

BUDGET ESTIMATES 2020-2021

Transcript Questions

Portfolio Committee No. 3 – Education

SKILLS AND TERTIARY EDUCATION

Hearing: Monday 1 March 2021

Answers due by: 25 March 2021

p. 2 – Permanent Head Teacher positions

The Hon. ANTHONY D'ADAM: So can you tell me how many permanent head teacher positions have been removed from TAFE NSW since 2012 based on that information?

Dr GEOFF LEE: I am happy to take that on notice.

The Hon. ANTHONY D'ADAM: You have already taken this question on notice, Minister.

Dr GEOFF LEE: That is alright. I will take it on notice. I just want to get it right.

The Hon. SCOTT FARLOW: The Minister is entitled to take it on notice again.

Answer:

I am advised that the number of permanent Head Teacher positions in TAFE NSW increased by six during the period 28 February 2014 and 30 June 2020. Position level data is not available prior to February 2014.

p. 3 – Current Head Teacher positions

The Hon. ANTHONY D'ADAM: How many current head teacher positions are there in TAFE NSW?

Your answer was:

I am advised that further information on TAFE NSW staff numbers can be found in the Number of Employees section of the TAFE NSW Annual Report ...

Dr GEOFF LEE: Again, we will just take that on notice.

Answer:

I am advised that as at 30 June 2020, the number of Head Teacher positions in TAFE NSW is 765.

p. 3 – Opening of Scone CLC

The Hon. COURTNEY HOUSSOS: Minister, at the opening of Scone Connected Learning Centre [CLC] on 18 July 2019 you assured the community that Scone's traditional TAFE campus at Flemington Drive will remain fully functioning. Is that correct?

Dr GEOFF LEE: Let me take on notice my exact words about that. I do not have that exact recollection.

Answer:

I do not have a record of the exact wording used on 18 July 2019.

p. 3 – Staff in Skills Points

The Hon. ANTHONY D'ADAM: And at 38 you were asked: How many staff are in each Skills Point location? How many of these specifically work on content development? You provided the same answer. Can you point in the annual report to where that information is available?

Dr GEOFF LEE: No. I will take that on notice too.

The Hon. ANTHONY D'ADAM: At 47—

Dr GEOFF LEE: We will get the right numbers for you. I just want to make sure you are clear.

Answer:

I am advised:

As at 30 June 2020, there are a total of 253 staff employed in Skills Points, all of which are involved in content development:

Skills Point name	Number of staff as at 30 June 2020
Agribusiness	36
Career Pathways	17
Creative & Design Ideation	23
Health Wellbeing & Community Services	28
Infrastructure, Energy & Construction	26
Innovative Manufacturing, Robotics and Science	21
Supply Chain & eCommerce	21
Technology & Business Services	46
Tourism & Experience Services	34
Not specifically assigned (Project Manager)	1
Total	253

p. 6 – Independent evaluation – Scone

Mr FAURBY: Certainly. Thank you, Chair. What we did was we commenced a marketing campaign by an independent real estate agent—that is the first point—to determine the method of sale and also define closing dates, the things you would normally do when you put a property up for sale. Secondly, we opened bids.

The Hon. COURTNEY HOUSSOS: Sorry. Before we get to the marketing campaign can I go back to the independent evaluation? When was that undertaken?

Mr FAURBY: I will take the question on notice. I do not recall the exact date.

Answer:

I am advised that the final independent market valuation of the 2 Flemington Drive, Scone site was completed on 2 February 2021.

I am further advised that TAFE NSW has two earlier valuations on file for the 2 Flemington Drive, Scone site dated 9 May 2017 and 29 July 2020.

p. 6 – Recommendation to divest Scone facility

Mr FAURBY: Good morning, everyone. I can confirm that the recommendation to divest the facility was a recommendation that was based on our evaluation of the facility and the fact that it was and is heavily under-utilised. We are talking about an 18-hectare facility with 12 buildings, of which only three are used for the training. It is used very, very rarely—in fact, only a fraction of time over the course of the year. As the Minister has alluded to and mentioned, we do from time to time take into consideration what is the best use, and our recommendation to the Minister is to divest this facility but at the same time emphasise, very importantly, that we maintain very strong support and commitment in that region for training going forward. We are able to provide that, going forward, without 2 Flemington Drive being owned by TAFE NSW.

The Hon. COURTNEY HOUSSOS: Mr Faurby, what was the process that you went through in order to create this recommendation?

Mr FAURBY: We went through a process where we had an independent evaluation conducted—

The Hon. COURTNEY HOUSSOS: Who conducted that independent evaluation?

Mr FAURBY: I will have to take the name of the company on notice.

Answer:

I am advised:

KPMG, Deloitte, and Ernst & Young provided professional advisory services as part of the work done for the draft 20 Year Infrastructure Strategy.

This work led to the view that the Flemington Drive site would be surplus to TAFE NSW service delivery needs due to low utilisation and increasing maintenance costs.

The site in Flemington Drive has been underutilised for some time and only limited training is currently delivered.

p. 7-8 – Independent evaluation – Scone – dates and value

Mr FAURBY: Can I first say to the point that Ms Houssos mentioned before around the independent evaluation, the one that you referred to from February is the latest one that we have. I do believe that we have previous versions of that on file as well, so it is not the first time we have had the property evaluated.

The Hon. COURTNEY HOUSSOS: Perhaps you can provide on notice the dates that they were evaluated on, and if possible if you could provide us with the amounts of the value on those dates.

Mr FAURBY: Yes, sure, I will take that on notice, absolutely. As to the consultation, we have, first of all, an ongoing and continuous dialogue and engagement with the local community in Scone, including, of course, the studs but also the wider community, including our teachers and staff there. There has been consultation as part of the interest that we had in the market, and we had since—I believe from memory it was 26 October—we had consultation on that specific topic taking place.

Answer:

I am advised:

As a general rule, TAFE NSW does not disclose the valuation amount as this is commercially sensitive information and its public disclosure will impact TAFE NSW's ability to achieve maximum revenue for reinvestment in other TAFE NSW facilities.

TAFE NSW has three valuations on file for the 2 Flemington Drive, Scone site dated 9 May 2017, 29 July 2020 and 2 February 2021.

p. 9 – Casual, permanent and part-time status

Mr DAVID SHOEBRIDGE: Okay. Well, who gave you the advice, for example, when you answered in March 2020 to that question about casual, permanent and part-time status—who gave you the advice the information was in the annual report? Who did it?

Dr GEOFF LEE: I will take it on notice. I do not have the exact person's name.

Answer:

I am advised that responses to Parliamentary questions are prepared by TAFE NSW.

I am further advised that publicly available staffing data can be found in the TAFE NSW Annual Report, which is prepared in accordance with the *Annual Reports (Statutory Bodies) Act 1984* and the *Public Finance and Audit Act 1983*.

p. 9-10 – The number and the proportion of staff

Mr DAVID SHOEBRIDGE: Well, Minister, will you give the Committee the number of staff and the proportion of staff—both of those figures—for TAFE who are casual, those who are permanent and those who have contract status?

Dr GEOFF LEE: I am happy to take it on notice and give the information that is available in terms of what you have asked, Mr Shoebridge.

Mr DAVID SHOEBRIDGE: To forestall a ridiculously circular process, I can assure you that information is not found in the annual report.

Dr GEOFF LEE: I said I would take it on notice for you. If I can find that information, we will certainly give it to you and the Committee.

Answer:

I am advised that the number and proportion of full-time equivalent (FTE) staff will fluctuate from one month to the next due to educational programming. TAFE NSW therefore provides information each year on the staff numbers as at 30 June in section 6.1 of the TAFE NSW Annual Report, which is available at www.tafensw.edu.au/corporate/annual-report.

The number and proportion of staff who are casual, permanent and temporary as at 30 June 2020 is:

Employment type	FTE as at June 2020	Percentage of total staff
Casual	2,922	28.0%
Permanent	5,860	56.2%
Temporary	1,641	15.7%
Total	10,424	100%

A full breakdown of FTE teachers has been provided in the TAFE NSW response to Supplementary Question 13.

p. 13 – 14 – Meeting attendance

GEOFF LEE: Yes.

The Hon. ANTHONY D'ADAM: Are you able to provide the notes from those meetings?

Dr GEOFF LEE: Some of them are commercial-in-confidence and I will take advice on those.

The Hon. COURTNEY HOUSSOS: Can you provide us, on notice, who attended those meetings with you, specifically the meeting with the Stocklands CEO of Commercial Property on 24 June and the Trafalgar property development company on 14 July?

Dr GEOFF LEE: They all should be listed. All those people will be listed in the ministerial declarations.

The Hon. COURTNEY HOUSSOS: They are listed on your diaries, but the people who are in attendance are not and we would like you to provide that on notice.

Dr GEOFF LEE: Yes, I am happy to.

The Hon. COURTNEY HOUSSOS: Can you also provide us with who attended the meeting with Racing NSW?

Dr GEOFF LEE: I am happy to do that.

The Hon. COURTNEY HOUSSOS: Just be clear, it should be a list of ministerial advisors and also people from the department or from TAFE or whoever.

Dr GEOFF LEE: Yes. If we have that, I will take it on notice.

The Hon. COURTNEY HOUSSOS: I would expect that you would

Answer:

I am advised:

The meeting with Louise Mason, in her capacity as Deputy Chancellor of Macquarie University, was attended by the Higher Education Policy Adviser in my office.

The meeting with Trifalga was attended by the TAFE Policy Adviser in my office.

The meeting with Racing NSW was attended by the Chief of Staff and the TAFE Policy Adviser in my office.

p. 14 – Current TAFE campuses and utilisation

The Hon. COURTNEY HOUSSOS: Can you provide us on notice a list of the current TAFE campuses—not CLCs—in New South Wales and their utilisation rates?

Dr GEOFF LEE: I will take that on notice. I am not sure if we have the up-to-date utilisation. I am happy to take it on notice unless you have it, Steffen.

Mr FAURBY: I am happy to take that on notice.

The Hon. ANTHONY D'ADAM: How frequently do those reports get prepared? Mr Faurby?

Mr FAURBY: I will take on notice exactly what that frequency is and also the level of detail that we can prepare. I will say though that it is worth pointing out that our facilities and TAFE operate in a commercial environment against a number of private registered training operators [RTOs] and other private operators, so therefore for us we will guard that information in order not to disadvantage ourselves in the market that we operate in.

Answer:

I am advised:

Connected Learning Centres (CLCs) are TAFE campuses.

TAFE NSW does not have a list of current TAFE NSW campus utilisation rates and does not prepare stand-alone utilisation reports.

Utilisation rates are calculated and considered as part of business-as-usual asset performance assessment and forward planning for the future use of the asset as required. This includes applying the Tertiary Education Facilities Management Association (TEFMA) methodology for assessing the occupancy and use of campus spaces against its capacity potential.

Utilisation assessment is one of many inputs into a comprehensive process for strategic asset planning to determine current and future use options for a site, a geographical location or region. This process considers a range of factors including current learning delivery methods and course demand. The potential or future asset utilisation opportunities considerations also include changes to educational demands; increases in technology and digital learning; and NSW planned precincts and growth corridors.

p. 15 – Determination of CLC sites

The Hon. ANTHONY D'ADAM: You must have had that explained to you, though, Minister. Did you not have it explained to you?

Dr GEOFF LEE: Once it was built, it was built. I will ask Steffen to look at the protocols that we have set up now in terms of determination of CLC sites. Generally they want to be high-visibility sites, close to town centres where people have access, where we have a presence that people can actually drive past and go, "I want to go there", and then give people the access because they are normally on the arterial routes of buses and transport.

Answer:

I am advised that this question is answered on page 70 of the transcript:

"First and foremost, they will relate to things such as the community we serve, what other training facilities are there—"

"Really we look at, for a particular location, the growth in population; we look at composition of the labour force today and what we expect it to look like in the future; we look at the various businesses and corporations—small and large—that exist in the area because that is an indicator, of course, of training needs; we look at accessibility, including public transport but in general; we look at whether or not the location is near another TAFE location or another training facility that would suggest that the demand is met already. So those are the key criteria that will form the basis of where we choose to locate a new facility."

p. 19 – Board Members – Education Qualification

Mr DAVID SHOEBRIDGE: Yes. Is there anybody on the TAFE board at the moment with educational qualifications?

Dr GEOFF LEE: I will get a list of them and get back to you. Mr Scott sits on the board. He has significant qualifications in education.

Answer:

I am advised that the below table outlines the qualifications and professional experience held by the members of the TAFE Commission Board.

Table 1 – Qualifications and Professional Experience – TAFE Commission Board

Board Member	Qualifications	Professional Experience
Hilary Jessie Borthwick	BA (Asian Studies) Australian National University Diploma of Arts and Design, Prahran CAE	Vocational and higher education, research, international education, policy and funding
Carolyn Burlew	Master of Public Administration, University of Queensland Bachelor of Arts, University of Queensland Diploma of Applied Science, University of Queensland Company Directors Course, Australian Institute of Company Directors	Senior leadership roles, public sector, governance, audit and risk

Board Member	Qualifications	Professional Experience
Terry Charlton	Master of Science (Psych.), University of Newcastle Bachelor of Commerce (Economics and Accounting), University of Newcastle	C Suite, senior management, energy industry experience in Australia and internationally, community organisations and higher education bodies.
Ero Coroneos	Master of Arts (Communications and Cultural Studies), University of Western Sydney Bachelor of Laws (Honours), University of Technology Sydney Bachelor of Arts, University of Sydney Bachelor of Commerce (Land Economics), University of Western Sydney Diploma of Applied Corporate Governance, Governance Institute of Australia Company Directors Course, Australian Institute of Company Directors	Governance, public sector, property and energy industry experience, sustainability, corporate responsibility programs
Steffen Faurby	Graduate Diploma in Business Administration (International Business), Copenhagen Business School (CBS) Bachelor of Science, B.Sc. (Mechanical Engineering), Aarhus College of Engineering Graduate, Australian Institute of Company Directors, GAICD Graduate Diploma, Organisational Psychology, Macquarie University	Leadership, transformation, people management, international management, industry specific knowledge in public transport, maritime, shipping, logistics, ports and power generation
Greg Fletcher	Bachelor of Commerce, University of New South Wales Chartered Accountant Member, Institute of Chartered Accountants	Board and Audit and Risk Committee experience, expertise in accounting and finance, strategy development, energy industry
Kirsty Hosea	Master of Business Administration, Charles Sturt University Bachelor of Arts in Communications, Canberra University Certificate, Design Thinking, Austin Centre for Design	Education Lead for Deloitte Digital covering K-12 and higher education, senior roles in higher education in the United States, customer strategy and experience design
Mark Scott	Graduate, Australian Institute of Company Directors, GAICD Master's Degree, Public Administration, Harvard University, John F. School of Government Master's Degree, Political Science and Government, University of Sydney Diploma of Education, University of Sydney Bachelor's Degree, Arts, University of Sydney	Education, digital transformations, cultural change, media, community organisations

p. 19-20 – Mr Scott’s appointment

Mr DAVID SHOEBRIDGE: When were you formally appointed?

Mr SCOTT: I would have to check the date.

Mr DAVID SHOEBRIDGE: Prior to your appointment it is true that there was not a single person on the board with educational qualifications. Is that not true, Mr Scott?

Mr SCOTT: I would have to check. I have not checked the academic qualifications. Can I say, though, that we know that TAFE works at the interface between education and industry. I must say that the people who have served on the TAFE board in my meetings there have reflected a deep experience of the need of industry, and the value of skills and skills development. They have very well informed the board on the role and the operation that TAFE plays as part of the educational ecosystem, and what they studied many years ago I think is not as relevant as the insight they have on the operations of TAFE as has been demonstrated around the table.

Answer:

I am advised:

Mr Mark Scott’s appointment to the TAFE Commission Board was approved by Cabinet on 14 December 2020. The Instrument of Appointment for Mr Mark Scott was signed by The Hon. Geoff Lee on 21 December 2020 and his appointment was effective from 1 January 2021.

Other members of the Board also have relevant educational experience including Jessie Borthwick who commenced her career in vocational education at TAFE NSW and has senior leadership experience in funding and regulation of vocational and higher education, and Ms Kirsty Hosea, who before joining TAFE NSW as Chief Delivery Officer, was Deloitte Digital’s Education Lead.

p. 25 – Scone TAFE

The Hon. COURTNEY HOUSSOS: Minister, when was the final decision made to sell Scone TAFE?

Dr GEOFF LEE: I will take it on notice. There has been no final decision to sell it. There is an expression of interest about its sale, looking for people who want to put up a bid. So, there is no final decision, but I am happy to provide on notice the time when I signed off the brief.

The Hon. COURTNEY HOUSSOS: Okay. Can you also tell us then—you outlined previously in your answers that there is a process of divestments and that it goes out to government departments and then to local councils. Can you give us the time line of when it was offered to government departments, when it was offered to local councils, and then—

Dr GEOFF LEE: Yes, I will get back to you on that. Can I say supplementary to what we said before, through an expressions of interest process I am advised that the disclosure of reserve price is not part of the way they do the process.

Answer:

I am advised:

During work for the draft 20 Year Infrastructure Strategy in 2019, TAFE NSW formed the view the Flemington Drive site would be surplus to TAFE NSW service delivery needs due to low utilisation and increasing maintenance costs. The divestment of the TAFE NSW site at 2 Flemington Drive, Scone was approved on 6 August 2020.

NSW Government Agencies were provided the opportunity to consider acquiring the site between 18 August 2020 and 1 September 2020 for their service delivery needs. No NSW Government Agency expressed interest in the site through this process.

In the case of the site at 2 Flemington Drive, Scone, the divestment did not meet the eligibility criteria for direct dealing with a Local Council, under the Community Use Policy, set down in the NSW Government's Strategic Land and Property Framework. The site was not offered to the Upper Hunter Shire Council because of its ineligibility.

On 27 October 2020 the property was confirmed surplus to NSW Government service delivery requirements and endorsed for open market sale by the Property Strategic Collaboration Committee.

On 19 November 2020 the Property Board of Secretaries approved the divestment via a competitive open market sale process.

p. 26 – Scone TAFE – land zoning

Mr FAURBY: I am sorry. There is an evaluation panel, which is—obviously for us it is important to follow procedure. I do not have any involvement in that, at all, or any access to any of the information. The evaluation committee should do its work and put forward its recommendations. Part of this, of course, is to make sure that it is assessing and evaluating the bids on contractual terms, commitment, compliance and all those sorts of things. Once they have done their work, which takes a little bit of time, they will present it to me and, in turn, I will brief the Minister on what the recommendations are. I do not, at this point in time, have any access whatsoever to that detail.

The Hon. ANTHONY D'ADAM: What is the land zoned for?

Mr FAURBY: I will take that question on notice.

Answer:

I am advised that the site at 2 Flemington Drive is zoned RE2 Private Recreation under Upper Hunter Local Environment Plan (LEP) 2013, managed by the Upper Hunter Shire Council.

p. 26 – Scone TAFE – expressions of interest

The Hon. COURTNEY HOUSSOS: Minister, will you now commit then to at least releasing publicly who the expressions of interest are from, even at the completion of the process?

Dr GEOFF LEE: I will take that on notice in terms of commercial confidentiality. I am not sure—

The Hon. COURTNEY HOUSSOS: At the end of the process, Minister.

Dr GEOFF LEE: I am happy to take it on notice, and if I can release them, if it does not breach any confidentiality of the process, I will release them, but I do not want to prejudice any—make a statement here today that I cannot follow through.

Answer:

I am advised that the Expression of Interest evaluation process of the 2 Flemington Drive, Scone site remains active and that all bids received, including the names of bidders, remain commercial-in-confidence. The successful purchaser's identity will become a matter of public record at the point of ownership transfer.

p.26 – Randwick TAFE car park

The Hon. COURTNEY HOUSSOS: Minister, how much did you get for the sale of the Randwick TAFE car park?

Dr GEOFF LEE: From memory—I will just check. I am advised it was around \$20 million— Randwick.

The Hon. COURTNEY HOUSSOS: Was that \$20 million?

Dr GEOFF LEE: Yes.

The Hon. COURTNEY HOUSSOS: Is that right, Mr Faurby? You are looking perplexed.

Dr GEOFF LEE: I am advised.

Mr FAURBY: I would have to take that question on notice—the exact amount. I do not recall.

Answer:

I am advised that TAFE NSW received \$20 million including GST for divestment of a portion of the TAFE NSW Randwick campus to NSW Health, which has constructed an Ambulance NSW superstation on the site.

p. 26-27 – Scone TAFE – Informing staff and community

The Hon. COURTNEY HOUSSOS: Minister, I come back to the question on community consultation. Earlier, Mr Faurby, you started talking about 26 October 2020. What occurred then?

Mr FAURBY: From memory, I believe that was the date when our executive leaders went on site and had a conversation and engagement with the local staff to brief them on the plans for the market testing of the facility.

The Hon. COURTNEY HOUSSOS: Sorry, on 26 October your staff went on site to brief the existing staff?

Mr FAURBY: To brief staff, yes. That is my recollection of that, yes.

The Hon. COURTNEY HOUSSOS: On notice, can you provide the Committee with any minutes of that meeting?

Mr FAURBY: If the minutes exist, I will consider that. I am not sure if there are minutes. I was not there.

The Hon. COURTNEY HOUSSOS: Mr Faurby, coming back to 26 October, was that the only time that the staff and the workers on the site were told about it?

Mr FAURBY: I will take that on notice and give you a more detailed response to that.

The Hon. COURTNEY HOUSSOS: But there was no formal engagement with the community? There was no "We're considering doing this"? There was no engagement with the council to say, "What are your future plans for the area?"

Mr FAURBY: Let me take that question on notice.

The Hon. COURTNEY HOUSSOS: Sure, and if you could provide us with any details of when and where any consultations were undertaken?

Answer:

I am advised:

TAFE NSW staff were consulted about the sale of TAFE NSW Scone campus on:

- 26 October 2020 at TAFE NSW Scone campus. There are no minutes from this meeting;
- 17 November 2020 via Microsoft Teams;
- 24 November 2020 via email;
- 18 January 2021 at TAFE NSW Scone campus;
- 25 January 2021 via Microsoft Teams;

- 27 January 2021 via email and telephone; and
- 28 January 2021 at TAFE NSW Scone campus.

The Head of Agribusiness, Supply Chain and e-Commerce Skills Team North Region regularly reviews the delivery profile for the Skills Team based at Scone. This includes working collaboratively with Head Teachers who engage and consult with organisations such as Local Land Services, Thoroughbred Breeders Association, Hunter Thoroughbred Breeders Association and Training Services New South Wales to determine ongoing training requirements.

Recently TAFE NSW completed broader community consultation with:

- Thoroughbred Breeders Association on 28 October 2020 and 21 January 2021 via telephone;
- Equine Workforce Development Team (consisting of Hunter Thoroughbred Breeders Association, Godolphin and Training Services New South Wales) on 29 October 2020 via Microsoft Teams;
- Mayor Maurice Collison, Upper Hunter Shire Council on 13 January 2021 via email;
- Community Public Sector Union on 18 January 2021 via letter;
- Australian Education Union NSW Teachers Federation on 18 January 2021 via letter;
- Hunter Thoroughbred Breeders Association on 21 January 2021 via telephone;
- TAFE NSW Veterinary Nursing and Farrier students on 17 February 2021 at TAFE NSW Scone campus; and
- Australian Education Union NSW Teachers Federation on 2 March 2021 via Microsoft Teams.

p. 29 – A Vision for TAFE & Strategic Plan 2016-22

The Hon. ANTHONY D'ADAM: Yes. A Vision for TAFE—a TAFE Commission document from July 2016.

Dr GEOFF LEE: Anything in particular you would like to ask me about that? It was some time ago—five years ago.

The Hon. ANTHONY D'ADAM: No, I just want to know if the document remains a fair statement on the direction that TAFE is—

Dr GEOFF LEE: I will take it on notice and get back to you.

The Hon. ANTHONY D'ADAM: What about the Strategic Plan 2016-22? Is that still in operation?

Dr GEOFF LEE: There will be elements that are significant now; there will be elements that are not so significant. I am more than happy to take that on notice.

Answer:

I am advised:

There are two documents referred to in this question; “A Vision for TAFE NSW” and “TAFE NSW Strategic Plan 2016 – 22”.

Both documents were written in 2016 and formed the basis for launching the “One TAFE Modernisation Program”.

The documents refer to a Vision and a Purpose for TAFE and both remain directionally relevant today;

Vision: “We are the leading skills provider in the State: delivering relevant, high-quality, practical and creative training to grow the NSW economy through one TAFE NSW”

Purpose: “Skill the workforce of the future”.

p. 31 – Managing TAFE fees

Mr DAVID SHOEBRIDGE: How much does TAFE spend on managing the fees? How much is actually spent by TAFE on that process of billing—working out the fees, managing the fees, chasing the fees, chasing the debt?

Dr GEOFF LEE: I am happy to take this on notice, unless Steffen has a reliable number.

Mr FAURBY: We will take it on notice.

Answer:

I am advised that fee management includes billing and receipt, issuing of invoices, addressing student queries and work to recover debts. Elements are undertaken by several TAFE NSW business areas.

I am further advised that the total costs of TAFE NSW fee management are not specifically recorded and reported at a functional level. The costs are predominantly employee related expenses.

p. 31 – Batemans Bay DA

Mr DAVID SHOEBRIDGE: TAFE announced that it got the DA through—it may not be true, but is it true? Did you get the DA through?

Dr GEOFF LEE: That is a slight against TAFE. If they have announced they have got the DA through you would expect them to—

Mr DAVID SHOEBRIDGE: I am asking you if it is true.

Dr GEOFF LEE: If that is what you are reading from, table it. Then I will have a look at it and I will get the answer. One of my colleagues here I am sure will get back to you in the later session today.

Answer:

I am advised that the TAFE NSW Batemans Bay CLC Development Application was submitted to Eurobodalla Shire Council on 26 October 2020 and is currently being assessed by Council.

p. 32 -33 – Organisation Change

Mr DAVID SHOEBRIDGE: How many of the 678 jobs that TAFE is cutting between now and July are going to be in the regions?

Dr GEOFF LEE: That is another falsehood that you put about the 678 jobs that we are cutting. That is absolutely untrue.

Mr DAVID SHOEBRIDGE: How many jobs are you cutting?

Dr GEOFF LEE: I will ask Steffen Faurby to go into the reductions.

Mr DAVID SHOEBRIDGE: I am asking about the number.

The CHAIR: Order! The Minister has asked the managing director to provide some detail.

Mr FAURBY: If the question is how many jobs are we cutting—

Mr DAVID SHOEBRIDGE: Correct.

Mr FAURBY: —we will be able to confirm the exact number once we have completed the consultation, which is a very important part of the process that we go through, and that consultation takes place as we speak. We are, just for that particular area, having just shy of 60 sessions with staff where we talk them through the proposed structure, and we take that part about the consultation very, very seriously. But to perhaps be more specific about the number that I think you are looking for, we expect the number of people to lose their jobs as a consequence of this to be less than 50.

The Hon. ANTHONY D'ADAM: I think the question was about positions, was it not?

Mr DAVID SHOEBRIDGE: How many positions are going to be cut?

Mr FAURBY: Okay, I will take that question on notice.

Mr DAVID SHOEBRIDGE: How many positions will be cut in the regions and how many positions will be cut in the city?

Mr FAURBY: Let me say again that for us to provide a specific answer to this, as we are absolutely taking the consultation seriously we will not be able to give you a specific number until we have finalised the consultation. The consultation is an important piece—

The CHAIR: If I can just chip in here. Steffen, with all due respect, a lot of questions have been taken on notice but you have mentioned consultation. There must be a ballpark figure that you are working off. I think there is an obligation here to inform the Committee of your best knowledge of numbers of positions to be cut.

Mr FAURBY: With permission, if I can come back this afternoon with more specific details on that?

Answer:

I am advised:

A new structure for Student Services and Facilities Management and Logistics is yet to be finalised.

Extended staff consultation is occurring between 16 February 2021 and 1 April 2021, and feedback will inform the final organisational structure and role composition.

Based upon the proposed structure in the draft Change Management Plans for Student Services Tranche One and Facilities Management & Logistics it is anticipated that there will be a net reduction of ~50 TAFE NSW jobs overall.

The future state will have a hybrid location model including 295 mandated Greater Metropolitan Sydney positions, 252 mandated regional positions and 712 location negotiable positions. Location negotiable positions gives more opportunity for greater regional presence.

p. 33 – Expected savings

Mr DAVID SHOEBRIDGE: With all due respect, my question was not whether savings were the main reason, my question was what is the expected savings? It is a totally different question, and that is what I am asking for an answer to, Mr Faurby. What are the expected savings? What are you planning to save?

Mr FAURBY: As I suggested, with permission, I will come back this afternoon with more details about the organisational change program and the expected outcomes of that.

Dr GEOFF LEE: And I think it is fair enough to say, if I could just add, Mr Shoebridge—

Mr DAVID SHOEBRIDGE: No, no, please do not. We are going to get the answer after all this. Unless it goes to the cost or the numbers, I do not want just a random blurb from the Minister.

Answer:

I am advised:

A new structure for Student Services and Facilities Management and Logistics is yet to be finalised.

Extended staff consultation is occurring between 16 February 2021 and 1 April 2021, and feedback will inform the final organisational structure and role composition.

The proposed changes outlined in the draft Change Management Plans are anticipated to reduce operating costs, create more efficient structures, and deliver forecast savings of \$8.3M in FY2020-21 and \$13.9M in FY2021-22.

No frontline employees are affected by these changes.

p. 36 – Number of positions

The Hon. ANTHONY D'ADAM: If I ask you specifics about the number of positions.

Dr GEOFF LEE: If I do not know, I will refer to my colleagues here. There is a whole army of people here. It is generally an operational decision and I am more than happy to share what I can. I just want to be accurate and forthright in it. If we do not have those answers, I am sure Mr Faurby or his colleagues will get back to you.

Answer:

I am advised:

A new structure for Student Services and Facilities Management and Logistics is yet to be finalised.

Extended staff consultation is occurring between 16 February 2021 and 1 April 2021, and feedback will inform the final organisational structure and role composition.

Based upon the proposed structure in the draft Change Management Plans for Student Services Tranche One and Facilities Management & Logistics it is anticipated that there will be a net reduction of ~50 TAFE NSW jobs overall.

The future state will have a hybrid location model including 295 mandated Greater Metropolitan Sydney positions, 252 mandated regional positions and 712 location negotiable positions. Location negotiable positions gives more opportunity for greater regional presence.

p. 37 – The restructure

The Hon. ANTHONY D'ADAM: The restructure is premised on a reduction in positions. Does this restructure have any impact on casual or temporary employees? They are not part of the calculations in terms of the job numbers, are they?

Mr FAURBY: We get a number of questions that relate to the changes. With permission, can I come back when we also have some of the experts with us? Between myself and them we can perhaps provide a lot more detail, if that is okay, Mr D'Adam.

The Hon. ANTHONY D'ADAM: Sure, let us explore that in the afternoon session.

Answer:

I am advised:

Based upon the proposed structure in the draft Change Management Plans for Student Services Tranche 1 and Facilities Management & Logistics it is anticipated that there will be a net reduction of ~50 TAFE NSW jobs overall. This includes permanent, casual and temporary employees.

p. 38 – Thin Markets

The Hon. ANTHONY D'ADAM: What proportion of TAFE's courses are offered in thin markets?

Dr GEOFF LEE: For that level of detail, I would have to get back to you if we have that.

Answer:

I am advised:

Thin markets as a proportion of all courses offered at TAFE NSW is not a practical measure as one course can be considered a thin market in one location and not in another due to varying student demand levels.

Further, one course can be considered a thin market in one year and not in another depending on government priorities, industry needs and local labour market conditions.

p. 38 – Community Service Obligation

The Hon. ANTHONY D'ADAM: I understand that it is in the overall figure. How much specifically?

Dr GEOFF LEE: I am happy to get back to you. I do not know if it is commercial in confidence.

Mr SCOTT: We will get a dollar figure for you.

Mr DAVID SHOEBRIDGE: The amount of CSO cannot be commercial in confidence.

Dr GEOFF LEE: We will get a dollar figure for you. I am not trying to be deceptive.

The Hon. ANTHONY D'ADAM: Surely you should know, Minister, given the competitive environment that TAFE is operating in. One of the arguments that has been made is the issue around having to run uneconomical courses. The Audit Office report seems to suggest that is not captured in the CSO funding. I think it is obviously very much in the interests of TAFE and the public to know specifically how much CSO funding is provided to TAFE.

Dr GEOFF LEE: Yes, I am happy to get back to you. I am just making sure. But I think it is important that the CSO funding does service some key equity groups like our Aboriginal students, who are 9 per cent of our enrolments; students with a disability, who are 12 per cent; unemployed people, who are 23 per cent; regional and remote students, who are 34 per cent; and students from a language background other than English, who are 22 per cent of total enrolments.

The Hon. ANTHONY D'ADAM: I understand that, Minister. I have limited time.

Dr GEOFF LEE: I am happy to get back to you. I just do not want to say the wrong number.

Answer:

I am advised that Community Service Obligation (CSO) funding is provided to TAFE NSW in recognition of the organisation's legislated obligations to provide those experiencing disadvantage with access to "technical and further education services, including a range of appropriate specialised services" as outlined in the *Technical and Further Education Commission Act 1990 (NSW)*.

The amount provided to TAFE NSW in 2020-2021 through the funding deed is \$150 million.

p. 39 – Funding deed

Mr COLLINS: There is a funding deed between the department and TAFE that identifies the direct allocations that go to TAFE. That includes funding for higher level qualifications, further community service obligation funding and other programs. Within that, there is a relationship between TAFE and us as a funder and provider.

The Hon. ANTHONY D'ADAM: Are you able to provide that document to the Committee?

Mr COLLINS: We should be able to.

Answer:

I am advised:

This document is commercial-in-confidence.

p. 39 – 40 – A Vision for TAFE NSW

The Hon. ANTHONY D'ADAM: Does that mean that the statement in this vision for TAFE NSW is correct? It says that the New South Wales Government will continue to fund training providers by way of community service obligation funding to ensure continuity of service.

Mr COLLINS: This is the 2016 TAFE document?

The Hon. ANTHONY D'ADAM: Yes.

Mr COLLINS: I am sorry, I do not have that in front of me, so I could not comment.

The Hon. ANTHONY D'ADAM: Perhaps you could take that on notice just to clarify it.

Answer:

I am advised:

The document “A Vision for TAFE NSW” July 2016 states that “the NSW Government will continue to fund training providers by way of Community Service Obligation (CSO) funding to ensure continuity of service.”

TAFE NSW is the major recipient of the Department of Education’s Smart and Skilled Thin Market program.

p. 41 – Young campus – Hairdressing

The Hon. COURTNEY HOUSSOS: Minister, are you aware that hairdressing is not currently offered at Young?

Dr GEOFF LEE: I am not aware of that operation level.

The Hon. COURTNEY HOUSSOS: This is years after a multimillion dollar upgrade and students have to travel a four-hour round trip to Wagga Wagga if they want to study hairdressing, yet they are expected to be working full-time to do their apprenticeship.

Dr GEOFF LEE: Let me say I am happy to take on notice any specific instance, like Young, when you bring it up, but the decision to offer courses is an operational decision based upon the demand from students— whether we can run classes, do we have the teaching expertise and do we have the facilities. I am happy to take it, but it is an operational decision and I do not tend to be involved in any of those. Do we run at Baulkham Hills TAFE certificate IV in marketing? I do not know, to be honest. I rely on the expertise about the TAFE to look at what courses should be run to suit local communities, local students and local industry. I am more than happy, Mr Faurby, if you have any information and would like to get back to the Committee about Young hair and beauty.

The Hon. COURTNEY HOUSSOS: I am happy for you to take that on notice, my time is about to run out. There is a \$10 million upgrade of the TAFE specifically to provide these facilities and yet years later they are not providing them.

Dr GEOFF LEE: I am happy to take it on notice. I do not know. I mean we run 1,200 different courses. There are 17,000 staff—

Answer:

I am advised:

The TAFE NSW Young campus facilities upgrade was completed in 2017 as part of a multi-million-dollar capital investment that delivered critical infrastructure in key educational areas of health and aged care, early childhood education and care, hairdressing and beauty therapy, business management, and trade areas including electrotechnology. Included in the upgrade was the provision of an adaptable learning space that is supported by technology, and a modern customer service area.

The upgrade has been a success with students utilising the facilities for enrolments in several courses including Early Childhood Education and Care, Individual Support, Aboriginal Studies for Professional and Community Development, Engineering – Fabrication Trade, Electrotechnology (Career Start), Spoken and Written English, and many more.

The hairdressing and beauty salon is currently being utilised for the delivery of Certificate III in Make-up Services to TVET students, and the delivery of the Certificate II in Salon Assistant course.

Current enrolments do not support delivery of the apprentice hairdressing course from Young campus at this time. TAFE NSW is engaging with local industry to increase numbers of apprentices in the area to grow enrolments.

p. 44 – Credit transfer

Mr DAVID SHOEBRIDGE: Minister, do you know how many students at TAFE in 2020 sought to have credit for their previous study at an RTO and were denied credit because the RTO was simply not able to even provide a learning transcript?

Dr GEOFF LEE: I will take that on notice unless someone from TAFE has that level of detail.

Answer:

I am advised that TAFE NSW accepts either a transcript from an RTO or a verifiable online VET transcript as evidence to support a credit transfer. Students control access to their VET transcript through their Australian Government Unique Student Identifier (USI) account.

I am further advised that TAFE NSW has not recorded any cases where a student has been denied credit due to lack of a transcript provided by an RTO.

Information about verifiable online VET transcripts is available at <https://www.usi.gov.au/transcripts>

p. 45 – Credit transfer

Mr DAVID SHOEBRIDGE: Minister, do you know how many students at TAFE in 2020 sought credit for their previous study at an RTO and were denied credit because the organisation was not even appropriately qualified?

Dr GEOFF LEE: I will take that on notice.

TAFE NSW Answer:

I am advised that TAFE NSW does not hold records of cases where a student has been denied credit for previous study due to an RTO being not suitably qualified or registered.

Students who have acquired competence but lack evidence to support credit transfer can apply for

Recognition of Prior Learning.

p. 45 – Bushfire Recovery Courses

Mr DAVID SHOEBRIDGE: How much money was given to private providers as part of the post-bushfire free courses that were offered?

Dr GEOFF LEE: I will take it on notice—unless you have the detail at hand, Chloe Read or David Collins? There were a significant number of bushfire recovery courses that we did. They were very effective.

Mr DAVID SHOEBRIDGE: Alright. Well, you have taken it on notice. You have come to budget estimates—

Mr DAVID SHOEBRIDGE: How much money was given to private providers as part of the post-bushfire free courses that were offered?

Dr GEOFF LEE: I will take it on notice—unless you have the detail at hand, Chloe Read or David Collins? There were a significant number of bushfire recovery courses that we did. They were very effective.

Mr DAVID SHOEBRIDGE: Alright. Well, you have taken it on notice. You have come to budget estimates—

Dr GEOFF LEE: So, 2,300 people actually did bushfire recovery courses.

Mr DAVID SHOEBRIDGE: How many were private?

Dr GEOFF LEE: I will take it on notice—the split. TAFE did some. Whoever was best placed in the regions—

Mr DAVID SHOEBRIDGE: How many additional free TAFE courses have been delivered since March 2019 as a result of the bushfires courses? How many were free?

Dr GEOFF LEE: I will take it on notice, but I know there were 2,300 students. In terms of the courses, I am more than happy to provide the courses that they actually did.

Mr DAVID SHOEBRIDGE: You will do it on notice?

Dr GEOFF LEE: Yes.

Answer:

I am advised:

Data relating to funded Bushfire Recovery Courses since February 2020 is as follows:

Provider	Courses	No of Enrolments	Funding Paid
Adult and Community Education (ACE)	17	224	\$140,872
TAFE	95	1028	\$1,034,017.40
Private RTOs	247	1309	\$2,048,587
Total	359	2561	\$3,223,477

I am further advised that a list of all bushfire courses funded by Training Services NSW is as follows:

Skill Set / Course	Number of Courses	Number of Participants
Accounting	1	1
Arborist	2	13

Aquaculture	2	17
Bookkeeping	1	1
Business Services	1	6
Cargo	2	12
Chain of responsibility	10	42
Chainsaw and Fell Trees	25	191
Chainsaw Training	34	280
Chemicals	1	8
Civil Construction	8	14
Confined Spaces	5	12
Confined Spaces / Work at Heights / Civil Construction	2	2
Construction	6	15
Demolition	7	26
Dozer Operation	1	3
Electrical	2	45
Elevating Platform	1	1
Excavator Operations	3	13
Fell Trees	11	56
Fencing	18	167
First Aid	31	418
Forestry	1	12
Forklift	13	78
Four Wheeled Drive	1	2
Front End Loader Operations	2	8
Hospitality	1	6
Heavy Vehicle	3	8
Manual Handling	2	19
Occupational Health and Safety	2	46
Operate Pole Saw	2	17
Outdoor Adventure	2	24
Plan Skills Development	1	15
Plant Operations and Licensing	74	298
Risk Control	1	10
Safety	1	6
Skid Steer Loader and Excavator Operations	1	6
Skid Steer Loader Operations	5	14
Sport & Fitness	1	40
Tools	3	41
Traffic Control	1	16
Traffic management	13	58
Transport and Logistics	7	22
Transport and Storage	3	9
Truck Drivers	5	21
White Card	30	386
Work at heights	10	56
Total	359	2561

p. 45 – Fee-free Traineeships

Mr DAVID SHOEBRIDGE: How many enrolments have been accepted to date for the 70,000 new fee-free courses for young jobseekers taking on traineeships?

Mr SCOTT: We can come back to that this afternoon.

Dr GEOFF LEE: Yes. Can we get back to you about that? Traineeships—I will just have a look at my ready reckoner.

Answer:

The answer provided during the hearing was 18,752 and this was as at 31 January 2021.

I am advised that as at 7 March 2021, it had increased to 21,062 traineeships.

p. 46 –Sexual assault or sexual harassment policy

The CHAIR: Thank you. To the Minister or to Steffen, what is the internal operational policy at TAFE for the handling of complaints of sexual assault or sexual harassment either by staff or students?

Dr GEOFF LEE: I will ask Mr Faurby.

Mr FAURBY: That is an area that we, for obvious reasons, take very seriously. If there is any such matter raised with us, we have a policy in place that defines the ways in which we do that. I do not have the policy with me here, but it is an area that we take very, very seriously.

The CHAIR: What is the core of the policy? Is it to refer these matters to the New South Wales criminal justice system and, in the first instance, the police?

Mr FAURBY: With permission, I am happy to try to see if I can get a specific answer on that today, so that we can come back this afternoon—

The CHAIR: In New South Wales aren't the best external experts the police, if it is a matter of a complaint where the suggestion is that the law has been broken?

Mr FAURBY: Most certainly. If we are talking about matters that—every such case is different and individual. I would say, rather than trying to comment on exactly how we go about this, I think it is perhaps more appropriate if I can come back this afternoon with more detail.

The CHAIR: You will come back this afternoon with the policy and an outline of how it is handled?

Mr FAURBY: Yes, if that is okay.

Answer:

I am advised:

Where there has been an alleged illegal act, such as sexual assault, TAFE NSW immediately contacts the NSW Police.

TAFE NSW follows its 'Complaints Handling Policy Guidelines' when complaints are received against staff, including those which allege sexual assault or sexual harassment. In addition, the '*Guidelines for the Management of Conduct and Performance - NSW TAFE Commission Staff*' sets out the operational guidelines for addressing possible breaches of the *TAFE NSW Code of Conduct & Ethical Practices* (such as complaints regarding sexual assault or sexual harassment).

Operational policy requires that any internal TAFE NSW process (such as a workplace investigation) is secondary or in co-ordination with, the police process. Triage of the complaint requires that TAFE

NSW notifies other relevant agencies of the incident (such as the Office of the Children's Guardian or the NSW Independent Commission Against Corruption where appropriate).

The relevant policy for complaints relating to sexual assault or sexual harassment by a student is the *TAFE NSW Student Conduct and Discipline Policy*, supported by the related *Procedures Manual*.

p. 50 – TAFE NSW restructure

Ms TICKLE: We do routinely clean up the establishment but we also take the time when we do organisational change to completely redo the position descriptions. They are all redesigned and they are all done to reflect contemporary work and tasks that are done by the new proposed structure. May I also make the point— and I do think this is important—that we are in consultation. So when we are asking for numbers around employee impacts, it really depends on what comes out in consultation. In the first week of consultation we have already received 173, I think, pieces of feedback around this proposal, and we will expect to see a lot more of that. So things can change. I think that is important to have on record, as well.

The Hon. COURTNEY HOUSSOS: Ms Tickle, are you able to provide us, on notice, with a breakdown of the 700 positions—how many of those were no longer required because you considered their duties not relevant and then whatever the other two categories were? If you can just provide us with a breakdown of those.

Ms TICKLE: Yes, so the other two categories—the higher duties in positions have not been used for years and years? Yes, I can take that question on notice and see what information we have, certainly.

Answer:

I am advised that the draft Change Management Plans for Student Services Tranche 1 and Facilities Management & Logistics includes 395 vacant positions as at 9 February 2021. Many of these vacancies are long term and have outdated Position Descriptions that are not required by the organisation, or are roles that have been replaced by new roles in the organisation.

I am further advised that the number of positions vacant in the existing Student Services Tranche 1 and Facilities Management & Logistics structures as at 9 February 2021 due to employees acting in other roles is 225.

p. 51 – TAFE NSW restructure cost

The Hon. ANTHONY D'ADAM: My assertion is that job evaluation allows you to reclassify positions down and, therefore, you make a saving because a position that is being done at one classification grade is now reclassified at a lower classification grade and, therefore, you achieve a saving in terms of the same work—or effectively same work—being done at a lower rate of pay.

Ms TICKLE: So that goes both ways. In some cases, positions are evaluated and the grade goes up; in some cases, the grade goes down. It actually depends on the tasks and the work that is done in the position that determines the grade.

The Hon. ANTHONY D'ADAM: Overall the structure would have been costed, surely?

Ms TICKLE: Yes.

The Hon. ANTHONY D'ADAM: And the structure is going to cost less, is it not?

Ms TICKLE: I would have to take on notice how much less the structure is going to cost but, in terms of the job evaluations themselves, we have had a number of job evaluations that the proposal—again, it is a proposal—is up and some that are down. In fact, through consultation, sometimes the grading of

roles is changed because the feedback is, "We do not think that this position description actually accurately reflects what this job will need to do." So, in some cases, the consultation leads to a change in grade.

Answer:

I am advised:

A new structure for Student Services and Facilities Management and Logistics is yet to be finalised.

Extended staff consultation is occurring between 16 February 2021 and 1 April 2021, and feedback will inform the final organisational structure and role composition.

The proposed changes outlined in the draft Change Management Plans are anticipated to reduce operating costs, create more efficient structures and deliver forecast savings of \$8.3M in FY2020-21 and \$13.9M in FY2021-22. No frontline employees are affected by these changes.

p. 51–52 - Kingscliff and Murwillumbah campuses

The Hon. COURTNEY HOUSSOS: Can I just ask a couple of questions about the Kingscliff campus and the Murwillumbah campus closures? What courses were consolidated to Kingscliff after the Murwillumbah site closed?

Mr FAURBY: Let me take that question on notice.

The Hon. COURTNEY HOUSSOS: Okay. I mean, there was a multimillion-dollar CLC that was supposed to be delivering those courses there.

Mr FAURBY: I will take that question on notice.

Answer:

I am advised:

The Murwillumbah and Kingscliff campuses have not closed and remain operational.

No courses have been consolidated from Murwillumbah campus to Kingscliff campus.

TAFE NSW will continue to deliver quality learning outcomes at Murwillumbah and Kingscliff.

p. 52 - 20-year infrastructure strategy and strategic asset management plan

The Hon. COURTNEY HOUSSOS: Can I come to the question of the 20-year infrastructure strategy? Is this the same as the strategic asset management plan that the Auditor-General said that you needed to compile?

Mr FAURBY: No, it is two different documents.

The Hon. COURTNEY HOUSSOS: Okay. Do you have a completion date for either of them?

Mr FAURBY: Both of them are due this year. I will have to come back with a more definitive date but, as I mentioned earlier today, we expect to have both of those plans ready this year.

The Hon. COURTNEY HOUSSOS: This year—middle of the year, end of the year?

Mr FAURBY: As I just said, I would like to come back with a more definitive response to that.

Answer:

I am advised that the TAFE NSW 20 Year Infrastructure Strategy is expected to be finalised in 2021.

The timeframe for this is dependent on Government approval processes.

I am further advised that the TAFE NSW Strategic Asset Management Plan is expected to be ready for submission to Treasury at the end of 2021.

p. 52 - Strategic asset management plan

The Hon. COURTNEY HOUSSOS: Okay. Can you explain how they are different?

Mr FAURBY: The 20-year infrastructure strategy plan is the overarching strategic long-term vision for what is required for us in terms of infrastructure in order to deliver our contemporary and futureproof training. That involves things such as the blueprint of a number of campuses that we use; exactly to what extent are we able to provide flexibility around the different delivery modes; the introduction of technology; making sure that we have a correct and up-to-date and current composition between locations, such as between regional and metropolitan. It talks about the involvement, where applicable, of organisations that we would seek to take advice from in terms of what were the future needs of education. It talks about the location where we would like to place and position things like centres of excellence. So it is really a long-term strategy that ties into the long-term strategy of TAFE NSW.

The Hon. COURTNEY HOUSSOS: Almost a strategic asset management plan.

Mr FAURBY: Yes, that is a narrower scope. It is a document that we are obligated to issue, I believe, on an annual basis—I would have to double-check exactly what the frequency of it is—with a narrower interpretation or clarification on what the asset base is for TAFE NSW, such as maintenance and modernisation and upkeep and things of that nature. That is the narrow scope: a narrow time frame and a narrower definition compared to a 20-year infrastructure strategy plan which takes into consideration all the things I mentioned before.

The Hon. COURTNEY HOUSSOS: And you do not have one at the moment. Is that correct?

Mr FAURBY: Which one of them are we talking about?

The Hon. COURTNEY HOUSSOS: The strategic asset management plan.

Mr FAURBY: I will have to check whether we have got one currently, but I can certainly confirm that we are working on issuing that one as part of the deliverable set we talked about for next year.

Answer:

I am advised that TAFE NSW is currently underway with the development of a strategic asset management plan.

I am further advised that the TAFE NSW Strategic Asset Management Plan is expected to be ready for submission to Treasury at the end of 2021.

p. 54 - 55 Security contract at Liverpool TAFE

The Hon. ANTHONY D'ADAM: Mr Faurby, there was a change in the security contract at Liverpool TAFE. Can you explain what happened there?

Mr FAURBY: There has been a change in the security contracts across TAFE NSW. Part of what we did was to apply or appoint a whole-of-government supplier of security services. That was a matter that I believe was discussed last year as well. and around August of last year we entered into that security contract with a company by the name of Southern Cross. As I said, it was negotiated as part of whole-of-government services. That contract has been in place now for over 12 months and it continues to provide great service to us. We certainly still maintain the same level of security as we did before. When it comes specifically—I am sorry, what was the facility that you talked about?

The Hon. ANTHONY D'ADAM: Liverpool TAFE is the one.

Mr FAURBY: I am happy to make sure that there are no special circumstances surrounding that but as far as I am informed and aware that campus, like any other campus as part of the whole footprint of TAFE NSW, is governed by the same whole-of-government contract that we entered into.

The Hon. ANTHONY D'ADAM: Did Southern Cross assume functions that were previously performed by direct employees at TAFE?

Mr FAURBY: They would have, yes, I would imagine because the nature of the work that they do is security and making sure that campuses are safe, both for staff and students. I am happy to take the question on notice to make sure there are not other components or elements of this which are relevant to the question that you asked, but it is my understanding that—

The Hon. ANTHONY D'ADAM: Am I correct in understanding that Southern Cross now has the contract for all security at all TAFE campuses?

Mr FAURBY: That is my understanding, yes, but can I be allowed to double check and take the question on notice so that I am sure I inform you absolutely 100 per cent correctly? But that is my understanding, yes.

The Hon. ANTHONY D'ADAM: How long is the duration of their contract?

Mr FAURBY: The terms will be—I will take the question on notice so I can give you the correct terms.

The Hon. ANTHONY D'ADAM: What is the value of the contract?

Mr FAURBY: I will take that on notice.

The Hon. ANTHONY D'ADAM: Was this done as a savings measure?

Mr FAURBY: It was done, I would imagine—it predates when I joined the organisation so it will be speculation for me to try and answer that question, but I will certainly be happy to take it on notice and provide the details.

The Hon. ANTHONY D'ADAM: If it was a savings measure, can you specify how much was budgeted in terms of saving from a shift to the contract?

Mr FAURBY: Indeed, I can take that on notice.

Answer:

I am advised:

There are no special circumstances for security at Liverpool campus. Southern Cross Group (SCG) did not assume the functions of the TAFE NSW employed security guards. All TAFE-employed Security staff are still employed by TAFE NSW.

SCG provides static security for 56 TAFE NSW sites. These sites were previously serviced under contracts with multiple providers. The value and length of the contract can be found on the NSW Government's e-tendering website at <https://www.tenders.nsw.gov.au/?event=public.CN.search>.

TAFE NSW, as a Government Agency, is required to leverage whole of Government contracts to ensure the best value for the taxpayers of NSW and consistency of service delivery across the State. In line with this whole of Government approach, TAFE NSW approached the market in 2019 seeking to contract a single supplier for the provision of security services to TAFE NSW.

p. 57-58 - Chullora TAFE

The Hon. ANTHONY D'ADAM: I might turn to another matter now. Can you tell me the status of the Chullora TAFE site?

Mr FAURBY: The Government spent \$22 million on upgrading Chullora to make it into a fit-for-purpose facility across western Sydney. They did this at the Miller, Wetherill Park and Granville TAFE campuses. Those three campuses were invested in within the past year or two. The investments were basically done in response to the circumstances of the Chullora campus, which was deemed not to be providing students with an optimal educational experience.

The Hon. ANTHONY D'ADAM: What is the status of the property now? Is it still an asset on TAFE's books?

Mr FAURBY: We still have it and there are no plans, as far as I am aware, to divest it.

The Hon. ANTHONY D'ADAM: It will just sit empty and idle.

Mr FAURBY: As I indicated before, we are going through a review of facilities to make sure that we make best use of them. We also have a strong obligation, which we take very seriously, to make sure that we maintain it. At this point in time there are no plans other than to make sure it is safe. We can make decisions about it in the future.

The Hon. ANTHONY D'ADAM: You mentioned whether it is safe. Is there an issue in terms of contamination of the site?

Mr FAURBY: Not that I am aware, but I will happily take that question on notice.

Answer:

I am advised that a detailed site investigation was carried out by environmental consultants in 2017. These experts concluded that all instances of contamination at Chullora are sufficiently managed by risk mitigation measures to be considered low risk.

I am further advised that the Chullora site is currently being used by the Department of Education for logistics support to COVID-19 measures in NSW Schools.

p. 58 - Divestments

The Hon. COURTNEY HOUSSOS: Mr Faurby, I would like to go through some of the other sites that have been divested in recent times. To assist, I am going to give you a document that has been publicly circulated previously, which has a list of proposed divestments. It is a document from 2015-16, which I understand pre-dates your time.

Mr FAURBY: Yes.

The Hon. COURTNEY HOUSSOS: I am keen to work through the document and see what the status of each is. You will notice on the document that I have highlighted some of the sites. These are the ones that I can see in the annual report have actually been divested. Can we go to Glendale? Are you aware of that being divested?

Mr FAURBY: No, I am not aware of that, so I will take that one on notice.

The Hon. COURTNEY HOUSSOS: Sure. Can I just be clear, if you take them on notice, could you say whether they have been divested and, if they have been divested, what the sale price was?

Mr FAURBY: Sure.

The Hon. COURTNEY HOUSSOS: Belmont west side, I think, has been divested recently, according to the annual report, to Roads and Maritime Services, but we have four grouped together—Belrose, Belmont, Dapto and North Wagga—for a total market value of \$4.22 million, excluding GST. Would you be able to provide a breakdown of those four sites?

Mr FAURBY: Most certainly, on notice, yes.

The Hon. COURTNEY HOUSSOS: Are you aware of Muswellbrook being divested?

Mr FAURBY: No. Again I will take it on notice and make sure I provide a detailed response to that, but I am not aware of it.

Answer:

I am advised:

There are no approved plans to divest either Glendale or Muswellbrook campuses.

Partial divestments between July 2019 and June 2020 occurred for the following locations:

- Belrose - \$3,890,909 (partial to Roads and Maritime Service for road widening)

- Belmont - \$320,000 (partial east side to Lake Macquarie Council for a community pathway)
- Dapto - \$3,200 (partial to Wollongong City Council for road construction)
- North Wagga Wagga - \$20,000 (partial to Wagga Wagga City Council for road widening)

p. 58-59 – Earlier Divestments

The Hon. COURTNEY HOUSSOS: Not for much longer, Mr Chair. Moving to Goulburn, which I see was part of the ones that were grouped together in the 2018-19 annual report, that is, Belrose, Bombala, Epping, Goulburn, 43 East Street at Grenfell, Hornsby, Randwick and Tuncurry—

Mr FAURBY: Yes.

The Hon. COURTNEY HOUSSOS: They are grouped together with a market value of \$60.83 million. Could you provide us with a breakdown of those?

Mr FAURBY: Yes, most certainly.

The Hon. COURTNEY HOUSSOS: We have talked about Dapto. Are you aware of Queanbeyan?

Mr FAURBY: I will take that one on notice as well.

The Hon. COURTNEY HOUSSOS: Wollongong West?

Mr FAURBY: Same, on notice please.

The Hon. COURTNEY HOUSSOS: Again, Vincentia, Petersham and Meadowbank have been grouped together in the 2017-18 annual report for \$22.3 million. Are you able to provide us with a breakdown of those?

Mr FAURBY: Certainly.

The Hon. COURTNEY HOUSSOS: We have talked about Great Lakes, so coming to Maclean—

Mr FAURBY: On notice as well, yes. I will do that for all of them, if that is okay, because I have some information but I do not have all the information. In order to provide you with a comprehensive response to that, I would rather simply take that matter on notice.

The Hon. COURTNEY HOUSSOS: Okay.

Mr FAURBY: Can I just ask this for clarification purposes: The document that you handed out does have a number of these locations highlighted in blue—is there a particular reason for that?

The Hon. COURTNEY HOUSSOS: Yes, as I said earlier, they are the ones that I can find in the annual report having been divested. You have indicated that you will take Murwillumbah, Taree, Trenayr, Ballina—Belrose and Epping we have covered already—Albury, Narrandera and Corowa. Chullora we have covered, but the next ones are Granville and Katoomba, which were grouped in the 2016-17 annual report for a total of \$12.6 million, so if you could give us a breakdown for each of those.

Mr FAURBY: Yes.

The Hon. COURTNEY HOUSSOS: Then we have Enmore, Ultimo, Forbes, Grenfell and Bourke.

Mr FAURBY: Thank you, I will take all of that on notice.

Answer:

I am advised that the following TAFE NSW sites have been divested between 2017 and 2019:

2018-19 Annual Report

Site Address	Purchaser	Purpose	Sale Price (ex GST)
Part Goulburn (160 Bourke Street)	Goulburn Regional Conservatorium	Existing TAFE NSW tenants occupying site for use by local community for music tuition	\$1 (Disposed in accordance with NSW Community Use Policy)

Part Belrose (Corner Wyatt Avenue & Forest Way)	Northern Beaches Council	To be used for community purposes	\$1 (Disposed in accordance with NSW Community Use Policy)
Bombala (8-12 Wellington Street)	Snowy Monaro Regional Council	To be used for community purposes	\$1 (Disposed in accordance with NSW Community Use Policy)
Epping (86 Chelmsford Avenue)	Minister for Education	Acquired to build a primary school	\$23,427,272
Grenfell (43 East Street)	Weddin Landcare Steering Committee Ltd	Existing TAFE NSW tenants occupying site for existing use as Weddin Community Native Nursery	\$1 (Disposed in accordance with NSW Community Use Policy)
Part Hornsby (298 Peats Road)	Transport for NSW	Acquired for a multi-deck commuter carpark as part of the redevelopment of the Hornsby Train Station and the surrounding precinct.	\$17,688,480
Part Randwick (2-20 King Street)	Health Administration Corporation	Acquired to build a super ambulance station as part of the Sydney Ambulance Metropolitan Infrastructure Strategy	\$18,181,818
Tuncurry (Lot 1 Taree Street)	Tuncurry Group Pty Ltd (The Trustee for Tuncurry Group Unit Trust)	Purpose unknown	\$2,454,545
TOTAL			\$61,752,119

2017-18 Annual Report

Site Address	Purchaser	Purpose	Sale Price (exc GST)
Vincentia (167 The Wool Road)	Minister Administering the National Parks and Wildlife Act 1974	Acquired for conservation purposes as located in a Terrestrial biodiversity habitat corridor	\$120,000
Petersham (85 Margaret Street)	Great Investment Group Pty Ltd	Purpose unknown	\$1,400,000
Part Meadowbank (57-69 Constitution Road)	Minister for Education	Acquired for educational purposes	\$20,810,000
TOTAL			\$22,330,000

2016-17 annual report

Site Address	Purchaser	Purpose	Sale Price (Ex GST)
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Granville (68-80 South Street)	RL Investments (Aust) Pty Ltd	Purpose unknown	\$11,000,000
Katoomba (7-9 Gang Gang Street)	Metropole Katoomba 2 Pty Ltd	Purpose unknown	\$1,600,000
TOTAL			\$12,600,000

There are currently no approved plans to divest Enmore, Ultimo, Forbes, Bourke, Murwillumbah, Taree, Trenayr, Ballina, Wollongong West, Great Lakes, Maclean, and Queanbeyan.

p. 59 – Restructure of the information and communications technology [ICT] section

The Hon. ANTHONY D'ADAM: There was a restructure of the information and communications technology [ICT] section last year—is that correct?

Mr FAURBY: I am sorry, would you mind repeating that question?

The Hon. ANTHONY D'ADAM: Was there a restructure last year of the ICT section?

Mr FAURBY: Yes, there was, and that was part of the same restructure as we have talked about this morning and into this afternoon, which is all part of the modernisation process that commenced in 2016. The previous focus was around the ICT organisation and now we are talking about student services and facilities management and logistics.

The Hon. ANTHONY D'ADAM: Did that restructure delete the onsite field support positions?

Ms TICKLE: I will have to take the question on notice in terms of the specific position titles. So it was the onsite—

Answer:

I am advised that the final organisational design for the Systems Group includes Field Support Officer and Senior Field Support Officer positions.

p. 60 – Externally delivered VET courses

The CHAIR: Can I come back to the question of the interface between government high schools and TAFE? How many New South Wales government high schools would have a financial relationship with TAFE?

Mr SCOTT: I will have to take that on notice.

The CHAIR: How many would have the capacity to buy in TAFE services to their school campus? For instance, a TAFE teacher comes in to provide instruction to students at the high school doing vocational education.

Mr SCOTT: Depending on the availability, I see no difficulty in that being able to happen, but I will take that on notice and come back with more detail.

The CHAIR: But how much of that does happen?

Mr SCOTT: I will come back with more detail on that.

The CHAIR: And the other relationship—how many government schools and how many students would be doing this, where the school is paying for the student to go to a TAFE course in the local area to match up to a reality where the school has not got the facilities to run this vocational education program, but the TAFE down the road does, so they can go there for half the week and then half the week at school?

Mr SCOTT: Let me see if I can come back to you with a bit of detail on how that operates. I know that we have in excess of 2,000 school-based apprenticeships that are working out now. That is a great

example of students at school, at TAFE and out and about—that mix that you are talking about. So we have 2,000 of those that are currently operational. That has been a fairly consistent figure in recent years. But I can come back with more detail on notice.

Answer:

I am advised:

The main financial relationship between government schools and TAFE NSW is through the externally delivered VET (EVET) program. The program gives students in Years 9 to 12 access to courses endorsed by the NSW Education Standards Authority (NESA). The courses lead to the award of nationally recognised VET credentials that contribute to the NSW Record of Student Achievement (RoSA) or the Higher School Certificate (HSC).

All NSW government schools have the capacity to purchase VET course provision from TAFE NSW or other Registered Training Organisations (RTOs), either through the EVET program or by using other funds made available to schools.

Having VET courses delivered at a school is subject to the external training provider having the capacity to deliver at the school site, and the school being able to meet equipment and facility requirements of the VET courses.

In 2021, 10,598 students from 445 NSW government schools are participating in NESA endorsed VET courses delivered by external RTOs:

- 9,409 of these students (from 434 NSW government schools) are participating in courses with TAFE NSW: and
- 1,189 of these students (from 26 NSW government schools) are participating in courses with 14 other providers (RTOs).

TAFE NSW also delivers training to school-based apprentices and trainees. School-based apprentices and trainees in NSW government schools are managed under the Smart and Skilled program.

In calendar year 2020, there were 2,665 students from 429 NSW government schools that participated in school-based apprenticeships or traineeships.

p. 61 and 62 – VET high schools

The CHAIR: Well, you mentioned earlier on that it is 20 per cent of the student cohort, so it cannot be that hard to craft a policy for one-fifth of our students to match up to their learning, engagement and interest. On the establishment of the VET high schools—one at Seven Hills, a marginal Government seat; one at Tweed, another marginal Government seat—surely the most pressing need would be in south-west Sydney. How did those electorates for voting Labor effectively miss out on a VET high school?

Mr SCOTT: As I said, these are only two pilots. I can come back to you on notice on what the selection process was for those, but I think the Minister—

The CHAIR: Was assessment made of the potential of schools in south-west Sydney to be VET high schools, such as Airs, Eagle Vale, Sarah Redfern and Casula?

Mr SCOTT: I will come back to you on notice on what the process was.

Answer:

I am advised:

The Election Commitment was to establish two vocational high schools, one in Western Sydney and the other one on the North Coast. Therefore, schools in South Western Sydney were not assessed.

A comprehensive analysis of potential secondary schools in the geographic locations was undertaken, using the following criteria:

- areas of projected employment growth across a range of industries, including construction and health sectors;
- proximity to transport links;
- existing footprint and capacity of schools to repurpose and/or accommodate new build;
- existing vocational education and training (VET) facilities at schools and Schools Infrastructure NSW's school upgrade planning;
- schools' levels of engagement and support for VET pathways and school-based apprenticeships and traineeships; and
- capacity and support of school leadership to engage in the pilot.

As a result of the analysis, Seven Hills High School and Tweed River High School were identified and approved as the most appropriate schools to participate in the pilot.

p. 62-64 – Charles Sturt University

Mr DAVID SHOEBRIDGE: Thanks, Mr Chair. In a resolution on 2 June last year, Charles Sturt University [CSU] Council committed to commissioning an independent external audit of their financial performance and position that included an assessment of the Sustainable Futures program, and to work transparently and cooperatively with the New South Wales Government as the audit is undertaken, and in the analysis of the report and adoption and implementation of the recommendations. Since that time, how has CSU management been engaging with the Government and the department?

Mr SCOTT: Let me speak to that. First of all, I can just say that as far as—this is in the context of COVID you are speaking, in particular?

Mr DAVID SHOEBRIDGE: I think their concerns were more significant than just COVID. They were substantially more significant than COVID.

Mr SCOTT: One thing I can speak to first up is the—all New South Wales universities were clearly impacted by the events of last year, the impact of international students that was referenced this morning and other areas as well. One of the things the Government did was to provide a \$750 million loan guarantee—

Mr DAVID SHOEBRIDGE: Just to be clear: I am not asking about COVID support. I am asking about the crisis that is engulfing Charles Sturt University, which is quite distinct to COVID.

The Hon. WES FANG: I think "crisis" is a bit of an overreach.

Mr DAVID SHOEBRIDGE: Perhaps if you knew more, you could tell me more, Wes.

Mr SCOTT: I will have to take that on notice and come back to you on that.

Mr DAVID SHOEBRIDGE: According to summaries of the Charles Sturt University council meetings, KPMG was commissioned to undertake that work and their report was considered at a council meeting at least on 30 September 2020. In a summary of the report, KPMG stated that it was commercial-in-confidence and that the council deemed it was not appropriate for the full report be made public. Has Charles Sturt University given, consistent with its earlier resolution, a full copy of that report to the New South Wales Government and your department?

Mr SCOTT: Well, let me reference what I was talking about earlier, which was the \$750 million loan guarantee scheme, because part of that work to provide that loan guarantee was a willingness for universities to engage with the Government and the department on their financial situation. I will have to come back to you on notice on the engagement of Charles Sturt.

Mr DAVID SHOEBRIDGE: In October 2020 the Commonwealth Minister for Decentralisation and Regional Education said in the Commonwealth Parliament that the Charles Sturt University chancellor had disclosed to him:

... a litany of systemic issues that required investigation ...

He then referenced allegations of potential fraud and possible referrals to the Independent Commission Against Corruption. This is the Federal Minister.

The Hon. WES FANG: Andrew Gee—is that who you are talking about?

Mr DAVID SHOEBRIDGE: Has the New South Wales Minister for Tertiary Education and Skills, the Government or the department received any information or taken any action to investigate these issues?

Mr SCOTT: I will want to check that on notice, if I can.

The Hon. WES FANG: Some of us have been given briefings on it, David.

Mr DAVID SHOEBRIDGE: Sorry, Mr Scott. There is a noise over there.

Mr SCOTT: You are asking whether, in fact, we received correspondence from them. I said I want to take that on notice.

Mr DAVID SHOEBRIDGE: No, no, no. Has the Minister or the department received any information or taken any action to investigate the issues?

Mr SCOTT: I want to see what information we have received formally from Charles Sturt on the matter, and then I will be in a position to outline what response there has been to that. I will do that on notice.

Mr DAVID SHOEBRIDGE: Have you been advised—"you" being yourself, the department and/or the Minister—about the extraordinarily high turnover of senior executive and management positions at Charles Sturt University over the last 12 months? I could give a list of them but it is an extraordinarily long list, starting with the acting interim vice-chancellor, going to the acting provost and deputy vice-chancellor, et cetera. Has this not come across your desk at all? There is a university that seems to be in quite substantial crisis.

The Hon. WES FANG: There is that word again.

Mr DAVID SHOEBRIDGE: You have nothing to add to that?

Mr SCOTT: I would simply say, as the Minister said this morning: The management and the governance of Charles Sturt University is a matter for its governing board—its senate. That is how it operates under the structure that exists under the governance of Charles Sturt University. And so, if there are matters around management turnover, then they are matters that are the focal point and the responsibility of the governing board of the institution. Now, I said to you that I will take on notice whether in fact there has been formal correspondence that has come in from the chancellor or the president of the board—I am not precisely sure of the title—and I can come back to you on notice on that.

Mr DAVID SHOEBRIDGE: But, Mr Scott, I commenced this round of questioning with a resolution from the council itself—the governing board that you refer to—who resolved to not only get the audit but then to:

... work transparently and cooperatively with the NSW government as the audit is undertaken and in the analysis of the report and adoption and implement of recommendations.

Mr SCOTT: I want to check that the analysis been completed and as to whether in fact the council has, subsequent to that statement, formally reached out to the Government on that. That is what I am taking on notice.

Mr SCOTT: I can add: The Minister—and I believe his public record has demonstrated this—has had some meetings with the university. I have not been at those meetings—

Mr DAVID SHOEBRIDGE: Alright. Well, perhaps we can get some details on notice.

Mr SCOTT: —and I will get details on notice about that.

Answer:

I am advised:

On 9 September 2020, representatives of Charles Sturt University briefed the Minister for Skills and Tertiary Education on the progress of the university's report.

Charles Sturt University has not provided a copy of its Sustainable Futures report to the Minister for Skills and Tertiary Education or the NSW Department of Education.

The NSW Department of Education has not received any allegations of fraud or corrupt conduct concerning Charles Sturt University.

p. 64-65-66 – Staffing at TAFE

Mr DAVID SHOEBRIDGE: Previously I have asked questions about the staffing at TAFE, particularly asking questions—and I will just repeat them now. How many teachers are employed by TAFE, broken down by category? As we sit here now—or the most recent date that you have—how many are full-time permanent, how many are part-time permanent, how many are casual and how many are contract? When I asked a similar question last year I was referred to the annual report. That, of course, does not produce any of that kind of detail. I am going to ask you again: Can you give that breakdown of TAFE teachers?

Mr DAVID SHOEBRIDGE: Yes, so I am asking for the numbers as at 1 March.

Mr DAVID SHOEBRIDGE: Ms Tickle, I am inviting you to take that question on notice and provide what information you have. Will you take it on notice?

Ms TICKLE: Yes, certainly, we will take it on notice.

Answer:

I am advised that the number and proportion of full-time equivalent (FTE) staff will fluctuate from one month to the next due to educational programming. TAFE NSW therefore provides information each year on the staff numbers as at 30 June in section 6.1 of the TAFE NSW Annual Report, which is available at www.tafensw.edu.au/corporate/annual-report.

A full breakdown of FTE teachers has been provided in the TAFE NSW response to Supplementary Question 13.

p. 68-69 – Staffing restructuring

The Hon. ANTHONY D'ADAM: In terms of the staffing restructuring. We have had the restructuring of the facilities management and student services. Is there any further restructuring proposed in this two-year operating plan?

Mr ALACQUA: I might ask Julie, who is more across the organisational design component of the two-year operating plan.

Ms TICKLE: Organisational design specifically is a process from 2016. We are nearing the end of it but there are a couple more groups to go through. Student services, based on the size, is broken into two tranches. The first tranche is the one going through now, and that is student services operations. Tranche two includes the other roles in student services that are directly related to student support—the

counsellors and the librarians, those roles for example. Then we also need to still do our workforce services, payroll in particular, because we did workforce services recruitment last year. We are nearing the end of the One TAFE modernisation organisation design program but there are a couple of groups to go through.

The Hon. ANTHONY D'ADAM: How many position deletions do you expect to arise out of those two further restructures that you mentioned just then?

Ms TICKLE: I would not be able to comment today because they have not gone through yet. We have not presented the change management proposal. We do a lot of design up-front, and we work very closely with the leaders through the organisational design program to unpack what the rationale is for the new structure and what is needed to be done. I would not be able to comment on numbers because we have not done the proposal yet.

The Hon. ANTHONY D'ADAM: When will you know?

Ms TICKLE: When we complete the design process.

The Hon. ANTHONY D'ADAM: When will that be?

Ms TICKLE: What we do is we stagger these changes. This is why it has actually taken quite some time. Just to share an example: We do have people in student services and facilities management and logistics have been saying to us, "We need to go through." We have not gone through for a long time. Some of the position numbers are outdated, like we said earlier. So we stagger them. We do not do all of them at once. In terms of when we will have them, we are proposing that we will move on to them when we finish student services. But student services will take us a long time because, as I have said, we have a long consultation period and following the consultation period we move into what we call implementation, where the placement process begins. The placement process takes us a long time because there is a lot of people moving around different roles. Student services has quite a high number of people mapped into roles in the new structure. So those movements will take a long time.

The Hon. COURTNEY HOUSSOS: You said that there is a couple of departments who are still to go; there is the workforce services, payroll, and—

Ms TICKLE: Workforce services, payroll, and the second tranche of student services.

The Hon. COURTNEY HOUSSOS: Roughly how many positions there are there currently?

Ms TICKLE: I would have to take the question on notice. I do not know that detail.

Answer:

I am advised that the remaining two groups to undergo change as part of the One TAFE Organisation Design Program are Student Services Tranche 2, which has approximately 1000 positions in the current structure, and Workforce Services (Payroll), which has approximately 150 positions in the current structure.

I am further advised that positions in the current Student Services Tranche 2 structure are occupied by a combination of full-time, part-time and casual staff.

p. 69 – Meetings with Charles Sturt University

The Hon. ANTHONY D'ADAM: Mr Scott, the Minister's record of his diary indicates that he has met with Charles Sturt University on a number of occasions. Is it customary for you to attend those meetings?

Mr SCOTT: No, I have not attended those meetings. There might be a departmental officer who looks after higher education who would attend those meetings. I can check who attended those meetings. But, no, it would not necessarily be customary for me to attend those meetings.

Mr COLLINS: I would have to take on notice. I have only just stepped into the role. But from time to time departmental members may attend those meetings but not as a matter of course.

Answer:

I am advised that no departmental officers attended those meetings with Charles Sturt University.

p. 69-70 – Meetings with Trifalga Property Development and Racing NSW

The Hon. ANTHONY D'ADAM: Were you at the meeting with Racing NSW when TAFE matters were discussed?

Mr FAURBY: I was not.

The Hon. ANTHONY D'ADAM: Is that unusual?

Mr FAURBY: I do not know how to answer that question.

The Hon. ANTHONY D'ADAM: You would not be invited to a meeting—

Mr SCOTT: I would not have thought necessarily at all. If I think of the Ministers I have worked with in this role, I think it is two or three on both sides of the portfolio. You will have a regular meeting with the Minister, sometimes a meeting with the Minister to discuss specific issues. But the Minister's diary is full all day, every day meeting constituents, meeting different stakeholders. There will be many meetings that the Minister will hold that will go to portfolio matters that I would not be in and, I imagine, Mr Faurby would not be in and other departmental officers would not be in. I do not think that is particularly surprising or unusual.

The Hon. COURTNEY HOUSSOS: Mr Faurby, are you able to take on notice to see whether anyone from your department was in on those meetings with the Minister at the time?

Mr FAURBY: Most certainly. The two meetings we talk about was the one with—

The Hon. COURTNEY HOUSSOS: Trifalga Property Development and Racing NSW.

Mr FAURBY: Yes, we will take that question on notice.

The Hon. COURTNEY HOUSSOS: We can give you the date for those.

The Hon. ANTHONY D'ADAM: Trifalga was on 14 July 2020. The Racing NSW meeting was on 6 August 2020.

Mr FAURBY: Thank you.

TAFE NSW Answer:

I am advised that no TAFE NSW staff attended either of these meetings.

p. 70 – CLC Locations

The Hon. ANTHONY D'ADAM: Can I ask about the process for deciding about the location of Connected Learning Centres. Is there a policy that guides the deliberations of TAFE in terms of where it sites Connected Learning Centres?

Mr FAURBY: Yes, there is. There is a guide or a set of principles that we use. First and foremost, they will relate to things such as the community we serve, what other training facilities are there—

The Hon. ANTHONY D'ADAM: Can you step me through the process that is applied from—

Mr FAURBY: I can highlight some of the key components of this, which I think will be well understood, and then if there is anything more we need to provide we will take it on notice. Really we look at, for a particular location, the growth in population; we look at composition of the labour force today and what we expect it to look like in the future; we look at the various businesses and corporations—small and large—that exist in the area because that is an indicator, of course, of training needs; we look at accessibility, including public transport but in general; we look at whether or not the location is near another TAFE location or another training facility that would suggest that the demand is met already. So those are the key criteria that will form the basis of where we choose to locate a new facility.

The Hon. COURTNEY HOUSSOS: Who makes the final decision?

Mr FAURBY: That is a TAFE decision. We make a recommendation, that goes to the Minister and it is TAFE's decision.

The Hon. COURTNEY HOUSSOS: Have you had any recommendations refused by the Minister?

Mr FAURBY: I do not recall any.

The Hon. COURTNEY HOUSSOS: Can you take that on notice just to check?

Mr FAURBY: Yes, absolutely, I will take it on notice. I do not recall any.

Answer:

I am advised that no recommendations regarding the location of Connected Learning Centres have been refused since 1 April 2019.

p. 70 – Country Universities Centres

The Hon. ANTHONY D'ADAM: Can I ask about whether—and this might be able to be answered by Mr Scott or maybe Mr Faurby—there has been any dialogue between Education and TAFE in relation to providing access to connected learning centres for the purpose of achieving the same policy goals as the Country Universities Centres? They seem to be quite similar types of structures—similar kind of infrastructure. Has there been any dialogue between the two agencies about perhaps utilising Connected Learning Centres for the purposes of facilitating a country university-type arrangement?

Mr SCOTT: I am not aware of it but I am happy to check it and return on notice to you. I should add to that that Country Universities Centres are not run by the department, of course.

Answer:

I am advised:

There has been no dialogue between the Department of Education and TAFE NSW regarding the use of Connected Learning Centre facilities for university students. However, Country Universities Centre (CUC) engages locally with TAFE NSW regarding use of facilities for its students.

The CUC model is community-led, including a volunteer Board of Directors, local staff, and community partnerships.

CUC undertakes extensive consultation with local communities regarding the suitability of a centre in a particular location, including consideration of existing educational facilities.

Co-location of CUCs at existing TAFE NSW campuses is considered if logistically and financially viable. For example, CUC's Goulburn centre is co-located at TAFE NSW's Goulburn campus.

p. 73 – Racing NSW figure to purchase

Mr DAVID SHOEBRIDGE: Do you know what figure has been put forward by Racing NSW to buy the property?

Mr FAURBY: No.

Mr DAVID SHOEBRIDGE: Could you find out?

Mr FAURBY: I will certainly take on notice to see what we can find out, but I have no knowledge of that number.

Answer:

I am advised that the Expression of Interest evaluation process of the 2 Flemington Drive, Scone site remains active and all bids received remain commercial-in-confidence.

p. 73 – savings from One TAFE program in the 2019- 20 calendar year

Mr DAVID SHOEBRIDGE: What were the savings last year from the One TAFE program, in the 2019-20 calendar year?

Mr FAURBY: My answer will be the same: I do not know what the number is but I can certainly confirm there were savings.

Mr DAVID SHOEBRIDGE: Can you tell us on notice what the savings were?

Mr FAURBY: I will take that question on notice, yes.

Answer:

I am advised that this question is answered on p.87-88 of the transcript:

“...the savings that were achieved in financial year 2018-19 were \$84 million and in the year 2019-20 were \$155 million. So, what does that pertain to? It pertains to the initiatives that form part of the One TAFE modernisation and the whole One TAFE reform, which, as I also talked about earlier, related to unifying the 10 previously autonomous institutes to One TAFE with one brand operating as a single RTO, including consolidating the 10 corporate offices that existed back then, with 10 human resources managers, 10 finance managers and all these other roles.

It also involved the integration of 220 websites and 12 online brands to one brand and to one website. It allowed us to extract and centralise in excess of 300 systems, services and applications that TAFE NSW shared with the Department of Education, and that of course also resulted in cost reduction. It allowed us to establish TAFE Digital Lab out at Armidale, which is still there—a state-of-the-art learning tools and innovative technologies facility that enhances the learning experience for students. It allowed us to launch the TAFE Digital campus, a best-in-class digital learning platform that enables students to learn how, when and where they want. It allowed us to open the 15 connected learning centres that are supported also by the mobile training units and also maintain an adaptable industry standard on digitally enabled TAFE NSW. Those were the main purposes of the One TAFE modernisation. Those were the initiatives that led to those achieved savings year on year, as I have just reported...”

p. 73 – Savings this financial year from the One TAFE project

Mr DAVID SHOEBRIDGE: What are the expected savings this financial year from the One TAFE project?

Mr FAURBY: We have, as part of the TAFE NSW annual budget, an expectation of certain efficiencies that we deliver and that forms part of the budget. The budget is \$1.967 billion.

Mr DAVID SHOEBRIDGE: As we heard repeatedly from the Minister. But this is budget estimates and I am asking you what the budget proposes to have in terms of savings from the One TAFE program this year. You cannot answer that, you cannot answer for last year, you cannot answer for the year before. Do you have any information you can share with us about the budgeted or actual savings from One TAFE—any at all?

Mr FAURBY: I can take that question on notice.

Answer:

I am advised:

TAFE NSW, like all agencies, needs to ensure that it is delivering efficiency savings to reinvest elsewhere across the agency.

TAFE NSW has budgeted to deliver savings of \$62 million in 2020/21 as part of its overall \$1.967 billion budget. The 2020/21 TAFE NSW Budget is an increase of 5.7% compared to the prior year.

p. 75 – Training Plans

The Hon. ANTHONY D'ADAM: If I were to say that there has been a suggestion that the processing is slow, you would not be able to say yes or no to that. You do not have that information. You are not in a position to make an assessment about whether that unit that performs a critical function is actually discharging its duties in a sufficiently customer-focused way?

Mr COLLINS: Can I get to the heart of the issue? We are the recipient of a completed training plan. The development of the training plan is actually something that happens within the training organisation and between the training organisation and the employer. We are aware of the various times that it takes for that to happen before it is received by us. I am not aware that there are issues. I am not denying that there may be issues. I am not aware that there are issues in our processing of those training plans once they are received. They are an important part of a bigger picture and that is actually the registration of the training agreement and therefore the making official of that employment and training arrangement. I am not aware that there is an issue, but I am certainly very happy to look into it.

Answer:

I am advised:

Under normal circumstances, the production of a Training Plan Proposal (TPP) as part of the apprenticeship and traineeship application process flows smoothly. Where individual delays are identified, these are addressed by the Department of Education.

With the recent surge in apprenticeship and traineeship applications as a result of COVID-19 support policies (October 2020 to present), the capacity of RTOs to produce the TPPs within the same timeframes has been difficult. This together with the backlogs currently being experienced by the Commonwealth funded Apprenticeship Network Providers, who facilitate the sign up and lodgement of applications, some delays have been caused in apprenticeship and traineeship approvals. The Department is currently working with all stakeholders to address these issues.

p. 76 – Fee-free Apprenticeships

The Hon. ANTHONY D'ADAM: Okay. There was an announcement for 100,000 fee-free apprenticeships. How many of those have been taken up?

Ms READ: 47,304.

The Hon. ANTHONY D'ADAM: Do you have figures on how—

Mr SCOTT: As of this hour. That is a very precise number.

Mr DAVID SHOEBRIDGE: Sorry, was it 47,000?

The Hon. SCOTT FARLOW: And 304.

Mr DAVID SHOEBRIDGE: Is this of the 70,000?

Ms READ: No, this was the 100,000.

The Hon. ANTHONY D'ADAM: The 100,000 fee-free apprenticeships. And what is the total number of apprentices who have dropped out of their apprenticeships in the last financial year?

Ms READ: I do not have that for the last financial year. We did see significant disruption obviously over the period of 2020.

The Hon. ANTHONY D'ADAM: You can take that one on notice if you like.

Mr SCOTT: Do you want to give detail on that?

The Hon. ANTHONY D'ADAM: And for the previous year as well if that is possible.

Ms READ: Okay. So you are looking for financial—so 2019-20 and then 2018-19 and specifically for apprentices?

The Hon. ANTHONY D'ADAM: For apprentices, yes, the number of drop-outs.

Mr SCOTT: But we can give you detail. It is quite interesting to look at the pattern and movement through the calendar year 2020. Because you did see a period of time where suspension rates were higher and there was a slowing down of the activity through March, April and May but really quite a strong surge back in the second half of the financial year and year-on-year significantly higher figures for I think October, November and December that you saw from the previous year. So we can give you a sense of the pattern of movement. There was a lot of engagement with industry and trying to provide the support infrastructure that we could do to keep traineeships going and keep apprenticeships going to keep students in that economy with their studies. So we can give you some detail.

The Hon. ANTHONY D'ADAM: Are you able to provide on notice how many of those were fee-free apprentices?

Mr SCOTT: Yes, we can give you that detail.

Answer:

I am advised:

The total number of apprenticeships cancelled during 2019/2020 was 15,604. Of these, 6,217 were fee free.

There were 16,088 apprenticeships cancelled in 2018/2019. Of these, 2,195 were fee free.

p. 77 – JobTrainer

The Hon. ANTHONY D'ADAM: Can I turn now to the COVID-19 support fee-free courses. How many of those were taken up?

Ms READ: Are you referring to the JobTrainer support—the 100,000 fee-free places?

Mr DAVID SHOEBRIDGE: There are two elements of it, isn't there? Around 70,000 for the young jobseekers on traineeships and 30,000 for mature-age workers?

Mr SCOTT: Yes, that is true.

Mr DAVID SHOEBRIDGE: Maybe if we break them down in two, that would be more useful.

The Hon. ANTHONY D'ADAM: Yes, so are you able to provide data on—

Ms READ: There are also 100,000 fee-free places under the JobTrainer Skilling for Recovery program.

The Hon. ANTHONY D'ADAM: Are you able to provide data on how many of those were taken up for each of the categories that have been mentioned?

Ms READ: Okay, so we talked about the fee-free traineeships earlier. Sorry, let me just find that number.

Mr DAVID SHOEBRIDGE: That was the 17,000.

Ms READ: That was the 17,000 and then for JobTrainer—sorry, let me just find it in my notes.

Mr SCOTT: I have a figure here that to date we have delivered 15,000 places of the 100,000 free training places that were on offer.

The Hon. ANTHONY D'ADAM: How many of those have been completed?

Mr SCOTT: I can get that detail for you.

The Hon. ANTHONY D'ADAM: Are you able to provide data on how many of those then translated into further study with TAFE?

Mr COLLINS: It is rather premature for the 100,000 JobTrainer ones, because they have really only started rolling out in the past couple of months. Some of those are short courses that were designed to give people a basic skill so they might be better equipped to look for jobs if they have lost jobs. Some of them are longer, full qualifications that will be ongoing. It is premature for us to have any data, really, about the transition from that into further training. The extent to which they are doing that is something that we would be looking for as we roll into this year. Of that 100,000 in the fee-free JobTrainer courses, a small number, 4,000, were specifically for school leavers under the banner of Summer Skills—a range of short courses that were designed to basically give people an introduction to vocational education and training and to get them thinking about what they might want to do. They range through hospitality services, primary industries—a whole range of different areas. We are just wrapping that up now. Some of those students would be completing their courses about now and we would hopefully be seeing a transition from there into further vocational education and training. We hope to see some of those students making positive choices that this is where they want to go.

The Hon. ANTHONY D'ADAM: Are you able to provide locational data as well?

Mr COLLINS: We can provide data on where those courses were, yes.

Answer:

I am advised:

NSW JobTrainer is a partnership between the Australian and NSW Governments to deliver fee-free training. To be eligible to enrol in JobTrainer applicants must be out of work, receiving an income support payment or aged 17–24. Employed persons who are expected to become unemployed (e.g. companies in declining industries, people whose employment is conditional on immediately undertaking work relevant training, workers who have been stood down or furloughed) may also be eligible.

As at 15 March 2021, enrolments, commencements and completions for JobTrainer qualifications are set out below:

JobTrainer		
Enrolled	Commenced	Completed
19,614	15,730	5,550

Regions:

	Enrolled	Commenced	Completed
Far West and Orana	589	485	343
Coffs Harbour - Grafton	615	505	112
Illawarra	920	741	197
Mid North Coast	703	554	151
Murray	145	140	49
New England and North West	763	677	477
Newcastle and Lake Macquarie	1,058	862	253
Richmond - Tweed	539	450	104
Riverina	435	336	102
Sydney	11,128	8,680	2,766
Capital Region	398	348	149
Hunter Valley excl Newcastle	513	405	143
Southern Highlands and Shoalhaven	272	237	82
Central Coast	660	545	109

Central West	876	765	513
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In addition to NSW Job Trainer Skilling for Recovery, the NSW Government also committed in July 2018 to fund 100,000 fee free apprenticeships and in January 2020 to fund 70,000 fee free traineeships and 30,000 mature age scholarships through TAFE NSW.

p. 78 – Bushfire Recovery Courses

The Hon. ANTHONY D'ADAM: We did have a similar range of questions about the bushfire relief in terms of data, if you could provide a similar dataset.

Mr SCOTT: Yes, we can do that. We will take that on notice.

Answer:

I am advised:

Data relating to funded Bushfire Recovery Courses since February 2020 by location is as follows:

Suburb	No. Courses	No. of Enrolments
Albion Park Rail	2	27
Amidale	1	9
Barretts Creek	1	3
Batemans Bay	13	156
Bega	21	201
Belltrees	2	4
BERRY	1	12
Bobs Farm	6	18
Bomaderry	9	86
Bombala	15	67
Bonville	7	13
Braidwood	1	9
Broadwater	1	12
Broulee	1	8
Capertee	2	5
Casino	2	20
Casion	1	3
Cobargo	5	32
Cooma	18	199
Crestwood	1	13
Emu Plains	2	6
Evans Head	1	32
Gillmore	21	65
Glenroy	2	24
Grafton	5	14
Guthega	1	13
Jackadgery	1	3

Jeremadra	1	5
Jindabyne	4	26
Jindera	1	14
Krawarree	3	25
Macksville	4	43
Macquarie Fields	1	42
Mellong	5	7
Merimbula	8	85
Mogo	1	7
Moorong	6	16
Moruya	16	187
Moss Vale	7	68
Nana Glen	2	0
Narooma	3	40
North Nowra	3	13
Nowra	3	61
Orange	1	6
Orient Point	1	10
Paddys River	1	2
Pampoolah	1	6
Polo Flat	1	4
Port Macquarie	6	63
Prestons	6	10
Robertson	13	21
Skennars Head	5	15
Shell Cove	1	6
South Grafton	1	14
South Nowra	2	6
Spring Hill	7	20
Sussex Inlet	1	1
Taree	5	76
Tenterfield	2	19
The Gap	1	6
Tumut	8	68
Tuncurry	13	56
Ulladulla	9	63
Unanderra	19	83
Upper Dartbrook	1	6
Wagga Wagga	10	138
Wallagoot	2	21
Wauchope	3	22
West Kempsey	3	25
Willawarrin	2	6
Wilton	7	7
Wittittrin	1	4

Wog Wog	1	19
Wollongong	5	17
Wyanbene	1	9
Yarrowitch	1	6
Yamba	7	33
Grand Total	359	2561

p. 78 – Workdynamic at Hamilton Campus

The Hon. ANTHONY D'ADAM: I want to ask you about one further matter, Ms Tickle, which is an investigation that was conducted at Hamilton campus by Workdynamic. Are you aware of that investigation?

Ms TICKLE: Yes, I believe I am. Is there any more information?

The Hon. ANTHONY D'ADAM: I want to know how much the Workdynamic contract was worth for that particular investigation.

Ms TICKLE: I do not have the amount, but I can certainly find out. I will take that on notice.

Answer:

I am advised that the cost of the Workdynamic Hamilton investigation was \$38,579.30 incl. GST.

p. 78 – Workdynamic inquiries for TAFE

The Hon. ANTHONY D'ADAM: Has Workdynamic done any other inquiries for TAFE?

Ms TICKLE: Any other investigations? Yes, they have.

The Hon. ANTHONY D'ADAM: How many?

Ms TICKLE: I do not have that number in front of me but it would not be hard to find, so I will take it on notice.

Answer:

I am advised that Workdynamic conducted a total of five investigations for TAFE NSW in the 2018/19 Financial Year (including the Hamilton campus investigation.)

p. 79 – Disposal of non-current assets

The Hon. COURTNEY HOUSSOS: I want to come back to the question of the disposal of non-current assets. Mr Faurby, you seemed to think that it was \$12.959 million, which is the amount in the budget papers, but then the Minister said \$20 million. Did you have a chance to check that?

Mr FAURBY: The \$12.959 million is the accounting adjustment or impact on this year's financial results as a consequence of the Randwick divestment. That is the number that I had and have in my mind. In order to not confuse that with the \$20 million that the Minister had, I think I undertook to double-check that. The \$12.959 million is the profit on the disposal.

Answer:

I am advised:

The \$20 million is the revenue received from the divestment of a carpark at Randwick campus for the

Ambulance Superstation. The \$12.959 million is the profit on the disposal and is recognised in TAFE NSW financial accounts once the sale transaction is completed.

p. 79 – Racing NSW

Mr DAVID SHOEBRIDGE: When did Racing NSW first offer to buy it?

Mr FAURBY: I am not aware if they actually did. I will have to take that on notice. All I can say is that they approached us. I think the wording of the letter that was written to the Minister in July of last year did suggest that they had an interest in the facility. Because it was an unsolicited offer, we directed them to the DPC guidelines for the ways in which to deal with unsolicited offers. As far as I am concerned, that was the end of that discussion.

Answer:

I am advised:

Racing NSW wrote seeking to purchase the 2 Flemington Drive site on 20 July 2020.

Racing NSW were advised in the response to the letter that it was an unsolicited proposal and were referred to the unsolicited proposal process managed by the Department of Premier and Cabinet.

p. 79-80 – Letter from Racing NSW

Mr DAVID SHOEBRIDGE: So there was a letter from Racing NSW. Was it signed by Mr V'landys? Was he the author of the letter in July of last year?

Mr FAURBY: I have not confirmed whether that was the case or not, I honestly do not recall, but it was from the organisation. I think that is as much as I recall.

Mr DAVID SHOEBRIDGE: And that included the suggestion at least that Racing NSW would purchase the Scone facility?

Mr FAURBY: My recollection is that they expressed an interest, yes, and that— **Mr DAVID SHOEBRIDGE:** Did they put a figure on it?

Mr FAURBY: I do not believe they did.

Mr DAVID SHOEBRIDGE: I am sorry, Mr Faurby, I did not mean to cut you off. Had you finished what you were going to say? You said, "And that".

Mr FAURBY: All I am saying is I do not recall that there was a figure, but I will gladly confirm. The

CHAIR: Did they lodge a formal unsolicited proposal?

Mr FAURBY: Not that I am aware of. It was a letter that expressed an interest in the facility.

Mr DAVID SHOEBRIDGE: You referred that off to the Department of Premier and Cabinet [DPC] under the unsolicited bids policy.

Mr FAURBY: I believe the Minister did.

Mr DAVID SHOEBRIDGE: What happened to that?

Mr FAURBY: I am unaware; I do not know.

Mr DAVID SHOEBRIDGE: Will you provide us with a copy of the letter?

Mr FAURBY: It is the Minister's letter, but I will certainly take it on notice and—

Mr SCOTT: But the one thing I think we can reasonably assume is that the asset was not sold to Racing NSW because the asset is now being disposed of under a divestment strategy that follows the public service guidelines.

The Hon. COURTNEY HOUSSOS: Despite assurances to us that it would not happen last year.

Mr DAVID SHOEBRIDGE: We will get to that, Mr Scott. I do not think we have had a clear answer yet: Will you provide a copy of the letter?

Mr FAURBY: I am not sure if I have the letter on file, to start with. A letter was written, as I am advised, from the Minister to Racing NSW.

Mr DAVID SHOEBRIDGE: From the Minister to Racing NSW?

Mr FAURBY: That is my understanding, yes, because the letter was addressed to the Minister.

Mr DAVID SHOEBRIDGE: Surely the Minister would have sought advice from you about the letter.

Mr FAURBY: He did, yes.

Mr DAVID SHOEBRIDGE: Therefore, you would have received a copy of the letter.

Mr FAURBY: I did.

Mr DAVID SHOEBRIDGE: And, consistent with the State Records Act you would have kept a copy of the letter, Mr Faurby?

Mr FAURBY: I am sure I have.

Mr DAVID SHOEBRIDGE: You did not shred it?

Mr FAURBY: No, no.

Mr DAVID SHOEBRIDGE: So will you provide a copy of the letter?

Mr FAURBY: Yes.

Answer:

I am advised:

A copy of the response sent to Racing NSW on 7 August 2020 is attached.

p. 80-81 –Scone TAFE

Mr DAVID SHOEBRIDGE: Was it an assessment by TAFE NSW that precipitated the move to sell Scone TAFE or was it the receipt of the offer to purchase from Racing NSW that precipitated the proposal to sell Scone TAFE?

Mr FAURBY: It was TAFE's assessment that the facility was underutilised and, therefore, we believed and still believe that we are better off divesting the facility and the proceeds made from the divestment being reinvested into future facilities for TAFE NSW in the region.

Mr DAVID SHOEBRIDGE: Yes, but I am asking what precipitated that. Did TAFE's assessment post-date the receipt of the letter from Racing NSW or did it precede the letter from Racing NSW?

Mr FAURBY: We would have formed that view prior to receiving the letter from Mr V'landys.

Mr DAVID SHOEBRIDGE: You say "would have".

Mr FAURBY: Yes.

Mr DAVID SHOEBRIDGE: What, if any, documentary evidence can you provide to us to substantiate that position?

Mr FAURBY: I will take on notice exactly what evidence I am able to provide, but what I can say here is that there was consideration given to that before the July letter was received by the Minister. Let me

take on notice and provide exactly what that process looked like, and also the number of iterations or the work that went into assessing the validity or the attractiveness of that proposition.

Answer:

I am advised:

During work for the draft 20 Year Infrastructure Strategy in 2019, TAFE NSW formed the view the Flemington Drive site would be surplus to TAFE NSW service delivery needs due to low utilisation and increasing maintenance costs.

The divestment of the TAFE NSW site at 2 Flemington Drive, Scone was approved on 6 August 2020.

p. 83 – Utilisation analysis - Scone

The Hon. COURTNEY HOUSSOS: I might continue on this. Mr Faurby, your department returned answers to this Committee in April last year. So let's just work slowly through the time line. There were no plans in April to divest. Had you undertaken the under-utilisation analysis at that point?

Mr FAURBY: I believe that the timing of the work that—am I going from—

The Hon. COURTNEY HOUSSOS: Mr Faurby, I am asking you a question: Did you undertake the utilisation analysis before April or after April?

Mr FAURBY: What I was about to answer was, to the very best of my recollection I think that was around the time when we commenced that work. April or so last year was when the work went into—

The CHAIR: After our Committee.

Mr DAVID SHOEBRIDGE: In this tiny window of opportunity between the answer to this Committee and receipt of the letter.

The Hon. SCOTT FARLOW: You might have given him the idea.

The Hon. WES FANG: Point of order—

The CHAIR: I uphold the point of order. Mr Shoebridge, we need to take these answers at face value—

Mr FAURBY: Can I also make the point that—

The CHAIR: —for the time being.

Mr FAURBY: —I joined this organisation only shortly before that. I joined the organisation in the middle of January last year; therefore tap it up until the time where I came on board. I would also say that it is hopefully only to be expected that in the first period of time before you commence a role like this there are all sorts of considerations and work that goes into this. It will take some time before I get to the point of giving considerations to these matters. I can answer for what I recall from my process or from my commencement here in the organisation. But I am happy to take on notice to see whether or not there was any other work that went into this prior to my arrival.

Answer:

I am advised:

During work for the draft 20 Year Infrastructure Strategy in 2019, TAFE NSW formed the view the Flemington Drive site would be surplus to TAFE NSW service delivery needs due to low utilisation and increasing maintenance costs.

The divestment of the TAFE NSW site at 2 Flemington Drive, Scone was approved on 6 August 2020.

p. 84 – Chullora under-utilisation

The Hon. ANTHONY D'ADAM: Mr Faurby, how is it possible that you have a site like Chullora, which has a 100 per cent under-utilisation rate and remains on the books, yet Scone, where there is some level of utilisation, gets scheduled for priority sale? How can you reconcile that? Isn't Chullora more likely to be an asset that you would want to sell, given there is no utilisation at all on that site? It is just a dead asset at the moment. Surely that would be a higher priority. How is it that you can reconcile the position you are taking in respect of Chullora and the position you have taken with respect to Scone?

Mr FAURBY: I think for the Scone facility, certainly the one—I have explained the reason why we were interested and recommended the divestments. We had and we have alternative solutions for the delivery. We see significant growth in that area, not least through the CLC facility where we have taken a significant increase in enrolments and also we have gone from five course offerings to now 14. As part of this there was a logic, in our view, to the suggested divestments. I will take the considerations around Chullora on notice and come back with more specific reasons as to why we have not gotten to the point of divesting that facility, if that is what we would want to do. As I explained earlier, we have no plans to do that and there has been no recommendation made by TAFE NSW or any other party that I am aware of to do that.

Answer:

I am advised that the Chullora site is currently being used by the Department of Education for logistics support to COVID-19 measures in NSW Schools.

I am further advised that any consideration of its disposal is deferred at this time.

p. 85 – Location of the CLC in Port Stephens

The Hon. COURTNEY HOUSSOS: Mr Scott, my time is about to run out, so I am just going to ask Mr Faurby one last question. Can you explain why there has been a series of moves for the location of the CLC in Port Stephens? It started at Nelson Bay and then it moved—

The Hon. COURTNEY HOUSSOS: It was supposed to go to Nelson Bay. There were four sites put forward by the council and now it has moved to Salamander Bay. Can you just talk us through that process and the role of TAFE NSW in it?

Mr FAURBY: I do not know the details of that because most of the considerations that you talk to there, I would imagine, had taken place before I joined the organisation. To provide you with an answer to the specificities of that I would like to come back with the details. I am not in a position to do that here.

Answer:

I am advised:

TAFE NSW carefully considered all sites nominated in Nelson Bay and determined them unsuitable for the location of a campus of this type due to inadequate land size, site configuration, constrained access or environmental risk.

TAFE NSW subsequently entered into a long-term lease agreement for a suitable, unconstrained vacant site in the adjacent township of Salamander Bay, owned by the Port Stephens Council.

The site at 1 Central Ave offers an opportunity for TAFE NSW to establish a skills and training ecosystem for the region through its close proximity to local high schools, employers, growth industries and community amenities, and it is also well serviced by public transport.

p. 87-88 – Modernisation and the One TAFE reform

The CHAIR: Look, I think we have covered this extensively. There was a point this morning where we must have had an hour on Scone and we have done 90 minutes this afternoon. Unless there are any other pressing answers, we really are at the end of the session, I do feel.

Mr FAURBY: Can I just make one point, which has not got anything to do with Scone but has to do with the question that was asked of me earlier around the modernisation and the One TAFE reform? I undertook to take on notice the question that related to the savings that were achieved for the modernisation for the past two financial years. I have since then dug up my notes and details and can confirm that the savings that were achieved in financial year 2018-19 were \$84 million and in the year 2019-20 were \$155 million. So, what does that pertain to? It pertains to the initiatives that form part of the One TAFE modernisation and the whole One TAFE reform, which, as I also talked about earlier, related to unifying the 10 previously autonomous institutes to One TAFE with one brand operating as a single RTO, including consolidating the 10 corporate offices that existed back then, with 10 human resources managers, 10 finance managers and all these other roles.

It also involved the integration of 220 websites and 12 online brands to one brand and to one website. It allowed us to extract and centralise in excess of 300 systems, services and applications that TAFE NSW shared with the Department of Education, and that of course also resulted in cost reduction. It allowed us to establish TAFE Digital Lab out at Armidale, which is still there—a state-of-the-art learning tools and innovative technologies facility that enhances the learning experience for students. It allowed us to launch the TAFE Digital campus, a best-in-class digital learning platform that enables students to learn how, when and where they want. It allowed us to open the 15 connected learning centres that are supported also by the mobile training units and also maintain an adaptable industry standard on digitally enabled TAFE NSW. Those were the main purposes of the One TAFE modernisation. Those were the initiatives that led to those achieved savings year on year, as I have just reported. I apologise that I did not have that information at hand in the first instance, but I wanted to at least share it with the Committee.

Mr DAVID SHOEBRIDGE: Mr Faurby, can you advise us on notice if they were net savings?

Mr FAURBY: I will certainly do that, yes.

Answer:

I am advised that these savings are net of transition costs.

p. 88 – Chullora TAFE

Mr DAVID SHOEBRIDGE: And, just because it was raised, the Chullora TAFE site has been up for sale. Is it still proposed for sale?

Mr FAURBY: No, not that I know.

Mr DAVID SHOEBRIDGE: Did the sale fall through because of the cost of asbestos remediation on site?

Mr FAURBY: I am unaware, but I will take the question on notice and provide the details.

Answer:

I am advised that the Chullora site has not been advertised for sale. In 2016-17 other NSW government agencies were consulted to determine interest to potentially repurpose the site for NSW government service delivery. No interest was confirmed.



20 July 2020

The Hon. Dr Geoff Lee MP
GPO Box 5341
SYDNEY NSW 2001

Dear Minister Lee,

I am hereby writing to express Racing NSW's interest in acquiring the Scone TAFE property from TAFE NSW for use as an equine training academy.

The NSW Thoroughbred Racing Industry generates \$3.5 billion in economic contribution to the state of NSW and employs 27,601 full time equivalent jobs. These jobs are spread across the state with a total of 115 different race clubs and many more supporting businesses.

However, the industry is currently suffering a skills shortage across key roles such as jockeys, trackwork riders and stablehands that is impacting ongoing productivity. Importantly, these key roles all require specific skills training to ensure that they can be carried out appropriately and safely. To illustrate the extent of the current issue, Racing NSW last year brought in 19 trackwork riders from the Philippines on 2 year visa's to alleviate a lack of suitable riders in several regions.

Racing NSW is working to address the skills shortage via training of local staff and was recently granted Registered Training Organisation status. This training was previously facilitated by TAFE NSW. Whilst Racing NSW is now able to offer the relevant courses, there is currently no base from which face to face training can be delivered. An equine training academy would provide an ideal base for such training and ensure that the necessary numbers of participants could be provided with the best possible training.

Over the past 12 months Racing NSW has acquired the Scone Race Club and surrounding lands and have commenced a master planning process to undertake significant capital investment in this precinct. This includes development of additional horse training facilities, improved racing infrastructure, construction of a new function and exhibition centre and construction of motel accommodation. This master plan will establish Scone as a regional centre of excellence for horse training and racing and will also serve the local community through provision of event facilities and accommodation.

The Scone TAFE property sits immediately adjacent to the Racing NSW owned land and would provide an ideal base for an equine training academy as part of the precinct master plan.

Racing NSW would propose to use the Scone TAFE property for the delivery of face to face training across a range of industry specific courses that are vital to ensure that the NSW thoroughbred racing industry has the necessary skilled staff to continue to function.

Having an equine training academy located within a major horse training centre and close to the Hunter Valley horse breeding studs which is the largest in Australia would also open the possibility for additional training courses and partnerships with universities such as veterinary and other sciences.

Further, within the facilities recently acquired by Racing NSW at Scone is the Racing Australia Equine Genetics Research Centre which undertakes DNA testing and research from a purpose built laboratory onsite. Also in this facility is the Hunter Valley Equine Research Centre which in partnership with Racing NSW supports ongoing research for the benefit of the NSW racing and breeding industries. These important operations provide further avenues for future research and training alongside the proposed equine training academy located at the Scone TAFE property.

We would welcome the opportunity to discuss this proposed acquisition with you further at your earliest convenience.

Yours sincerely,
RACING NSW

PETER V'LANDYS AM
CHIEF EXECUTIVE