mandatory.

20. Do you understand the term "mandatory" to mean that there is no choice, that it is compulsory, that there is no room for flexibility?

20. ANSWER:

Section 176 of the *Public Works and Procurement Act 1912* provides that a government agency is to exercise its functions in relation to procurement in accordance with any policies and directions of the NSW Procurement Board that apply to the agency.

21. What elements and efforts will now form part of your new process to consider Tendering company histories, a new process that you told Budget Estimates had come into place as at Friday September 1, 2017, that did not already exist under PBD-2014-01?

21 ANSWER:

The NSW Procurement Board has directed all NSW Government agencies to include the following criteria in all Expressions of Interest and Requests for Tender for construction projects:

- *demonstrated ability to deliver a project without exposing the Government or the community to an unacceptable or adverse actual or reputational risk, including:*
 - *delivery of previous projects (time / quality / cost)*

- *maintenance of good corporate citizen status (litigation /solvency / media scrutiny / government relations / relationship with sub-contractors)*
- *commitment to, and engagement with, the local region / community.*

22. How exactly did the existing procurement policies, codes and practices, and Procurement Board Directions fail your now acknowledged need to review the suitability of Tendering companies, such that those who have a tarnished track-record, in considering whether or not they should be awarded tenders?

22 ANSWER:

While there was an expectation that a tenderer's corporate history would be taken into account when it was relevant to do so, the Procurement Board determined that this specific consideration should be made a direction to all agencies to avoid ambiguity about what was expected of agencies in assessing responses to Expressions of Interest and Requests for Tender.

Procurement – Serco

23. Are you familiar with the role and work of Serco Citizen Services (Serco), particularly in Australia?

23. ANSWER

I am advised that Serco Citizen Services Pty Ltd provides a range of services for governments in Australia.

24. Was Serco invited, by the NSW Government to apply to become an "approved person" of Service NSW?

24. ANSWER

I am advised that Serco Citizen Services Pty Ltd is a member of the Australian Taxation Office's supplier panel, and submitted a tender in response to a request put to that panel for the provision of overflow and after hours contact centre services at Service NSW. An alternate supplier was awarded the tender.

25. Do you have any understanding or knowledge of the performance of Serco in managing and running prisons in New Zealand?

25. ANSWER

No.

26. Do you have any understanding or knowledge of the performance of Serco in providing custodial services and support to the Western Australia Government?

26. ANSWER

No.

27. Do you have any understanding or knowledge of the performance of Serco in managing Australia's immigration detention centres?

27. ANSWER

No.

28. Do you have any understanding or knowledge of the performance of Serco in managing public hospitals in the United Kingdom?

28. ANSWER

No.

29. Are you aware the Western Australian Government has fined Serco many times for repeated contract failures?

29. ANSWER

No.

30. Do you have any concerns in respect to Serco's delivery of services?

30. ANSWER

As at 13 September 2017, I am advised that Serco Citizen Services Pty Ltd does not provide any services for Service NSW.

31. Does there need to be a re-think as to the suitability of Serco to be an "approved person" for the sake of providing Service NSW services?

31. ANSWER

I am advised that as part of a tender process, Service NSW leveraged the existing panel of suppliers to the Australian Taxation Office for the provision of overflow and after hours contact centre services. At this time, Service NSW has no plans to engage Serco Citizen Services Pty Ltd.

Property NSW – Number and Value of Government Assets

32. Are you aware and can you confirm that the then Finance, Services and Property Minister, in 2015, told Budget Estimates (transcript pages 5-6) that the value of property assets held on the Property NSW register was "more than \$60 Billion"?

32. ANSWER:

I have reviewed and note the transcript.

33. Can you confirm that you, as Minister for Finances, Services and Property in 2017, told Budget Estimates that the value of property assets was “\$142 Billion”?

33. ANSWER:

Yes.

34. How do you explain the significant shift in property asset value between 2015 when it was valued at something close to \$60B, and 2017 when it was valued at something close to \$142B?

34. ANSWER:

The value of Land and Building assets in the Government balance sheet as at 30 June 2017 (Revised) is \$142.3 billion, including \$72.4 billion owned by General Government Sector agencies and \$69.9 billion owned by Public trading Enterprises including State Owned Corporations.

35. Given that Budget Estimates was told in 2015 (transcript page 7) that the Property NSW register held 277 400 listed properties, now, in 2017, what is the number of properties held on the Property NSW register?

35. ANSWER:

The number of properties held on the Property NSW register as of 12 September 2017 is **283,414**.

Property NSW – Property Sales that are not transacted by Property NSW

36. Given that Mr Newman told Budget Estimates that “there are a number of significant agencies who have their own asset sales programs for which we are not responsible...” can you identify the Government agencies that handle their own asset sales?

36. ANSWER:

UrbanGrowth NSW, Landcom and NSW Land and Housing Corporation (LAHC) are responsible for their own programs (other than the Millers Point sales program which is managed by PNSW on behalf of LAHC).

37. Are any of the figures referred to during the Finance Services and property Budget Estimates, 20000+ properties sold at a value of more than \$9B, inclusive of figures and data from those separate Government agencies that have their own asset sales program?

37. ANSWER:

Yes, the data includes Government agencies that have their own asset sales programs.

38. Can figures be provided from the annual property asset sales that include “government agencies and public trading enterprises, including State Owned Corporations...”, as per Mr Newman’s testimony, so as to show what portion of sales from within Government departments, separately, from the property asset sales of the State Owned Corporations?

38. ANSWER:

Information relating to asset sales is available on a cluster by cluster basis on the Property NSW Website.

NSW Human Services Agreement

39. Have the Government received various concerns raised by many NGO agencies in relation to the new Human Services Agreement and could these concerns be classified as serious and considerable?

39. ANSWER:

A public consultation process was completed in October 2017 and this showed broad support from the NGO sector for the development of a single contract for human services procurement.

DFSI is collaborating with the Department of Family and Community Services, NSW Health and the Department of Education to provide a thorough response. DFSI has kept the respondents updated on the progress of this work.

40. How and when will the Government address the concerns raised?

40. ANSWER:

The NSW Human Services Agreement is a Prescribed Template. Agencies can amend the Agreement to ensure the contract is fit-for-purpose for the contracted human services. These amendments must be approved by the agency's General Counsel (or external legal counsel) and its Chief Procurement Officer. Procurement Board Direction 2017-01 Procuring human services from NGOs requires agencies to report amendments to the Human Services Category Management Working Group annually.

The Agreement will be reviewed annually to ensure that NSW Government applies lessons learned and continues to improve the Agreement.

The NSW Procurement Board will be responsible for approving any recommended changes. The Board consists of Secretaries from all NSW Government Departments. This ensures senior oversight of the Agreement and allows Government to incorporate perspectives from all the relevant sectors.

41. Can the NSW Government reassure small to medium NGOs across NSW that the new Human Services Agreement will not be implemented until these problems, the concerns that have been raised, are corrected?

41. ANSWER:

The NSW Human Services Agreement was approved for voluntary use by agencies from 1 May 2017, and mandated as the Prescribed Template for all new contracts signed from 1 August 2017.

All feedback will be considered as part of the annual review process.

School Cleaners

42. What written guarantees with the Government provide to current cleaners in schools, TAFEs and other government sites across New South Wales in relation to their employment under the new contract commencing on 1 July 2018?

42. ANSWER:

Since 1994, cleaners have been employed by private sector contractors.

Cleaners pay and conditions will continue to be protected by the Fair Work Act (2009) and relevant industrial awards.

Cleaners will continue to have long service leave paid into the Contract Cleaning Industry Portable Long Service Leave Scheme, as has been the case since 2011, accruing entitlements even when they change employers.

Cleaners will continue to be paid wages by their employer based on the hours worked.

43. What best practice industry standards are the Government intending to build into under the 2018 Whole of Government Facilities Management (Cleaning) contract?

43. ANSWER:

The NSW Government has a responsibility to ensure resources are allocated for services which provide the best value for money for taxpayers, however in negotiating a new facilities management contract the Department will also seek to ensure that the services delivered under the contract are consistent with industry best practice across all facilities. The Department advises that the current industry best practice relies on a transparent, per square metre standard, with cleaning services contracted to providers based on how many square metres are cleaned. A standard per square metre model will ensure the amount of cleaning at different locations is on a set standard that applies equally across NSW. Under the new contract the Government will pay fair and competitive market rates for cleaning and maintenance services.

44. Do you agree that cleaning a school classroom would be significantly different from cleaning a corporate office space or a shopping centre floor?

44. ANSWER:

School cleaning in NSW has a specific scope of work, which will continue under the new contract.

45. What steps will be taken to ensure that the industry standard that is used will be like for like, so that there is not an expectation that cleaning a school will be treated the same as cleaning some other, much simpler and easier venues?

45. ANSWER:

Any changes that may occur in the delivery of cleaning services will not impact on quality. Cleaning providers will continue to be held accountable through standards written in contracts, Key Performance Indicators (KPIs) and inspections conducted at each site. Surveys of schools conducted by principals, and senior staff at other sites, will also be carried out so any issues can be quickly reported and addressed.

46. What is the resource allocation in cleaning hours (or minutes) and materials to clean one standard demountable classroom building in a NSW government school currently and how will that change in the new contract from 1 July 2018?

46. ANSWER:

The cleaning contract is currently hours based set on historical resource allocations. There is no time allocation applied to clean any one room or building. The total cleaning hours allocated to any site covers classrooms, corridors, hallways, staffrooms, gymnasiums and common areas.

47. What advice has the Department of Finance, Services and Innovation received on recommended methods for achieving cost savings under the 2018 Whole of Government Facilities Management (Cleaning) contract?

47. ANSWER:

Infosys Portland has been engaged to review the methods to be applied by Property NSW to deliver the new Whole of Government Facilities Management (Cleaning & Maintenance) contract and contract savings.

48. What methods to achieve the 30% cost saving, referred to during Budget Estimates, were recommended in the KPMG report?

48. ANSWER:

Property NSW has not set a 30% cost saving target for the new contract.

49. Will you provide a copy of the KPMG report, as a matter of public record, or at the very least to the affected school cleaner?

49. ANSWER:

Property NSW has not set a 30% cost saving target for the new contract.

50. What calculations are made, if any, to allocate resources to clean schools and TAFE campuses under the current Whole of Government Facilities Management (Cleaning) contract?

50. ANSWER:

The existing contract provides cleaning services according to an outdated historical formula based on fixed hours at different locations. This has resulted in an uneven distribution of cleaning hours across locations of similar size and need. It has not kept pace with industry best practice which relies on a transparent, per square metre standard.

51. Is there any consideration in resourcing cleaning in government education sites under the Whole of Government Facilities Management (Cleaning) contract for changes to enrolment numbers of students for those educational institutions?

(a) For example, if a Public School has experienced a 20% increase in enrolments over the past five years, is it allocated any extra cleaning hours or resources to deal with the greater number of students?

(b) If so, what is the methodology for calculating those resources?

51. ANSWER:

Yes, where there is an increase in the floor area occurs (for example if new classrooms are built or demountable classrooms added to a site) a variation of the cleaning contract is applied to cover the additional space.

a) Yes, but based on an increase in floor area.

b) The cleaning contractor receives a variation based on the additional square metres and additional cleaning time is added to the site.

52. Is it the case that the Whole of Government Facilities Management (Cleaning) contract to be let in 2018 will give cleaning contractors the opportunity to clean school classrooms less frequently than once every school day?

52. ANSWER:

No. There will be no change to cleaning standards in schools under the new contract.

53. How often does the Minister believe a school classroom should be cleaned?

53. ANSWER:

The standard specification in place is daily and there will be no changes under the new contract.

54. Will the Whole of Government Facilities Management (Cleaning) contract to be let in 2018 allow head contractors to subcontract cleaning of government schools to multiple subcontracting companies?

(a) If so, is it not true that multiple cuts of the funding will be taken at each level of contract and subcontract, resulting in less money going to the front line of cleaning our schools?

54. ANSWER:

No. Sub-contracting is intended to be a minor element of the new contracts. A reasonable level of sub-contracting to one layer, with approval of Property NSW, has the potential to achieve some positive outcomes including the following:

- To allow the National Disability Service, (NDS) who are an aggregator of Australian Disability Enterprises, (ADEs) to contract people with disability to the providers under a single layer sub-contracting model
- To allow Aboriginal businesses to participate
- For cleaning SMEs to provide sub-contracted cleaning employees in areas where it is difficult to source direct employees, or to complete infrequent periodical works such as special cleaning services in addition to established routine cleaning.

(a) Multi-layered subcontracting will not be permitted under the new contract.

55. Will the Whole of Government Facilities Management (Cleaning) contract to be let in 2018 allow any cleaning companies to engage workers (including Aboriginal and Torres Strait Islanders and workers with a disability) at pay rates that are below the Fair Work Commission Modern Award for Cleaning Services 2010?

(a) If so, what will those industrial arrangements be?

(b) What budget savings are estimated to be achieved under this strategy?

55. ANSWER:

There is no strategy to achieve contract savings by paying Aboriginal or Workers with disability below award rates.

56. What is the total cost of the Whole of Government Facilities Management (Cleaning) contract in the financial years:

- (a) FY 2016-17
- (b) FY 2015-16
- (c) FY 2014-15
- (d) FY 2013-14

(e) FY 2012-13

(f) FY 2011-12

56. ANSWER:

The recorded cleaning costs:

(a) FY 2016-17 - \$340.9m

(b) FY 2015-16 - \$334.3m

(c) FY 2014-15 - \$325.2m

(d) FY 2013-14 - \$319.0m

(e) FY 2012-13 – \$311.5m

(f) FY 2011-12 - \$292.6m

These annual figures do not include maintenance.

57. What are the forward estimates of the cost of the Whole of Government Facilities Management (Cleaning) contract commencing 1 July 2018?

57. ANSWER:

The contract price will be released at award of contract in accordance with NSW government tendering processes.

58. What is the increase or decrease in cost expected in the FY 2018-19 of the Whole of Government Facilities Management (Cleaning) contract?

58. ANSWER:

Property NSW will be working to achieve best value for agency clients and NSW taxpayers.

Service NSW – Licence Printing and Delivery

59. What was the cause of the Service NSW error in April 2017, when it sent 2693 pieces of mail containing highly secure information to the wrong addresses?

59. ANSWER

An external review of card operations that was undertaken after the error occurred confirmed that the cause was human error. The review made 12 recommendations to strengthen card operations processes to prevent recurrence, and Service NSW is actioning these recommendations. The review report is publicly available on the Department of Finance, Services & Innovation website.

60. Have all 2693 mailing errors now been rectified?

60. ANSWER

I am advised that customers were notified, all cards have been cancelled and customers have been issued with replacement photo cards.

61. Is the printing and production of licences, photo ID cards, Disability Parking Permits, Security Licences, Firearms Licences and other licencing material done within Service NSW and by Government public sector employees, or is it outsourced?

61. ANSWER

I am advised that all printing and production of photo cards is done within secure Service NSW Card Operations facilities by Government public sector employees with assistance from skill hire staff when required and is not outsourced.

62. Is the preparation and addressing of mail that contains licences, photo ID cards, Disability Parking Permits, Security Licences, Firearms Licences and other licencing material done within Service NSW and by Government public sector employees, or is it outsourced?

62. ANSWER

I am advised that all preparation and addressing of photo card-related mail is done within secure Service NSW Card Operations facilities by Government public sector employees with assistance from some skill hire staff when required. This function is not outsourced.

63. Was the problem of the 2693 incorrectly addressed and delivered licences, in April 2017, the fault of an internal Government department, or an external outsourced agent?

63. ANSWER

It was a human error. Service NSW card operations are not outsourced.

64. What is the average wait time for a citizen that has ordered and paid for a licence and/or a photo card ID between payment and delivery?

64. ANSWER

I am advised that customers can expect to receive their photo card within 10 working days.

Workers Compensation

65. Minister, what is the current surplus of the Workers Compensation Scheme?

65. ANSWER

The Workers Compensation Insurance Fund position advised by icare at December 2016 was:

- Total assets = \$17.832 billion

- Total Liabilities (80% Probability of Sufficiency (PoS)) = \$15.947 billion
- Surplus (80% PoS) = \$1.885 billion
- Funding ratio (80% PoS) = 112%
- Funding ratio (75% PoS) = 115%

For the current financial position of the Scheme, the question should be directed to the Treasurer, who has ministerial responsibility for icare. icare, on behalf of the Nominal Insurer, has principal responsibility for the actuarial valuation of the New South Wales Workers Compensation Scheme.

66. What is the projected surplus over the next four financial years?

66. ANSWER

This question should be directed to the Treasurer.

67. How many people, currently on the Scheme, will no longer be entitled to payments under S39 from:

- (a) September 2017?
- (b) October 2017?
- (c) November 2017?
- (d) December 2017?
- (e) January 2018?
- (f) February 2018?

67. ANSWER

As at August 2017, up to 3713 workers are projected to have received 260 weeks of weekly payment entitlements between September 2017 and February 2018. By month, this is as follows:

September 2017 – 6
October 2017 – 16
November 2017 – 13
December 2017 – 1882
January 2018 – 1459
February 2018 – 337
Total – 3713

The majority of impacted workers (approximately 98%) were injured prior to 2012, meaning the 260 week count commenced from 1 January 2013, regardless of how many weeks of weekly payments already received.

68. What transitional arrangement or support has been organised or established to assist those whose weekly payments will end in the coming months?

- (a) What exactly does this program or support involve?
- (b) Will mental health support be included in the program?
- (c) What has been the total cost to initiate, establish and implement this program or support?
- (d) What are the ongoing costs for this support?
- (e) How will this program be funded?

68. ANSWER

SIRA has established a dedicated Support and Information Service for workers and stakeholders who require additional guidance and support regarding section 39 of the *Workers Compensation Act 1987*.

(a) The Support and Information Service is a telephone and email resource that provides an additional channel to provide guidance and support. This service has been utilised by workers, family members, insurers, service providers and legal representatives, and has assisted with general inquiries regarding section 39, in addition to linking workers who may require more intensive support to community support services. This service provides information on, or direct links to, community services, depending on the workers needs and circumstances, through the Human Services Network (HSNet) and Ability Links NSW.

(b) Impacted workers are encouraged to liaise with their treating practitioners regarding their injury and associated treatment requirements. The Support and Information Service may assist by linking workers or immediate family members / carers who require support to an appropriate mental health or community service.

(c) The Support and Information Service has been established within SIRA's existing Advisory centre with no additional costs. The Human Service Network and Ability Links are existing Government services, which are not funded by the workers compensation system.

(d) There are no additional ongoing costs.

(e) The service is funded within existing operational expenditure.

69. Since 2012, how many workers have been cut off from receiving weekly payments even though they continue to be impacted by injury and unable to work?

69. ANSWER

Workers may cease entitlements to weekly payments due to a variety of circumstances. As at August 2017, no injured worker's entitlements to weekly payments have ceased due to the 260 week limit under section 39.

70. How many workers that would have been affected by Section 39 in the coming months, have been rehabilitated during 2017, and have left the workers compensation scheme prior to the 5 year time expiry that looms?

70. ANSWER

Initial projections indicated approximately 7000 workers will have reached 260 weeks of weekly payments between the period September 2017 and June 2018. As at August 2017, this is now estimated at approximately 4,400. More than 1,200 of these workers have been assessed at more than 20 per cent permanent impairment, therefore remaining in the scheme.

71. What has SIRA done in terms of decreasing the number of workers affected by the 5 year time expiry of S39?

(a) What exact programs has SIRA implemented/started in relation to efforts to decrease the number of workers affected by this 5 year time limit under S39?

(b) Who have they partnered with if anyone?

71. ANSWER

SIRA has been working closely with all insurers and broader Government services to ensure impacted workers are provided with timely support and communication. In mid-2016, SIRA required each insurer to develop a transition strategy and to ensure all impacted workers had an individual transition plan and, where required, an assessment of permanent impairment obtained.

SIRA has provided education and guidance to insurers, including a range of educational material and fact sheets, with relevant information also available on SIRA's website. SIRA has worked closely with the Workers Compensation Independent Review Office and the Workers Compensation Commission to ensure impacted workers are able to access legal advice and dispute their assessment of permanent impairment, where appropriate.

SIRA also made amendments to the existing vocational programs provided for under section 53 of the *Workplace Injury Management and Workers Compensation Act 1998*, to allow workers impacted by section 39 to access existing vocational and rehabilitation programs. Working in partnership with Centrelink, impacted workers can apply to *Centrelink* up to 13 weeks (as opposed to two weeks) in advance of the cessation of entitlement to weekly payments. This added timeframe will ensure no potential delays are incurred in accessing payments and services offered by Centrelink.

SIRA's Support and Information Service established links with HSNet and Ability Links to ensure impacted workers and other stakeholders are able to access local community support and services, depending on their individual circumstances and need.

72. How does SIRA monitor the performance of self-insurers?

72. ANSWER

SIRA has established an Insurer Supervision Model to identify insurer risk and supervise performance of insurers to mitigate these risks. The model consolidates information across many functions to provide data and intelligence to drive proactive management of risks by both SIRA and insurers. The Insurer Supervision Model assesses insurers' compliance and performance in the areas of the insurer conduct, claims management and prudential management; and incorporates a continuous improvement approach.

SIRA is currently transitioning to a new Self Insurance Licencing Framework. Workers Compensation self-insurers will be formally transitioned to the new framework between 1 July 2017 and 31 December 2017. The Insurer Supervision Model will be used to monitor and support this transition process. This includes tiering Self Insurers based on performance. Tiers (high, mid, low and end) are based on compliance and risk measures.

73. How does SIRA monitor the performance specialised insurers?

73. ANSWER

Specialised insurers are monitored in a similar way to self-insurers through the Insurer Supervision Model.

74. What data is available in relation to the complaints and queries received with regard to performance of self-insurers and specialised insurers?

74. ANSWER

Complaints and enquiries are received by SIRA's Customer Service Centre via the call centre. The majority of these complaints are referred to the insurer for resolution (categorised as Level 1). Those complaints involving more serious or complex issues, or those that are unable to be resolved at Level 1, are escalated to the SIRA's Customer Care Team to manage and resolve with the insurer (categorised as Level 2).

SIRA holds data on the number and nature of Level 1 and Level 2 complaints and the responsiveness and resolution timeframe of Level 2 complaints by insurer. Outcomes for Level 2 complaints may include a regulatory response, or appeal and internal review by SIRA, should the management of the complaint identify a non-compliance issue. The complaints data is also used within the Insurer Supervision Model to assess insurers' performance in quickly resolving customer's concerns and identify any emerging risks.

75. Does the Government have any legislated power to intervene, if necessary, in the performance of a self-insurer and/or a specialised insurer and if so, under what statutory power?

75. ANSWER

SIRA has the following legislative powers that apply to self-insurers and/or specialised insurers, except Coal Mines Insurance and deemed self-insurers under section 211B of the 1987 Act-

(i) Power to impose such conditions which are not inconsistent with the Act or regulations at any time during the currency of a specialised or self-insurer licence under sections 181 and 212 of the *Workers Compensation Act 1987*.

(ii) SIRA may cancel or suspend a licence granted for any reason it thinks fit (including reasons that relate to the efficiency and conduct of the licensed insurer) under section 183 of the 1987 Act.

(iii) SIRA may issue a letter of censure or impose a \$50,000 penalty for breach of licence conditions, a breach of the Act or regulations under section 183A of the 1987 Act.

76. What factors led to the \$1B change in the financial position of the Workers Compensation scheme over the past 6 months, as per your evidence to Budget Estimates?

76. ANSWER

A detailed actuarial explanation of factors has been provided by icare in its publication '*Nominal Insurer Liability Valuation as at 31 December 2016*'. It is available on SIRA's website.

Land and Property Information – Land Title and Registry

77. What was the 16/17 financial year profit for the Land Title & Registry Services within LPI?

(a) Does this include any deductions for other LPI operations and if so, what is the value of these deductions?

77. ANSWER

This information will be available in the 2016/17 Department of Finance, Services and Innovation Annual Report.

78. What was the 15/16 financial year profit for the Land Title & Registry Services within LPI?

(a) Does this include any deductions for other LPI operations and if so, what is the value of these deductions?

78. ANSWER

This information will be available in the 2016/17 Department of Finance, Services and Innovation Annual Report.

79. What was the 14/15 financial year profit for the Land Title & Registry Services within LPI?

- (a) Does this include any deductions for other LPI operations and if so, what is the value of these deductions?

79. ANSWER

In 2014-15, LPI operated as a single agency. Material indirect costs such as Corporate Costs, ICT, and others were not allocated down to Titling and Registry Services or other areas of LPI operations. Consequently the requested information is not available.

80. How many fee free services have been removed from operations since the new private operators took over the Land Title and Registry Services on July 1, 2017?

80. ANSWER

Nil.

81. How many new, fee incurring services have been introduced since the new private operators took over the Land Title and Registry Services on July 1, 2017?

81. ANSWER

Nil.

82. Are you aware of the new compatible software that the private operators of the Land Title & registry Service have required interacting external businesses to have, since they took over operations on July 1, 2017?

(a) Are you aware how much the software costs and can you state that cost?

(b) Are you aware as to whether this is a one-off cost or whether it is annual?

(b) Are you aware how many external businesses, large and small, were required to get the software to allow them to continue to interact with the Land Title & Registry Service

82. ANSWER

Since 1 July 2017, there are no new software requirements for external businesses to interact with LPI.

(a) As per response to 82 above.

(b) As per response to 82 above.

(c) As per response to 82 above.

Central Registration of Restriction Errors along the F6 Corridor

83. Are you aware of the role of the Central Register of Restrictions?

83. ANSWER

Yes

84. Where does the CRR sit within Land and Property Information?

84. ANSWER

Within the Customer Services division of the private sector operator of LPI.

85. How many properties along the F6 road corridor were affected by the CRR failure to register the road interest over the land title?

85. ANSWER

205 properties received inaccurate information relating to the proposed F6 project during the period 27 June to 24 October 2016.

86. Did the Government take the time to contact each affected property owner impacted by the CRR failure to register along the f6 corridor?

(a) What method was this contact – phone, email, meeting, home visit?

(b) What advice, suggestions or information were the property owners provided when they were contacted?

86. ANSWER

The Government sought to ensure all Property Owners were informed of the error as promptly as possible. This included Government representatives visiting owner occupied properties in person (to the extent owners were available), contacting owners by letter at the address on record for serving of notices, by phone in some instances and by notifying the solicitors and conveyancers of owners involved during the original purchase.

Initially, an apology and a fact sheet were provided to property owners. The fact sheet included information on what the CRR is; when the CRR is used; what error had been made; what is being done to resolve the issue and next steps.

Subsequently the Government wrote to Property Owners advising them that;

- I. An independent investigation of the incident had been conducted and appropriate changes and controls were identified to prevent a reoccurrence.
- II. Given the unique circumstances, Professor Allan Fels AO and Professor David Cousins AM had been engaged to provide independent advice to Government on the impact of the error and any potential compensation arrangements. Property Owners were invited to make submissions to Professors Fels and Cousins to inform their advice.
- III. The Independent Report and the NSW Government Response had been published and the compensation that would be provided.

(c) Were the property owners offered any financial compensation given the incredible distress caused by this bungle?

ANSWER

Yes, compensation is being provided to Property Owners who received incorrect information. The terms of the compensation are outlined in the NSW Government Response.

(d) Were any of these affected property owner asked to sign a confidentiality clause that would prevent them from publicly discussing the bungle and how it had directly affected them?

ANSWER

No.

87. How much money has been spent by the NSW Government to address the CRR failure to register along the F6 corridor by way of:

- (a) Additional staff rostered to work weekend/nights/days at the time that the incident was first discovered, to service the hotline established by Government?
- (b) Additional staff rostered to work weekend/nights/days at the time that the incident was first discovered, to make proactive contact with residents, agents, conveyers and law firms?

ANSWER

On discovering the incident, the Government prioritised the resolution of the error using existing staff. In addition, the LPI call centre extended its operating hours and opened over the weekend with a total of 24 staff.

(c) Legal advice to Government?

ANSWER

The external legal costs that DFSI sought in relation to this matter are \$76,769.68.

- (d) Investigation of the matter by internal sources?
- (e) Investigation of the matter by external sources?

ANSWER

The Government commissioned an independent investigation conducted by PricewaterhouseCoopers. The cost of the investigation was \$119,114.00

The Government also sought independent advice from Professors Fels and Cousins in relation to the compensation for homeowners. The cost of this advice was \$48,000.

- (f) Compensation paid to affected parties?
- (g) Other costs?

ANSWER

Compensation and administration of the compensation is an insurable event. The Treasury Managed Fund (TMF) will manage the compensation process and have a contract with GIO to administer claims.

As at 3 September 2017, \$2,571,780 had been paid in compensation.

88. What actions have the Government implemented to ensure an incident of this magnitude does not occur again?

88. ANSWER

The NSW Government commissioned an independent investigation and released the investigation reports in full. The reports are publicly available on the Department's website at: <http://www.finance.nsw.gov.au/central-register-restrictions-crr>.

The NSW Government recently announced a 35 year concession with the private sector to run the titling and registry services operations of LPI (the Operator). In the new model, there is a contractual requirement for the Operator to report to the regulatory body, the Office of the Registrar General, on a monthly basis confirming that any CRR files received have been correctly uploaded and are providing correct responses to enquiries on the CRR database.

This enhanced reporting will provide greater certainty for Government, and prospective property purchasers who conduct a CRR search, that the information they receive is up to date.

Under the new contractual agreement between the NSW Government and the Operator, the State can impose financial penalties on the Operator if they do not perform required services, such as uploading information correctly to the CRR.

89. Did the Government receive advice that this error would not have been able to access the Torrens Assurance Fund for the purposes of compensation?

89. ANSWER

Yes.

90. Who has been commissioned to engage in the review of the application of a "broader economic benefit" test using Australian versus imported steel suppliers to ensure fairness between local and international suppliers when considering value for money assessment?

90. ANSWER

McKinsey & Company.

91. On what date did the review process commence?

91. ANSWER

24 April 2017

92. Has the review provided the Government with its findings and recommendations as of the Small and Medium Enterprise Policy Framework evaluation due to be completed by August 2017?

92. ANSWER

Yes. The review has provided analysis of the Small and Medium Enterprise Policy Framework and the findings are under review by the department.

93. When will the review report be published and made public?

93. ANSWER

This has yet to be determined.

94. What progress has been made on implementing the dashboard to report on the amount of Australian steel publicly available?

94. ANSWER

In August 2017 the NSW Government and Ernst and Young (EY) commenced liaising with steel manufacturers, distributors, fabricators, importers and principal contractors to collect NSW Government steel consumption data, and in July 2017 EY produced its Steel Industry Overview report.

95. Is the Government still planning to make the dashboard public by 1 October 2017?

95. ANSWER

The plan remains to make the dashboard publicly available by the end of 2017.

96. If not, why not?

96. ANSWER

See answer to Question 95.

97. Where will the dashboard information be available from?

97. ANSWER

It is planned that the dashboard will be publicly accessible on a Department of Finance, Services and Innovation (DFSI) website.

98. Given the mandating of the new Australian Steel Standard (AS/NZS 5131) will not take place until 1 October 2017, list the infrastructure tenders for projects which have been issued under the existing steel standard.

98. ANSWER

AS/NZS 5131:2016 Structural steelwork – Fabrication and erection is a new standard. It does not replace any existing standard.

99. Is the Government satisfied that NSW industry is ready and able to comply with the new mandated Australian Steel Standard from 1 October 2017?

99. ANSWER

The Construction Leadership Group which advises the NSW Procurement Board on construction is monitoring the capacity of industry to comply with AS/NZS 5131.

100. If so, will it publicly release the reports on which it has based this decision?

100. ANSWER

The Construction Leadership Group has not identified any report addressing the capacity of industry to comply with AS/NZS 5131.

101. If not, why not?

101. ANSWER

The Construction Leadership Group has not identified any report addressing the capacity of industry to comply with AS/NZS 5131.

102. Has the Australian Steel Institute provided any information on the successful independent accreditation of their steel standard compliance scheme?

102. ANSWER

The Australian Steel Institute provides third party accreditation to AS/NZS 5131 via its fully owned subsidiary Steel Compliance Australia. A list of the currently accredited organisations is provided in Steel Compliance Australia's website www.scacompliance.com.au/certified-companies

103. If not, why not?

103. ANSWER

This question is not applicable.

104. If so, is this information publicly available and from where?

104. ANSWER

A list of the currently accredited organisations is provided on Steel Compliance Australia's website www.scacompliance.com.au/certified-companies/

105. Has the Government reviewed the need to ensure protection for fabricators that raise concerns about steel quality directly with Government agencies?

105. ANSWER

I am advised that the Department of Finance, Services and Innovation plans to review this in consultation with agencies and implement the appropriate procurement measures as required.

106. If not, why not?

106. ANSWER

Refer to answer 105

107. If so, is this review publicly available and from where?

107. ANSWER

Refer to answer 105

108. What penalties will be in place for contractors who do not use steel that meets the new Australia Steel Standard (AS/NZS 5131)?

108. ANSWER

AS/NZS 5131 does not specify what steel needs to be used. It:

"...sets out minimum requirements for the construction of structural steelwork involving fabrication, preparation of steel surfaces for corrosion protection, corrosion protection comprising painting and galvanizing, erection and modification of steelwork".

Failure to comply with the standard will be a breach of contract and will be addressed through usual contract management processes.

Infringements collected by Revenue NSW

109. How many parking infringement notices were issued by the following Local Governments during the financial year 2016-17, were referred to Revenue NSW for collection:

- (a) Cessnock City Council
- (b) Maitland City Council
- (c) Singleton Council
- (d) Newcastle City Council
- (e) Dungog Shire Council
- (f) Port Stephens Council
- (g) Lake Macquarie Council
- (h) Muswellbrook Shire Council
- (i) Upper Hunter Shire Council?

109. ANSWER:

Council	Number of Penalties
Cessnock City Council	1,652
City of Lake Macquarie Council	2,665
Dungog Shire Council	-
Maitland City Council	534
Muswellbrook Shire Council	32
Newcastle City Council	27,728
Port Stephens Council	1,401
Singleton Shire Council	2
Upper Hunter Shire Council	1
	34,015

110. How many of these infringements were challenged or contested in each LGA?

110. ANSWER:

Council	Requests for Review	Court Elections
Cessnock City Council	236	10
City of Lake Macquarie Council	445	16
Dungog Shire Council	-	-
Maitland City Council	172	4
Muswellbrook Shire Council	8	1
Newcastle City Council	3,213	56
Port Stephens Council	259	5
Singleton Shire Council	-	-
Upper Hunter Shire Council	-	-
	4,333	92

111. What avenues did people pursue to contest their infringement notices?

111. ANSWER:

Requests for Review

Council	Post	Online	Grand Total
Cessnock City Council	64	172	236
City of Lake Macquarie Council	107	338	445
Maitland City Council	69	103	172
Musw ellbrook Shire Council		8	8
New castle City Council	358	2,855	3,213
Port Stephens Council	44	215	259
	642	3,691	4,333

Court Elections

Council	Post	Online	Grand Total
Cessnock City Council		10	10
City of Lake Macquarie Council	2	14	16
Maitland City Council	1	3	4
Musw ellbrook Shire Council		1	1
New castle City Council	6	50	56
Port Stephens Council	1	4	5
	10	82	92

112. How many people were successful in having their infringements waived?

112. ANSWER:

Request for Review Outcome

Council	Cautioned	No Actioned
Cessnock City Council	20	9
City of Lake Macquarie Council	56	31
Dungog Shire Council		
Maitland City Council	78	11
Musw ellbrook Shire Council		
New castle City Council	656	139
Port Stephens Council	53	15
Singleton Shire Council		
Upper Hunter Shire Council		
Grand Total	863	205

113. What percentage of each penalty collected by Revenue NSW was returned to each of the abovementioned Councils?

113. ANSWER:

100% of revenue collected is returned to each of the abovementioned Councils when payment is received from the customer.

114. What percentage of each penalty collected was kept by Revenue NSW?

114. ANSWER:

NIL

NB: Revenue NSW invoice the Councils on a monthly basis for a processing fee, this fee is per penalty collected. See table below for fee structure:

Council	Fee (\$)
Cessnock City Council	19.21
City of Lake Macquarie Council	19.21
Dungog Shire Council	21.46
Maitland City Council	21.46
Muswellbrook Shire Council	19.21
Newcastle City Council	19.21
Port Stephens Council	19.21
Singleton Shire Council	21.46
Upper Hunter Shire Council	21.46

115. In terms of the finances kept by Revenue NSW, where were they directed?

115. ANSWER:

Revenue from Council fees contributes to paying for Revenue NSW operating expenses.

Fuel Check

116. How many downloads of the Fuel Check NSW app has been made since it was launched in 2016?

116. ANSWER:

FuelCheck is not an app. FuelCheck was built as a mobile-friendly website and has always been available on smart devices such as phones and tablets.

117. Why is Fuel Check still in beta form?

117. ANSWER:

FuelCheck is not in beta form and hasn't been since January 2017.

118. Why is it that people are unable to download the app from app stores and providers on their smart devices?

118. ANSWER:

FuelCheck was built as a mobile-friendly website and has always been available on smart devices such as phones and tablets.

119. Are there plans to improve the accessibility to allow the app to be downloaded from app stores and providers on smart devices?

119. ANSWER:

See 118

120. Has the Government partnered up with any start-ups to achieve this?

120. ANSWER:

Not Applicable.

121. Prior to the release of the Fuel Check NSW app, which third parties did the Minister meet with to discuss the sharing of data and information from the app?

121. ANSWER:

All meetings with Ministers are listed in the relevant diary disclosures.

122. How many third parties were given access to the data and information before the release of the app?

(a) Who were these third parties?

122. ANSWER:

Prior to FuelCheck's release, the Department of Finance, Services and Innovation invited interested parties to attend one of two technical workshops on the same day in June 2016. API specification details were shared with all attendees at those workshops.

This gave them all the option to initially access a FuelCheck test environment, followed by production ('live') access if they chose to take it up. Prior to FuelCheck's public release, access to real time pricing data became available to the NRMA and major fuel retailers who were connected to FuelCheck via API.

The date on which major retailers started receiving data from FuelCheck depended on when they had completed testing and were ready to commence uploading their prices.

123. Was there a specific timeline in which these third parties had to adhere to before they could utilise the data for their own purposes?

(a) How was it made possible for the NRMA to launch their *my nrma* Application, on the sameday as NSW Government FuelCheck was launched, given that NRMA have acknowledged that they use the FuelCheck data to serve their own personalised application?

123. ANSWER:

See answer to question 122

124. When was the NRMA provided with this early information and data?

124. ANSWER:

NRMA's API access to live FuelCheck data started on 14 August 2016.

125. Have the Government been asked for, and allowed or refused access to, the same data set, so that other fuel watch Applications can be developed?

125. ANSWER:

Since FuelCheck's release, any person has been able to request and obtain FuelCheck API access which enables a data feed from FuelCheck. As of 15 September 2017, 52 parties had requested and obtained FuelCheck API access.

126. How much did the FuelCheck App cost to develop?

126. ANSWER:

FuelCheck is not an app. The FuelCheck website was developed within DFSI's existing resources by current staff. There was no incremental cost or allocation.

127. How much does the FuelCheck App cost on an annual basis to maintain?

127. ANSWER:

FuelCheck is not an app. All costs associated with the FuelCheck website are absorbed into the DFSI budget.

128. Has there been any investigation into the impact of FuelCheck on the small petrol station operators across NSW?

128. ANSWER:

Small petrol station operators across NSW have generally welcomed the advent of FuelCheck, with some noting an increase in business at their sites following its release.

129. Has there been any detected failures to comply with the requirements of accuracy of pricing for FuelCheck from operators large or small?

- (a) How were these failures detected?
- (b) How were these failures investigated?
- (c) Were any fines issued and if so, what were the size of the fines?

129. ANSWER:

Yes

(a) Members of the public reported allegations of a price mismatch to Fair Trading via the Fuelcheck app.

(b) As such there is no investigation, matters are assessed through data received by Fair Trading. The data collected is analysed and a risk assessment is conducted. Fair Trading Officers conduct on the spot inspections, both in response to complaints and proactively out in the field. Traders found in breach of legislation may receive trader education, warnings or fines.

(c) Yes, price mismatch is a breach of section 58(4)(b) of the Fair Trading Act 1987 and carries a penalty of \$550. As at 25 September 2017 there have been 14 infringement notices issued to Traders for price mismatch.

130. Has the FuelCheck App software, itself, had any failures since it was switched on:

- (a) How long was it before the problem was detected on each occasion?
- (b) How was the problem detected on each occasion?
- (c) What steps were taken to inform customers/users of the platform?
- (d) How long did it take to fix the problem on each occasion?
- (e) Was any compensation payable as a result of the problems?

130. ANSWER:

FuelCheck is not an app. FuelCheck was built as a mobile-friendly website and has always been available on all smart phones.

Yes, there was one incident, on Sunday, 22 January 2017.

- (a) The problem was detected at 9am on the following morning (Monday, 23 January 2017).
- (b) User notification to DFSI staff.
- (c) A prominent notification was temporarily placed on the FuelCheck landing page, alerting users to the fact that price information had not been updating correctly since the previous day.
- (d) Two hours.
- (e) No.

Compulsory Third Party

131. When does the Government expect to see the first discount in CTP premiums?

131. ANSWER:

Initial premium reductions of five per cent were achieved commencing 1 July 2017 as a result of the Government's efforts to address CTP scheme fraud and the escalation of small, legally represented claims.

Further premium reductions as a result of the new CTP scheme, averaging \$120 per vehicle, will coincide with the commencement of the new CTP scheme on 1 December 2017.

132. What tools will the Minister use to monitor the impact on CTP premiums?

132. ANSWER:

The State Insurance Regulatory Authority (SIRA) is the independent regulator of the CTP insurance scheme and possesses direct powers to set premium guidelines, monitor the performance of the scheme including premiums and has powers to ensure compliance by insurers in relation to premiums.

In transition, SIRA may direct insurers to achieve the targeted savings arising from the new scheme, and has further powers to ensure that insurers do not make excessive profits or losses as a result of the new scheme, and ongoing. SIRA may reject a premium increase if it is deemed excessive or does not comply with the premium setting guidelines.

SIRA also determines the appropriate cross subsidies within the scheme, and operates a risk equalisation mechanism to ensure that premiums remain affordable even for high risk vehicle owners.

SIRA obtains data direct from insurers regarding policies and premiums, as well as obtaining data in premium filings which must be lodged with the Authority. SIRA uses independent actuarial advice to monitor the scheme and ensure appropriate responses to emerging issues in relation to premiums.

133. Will the size and scope of discounts be publicly released when they occur?

133. ANSWER:

The reductions in new scheme premium relativities, and the associated average reductions in premiums, will be published. Insurers will continue to be able to offer discounts and loadings to individual vehicle owners, and so vehicle owners will still be encouraged to shop around to get the lowest price premium.

134. What have been the premium savings so far in relation to CTP insurance?

134. ANSWER:

See answer to Question 131.

135. Are insurers ready for the transition to the new model of CTP premiums?

135. ANSWER:

SIRA has worked closely with all insurers since the Bill was passed, including holding regular workshops and meetings. SIRA has developed an insurer readiness assessment tool to assist them to prepare for the claims process. All insurers have engaged substantial resources and change management teams and SIRA continues to work closely with the insurers to ensure readiness.

136. Which insurers have now received the necessary training to make the transition to the new model of CTP premiums?

136. ANSWER:

See answer to Question 135.

137. Which guidelines have SIRA developed for the new CTP premium model, since the Bill passed?

137. ANSWER:

SIRA finalised the guidelines relating to the *Determination of insurance premiums for third-party policies* which were published on 17 August 2017. Further guideline modifications are underway in relation to premium setting, in particular provisions relating to the Risk Equalisation Mechanism, Premium Relativities, and the Transitional Excess Profit & Loss arrangements.

New Motor Accident Guidelines for the new scheme are also in development, covering claims management, assessment of minor injury, insurer market practices, and dispute resolution. These are anticipated to be published in November 2017.

138. Are insurers now able to provide CTP premium data to SIRA in real time?

(a) If no, when can we expect this to occur?

138. ANSWER:

There are currently three insurers who send SIRA their CTP premium data weekly and as of 1 January 2018 all the insurers will be providing this data on weekly basis.

Insurers provide claims data on a daily basis, and in the case of one insurer, on an hourly basis. This is augmented by a detailed claims data return, made on a monthly basis. A new Universal Claims Database will be established with the commencement of the new CTP Scheme on 1 December 2017.

139. If no data is currently being sent in real time, how is fraud being monitored at the moment?

139. ANSWER:

The existing data feeds are sufficient to allow monitoring by SIRA. This monitoring is augmented by direct data analysis and investigations, along with reporting by insurers.

140. Why did SIRA engage consultants to manage the implementation plan?

(a) What is the cost associated with these consultants and what are their achievements with regards to implementation?

140. ANSWER:

SIRA has not engaged consultants, but has engaged additional resources with specialist skills to help with program management, to augment SIRA's permanent staff, reflecting the scale and complexity of this one-off implementation.

Data Analytics Centre

141. How many Full Time Equivalent staff were working at the Date Analytics Centre (DAC) as at July 1, 2015.

141. ANSWER:

The establishment of NSW DAC was announced by the Minister on 4 August 2015. The FTE count at 1 July 2015 was zero.

142. How many Full Time Equivalent staff were working at the Date Analytics Centre (DAC) as at July 1, 2016.

142. ANSWER:

The FTE staff count for NSW DAC at 1 July 2016 was 11 FTE.

143. How many Full Time Equivalent staff were working at the Data Analytics Centre (DAC) as at July 1, 2017.

143. ANSWER:

The FTE staff count for NSW DAC at 1 July 2017 was 32 staff.

144. How many of the current DAC employees have been recruited from inside Government agencies and how many have been recruited from outside agencies.

144. ANSWER:

Data Analytics is a highly specialised field. To meet the skills requirements, NSW DAC staff have been sourced from government, industry and research. This includes:

- 6 staff recruited from across government (3 from within the Department of Finance, Services and Innovation, one from the Department of Planning and Environment, one from the Department of Education and one from the Department of Family and Community Services)
- 26 contractors from the private sector and higher education.

Diversity is embedded in the organisational culture of NSW DAC. Personnel include 20 cultures who speak 17 languages other than English, 20 professional backgrounds, 4 people with a disability, a gender balance, and more than 1/3rd of staff hold a PhD.

145. What are the significant achievements of the DAC since its establishment?

145. ANSWER:

The NSW DAC has been involved in over 20 projects since its inception. Many projects are still in the early stages. Information about the DAC, and some of the projects it is involved in, are published on the DAC's website, at <http://www.dac.nsw.gov.au/projects>.

146. What has the DAC achieved in terms of analysing data provided by agencies?

146. ANSWER:

Refer to 145.

147. Since the DAC began working with individual agencies in 2015 and beyond, on different projects, to use data to improve outcomes:

- (a) What are the concrete results and figures?
- (b) Has domestic violence decreased in NSW as a result?
- (c) Has the time response of emergency services decreased since the DAC started with this project?

147. ANSWER:

(a) What are the concrete results and figures?

The DAC was mobilised in the FY2015-16.

\$11.17 million (recurrent) and \$0.6m (Capex) has been spent since inception.

The DAC has received revenue from other agencies \$2.4 million since inception.

(b) Has domestic violence decreased in NSW as a result?

In the last month, NSW DAC commenced a project supporting the Department of Justice. This project is to improve the quality of and increase access to relevant government services to make victims safer. This project is in its early phases. It is too early in the development process of the project for the impact of the DAC's work to be known.

(c) Has the time response of emergency services decreased since the DAC started with this project?

The findings from the data analytics have been provided to the sponsor agency, Fire and Rescue NSW.

148. What is the financial position of the DAC?

(a) Is there a publicly accessible Operating Statement?

(b) Is there a publicly accessible Balance Sheet?

(c) Will you ensure that an Operating Statement and Balance Sheet for DAC is made publicly available?

(d) What are the revenue streams for DAC and what are financial incomes from each of those revenue streams?

(e) How much money has it cost to set up and run DAC since its inception and what are the major outputs from DAC, as a result of that investment, since its inception?

148. ANSWER:

(a) No, DAC is a business unit of ICT & Digital Government within the Department of Finance Services and Innovation.

(b) Please refer to the response to 148 (a).

(c) Please refer to the response to 148 (a).

(d) Consolidated revenue has been made available along with fee for service revenue support for a number of projects.

The DAC works in partnership with NSW Government agencies to provide data analytics to inform policy development. The financial outcomes of the projects are a matter for the agencies commissioning the DAC's input.

(e) Please refer to the response to question 145 above.

149. Has the DAC used their legislative power to require agencies to forward data?

(a) If no, why not?

(b) If so, which agencies have been forced, by legislative power, to provide their data?

149. ANSWER:

No, the *Data Sharing (Government Sector) Act 2015*, and the role of NSW DAC are relatively new and being embedded into government business-as-usual.

150. Is the quality of the data provided from agencies of a satisfactory, or possibly even high standard?

150. ANSWER:

The quality of data varies between datasets within agencies.

In addition to sophisticated analytics, NSW DAC also specialises in bringing datasets together.

151. Is the data provided to DAC from various agencies, provided in real time?

151. ANSWER:

NSW DAC sources data from different government, industry and research groups as relevant to its projects.

Data analytics looks at trends and patterns, often real time data is not routinely required.

In addition to data analytics, NSW DAC provides some services to support the implementation of findings which support system and service redesign which use real time.

DFSI Redundancies

152. How many people were made redundant as a result of the DFSI restructure during the 16/17 financial year?

152. ANSWER:

412

153. How many FTE's were made redundant as a result of the DFSI restructure during the 16/17 financial year?

153. ANSWER:

408.5

154. What happened to the roles/positions within DFSI once the redundancies had been enacted?

154. ANSWER:

The redundancies arose because roles were consolidated due to restructures or other decisions.

155. How many contract workers were operating inside of DFSI prior to the restructure and redundancies of 16/17?

155. ANSWER:

761

156. How many contract workers are now operating inside of DFSI since the restructure and redundancies of the permanent work force in financial year 2016/17?

156. ANSWER:

As at 30 June 2017 – 1326

The introduction of Contractor Central across DFSI in 2017 has provided a consistent and structured process for the engagement of contractors, thereby giving greater oversight and visibility of DFSI's contingent workforce. The increased number of contractors is attributed to the significant increase in IT and innovation projects across various areas of DFSI, requiring highly specialised resources on a project basis. These roles are currently being resourced by a contractor workforce.

GOV Connect

157. What has the Government done since November 2016 to address the Auditor General's report in relation to the findings for GovConnect?

157. ANSWER:

Remediation of all outstanding ineffective controls from the 2015-16 financial year have been completed. Throughout the 2016-17 financial year, independent external auditors were engaged to test the ongoing internal controls and effectiveness of the remediation.

158. Is the quality of service provided by GovConnect measured or tested for performance?

158. ANSWER:

Yes

159. Are there marker, targets, milestones or key performance criteria for delivery of services by GovConnect and if so, how frequently are they tested and are the results made public?

159. ANSWER:

Yes, performance is monitored on a monthly basis. The results are not made public.

160. Is there a condition within the GovConnect contracts that demand a certain high level of service and allows for termination of the contract in the event that the service standard is not maintained?

160. ANSWER:

Yes

161. If GovConnet is not performing well, who does this impact?

161. ANSWER:

NSW Government Agencies that are purchasing services from GovConnect

162. How many agencies within the DFSI have moved away from paper-based and face to face processes in the last financial year?

162. ANSWER:

Agencies are encouraged to engage with Gov Connect via self-service, web portal, phone or chat services.

ICT Procurement

163. Prior to the release of Procure IT Framework version 3.2 did the Government consult with industry members?

(a) If so, was their feedback and suggestions taken on board?

i. If yes, what information?

ii. If no, why not?

163. ANSWER:

Yes, DFSI consulted with industry prior to the release of Procure IT v3.2. The feedback provided by industry was considered and a number of suggestions taken on board.

The Procure IT v.3.2 Framework Customer Contract and General Order Form documents were amended to take account feedback from suppliers in current whole of government contract negotiations, allowing some flexibility. Some of these changes include:

- **Customer Data**: Customer Contract clause 7.5 and General Order Form Item 25A: Customer may specify in General Order Form whether any State Records will be transferred to the Contractor's possession under the Contract, and if so, whether consent is granted to transfer State Records outside NSW, the jurisdiction(s) for which consent is granted, and the conditions on which such consent is granted.
- **Intellectual Property Existing Material**: Customer Contract clause 13.9 and General Order Form item 34 amended to provide flexibility for Customer and Contractor to agree the duration of the licence to use Existing Material and the basis on which it may be revoked.
- **Privacy**: Customer Contract clause 15 and General Order Form Item 25B: Amendments to require the Contractor to:
 - use Personal Information "only for the purposes of performing its obligations under the Customer Contract",
 - comply with any "reasonable" direction from the Customer with respect to remedying breaches,
 - "take all technical, organisation and other security measures reasonably within the Contractor's power to protect the Personal Information from misuse, interference and loss"; and

Amendment to the General Order Form permitting the Customer to specify up front whether consent is granted to transfer Personal Information outside NSW, the jurisdiction(s) for which consent is granted, and the conditions on which such consent is granted.

- **Audit**: Customer Contract clause 23.11 and General Order Form item 40A: Flexibility for parties to agree an alternate audit mechanism to that required under the Procure IT v.3.2 Customer Contract.
- **Consequences of Termination**: Customer Contract clause 25.9: Provision for Customer and Contractor to agree that the Contractor may provide the Customer with data by making such data available for download, provided

that it gives the Customer 30 days' written notice to the Agency Head and Customer CIO, and provided that such data be available for no less than 60 days in duration.

164. Does DFSI have a commitment to user-friendly documents, particularly those used through online platforms?

(a) What is being done to drive and deliver this?

164. ANSWER:

DFSI is guided by whole-of-Government policies on ensuring online platforms and documents focus on customer needs.

Where practical all content is rendered in HTML-pages. HTML pages are easily searchable, can be indexed by search engines and work with assistive technologies. If PDFs or other document types are required to meet stakeholders' needs these are developed so that they are searchable as part of the website search functionality, and the document content itself is fully searchable and it is WCAG 2.0 AA compliant. Documents and content are also being reviewed for Plain English and where appropriate content is being rewritten to make it easier to understand and act on.

DFSI continues to look for, and implement, new ways to understand and improve user experience on all our digital platforms.

165. Does DFSI have a commitment to user-friendly documents, particularly those used through online platforms, for suppliers who deal directly with the DFSI and other Government Departments?

(a) What is being done to drive and deliver this?

165. ANSWER:

NSW Procurement's current accessibility strategy is focused on improving digital accessibility for buyers, suppliers and staff. This strategy will be integrated into our customer experience project to make sure the digital procurement landscape meets accessibility requirements and promotes digital inclusion.

Our short term focus was on raising awareness of accessibility in the staff who are responsible for creating online content. This included presenting to staff on what accessibility means and following on with training on how to create accessible web content. As a direct result, teams are making positive changes and thinking differently about online content, including moving away from downloadable documents.

We are currently investigating a range of medium term initiatives to improve accessibility. These include further developing our existing HTML document templates, using more plain English on ProcurePoint, and making ProcurePoint mobile responsive by early 2018.

166. Do you believe the Procure IT Framework version 3.2 document is user-friendly?

166. ANSWER:

ProcureIT is a contractual legal framework that must be used when purchasing goods or services from the ICT Services Scheme.

It comprises up to 34 documents including the Head Agreement, Customer Contract, Schedules and Modules.

Procure IT v3.2 is designed to preserve important government principles of probity, value for money, competition, innovation and sustainable procurement.

As such, it is aimed to manage the different levels of complex risks associated with different types of ICT purchases.

167. Why is it that the document was only made available in beta format recently?

167. ANSWER:

The beta website was released publicly on the same day as Procure IT v3.2 was, that being the 1 July 2017.

On this date, all the content of Procure IT v3.2 was also made live in the Procure Point website.

168. What are the current plans of the government to make ICT procurement more agile?

168. ANSWER:

The NSW Government is commencing a project to review the Government's approach to ICT procurement. The project endeavours to reform frameworks, systems, platforms and tools to be more flexible, efficient, and easy to use.

Opportunities for reform, subject to consideration by the Procurement Board, will be scaled and embedded across the sector in the second half of 2018.

Services NSW Centre wait times

169. What was the average service wait time at the NSW Services Centre in Corrimal in the following years?

(a) 2016-17

(b) 2015-16

169. ANSWER:

2016 – 17, The average wait time was under 4 minutes.

2015 – 16, The average wait time was approximately 6 minutes.

170. What was the average service wait time at NSW Services Centres across NSW in the following years?

- (a) 2016-17
- (b) 2015-16

170. ANSWER:

The average wait time was approximately 7 minutes for both years.

Leniency appeals

171. How many fines were issued by the NSW Government in:

- (a) 2016-17
- (b) 2015-16

171. ANSWER:

- (a) 2016-17 3,030,178
- (b) 2015-16 2,936,196

172. How many applications for leniency were received by the NSW Government in:

- (a) 2016-17
- (b) 2015-16

172. ANSWER:

- (a) 2016-17 276,173
- (b) 2015-16 276,561

NB: Figures above include requests for review and court elections received.

173. On how many occasions was leniency granted following applications being received in the following years:

- (a) 2016-17
- (b) 2015-16

173. ANSWER:

Request for Review Outcome	2016/17	2015/16
Cautioned	51,144	57,524
No Actioned	16,735	15,691
Grand Total	67,879	73,215

Office Administration

174. How many staff are in your ministerial office?

(a) What was the average salary for staff members in your office during 2016-17?

(b) What is the estimated average salary for a ministerial staffer in your office in 2017-18 based on current appointments?

175. How many blackberries/iphones/smart phones are assigned to your staff?

(a) For each phone, how much was each bill in 2016-17?

(b) How many phones have been lost or replaced due to damage in your office?

i. What is the cost of replacing those phones?

176. How many iPads or tablets has DPC assigned to your Ministerial office and to whom have they been issued?

(a) What was the cost of providing iPads or tablets to your Ministerial Office in 2016-17?

(b) How many iPads or tablets have been replaced due to lost or damage in 2016-17?

i. What was the cost of replacing these devices?

177. Has any artwork been purchased or leased for display in your ministerial office in 2016-17?

(a) What is the cost of this?

178. Have any floral displays or indoor plants or potplants been hired or leased for display in your ministerial office in 2016-17?

(a) If so, what was the cost of these items?

179. Have any floral displays or indoor plants or potplants been purchased for display in your ministerial office in 2016-17?

(a) If so, what was the cost of these items?

180. What was the total cost of all subscriptions by you and your staff to online news services, newspapers, magazines, journals and periodicals in 2016-17?

(a) What are these services/newspapers/magazines/journals/periodicals?

i. Who is the subscriber for each of these?

181. What was the total amount your office spent on stationery?

182. What was the total value of all gifts purchased for use by you and your office in 2016-17?

- (a) What were the gifts purchased?
- i. Who were they gifted to?

183. Do you purchase bottled water or provide water coolers for your office?

- (a) What is the monthly cost of this?

184. What non-standard features are fitted to your ministerial vehicle?

- (a) What is the cost of each non-standard feature?

185. What was the total bill for your office in 2016-17 for:

- (a) Taxi hire
- (b) Limousine hire
- (c) Private hire care
- (d) Hire car rental
- (e) Ridesharing services

186. Were any planes or helicopters chartered by you or your office and paid for with public money in 2016-17?

- (a) If yes, will you please detail each trip, the method of transport and the cost?

ANSWER:

174. Ministers' staff numbers and salary bands are available on the DPC website. Refer to: http://www.dpc.nsw.gov.au/about/publications/premiers_and_ministers_staff_numbers

175. There were 240 smart phones allocated across the Ministerial Offices in 2016-17. The total usage cost of these smart phones and other mobile devices (including iPads) was \$269,644, a 53.4% per cent reduction on the 2008-09 expenditure of \$578,691. The cost of replacing any lost or stolen devices is claimed through the NSW Treasury Managed Fund. Repairs are funded by the Department of Premier and Cabinet, Corporate and Ministerial Services.

176. There were 139 iPads in use across the Ministers' IT network in 2016-17. The cost of replacing any lost or stolen devices is claimed through the NSW Treasury Managed Fund. Repairs are funded by the Department of Premier and Cabinet, Corporate and Ministerial Services.

177. Artwork in the Premier's office includes art donated at no cost and artwork on loan from the Art Gallery of NSW for which the Gallery charges a nominal subscription fee.

178 & 179. Floral arrangements purchased by the Ministry are managed within the office's budgets.

180. The Premier's office subscribes to a modest number of publications, the cost of which is managed within the office's budget.

181. Expenditure on stationery in 2016-17 across the Ministry was \$146,596. This includes the cost of printed stationery (business cards and letterheads).

182. Gifts are presented to dignitaries during overseas missions and to dignitaries visiting NSW.

183. No.

184. Ministers, the Leader of the Opposition, other nominated public office holders and certain former office holders are provided with official cars and drivers. During 2016-17 all costs associated with these vehicles were paid from the relevant office's budget.

185. Expenditure on taxis, hire cars and ride share services in 2016-17 across the Ministry was \$82,771, down from \$99,463 last year. This compares with 2009-10 expenditure of \$175,776.

186. Expenditure on charter flights for the Ministry totalled \$6,921 in 2016-17, down from \$28,706 last year. This compares with expenditure in 2009-10 of \$281,567.

Hospitality

187. How much did your ministerial office spend on hospitality, including catering and beverages, in 2016-17?

188. How much did your Department/agency spend on hospitality, including catering and beverages, in 2016-17?

ANSWER:

187. Expenditure on hospitality across the Ministry totalled \$32,021 in 2016-17- which includes catering for stakeholder meetings and courtesy calls with visiting dignitaries –

1889. Costs are managed within each agency's recurrent budget

Labour Hire Firms

189. Do any Departments/agencies within your portfolio responsibilities utilise the services of Labour Hire Firms? If yes, please advise in table form for 2016-17:

- (a) The names of the firms utilised
- (b) The total amount paid to each firm engaged
- (c) The average tenure period for an employee provided by a labour hire company
- (d) The longest tenure for an employee provided by a labour hire company
- (e) The duties conducted by employees engaged through a labour hire company
- (f) The office locations of employees engaged through a labour hire company
- (g) The highest hourly or daily rate paid to an employee provided by a labour hire company

ANSWER:

189. The Finance, Services and Innovation Cluster uses Labour Hire firms, in accordance with NSW Public Service policies to cover temporary vacancies as required. There are no

central records maintained, with operations authorised to make such arrangements, subject to their overall labour expense cap.

Media and Public Relations

190. How many media or public relations advisers are employed for each of your portfolio agencies and what is the total cost to employ these advisers?

191. What is the forecast for the current financial year for the number of media or public relations advisers to be employed and their total cost?

192. What is the total cost of media monitoring services used by Departments/agencies within your portfolio responsibilities?

193. By how much has the number of media or public relations advisers employed for each of your portfolio agencies increased since 2011-12 to the current date?

194. By how much has the expenditure on media or public relations advisers employed for each of your portfolio agencies increased since 2011-12 to the current date?

195. Have you had media training or speech training?

(a) If yes, who paid for it?

(b) If paid by taxpayers, what was the amount paid in 2016-17?

ANSWER:

190. DFSI staff numbers are included in the Annual Report.

191. DFSI staff numbers undertaking media or public relations activities are commensurate with need and can go down or up as required.

192. The NSW Government purchases all commercial media monitoring centrally through the Department of Premier and Cabinet which delivers significant savings through aggregated procurement.

193. A centralised media function was established for the DFSI in 2015.

194. A centralised media function was not established for DFSI until 2015.

195. No.

Facebook

196. How much did your ministerial office spend on Facebook advertising or sponsored posts in 2016-17?

197. How much did your Department/agency spend on Facebook advertising or sponsored posts in 2016-17?

ANSWER:

196. No taxpayer money has been spent on Facebook advertising or sponsored posts.

197. Where appropriate social media is used by agencies alongside other forms of advertising as a cost effective medium of communication.

Overseas Trips

198. Were any of your overseas trips in the last financial year paid for in part or in full by using public money?

(a) If so, did any of your relatives or friends accompany you on these trips?

199. Have you undertaken any official overseas travel that was privately funded?

(a) If so, what was the nature of these trips?

(b) Who paid for these trips?

ANSWER:

198-199: Details of overseas travel including costs are published on the Department of Premier and Cabinet's website.

Department/Agency Travel

200. What was the total expenditure in 2016-17 by Departments/agencies within your portfolio on:

(a) Taxi hire

(b) Limousine/private car hire

(c) Hire car rental

(d) Ridesharing services

201. Do any senior executive service employees in your Departments/agencies have a driver that is paid for by the Departments/agencies? If so, what is the number of senior executive service employees that have a driver and which senior executive service employees have a driver?

(a) How much was spent on these drivers in 2016-17?

ANSWER:

200. All Departments' travel in 2015-16 was accordance with NSW Treasury and Finance Circular OFS-2014-07. In addition, for DFSI, travel accords with the Department's Taxi Usage Policy.

Consulting

202. How much did the Department/agencies under your portfolio responsibility spend in legal costs in 2016-17?

(a) For what specific purposes or matters was legal advice sought?

203. Have Department/agencies under your portfolio engaged any consultants to provide the following services or advice in 2016-17:

- (a) Social media
 - i. And the cost of these services
- (b) Photography
 - i. And the cost of these services
- (c) Acting training
 - i. And the cost of these services
- (d) Ergonomics
 - i. And the cost of these services

ANSWER:

202-203: Financial statements, including expenditure on consultants, are available in agency annual reports.

Department/Agency Staffing

204. What was the number of senior executive service employees employed by Departments/agencies within your portfolio in 2016-17?

- (a) How much was this number in 2011-12?

205. What was the expenditure on senior executive service employees employed by Departments/agencies within your portfolio in 2016-17?

- (a) How much was this number in 2011-12?

206. What was the number of internal legal counsel employees employed by Departments/agencies within your portfolio in 2016-17?

- (a) How much was this number in 2011-12?

207. What was the expenditure on internal legal counsel employees employed by Departments/agencies within your portfolio in 2016-17?

- (a) How much was this number in 2011-12?

208. How many redundancies were processed by Departments/agencies within your portfolio responsibilities during 2016-17?

- (a) Of these redundancies, how many were:
 - i. Voluntary
 - ii. Forced
- (b) What was the total cost of all redundancies?

209. Have any staff who received a redundancy in the last two years undertaken any paid work or provided any paid services for the agency with which they were formerly employed?

- (a) What was the nature of these works/services?
- (b) What was the total cost of these works or services?

210. Are any staff formerly employed by your ministerial office now employed by Departments/agencies under your portfolio responsibility?

211. How many staff were dismissed from Departments/agencies under your portfolio responsibilities in 2016-17?

- (a) What were the reason/s for each dismissal?

212. What was the total amount your Departments/agencies spent on stationery?

ANSWER:

204. Public Service Senior Executive (PSSE) numbers are reported in the Annual Reports of each agency within the Finance, Services and Innovation Cluster.

205. Public Service Senior Executive (PSSE) remuneration is reported in the Annual Reports of each agency within the Finance, Services and Innovation Cluster.

206-207. Staff numbers and their cost are managed within the agency's Labour Expense Cap, as part of the sector's Budget Controls.

207-211. Voluntary redundancies are a component for agencies to achieve their efficiency dividends. Redundancy figures across the sector for 2016/17 are anticipated to be in the order of 1,222, totalling 12,999 Since July 2011. The Labour Expenses Cap introduced in the 2012-13 Budget also continues to give Secretaries as much flexibility as possible to achieve these savings in the most appropriate ways to meet the service requirements of their agencies. Nurses, policy officers and teachers in schools have been quarantined from this measure.

212. Stationary expenses are accounted for in agencies recurrent budgets.

Smart Phone Accounts

213. Do the Departments/agencies within your portfolio have an iTunes account?

- (a) What was the total expenditure in 2016-17 on iTunes?
 - i. What applications/subscriptions/services were purchased through iTunes?

214. Do the Departments/agencies within your portfolio have an Android account?

- (a) What was the total expenditure in 2016-17 on Android?
 - i. What applications/subscriptions/services were purchased through Android?

ANSWER:

213-214. IT costs are managed within each agency's budget and are guided by NSW Government's ICT and procurement policies and frameworks.

Websites Visited

215. What were the top 20 most utilised (by data sent and received) unique domain names accessed by your Ministerial office this year?

216. What were the top 20 most accessed (by number of times accessed) unique domain names accessed by your Ministerial office this year?

ANSWER:

215-216. The configuration of the Ministers' IT network infrastructure by our third party service providers does not allow the determination of such data.

Merchant fees

217. Please provide a list of all transactions where customers need to pay a merchant fee on credit and/or debit card payments in your Department/agency.

218. Please provide the percentage and/or amount of the merchant fees applied to all credit and/or debit card payments/transactions in your Department/agency.

219. What was the total amount paid in merchant fees on credit and/or debit card payments in your Department/agency in 2016-17?

ANSWER:

217-219: All NSW Government agencies are required to impose surcharges to recoup their merchant interchange fees, pursuant to Treasury Circular TC12/13. DFSI does not accept payment for goods and services, so we do not impose merchant fees on our customers.

DFSI staff only use their Pcards for the purchase of goods and services for official business purposes. If particular vendors elect to impose a merchant fee on card transactions, that is an unavoidable cost of doing business. It would not be possible to determine fees charges to Departmental cards, as these would either be embedded in the individual transaction cost, or if separately disclosed would require each monthly card statement for each user to be reviewed.

Probity Auditor

220. Has your office or department used a Probity Auditor or Probity Advisors, or similar, in the past five years? If so please list the company and/or individual, the project, the engagement dates, and their total remuneration in tabular format."

ANSWER:

220: In accordance with the NSW Procurement Board's Direction (PBD-2013-05), DFSI has internal mechanisms in place to ensure that probity considerations are routinely taken

into account in its procurement decisions, and the use of external probity advisers and auditors is the exception rather than the rule. The Department's Annual Report includes all consultancies including those involving probity advisers valued more than \$50,000.

Questions from Mr Justin Field MLC
Land and Property Information Service

221. How much did it cost the Government to make the lease of the Land and Property Information (LPI) ready in terms of:

- (a) separating the Information Technology systems
- (b) hiring KPMG
- (c) any other costs

221. ANSWER:

For the 2016-17 financial year the Treasury allocated a budget of \$19.3 million to the Department of Finance, Services and Innovation to conduct the "LPI Separation Program" that separated the systems of LPI to allow for the Titling and Registry Services to be placed into a Concession.

222. In regards to the proceeds of the lease of the LPI:

- (a) How much money will be directed to stadium infrastructure?
- (b) Which stadiums will benefit from the lease proceeds?
- (c) Please provide a breakdown of the amount of money to be directed to each stadium

222. ANSWER:

This question should be directed to the Treasurer.

223. Have any public service jobs within the LPI been lost since the lease date?

- (a) Are any jobs projected to be lost?

223. ANSWER:

No.

- (a) As required by the Land and Property Information NSW (Authorised Transaction) Bill 2016, there will be no forced redundancies during the 4 year employment guarantee. Actual resourcing levels may vary over time.

Advertising on public assets

224. How much income does the government receive from advertising on all government assets? Please specify which types of assets such as public transport or government buildings.

- (a) How much of this income comes from advertising for the purposes of gambling?
- (b) How much of this income comes from advertising for the purposes of liquor?

224. ANSWER:

I cannot answer for all Government assets.

Income to government from advertising on assets on Property NSW-owned land in 2016/17 = **\$553,370.50**

Sale of government buildings

225. How many government-owned properties have been transferred to Property NSW in the last financial year?

- (a) Please provide a list of all properties transferred

ANSWER

225: 40.

226. How many government-owned properties have been sold in the last financial year?

- (a) Please provide a list of all properties sold with corresponding sale value

226. ANSWER:

In the financial year 2016-17, for whole of government there were 2,820 registered dealings/transactions with a combined value of \$1.65b. These transactions included title transfers of properties across government clusters, Public Trading Enterprises, State Owned Corporations and sales outside government which included Local Councils and the private sector. Excluding transactions within Government, there were 2,778 registered dealings/transactions with a combined value of \$1.62b in the financial year 2016-17.

227. For the sale of Millers Point public housing please provide a breakdown of how much money will go directly to getting people in houses and how much will go into the recurrent budget for the Family and Community Service agency

227. ANSWER:

This question should be directed to the Minister for Family and Community Services.

Service NSW

228. In relation to the Service NSW (One-stop Access to Government Services) Amendment (Approved Persons) Regulation 2017 that allowed the government to outsource work to several private companies:

(a) What functions is planned be outsourced to these companies?

228. ANSWER:

I am advised that as at 13 September 2017, Service NSW only has an arrangement with Datacom, one of the listed suppliers for overflow and after hours contact centre services. At this time, there are no current plans to engage any of the other suppliers.

(b) How much full-time equivalent work is envisaged to be outsourced to these companies?

ANSWER

I am advised that the arrangement with Datacom allows for variations in call volumes, and is measured in respect of call minutes, not the number of staff required to service those minutes.

229. For both 2015-16 and 2016-17:

(a) How many full time permanent employees were employed by Service NSW?

229. ANSWER:

As at 30 June 2016, there were 1262 full-time permanent employees
As at 30 June 2017, there were 1387 full-time permanent employees

(b) How many staff had contract roles, including long term contracts?

ANSWER

As at 30 June 2016, there were 301 contractors
As at 30 June 2017, there were 279 contractors

230. In the last financial year, how many Service NSW centres have closed down?

(a) Please provide a list of centres

230. ANSWER:

None

Land Acquisition (Just Terms Compensation) Act 1991

231. In the last financial year, how many properties have been acquired under the Land Acquisition (Just Terms Compensation) Act?

(a) How much did these acquisitions cost the Government?

(b) How many of these are as a result of Westconnex?

i. Please provide total costs of acquisitions occurring as a result of Westconnex

231. ANSWER:

The requirement for Acquiring Authorities to report biannually to DFSI on historical land acquisition was only enacted for the second half of last financial year.

87 whole and partial residential properties have been acquired and compensation settled across the Whole of Government Acquiring Authorities between the reporting period of 1 January 2017 to 30 June 2017.

(a) How much did these acquisitions cost the Government?

The costs of property acquisition are not currently collected by DFSI, this question should be referred to individual agencies.

(b) How many of these are as a result of Westconnex?

This question should be referred to the Minister for WestConnex

Staffing

232. How many positions were made redundant in Department of Finance and Services in the last financial year?

232. ANSWER:

412

233. How many staff has the Department of Finance and Services employed on a contract basis in the last three financial years?

233. ANSWER:

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The introduction of Contractor Central across DFSI in 2017 has provided a consistent and structured process for the engagement of contractors, thereby giving greater oversight and visibility of DFSI's contingent workforce. The increased number of contractors is attributed to the significant increase in IT and innovation projects across various areas of DFSI, requiring highly specialised resources on a project basis. These roles are currently being resourced by a contractor workforce.

Questions from Mr David Shoebridge MLC
WorkCover bullying

234. GPSC 1's inquiry resulted in the creation of an expert advisory panel – how many union or staff representatives are on this board?

234. ANSWER:

A separate working group was created—the Bullying Prevention Working Group—and this included PSA officials and PSA delegates from both SafeWork and SIRA.

235. How many times has this board met?

235. ANSWER:

The expert panel met once before the organisational changes that created iCare. It met another 4 times since SafeWork became part of DFSI.

236. How many times has this board met with staff members or the PSA?

236. ANSWER:

No union representatives were on the expert panel. A separate working group was created known as the Bullying Prevention Working Group which was made up of PSA officials and PSA delegates from both SafeWork and SIRA.

237. What actions has the expert advisory panel on bullying recommended to the SRWS Board?

237. ANSWER:

The panel only met once under SRWS. No recommendations were made to the SRWS board.

238. What advice has the Minister received in turn from the SRWS Board about the continuing prevalence of bullying within WorkCover and/or the newly created iCare, State Insurance Regulatory Authority and SafeWork NSW?

238. ANSWER:

The SRWS Board ceased to exist on the creation of the new entities in October 2015. The Minister has been advised of a downward trend in SIRA and SafeWork bullying as measured by reported incidents, workers compensation claims, and staff. For instance, in the 2017 results for SafeWork NSW 86% of people answered that they had not been bullied in the workplace (6% did not know). 76% of people stated that they had not witnessed bullying (10% did not know).

Only 6 bullying matters were referred to the other Regulator (mines inspectors), via a MOU, for review. None of them were upheld as bullying.

Steel procurement

239. How is the evaluation of the amount of steel used in key NSW government projects being embedded in the procurement process?

239. ANSWER:

The implementation of a dashboard to report the amount of Australian steel used on NSW Government projects is the first step to ensure transparency in government contracting in NSW.

240. What definition is it using to differentiate Australian suppliers, Australian fabricators, and Australian producers of steel?

240. ANSWER:

The dashboard to report the amount of Australian steel used on NSW Government projects will include definitions to differentiate between Australian suppliers, Australian fabricators, and Australian producers.

241. How is the NSW procurement process being changed to embed national steel standards in all contracts?

241. ANSWER:

All NSW Government standard contracts include the requirement to comply with all relevant Australian Standards.

242. At what stage is the review of the procurement application of a “broader economic benefit” test on Australian versus imported steel suppliers?

242. ANSWER:

McKinsey & Company were asked to consider the net economic benefit in public procurement in NSW. The key findings are that it is not clear whether economic benefit analysis would lead to benefits for local industries or for the NSW economy in the long term and that there are more practical and cost effective levers to ensure value for money in government procurement to support local industries. These findings are under review by the department.

Geographical names board

243. How many places in NSW is the government aware of that have names related to sites of Aboriginal murder or that use derogatory or demeaning terms for Aboriginal people? Eg: Coon Island in Lake Macquarie, Gin’s Leap in Boggabri, and Poisoned Waterhole Creek on the Sturt Highway.

243. ANSWER:

The majority of place names including potentially offensive terms, such as ‘Blackfellow’, were captured in the Geographical Names Register (GNR) in the 1970s. Capturing place names was based on recording names in use from existing maps, and did not go through the current process of meeting guidelines and consulting prior to assigning names. Current place naming guidelines stipulate that names considered offensive or likely to give offence will not be approved. Issues such as the name of ‘Blacktown’ have been raised in the past. At the time, Blacktown was not considered racist by local Aboriginal elders. Furthermore, feedback from past Aboriginal Land Council representatives on the Geographical Names Board (GNB, Board) has been to support holding names in the register that refer to sites of Aboriginal murder so as not to hide the history.

a) Place names related to sites of Aboriginal murder

Names that specifically reference the murder of Aboriginal people in the Geographical Names Register (GNR) include Poisoned Waterholes Creek and Murdering Gully. There are 26 names in the GNR which could be potential sites as they include the terms poison, murder or massacre.

Developing a more authoritative list requires extensive consultation with the GNB's historical and Aboriginal representatives to interrogate the GNR and associated field notes, and identify assigned names related to sites of Aboriginal murder.

b) Place names that use derogatory or demeaning terms for Aboriginal people

There are approximately 79 names that are 'assigned' in the NSW GNR that include terms that may be deemed derogatory or demeaning to Aboriginal people. This includes names containing the terms 'Black', 'Blackfellows', 'Blackfella', 'Blackboy', 'Gin' and 'Coon'.

This list does not include names if it is unclear if the term 'black' references a geographical feature colour or a European surname, such as Blackman.

Note: 'Assigned' means that it is the official geographical name for that place. The Geographical Names Register also contains 'variants' and 'discontinued names'; these have not been counted as they are not the official name for a place.

244. What consideration has been given to undertaking a review into racist place names and/or place names referencing Aboriginal murders?

244. ANSWER:

The GNB's place naming policy recognises that the perception of 'discriminatory' or 'derogatory' may vary through time and from place to place. As such, the GNB's approach to names deemed offensive has been to address these on a case-by-case basis when issues are raised by members of the community or interest groups. For example, GNB is currently working with Amaroo Local Aboriginal Land Council and its elders regarding 'Blackfellows Gully', a creek name near Walcha.

The current place naming policy explicitly excludes assigning new names that could be considered discriminatory or derogatory. Such names are those perceived, at a given point in time, to be offensive, demeaning, or harmful to the reputation of individuals, or to social, ethnic, religious or other groups.

245. What consideration has been given to ensuring that there are more places that are named after and commemorate Aboriginal people?

245. ANSWER:

There are many place names in NSW that are either an Aboriginal word or commemorate an Aboriginal person. Well known examples in Sydney include Maroubra and Coogee. More recently GNB assigned Tallawoladah Place at the Rocks in Sydney.

The GNB is actively committed to recognising and using Aboriginal names for places.

The GNB has designed a policy to encourage and promote recognition of Aboriginal place names and to foster the more frequent and official use of these names, particularly for places where the names have not already been assigned as geographical names. The policy also provides for the reinstatement of an Aboriginal place name through the dual naming processes. In NSW there are currently 35 dual named places, for example Mount Panorama/Wahluu.

Supporting this policy is appropriate representation on the Board. This includes a representative from the NSW Aboriginal Land Council and an Aboriginal linguist as a counsellor to advise on Aboriginal names regarding their authenticity and pronunciation. The GNB also actively supports place name proposals with investigations of appropriate Aboriginal names, most recently for a reserve in Urban Growth's Lachlan's Line development in Macquarie Park, and attending community meetings to assist in the capturing of Aboriginal words that can be used in place naming.

Building on its policy the GNB has commenced an Aboriginal Vocabulary Project. The project aims to develop word lists that are suitable for use in geographical names. Underpinning GNB's policy and strategic activities, that foster the use of Aboriginal place names, is legislation. The GNB has a statutory obligation to compile and maintain a vocabulary of Aboriginal words suitable for place naming. Similarly, GNB has participated in round table discussions and is working with Aboriginal Affairs in the development of the First Peoples' Languages Bill 2017. Place names will be an important component of this Bill.