



Annual Report

2022-23

Our vision



To provide every person, business and community with a world-class experience accessing the services and support they need from the NSW Government.

Our mission



We are committed to enhancing the quality of life in NSW by making it easy for people, businesses and communities to access the support and services they need.

Our purpose



We are the one-stop-shop for NSW Government Services. We collaborate with partner agencies to provide an exceptional, customer-centric omnichannel experience of government.

Our values



- Passion
- Teamwork
- Accountability
- Service
- Integrity
- Trust

Author Service NSW

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Contents

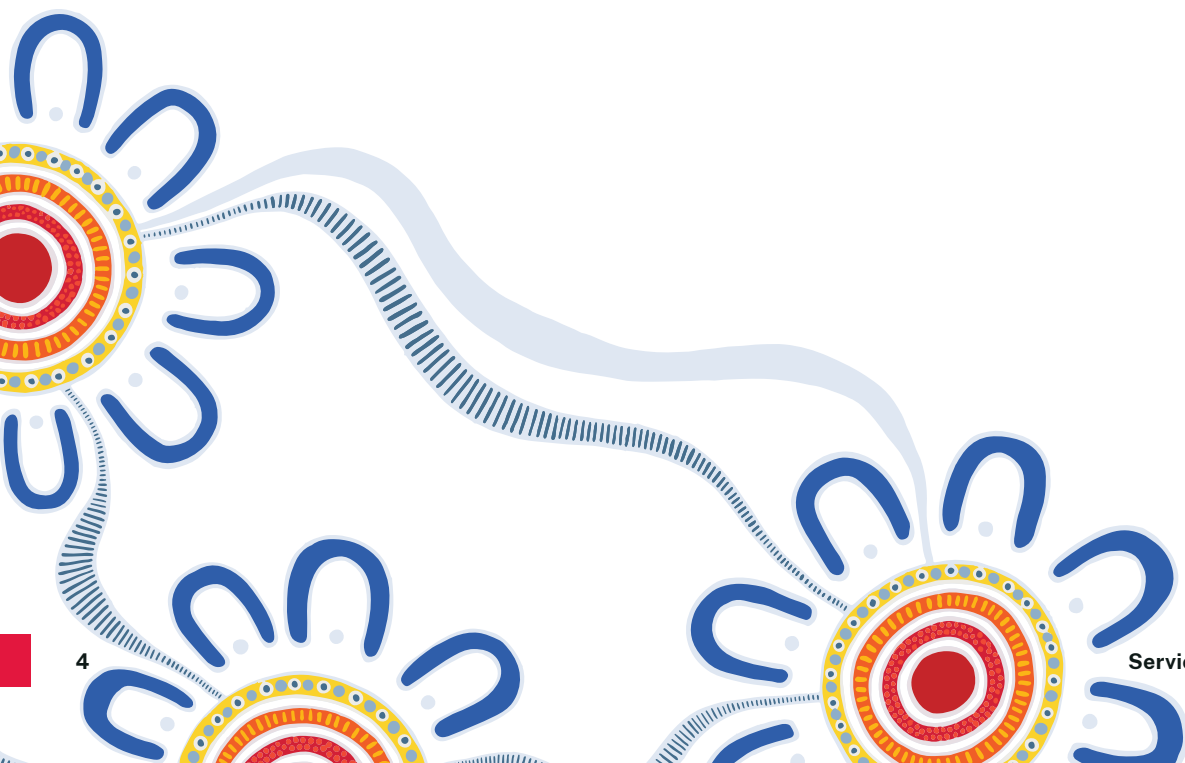
Acknowledgement of Country	4
Message from the Minister	6
Message from the CEO	8
Access	10
About Service NSW	11
Our network	13
Management structure Executive Leadership Team	14
Strategy	16
Operations and performance	17
Year at a glance	18
Highlights of our year	19
Youth Linker Pilot Program	21
Refugee Internship Program	22
Service Delivery	24
Toll relief providing more money in drivers' pockets	25
Digital Services	26
Disaster preparation and recovery	28
Delivering with our partners	32
Service NSW for Business	34
Leading community engagement	38
Our People Matter/PMES	40
Customer response	42
Management and accountability	49
Sustainability	65
Financial performance	76

Acknowledgement of Country

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

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

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





27 November 2023

The Hon Jihad Dib, MP
Minister for Customer Service and Digital Government
Minister for Emergency Services
Minister for Youth Justice
GPO Box 5341
SYDNEY NSW 2001

Dear Minister

Service NSW Annual Report 2022–23

I am pleased to submit the annual report for Service NSW for the year ended 30 June 2023 for presentation to Parliament.

This report has been prepared in accordance with Part 7 of the *Government Sector Finance Act 2018* and the *Government Sector Finance Regulation 2018*.

Due to delays arising from completion of the audited Service NSW financial statements, an application for extension of time to submit this report was made under *Government Sector Finance Act 2018*, this extension was granted up until the 30th November 2023.

Sincerely,

A handwritten signature in black ink, appearing to read "Greg Wells".

Greg Wells
Chief Executive Officer
Service NSW

Message from the Minister



Service NSW is at the centre of the NSW Government's goal to make life easier for every citizen in New South Wales, no matter who they are and where they live.

This past year, it has continued to serve as the front door to Government, where citizens know they can turn in times of need. No matter the challenges our communities face, Service NSW has responded and evolved to offer important services that the public can trust.

As we move forward from the COVID-19 pandemic, NSW citizens continue to face significant cost of living pressures, which Service NSW is helping the Government to respond to and ease. It works collaboratively with the NSW Department of Customer Service and other partner agencies to provide a central source of support for our communities.

This important role includes helping people impacted by natural disasters. Recent floods in the Northern Rivers, Western Sydney and the Central West of NSW were some of the nation's worst recorded flood disasters and left thousands of residents in need of support.

In response, Service NSW worked tirelessly as part of the coordinated recovery effort to connect communities and provide on the ground support at disaster recovery centres and assistance points across the state.

It also provided direct support and assistance through a range of targeted funding programs. This included flood and back home grants, rental support payments, small business storm and flood grants, and the small business Northern Rivers flood grant.

Across the board, Service NSW made more than 20 voucher and grant programs available this year as it worked to make services more convenient and accessible for all NSW residents. Service centres are now available at 114 locations, supplemented by points of presence in regional, rural, and remote NSW. This reach was extended further through mobile service centres, temporary disaster recovery centres and participation in more than a thousand community events.

As a result, 99% of citizens can access Service NSW within 30 minutes of their home, receiving personalised advice on 7,000 separate services from customer care experts.

Service NSW also partnered with local First Nations communities through the Aboriginal Artwork initiative, working with local Aboriginal communities to purchase and display artwork that promoted the deep connection between Aboriginal culture and local lands for customers to enjoy.

Since becoming Minister, I've been proud to announce services that are focused on making Service NSW more inclusive and supportive of our diverse multicultural communities. The Quiet Hour and Multicultural Youth Linker initiatives are at the forefront of efforts to support specific needs to access government services.

Quiet Hour aims to make it easier for customers who find it challenging to complete transactions in a heightened-sensory environment by making changes to reduce noise and distractions and provide dimmed lighting where possible. Quiet Hour is now available in more than 110 Service Centres.

Service NSW also worked closely with Multicultural NSW to launch the Multicultural Youth Linker program this year. This program targets young people from refugee and migrant backgrounds and helps them access the services and support they need. The program offers a peer-to-peer appointment service with Youth Linkers who provide advice on topics ranging from applying for a driver licence, to enrolling in study, to connecting with their local community.

The MyServiceNSW account is making it quick and easy to interact with government, with the number of people using MyServiceNSW accounts to complete everyday transactions growing to more than 2.7 million each month.

As growing numbers of citizens access digital services, it is more important than ever for them to feel safe when they provide personal information online. Service NSW continues to support individuals and organisations caught up in data breaches. It also took to the road this year to engage with communities and improve their awareness of identity, privacy and cyber security.

Service NSW is continuing to strengthen delivery of digital services through technical innovations such as implementing multi-factor authentication to help make high-risk transactions more secure. Service NSW has also taken the lead in developing a Digital ID that will provide a secure version of personal information that will give people greater control over their online privacy.

During its decade of operation, the organisation has worked to deliver services that respond to the changing needs of our community, and I anticipate Service NSW will continue to be a trusted provider of services to the people of NSW in years to come.

The Hon Jihad Dib, MP

Minister for Customer Service and Digital Government
Minister for Emergency Services
Minister for Youth Justice

“Service NSW directed much effort towards making services more convenient and accessible to every community across the state.”

— The Hon Jihad Dib

Message from the CEO



Service NSW has continued to expand the reach of its service centres and points of presence to support as many NSW residents as possible over the past year. It now operates a network of 45 metropolitan Service Centres and 246 points of presence in regional rural and remote NSW.

This network has the capacity to surge in times of crisis when it expands through its Disaster Recovery Centres and on the ground support. Our reach is magnified further through our strong online presence that provides citizens with a wide array of digital services they can access on the go through their mobile devices.

During 2022–2023, we assisted more than 160.2 million customers through our Service Centres, Contact Centres, Disaster Recovery Centres and online via the website and mobile app. Engaging with us was an incredibly positive experience for our customers who expressed an average of 96.92% satisfaction with our services.

This has been a further year when we have faced significant natural disasters, particularly the catastrophic flooding across the Northern Rivers, Western Sydney and the Central West regions. Service NSW was at the forefront of the state's effort in delivering on the ground support to help communities and businesses recover and get back on their feet.

Service NSW provided support at 178 Disaster Recovery Centres and recovery assistance points, as well as at mobile points and via council led programs. It delivered a range of flood assistance programs, receiving over 99,000 grant applications and paying over \$490 million to affected communities. Service NSW for Business also provided significant relief to businesses affected in regions affected by storms and flood events.

With 3.7 million active users per month, the Service NSW app provided impacted communities with timely and helpful information on how to find recovery support. The Service NSW app enabled around 370,000 citizens affected by floods with an easy pathway to access the resources and support they needed.

The cost-of-living crisis continued to bite hard for NSW residents and remained a central focus for our service delivery. Service NSW provided fast and targeted support via grants and vouchers that made accessing important goods and services more affordable for millions of citizens.

Customers can now access 60 services through the MyServiceNSW Account, this included the popular Back to School Voucher program, Toll Relief scheme and Low-Income Household rebate. They can also opt in to have services recommended based on the information they've shared, which proved valuable during the various natural disasters when those in immediate need could locate the many options for Government support.

We also continued to explore and pilot technical approaches to developing a Digital ID and credentials for NSW. We believe a Digital ID will be critical to the future of customer service – to give customers control over how their identity information is stored, used and shared.

Service NSW for Business continued to enhance the single-front-door it provides businesses to access government services, support and information. This centres around its dedicated business concierge service and the personalised care this offers tailored to the needs of individual businesses such as Aboriginal-owned and women-owned businesses.

The Business Connect program provided NSW's 840,000 small businesses with access to free, tailored business advice from independent advisors with experience running their own business. This helped 53,432 businesses through 368,011 hours of support and met with a 96% customer sentiment rating.

Service NSW for Business played a vital role in delivering more than \$300 million worth of vouchers to businesses and families and across the state. Voucher programs such as Back to School encouraged residents to purchase goods and services that injected valuable funds into small businesses.

Service NSW ended the year looking forward to its 10th anniversary of serving customers, celebrating the opening of its first Service Centre in Kiama on 5 July 2013. That first small physical footprint has since expanded to 114 Service Centres spread across NSW, complemented by a wide network of regional and mobile points of presence and an agile surge response in times of disasters.

Over the last 10 years, Service NSW has adapted to the needs of our communities and embraced innovation in how we have delivered our services. Our strong commitment to providing empathetic and efficient customer care has never wavered and will continue at the heart of our operations and services in the future.

Greg Wells

Chief Executive Officer, Service NSW

“Service NSW ended the year looking forward to its 10th anniversary of serving customers, celebrating the opening of its first Service Centre in Kiama on 5 July 2013.”

– Greg Wells

Access

Web

service.nsw.gov.au

Email

info@service.nsw.gov.au

Phone

13 77 88

Support office

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

Details of Service NSW locations, opening hours and the services available can be found on our website.

This annual report has been produced by Service NSW using in-house resources only. An electronic copy of this annual report is available on our website at service.nsw.gov.au, by email or by calling 13 77 88.

About Service NSW

What we do

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

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

We have maintained a 98.02% customer satisfaction rate for our Service NSW Service Centres, 96.61% for our 6 Contact Centres which field customer calls, and 94.03% for our online experience. These satisfaction rates tell us that our customers appreciate the efforts of our passionate and dedicated team members, to make it easier for the people and businesses of NSW to access government services.

We also take great pride in being rated as one of the best places to work. Service NSW is accredited as a White Ribbon organisation. This reflects our ongoing commitment to foster a culture of non-violence, respect and gender equality within our organisation, to help ensure the safety and wellbeing of our colleagues, customers and communities. Service NSW takes a genuine interest in our teams and in caring for the whole person. We seek to ensure a healthy work/life balance providing growing opportunities for wellbeing. In the wellbeing and mental health area, we have provided access to the Benestar counselling support service at no cost to teams. Service NSW employees also have access to a network of trained Mental Health First Aid Officers.

This MHFA support officer network assists and supports, providing information for our teams which can be accessed for both staff and customers.

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

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

Training and development are key components to supporting teams.

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

As we continue to show our passion for employee development, we have partnered with TAFE NSW to provide our leadership team with the opportunity to complete a Certificate IV in either Government or Project Management to support the ongoing growth of our organisation. This year 73 leaders completed their Certificate IV in Government.

About Service NSW

Our commitment to our customers

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

Customer Commitments



Easy to access

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



Act with empathy

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



Respect my time

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



Explain what to expect

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



Resolve the situation

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



Engage the community

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

Our commitment to our partner agencies

Our partner satisfaction has grown from 81% in April 2022 to 82% in April 2023.

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

Our commitment to government

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

Authorising legislation

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

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

Governance

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

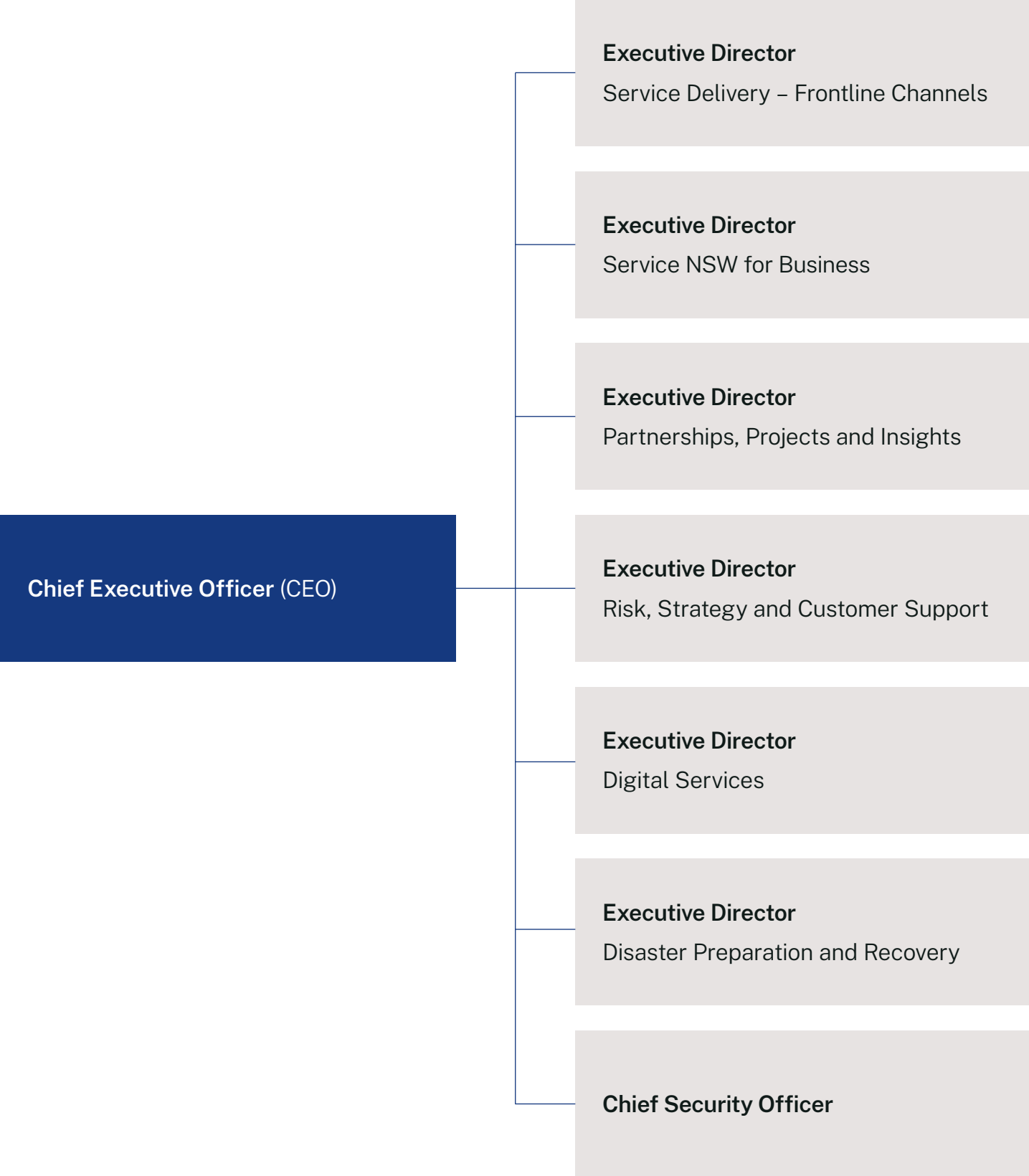
Our network

Service NSW has a strong presence across NSW, supported by 114 Service Centres, 32 Council Agencies, 7 digital self-serve kiosks, 1 Government Access Centre and 4 Mobile Service Centre buses. This range in service delivery access means 99% of NSW citizens live within 30 minutes of a Service NSW point of presence.

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



Management structure



Executive Leadership Team

The table below reflects the Executive Leadership Team, as at 30 June 2023.

Table 1. Executive Leadership Team profile

Name, role and qualifications	
 <p>Mr Greg Wells Chief Executive Officer (CEO) Bachelor of Electrical Engineering (Honours)</p> <hr/> <p>Mr Damon Rees Chief Executive Officer (Until December 2022) Executive Master of Business Administration Bachelor of Information Technology</p>	 <p>Ms Christine Kosorukow Executive Director, Service Delivery Frontline Directly relevant skills and experience</p> <hr/> <p>Ms Laura Christie Executive Director, Service Delivery Frontline (Until December 2022) Bachelor of Economics and Social Sciences (Honours)</p>
 <p>Ms Alexandra Geddes Executive Director, Disaster Preparation and Recovery Bachelor of Commerce (Marketing) / Laws (UNSW) Graduate of the Australian Institute of Company Directors</p> <hr/> <p>Ms Felicity Cox Executive Director, Disaster Preparation and Recovery (Until October 2022) PhD in Physics Master of Public Policy Bachelor of Science</p>	 <p>Ms Dawn Routledge Executive Director, Partnerships, Projects, and Insights Master of Law from the University of Northumbria Bachelors (History) and Masters (Archives & Records management) degrees from University College London Graduate of the Australian Institute of Company Directors</p> <hr/> <p>Mr Russ Murphy Executive Director, Partnerships, Projects, and Insights (Until October 2022) Master of Arts Bachelor of Arts</p>
 <p>Ms Cassandra Gibbens Executive Director, Service NSW for Business Bachelor of Business</p>	 <p>Ms Katie McDermott Executive Director, Digital Services Bachelor of Business</p>
 <p>Ms Catherine Ellis Executive Director, Risk, Strategy and Customer Support Graduate, Australian Institute of Company Directors (GAICD) Master of Arts Bachelor of Business</p>	 <p>Ms Melissa Clemens Chief Security Officer Cyber Security, Sydney University Executive Education, Harvard Kennedy School</p>

Strategy

Service NSW 2022–24 strategy on a page

The Service NSW 2022–24 Strategy on a page outlines the strategic priorities for Service NSW and key metrics to be achieved over the 2022–23 and 2023–24 financial years. NSW.

Our vision

To provide every person, business, and community with a world-class experience accessing the services and support they need from the NSW Government.

Our purpose

We are the one-stop-shop for NSW Government Services. We collaborate with partner agencies to provide an exceptional, customer centric, omnichannel experience of government.

Our services

What we deliver for the NSW Government and NSW residents:

- One-stop-shop for customer service excellence
- Digital services
- Rapid project delivery
- Crisis response and recovery.

Our values

- Passion
- Teamwork
- Accountability
- Service
- Integrity
- Trust.

What we are known for

- We are committed to our customers
- We care about our people
- We are agile and get things done
- Payments and economic stimulus.

Monitoring and reporting performance

In 2022–23 Service NSW monitored and reported performance through the following mechanisms:

- Reporting to the Department of Customer Services on operational and strategic objectives
- Reporting to internal governance bodies, including the Audit and Risk Committee and Management Assurance Committee
- Tracking individual performance goals and achievements using the myCareer and MyContribution platforms.

Our foundations

The underlying guiding principles of our organisation:



- A great place to work
- Easier for our customers
- A great partner
- Part of our communities.
- Trusted and secure.

Strategic Success Performance Measures:

During 2022–23, Service NSW tracked the progress being made against our Strategic plan using the below measures:



Over **77%** of staff are engaged working at Service NSW (FY 2024 target 77%)



99% of NSW population are within 30 mins of a Service NSW Point of Presence. (FY 2024 target 95%)



76% of customers trust Service NSW. (FY 2024 target 90%)



97% customer satisfaction. (FY 2024 target 95%)



82% partner satisfaction. (FY 2024 target 90%)

Operations and performance



Year at a glance



114
Service Centres



115K
customers in Service Centres each week



98.02%
customer satisfaction in Service Centres



151K
answered calls by Contact Centres each week



96.61%
customer satisfaction for Contact Centres



47K
Business Concierge customer cases



3.7M*
active Service NSW app users



158M
visits through the Service NSW app



2.55M
physical licences and cards issued



4.5M
NSW Digital Driver Licence downloads



170K
digital trade licence downloads



6.3K
Business Profiles created



6.2M
Service NSW for Business Digital platform views



94.03%
customer satisfaction for Digital Channel



70+
agencies with whom we partner



82%
partner satisfaction



714
community outreach programs

Highlights of our year

During our 10 years of operation Service NSW has developed a reputation for excellence in delivering customer care, and we have expanded our network to optimise the reach of our services to support as many NSW residents as possible. The network is made up of 45 metropolitan Service Centres plus 246 points of presence in regional, rural and remote NSW for a total of 291 points of presence across the State. This does not include the temporary Disaster Recovery Centres, or more than 1000 community events attended by our Mobile Service Centres and our teams in the 2022–2023 year.

Service NSW is now accessible to more customers than ever before, and with the addition of the Merrylands Service Centre and North Sydney Service Centre this ensures 99 per cent of NSW citizens live within 30 minutes of a Service NSW point of presence.

Service NSW assisted customers with more than 162 million transactions and enquiries throughout the year, including visits to our Service Centres, calls to our Contact Centres and visits to our www.service.nsw.gov.au website.

There were over 400,000 new MyServiceNSW accounts created during the year. Despite this growth in our customer visits, we maintained high customer satisfaction levels with an average satisfaction rating across our Service centre, Contact Centre and digital channels of 96.9%.

Service NSW for Business now has over 519,000 registered business profiles (up from 494,000 in June 2022) and assisted over 46,000 business customer cases during the year. Continuing its critical role providing 'one front door' for businesses to access NSW Government services, information and financial support. The cost of living continues to be one of the greatest challenges facing governments and citizens across the world. And the Service NSW Savings Finder (formerly Cost of Living) program continued to help customers meet those challenges. More than 880,000 customers accessed the Savings Finder tool and over 27,900 customers met with a Savings Specialist. The average customer saved approximately \$566 by using these services delivering over \$1.48 billion in estimated savings to the people of NSW.

NSW customers continue to adopt the NSW Digital Driver Licence, with over 4.5 million drivers in NSW now holding a digital licence. As 30 June 2023, 76% of drivers had downloaded their digital licence and the customer satisfaction rate has consistently remained over 92% for this service.

Service NSW continued to assist our citizens with several disaster response payments and on-site support with the Disaster Welfare Assistance Service.

This year, Service NSW has deployed specifically trained team members across approximately 98 recovery centres and recovery assistance points to assist more than 14,400 affected by these events. Whilst also receiving 100,474 calls for customer support regarding the disaster welfare assistance program.

Service NSW is now accessible to more citizens than ever before



114

Service Centres



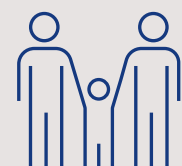
69

regional NSW locations



4
























Mobile Service Centres



115K

visits to our Service Centres each week

Grants, payments and vouchers paid

 <p>Flood recovery \$50k small business flood grant (Mar & Nov 2021)</p> <p>\$697,937</p>	 <p>Flood recovery \$50k small business flood grant (Feb 2022)</p> <p>\$67,194,929</p>	 <p>Small Business Storm and Flood Grant (Jun-Jul 2022)</p> <p>\$25,171,029</p>	 <p>Small Business \$50k Flood Recovery Grant (Aug-Sep 2022)</p> <p>\$12,831,894</p>
 <p>Flood recovery rental support payment (Feb 2022)</p> <p>\$8,086,346</p>	 <p>Flood recovery rental support payment (Jun-Jul 2022)</p> <p>\$5,124,845</p>	 <p>Flood recovery rental support payment (Aug-Sept)</p> <p>\$1,833,860</p>	 <p>Flood recovery rental support payment (Feb-Mar 2022)</p> <p>\$94,782,644</p>
 <p>Flood recovery rental support payment (Jun-Jul 2022)</p> <p>\$55,958,913</p>	 <p>Flood recovery rental support payment (Aug-Sep 2022)</p> <p>\$14,484,391</p>	 <p>Small Business Support Program</p> <p>\$973,001</p>	 <p>Alfresco Restart Rebate</p> <p>\$7,227,640</p>
 <p>Seniors Energy Rebate</p> <p>\$8,689,800</p>	 <p>Fertility Treatment Rebate</p> <p>\$11,954,000</p>	 <p>Music and Overnight Camp Support Payment</p> <p>\$856,250</p>	 <p>Northern Rivers Property Return to Business Grant</p> <p>\$26,777,320</p>
 <p>Mouse Control Program</p> <p>\$68,097</p>	 <p>\$10K Small Business Northern Flood Grant</p> <p>\$3,180,000</p>	 <p>Test and Isolate Support Payment</p> <p>\$2,933</p>	 <p>Northern Rivers Medium Business Grant</p> <p>\$13,293,520</p>
 <p>Back to School Voucher</p> <p>\$168,459,575</p>	 <p>Before and After School Care Voucher</p> <p>\$51,533,000</p>	 <p>Stay and Rediscover Voucher</p> <p>\$29,806,063</p>	 <p>Parent Voucher</p> <p>\$65,989,899</p>
 <p>icare Payment</p> <p>\$7,001,005</p>	 <p>IVF</p> <p>\$2,191,250</p>		

Case study 1

Youth Linker Pilot Program

“...a truly life-saving initiative...”

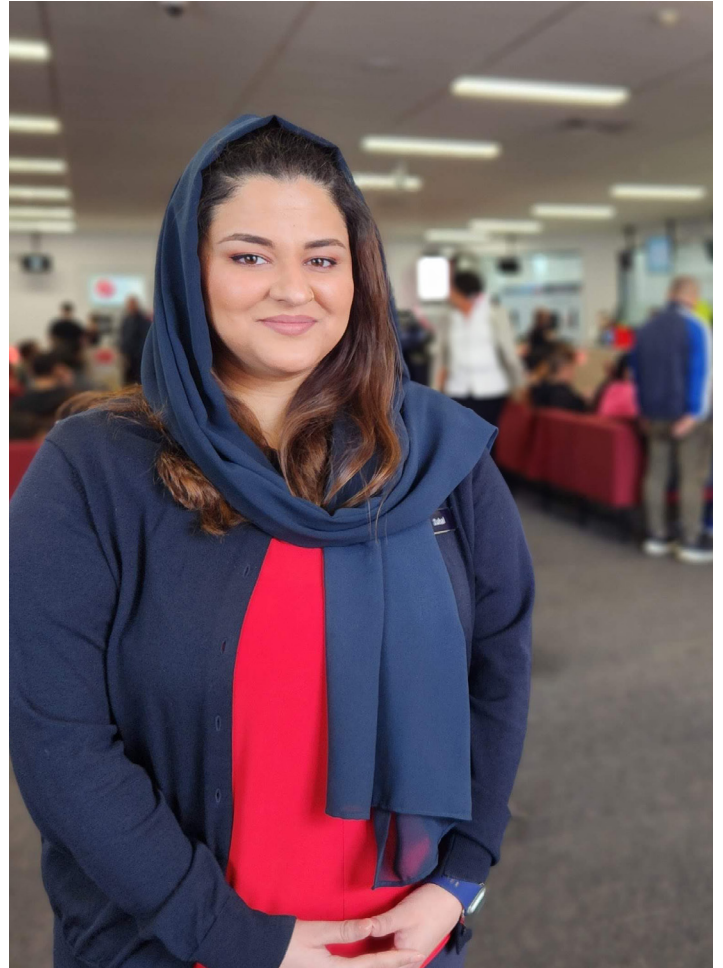
— Zuhail Qayoumi

In partnership with Multicultural NSW, Service NSW has delivered the Multicultural Youth Linker Program. This is a free service for young people from refugee, migrant and similar backgrounds who would like support with navigating and accessing government and non-government services. The Multicultural Youth Linker Pilot Program emerged from the Refugee Youth Policy Initiative: a process of co-design, collaboration and partnership with young people from refugee backgrounds. A key outcome realised throughout the initiative was the need to support young people with navigating and accessing government services available to them through a peer-to-peer ‘navigation’ model. Service NSW is now servicing Youth Linker appointments online, by phone or in-person through Service NSW Service Centres in Auburn, Bankstown, Liverpool, Newcastle, Wallsend and Wetherill Park..

Our Youth Linkers will help customers explore opportunities to reach their goals, as well as provide practical information and advice on a range of topics including:

- accessing free driving lessons
- finding and studying courses
- staying healthy
- finding hobbies and friends
- supporting your family
- accessing support for fines
- connecting to local services and non-government organisation support
- learning more about opportunities in Australia.

The initiative went live on the 30 May 2023.



Zuhail Qayoumi pictured

From go live to 30 June 2023 customers booked 25 Youth Linker appointments from Wollongong through to Newcastle, with social media being the main driver of interest. Nine of the 25 appointments have been conducted via phone. From 30 May to early July 2023 the Youth Linker website has been visited 2,469 times, with browser translation in the following languages:

- Arabic
- Chinese
- Estonian
- Persian
- Spanish
- Thai
- Vietnamese

The Youth Linkers have scheduled outreach events during July to drive awareness of the initiative and the services that Service NSW can offer.

Multicultural NSW Youth Linker program is for an initial 12 months, and the outcome of the pilot will be reviewed to determine the success and future of the program.

Case study 2

Refugee Internship Program creates ripple effect to support new arrivals from war-torn countries across the globe

The Service NSW Refugee Internship Employment program continues to be a successful career pathway for our refugee migrant communities.

In financial year 2023, Service NSW has successfully engaged 15 refugees, bringing our total refugee interns placed to 103. More than 80 percent of these team members remain in roles across Service NSW.

A bespoke targeted campaign is arranged to ensure appropriate communities are consulted as part of our ongoing recruitment efforts. In financial year 2023 Service NSW focused on supporting Afghanistan and Ukraine community groups. This resulted in an intake comprised of 43% from Afghanistan and 21% from Ukraine. Other countries of origin include Syria, Iraq, Iran, Tibet, Saudi Arabia and Egypt.

The impact on our interns, their communities and our customers is powerful, as illustrated by Ganna who was forced to flee Ukraine because of the war and entered Australia in 2022.

“It was overcoming the barrier, the language barrier first of all and then I found that I can express myself here, I can work, and I can develop as a person, I can grow professionally, and I can discover and learn about Australia, about the culture and the people here”

– Ganna Shyshko



Ganna Shyshko and Zuhail Qayoumi

Ganna has secured a Digital Service Representative role and continuously focuses on personal and professional development.

“It was overcoming the barrier, the language barrier first of all and then I found that I can express myself here, I can work, and I can develop as a person, I can grow professionally, and I can discover and learn about Australia, about the culture and the people here”. Ganna understands the importance of customer service and is eager to serve the community. Her leader commented on the wonderful charm she displays when interacting with customers at the Bondi Service Centre.

Additionally, one of our interns from Afghanistan, Zuhail has demonstrated the courage and determination to make an impact to community. Zuhail and her family were forced to leave Afghanistan and arrived in Australia in 2021. She successfully secured employment in 2022.

Zuhail’s manager says she is always patient and understanding of customer needs. Zuhail has now progressed to Multicultural Youthlinker role, working to provide navigational support for young refugees and migrant communities. Zuhail is multi-lingual and can converse fluently in Pashto, Farsi, Dari and Urdu in addition to English which is an asset to her role. Zuhail says she is passionate about giving back to community and this is demonstrated by her continued commitment to help the customer in every situation

Zuhail’s guiding principle as a customer care specialist is “they (the newly arrived refugees) will have someone who can guide them with certain basic services, so they don’t feel overwhelmed when they are new here “.

Service Delivery

In 2022–23 Service Delivery led or supported the deployment of 88 major initiatives and change, including 26 initiatives for partner agencies, 25 Licensing NSW digitisation projects, 19 urgent disaster and floods response initiatives, 10 voucher and rebates initiatives, 4 Service NSW Social Impact initiatives and 4 payment card industry data security standard compliance initiatives.

This includes assisting in the deployment of the Toll Relief Rebate Scheme, an initiative designed to reduce the cost of living for frequent toll road users. There has been a successful uptake in the program that includes 264,852 total registrations from customers, with 178,349 rebate applications totalling \$69 million of Toll rebates issued to customers. Service NSW has supported our customers with 19,445 customers assisted through the Contact Centre and 1218 customers receiving assistance in a Service Centre to process their applications.

Service Delivery also supported the facilitation of the Back to School Voucher program, boosting household budgets through savings on textbooks, uniforms, stationery and other school essentials: Our teams' assisted customers with their application as 4795 customers phoned the Contact Centre, and 14,100 customers attended a Service Centre to apply.

Additionally, we supported the release of Licensing NSW programs, an initiative intended to modernise licensing processes through a robust digital licensing platform across NSW Government Departments and agencies with over 5000 visits to Service Centres to process streamlined photo-taking procedures.

We also sought feedback from frontline teams to support customer social impact initiatives such as Quiet Hour, creating an inclusive, low-sensory environment. This particularly benefits customers who may have difficulties with sensory processing, people living with autism, vision or hearing sensitivities: Quiet hour has been introduced across 112 Service Centres.

Cost of Living

Service NSW provides a Savings Finder program that brings together more than 70 NSW Government funded rebates and savings into one location, including Active Kids and Creative Kids Vouchers and Toll Relief and Low-income Household Rebate. Customers can navigate the rebates and savings relevant to them, via the Savings Finder tool on the Service NSW website or over the phone with a Savings Specialist.

Savings Finder program



>70

NSW Government funded initiatives

Toll Relief Rebate Scheme



\$69M

Toll rebates issued to customers

Service NSW has supported



19.4K

customers assisted

Case study 3

Toll relief providing more money in drivers' pockets



Josh is enjoying his toll rebate.

As a young professional in real estate, 24-year-old Josh makes the trip from his home in Wentworth Point to his office in Woollahra 6 days a week. Josh relies on his car to commute to work and uses a number of Toll Roads on the journey.

“For the first six months of 2023, my toll bill came to over \$2500, which really eats into my savings,” he said. “The rebate really helped and is of great benefit in easing my daily living expenses.”

The Toll Relief Rebate, launched in January 2023, allows customers to claim up a 40% rebate if they make the minimum toll spend of \$375, with a maximum claim of \$750 a year.

In July 2023, Josh was eligible to claim the full \$750 rebate through the online Service NSW portal.

“I found the process of linking my toll account and claiming the maximum rebate of \$750 really easy and simple,” Josh said. “And it’s really good to know that I will be able to claim the rebate again next year, especially with the current cost of living pressures and everything going up at the moment, such as inflation and higher interest rates.”

Between 1 January 2023 and 30 June 2023 the NSW Government has returned \$69,179,094 in rebates to NSW motorists and sole trader businesses, with an average claim of \$384 per person. Customers can continue to claim their rebate for the 2022-24 financial year

“I found the process of linking my toll account and claiming the maximum rebate of \$750 really easy and simple.”

— Josh

Digital Services

Digital Services are the engine-room behind Service NSW's MyServiceNSW Account, Service NSW website, Service NSW mobile phone app and digital products, all of which amass millions of customer interactions per year.

In 2022–23 grants and vouchers continue to be a foundational tool in providing fast and targeted support to NSW citizens. This year, over \$300 million worth of vouchers were delivered to families and businesses across NSW. Back to School NSW was the first program to hit the retail space at such scale, and there was a need to develop innovative new features including:

- the Voucher profile, allowing consumers to securely store their details for future voucher applications
- bulk uploads to help businesses save time during registration if they have multiple locations
- change of bank details capability
- allowing businesses to self-serve to change their bank details securely
- multi-factor authentication added to high-risk transactions to improve security enhancements
- a redesigned voucher code to integrate seamlessly with barcode scanners in store
- ability to pool vouchers together towards the same purchase, without a cap on maximum spend.

These features were designed to extend beyond the Back to School NSW program. Initiatives like the Voucher profile will help over 600,000 customers register for new voucher programs faster and more seamlessly.

The Voucher Profile provides a one-stop-shop gateway for customers to discover and access eligible vouchers easily. The Voucher Profile proactively recommends eligible vouchers to customers based on stored information, allows customers to store vouchers for later use, alerts customers when vouchers are newly available or about to expire and uses already stored information to prefill voucher application forms.

Reusable assets like these will play a pivotal role in how we deliver more personalised services in the years to come.

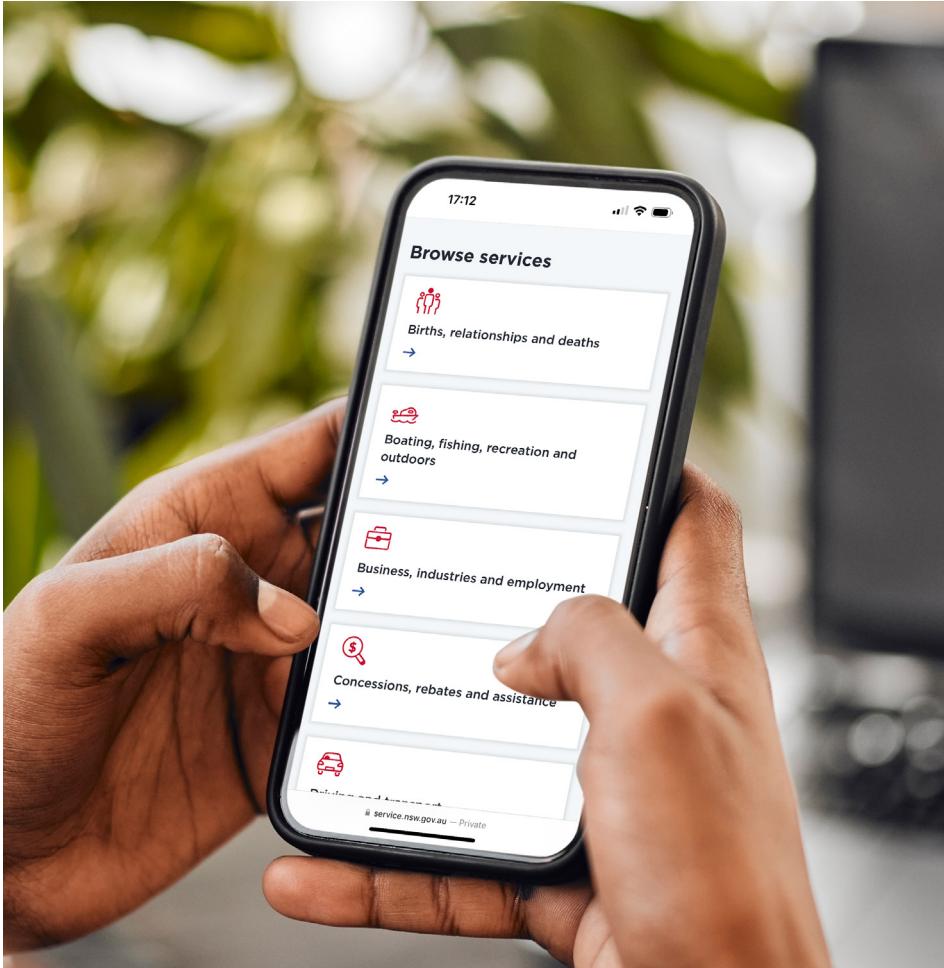
In 2022–23 Digital Services drastically strengthened their security posture in the wake of numerous data breaches across NSW. The security and reliability of digital products quickly became front of mind for citizens, and appreciating the value of customer trust, Digital Services set out on a major security uplift.

Digital Services introduced multi-factor-authentication across a suite of digital transactions in the MyServiceNSW Account – a first for NSW Government and hugely important leap in modernising and securing Service NSW's digital presence.

Digital Services also made strong inroads in “Tell Your Story Once” – a digital initiative where NSW citizens need only share their information once to their MyServiceNSW Account to access a range of services – forgoing the need to repeat information across multiple applications and NSW Government agencies. In addition, the MyServiceNSW Account allows customers to opt into being recommended services based on the information they've shared – saving them time and effort searching for eligible services and navigating the complex landscape of NSW Government. Proactively recommending and matching customers to services became crucial during the various natural disasters and plagues in 2022 when customers were in immediate need of multiple support options across NSW Government. With over 60 services available, the MyServiceNSW Account houses the popular Back to School Voucher program, TOLL relief scheme and Low-Income Household rebate.

A ground-breaking release for Digital Services over the past year was the inception of Digital ID. Through Digital ID, customers provide their credentials once via their MyServiceNSW Account and those credentials remain valid for a multitude of online and face-to-face interactions across Government. We also continued to explore and pilot technical approaches to developing a Digital ID and credentials for NSW. We believe a Digital ID will be critical to the future of customer service – to give customers control over how their identity information is stored, used and shared.

Digital Services continues to innovate and expand Service NSW's online presence to foster strong and trusted connections between NSW Government and the citizens it serves.



Cyber Security Operations

The safety and security of our customers is our highest priority, and this year Service NSW continued to implement innovative new security initiatives to raise the bar even further. Building on our established strong foundations, we have made significant strides in the fortification of our cyber security defences, continuing to build on the trust customers place in us.

In 2022–23 Service NSW developed and implemented a world-class Developer Security Operations business capability. This capability empowers our digital product teams to develop and deploy products at scale, swiftly and securely as well as striking the right balance between compliance and innovation. With secure by design guidance shared between agencies, Service NSW has been able to infuse threat modelling and embrace application security best practices, fostering continued speed, security, and safety of our digital services.

We have also had



158M

visits through the
Service NSW Mobile App



60+

services available



4.5M

NSW Digital Driver
Licence downloads



\$300M

worth of vouchers
delivered

Disaster preparation and recovery

Disaster Welfare assistance

Service NSW's Disaster Welfare Assistance Service was created to help people affected by natural disasters to access the various types of assistance provided by State, Federal, local and non-government organisation (NGO) support.

Service NSW has become a trusted and recognisable face in disaster recovery; providing ongoing face to face customer support to communities to connect them with essential recovery support services across Government, private organisations and NGOs.

All small business grants

Service NSW administers the flood grants on behalf of NSW Treasury and NSW Reconstruction Authority (formerly Resilience NSW) including various small business grants.

All small business grants for 2022–23 financial year

Total number of applications	15,102
Total money requested	\$264,279,988
Total applications paid	6005
Total money paid	\$106,017,420
Customer satisfaction rate	96.6%

Back Home grant

The Back Home grant supports eligible renters, homeowners and investors that have been highly impacted by floods to help them cover the costs of restoring their property to a habitable condition or replace essential household items.

Back Home grant totals for 2022–23 financial year

Total number of applications	24,176
Total money requested	\$303,305,020
Total applications paid	11,025
Total money paid	\$165,225,948
Customer satisfaction rate	97.9%

Flood recovery customer care – appointments

Service NSW's Customer Care Service assists people affected by natural disasters to find, understand, and access all the support and recovery services available to them, including State, Federal, Local and NGO support.

Anyone who has been affected by the floods and storms and needs assistance is encouraged to register for the Customer Care program. This includes individuals, families and businesses, as well as people who have relatives, property or services in the affected areas.

Customers register that an event, such as a bushfire or flood, has affected them, and their story is documented, along with how they have been impacted and what support they require. The customer has the choice of requesting a support call with a Customer Care Specialist. The Customer Care Specialist during the support call will determine the customer's needs and, if necessary, set up a recovery support appointment. As an alternative, affected customers can make an appointment directly through the Service NSW website. They then follow the instructions and choose the "Flood Recovery Customer Care" appointment type (in person or over the phone).

In FY22/23, the Customer Care Service Team undertook 600 customer care face to face appointments, 1324 phone appointments and returned 3638 support call back services to customers.

Human Services Response (HSR) trainings

Service NSW has successfully rolled out Human Services Response (HSR™) training to more than 342 DCS and Service NSW employees.

HSR training provides staff with the knowledge and tools to appropriately assist those who are experiencing the trauma that comes following a disaster or crisis, including how to create a supporting environment, how to prevent causing second assault trauma and how to practice self-care and prioritise wellbeing to prevent the effects of vicarious trauma.

The HSR method has been developed based on interviews and case study research on survivors/victims of trauma. It is a highly recognised training program used in 50 countries around the world.

Tell Your Story Once

The NSW Bushfire Inquiry recommended that NSW Reconstruction Authority (formally known as Resilience NSW) and Service NSW design an inclusive, person-centred approach that ensures people only need to tell their story once to access government agency support following an emergency, and facilitates sharing, with consent, of personal information between government agencies, local councils and non-government organisations administering support services for disaster affected people.

Accessing support services through an omnichannel registration will prevent and reduce the need for disaster affected customers to repeat traumatic information - greatly decreasing distress currently felt by customers in this process and supporting their recovery journey.

The 'Tell Your Story Once' (TYSO) solution will allow disaster affected persons to register and apply for a range of disaster assistance services and funding support without repeating the same information to one or more government agencies or NGOs.

From July 2022 until end of June 2023, Service NSW collected information from 5746 disaster impacted customers in NSW.

Of the 5746 responses, approximately 73% had damage to their homes, 9% their businesses and 18% had damage to both.

Disaster preparation and recovery

Flood Recovery Rental Support Program

The Rental Support Payment is a payment for eligible households to help pay for costs towards short term accommodation, where the residential property they have occupied as their principal place of residence is considered non-habitable due to being directly impacted by the eligible disaster. The payment is available for people not otherwise covered by insurance for temporary accommodation, or their temporary accommodation insurance is insufficient in covering the entirety of their stay.

Totals for 2022–23 financial year

Total applications received	7,346
Total money requested	\$68,520,800
Total applications paid	1620
Total money paid	\$15,045,052

\$10k Small Business Northern Flood Grant

Flood-impacted small-business owners and not-for-profits in the Northern Rivers can now apply for the \$10,000 Small Business Northern Flood Grant to help with rent, wages, government fees and other business costs.

Totals for 2022–23 financial year

Total applications received	393
Total money requested	\$3,930,000
Total applications paid	287
Total money paid	\$3,180,000

Commercial Property Return to Business Support Grant

Eligible Commercial property owners in the Northern Rivers that were directly impacted by storms and floods in February and March 2022, could apply for the Northern Rivers Commercial Property Return to Business Support Grant.

This disaster recovery grant of up to \$50,000 was to help commercial property owners pay for costs associated with the re-establishment, clean-up and reinstatement of commercial properties to allow tenants and occupants to return to business.

Totals for 2022–23 financial year

Total applications	876
Total applications paid	581
Total amount paid	\$26,777,320

Rate Relief for Flood Victims

Thousands of ratepayers whose properties were damaged in the 2022–23 devastating floods received council rates relief, thanks to a \$40 million NSW Government funding package. The program covered the residential, commercial and farm rates of eligible ratepayers for one year, helping them as they got back on their feet, and easing the pressure on councils.

Totals for 2022–23 financial year

Total applications	16,016
Total amount paid	\$25,376,939.47

Delivering with our partners

The Partnerships, Projects and Insights team partners with over 70 agencies to manage the delivery of approximately 1300 services and 35 of new initiatives to customers across New South Wales. We have a focus on strong governance supported by the implementation of a new project management system and improvements to our project management framework. Project governance requirements address documentation of key project information, decisions, information sharing and management of relationships. We track and report on customer satisfaction, service delivery performance and project status.

During 2022–23, Service NSW continued to grow the number of transactions that are digitally available allowing customers to perform essential transactions without visiting Service Centres including the digitisation of registration renewal notices and Notice of Disposal for vehicles. With our partners, we are leading the way on how Service NSW delivers world-class customer service by creating more options for our customers as well as our partner agencies.

We had 84 projects go live in 2022–23, including Toll Relief, IVF Rebate, Multicultural NSW Youth Linker, Enrolment Hub for parents and carers, Back to School Vouchers, School Vaccination Program and Child Health reminders.

In partnership with Transport NSW, Service NSW delivered the Toll Relief Rebate scheme. The scheme aims to alleviate cost of living pressures for individuals, families and sole traders, with a focus on expanding the eligible customer cohort across NSW. The scheme is easy to access and is helping to ease cost of living pressures.

In partnership with the Office of Energy and Climate Change and Transport for NSW, Service NSW jointly launched the Vehicle Emissions Offset Scheme (VEOS) scheme. The Vehicle Emissions Offset Scheme (VEOS) is a voluntary scheme which allows customers to offset one of the largest sources of carbon emissions during their daily vehicle commute.

In partnership with Ministry of Health, Service NSW has delivered the Fertility Treatment Rebate. This rebate helps with the costs of eligible IVF and other Assisted Reproductive Technology (ART) treatments. The rebate has been very popular with customers with 5974 applications paid out since launching on 1 January 2023 totalling \$11,954,000.

In partnership with NSW Department of Education, Service NSW delivered the Enrolment Hub which enables parents and carers to track multiple enrolments for their children in one digital space. The Hub provides parents and carers with the ability to verify their identity so they can pre-fill sections of enrolment applications for their child/ren based on previous enrolments submitted for that child. 151,970 parents and carers have utilised this service.

In partnership with NSW Fair Trading, Service NSW expanded the Strata Hub Community Portal. The portal supports strata schemes to digitise their processes and fulfil their annual reporting obligations. NSW has over 85,000 strata schemes. The portal now provides online education webinars and learning material.

In partnership with the Better Regulation Division and Transport for NSW, Service NSW delivered the Odometer Tampering Project. This project enables customers to have access to the previous odometer readings of vehicles registered in NSW, giving them a better chance to identify any discrepancies and avoid unscrupulous sellers.

In early 2023, NSW Health launched Consent and Records Management for Immunisation (CARMI) - a digital solution enabling online consent, clinic management and operational reporting for the NSW School Vaccination Program. Parents are provided a link from their schools and use their Service NSW login to access the system, to give consent and update their child's details in the online portal.

In partnership with NSW Health, Service NSW is working to improve customers' digital journey by working to digitise the baby book (blue book). The first phase of the digitised baby book was to provide automated Child Health Reminders and key health information to customers.

In partnership with Revenue NSW, Service NSW delivered the Revenue NSW Fines dashboard enabling customers to have one entry point via their MyService NSW MyAccount to find and pay their fines and to see historical fines. Service NSW also delivered access to the Revenue NSW Land Tax portal that enables customers to use the same MyService NSW account entry point to link to Revenue NSW land tax services to either pay their land tax or make changes to their land tax account.

Service NSW continues to partner with Digital NSW to make it easier for customers and businesses to apply for, register and renew licenses. Licences, permits and registration applications digitised over 2022-2023, include:

- Commercial Agents Licence
- Plant Design and Registration
- Real Estate and Property Certificate of Registration
- High Risk Work Licence Renewal
- Fisheries Short Duration Licence
- Home Building Trades Person Certificate New Applications



Service NSW and Services Australia collaborating at Bankstown Service Centre

Service NSW for Business

During 2022–23, Service NSW for Business continued to provide NSW businesses with one front door access to government services, support and information.

The service includes free, ongoing and personalised support for every business through a dedicated frontline team who provided one-on-one case management support and guidance over the phone, in person and online including streamlined referrals to other government agencies, regulation and licence navigation and support, delivery of voucher programs and access to independent business advisors through the Service NSW Business Connect program.



During the year, Service NSW for Business delivered a holistic business customer care offering integrated individual and business needs through a one-stop-shop approach. Service for Business coordinates collaboration across Service NSW and with other agencies, reducing the time and effort needed for businesses to address their needs. Improvements were also made to online business information hubs, including dedicated disaster and emergency assistance information and support for women business owners. Aboriginal businesses were supported through the Aboriginal Business Advisory Initiative which provides independent specialist coaching and advisory support to those businesses.

Service NSW for Business continued to support businesses in the Northern Rivers and Western Sydney regions that were affected by storms and flood events in 2022–23. The Service NSW for Business frontline team now services every local government area in NSW so in times of disaster we will be ready to respond as needed with local business support specialists.

The Service NSW Business Connect team continued to play a critical role in supporting NSW businesses through advisory services, events and webinars. This included assistance on financial and business planning, marketing, communications and digital literacy. This year, Business Connect reached a key milestone, surpassing 50,000 customers assisted whilst achieving 99% customer satisfaction rating.

During the year, the team continued to implement improvements to the Service NSW Business Profile, including the launch of the Licence Manager tool which allows business owners to organise and renew their business licences to comply with NSW Government regulations.

Service NSW for Business also delivered a stakeholder engagement program to increase awareness of the service offering to business peak bodies, industry associations, regional bodies and professional networks including those in the accounting, law, tax, hospitality, retail and trades sectors.

Case study

Mylo's Caves Beach cafe

The team at Mylo's Caves Beach are experienced in business management and marketing. When the business was in its early stages, they connected with Service NSW for Business to get help applying for a liquor licence and the \$1000 SafeWork small business rebate. The team was then put in touch with a dedicated Service NSW Business Concierge who helped them navigate the seasonal nature of the business by recommending initiatives, like the NSW Seniors Card Program, to provide support outside peak tourism seasons. Now looking to grow the business and expand to multiple locations, they're working with Service NSW for Business to engage with local councils to find potential new locations, and to explore additional opportunities to promote the business. With the help of Service NSW Business Connect, the team have also been working with an independent business advisor to explore other opportunities to grow their current business, such as electric vehicle charging station grants. The Mylo's Caves Beach team are looking forward to the next exciting chapter of growing and adapting their business.

Case study

Molong Stores

In 2021, Robert Carroll moved his high-end men's products business to regional, historic village of Molong, due to the impact of the COVID-19 pandemic on retail businesses in Central Sydney.

He then faced different barriers requiring a different approach, and with the assistance from Business Connect social and digital advisors, he was able to diversify his offering to introduce an online store where many first-time visiting customers become regular online customers.

The Business Connect advisors worked with Robert on planning and strategic direction to expand the geographical customer catchment, enabling Robert to position his business as a tourist attraction by becoming "Hat Specialists with a curated selection of artisanal wares, local pantry staples and all things unusual."

This iconic retailer began drawing more tourists to town and his success has been instrumental in leading 3 new businesses opening and leveraging the same customer base.

Molong Stores was winner of the Daroo Business Awards 2022 for Excellence in Marketing, Advertising and Communications and was also nominated in the National Self Employment Association NEIS Awards 2021 for Best New Business.



Robert Carroll from Molong Store

Service NSW for Business

Service NSW Business Connect program continues to play a critical role in supporting businesses in NSW through business advice, webinars and events.

This includes assistance with business planning, marketing to new customers and developing recovery plans. This year the Business Connect program reached a key milestone with 53,432 small businesses supported across NSW since the commencement of the program, with 368,011 hours of support provided and an overall customer satisfaction score of 96%.



Case study

New Beginnings Naturopathy

Cathy Abel contacted Business Connect to learn more about developing a digital platform.

Initially Cathy wanted to discuss her value proposition, offerings and target audiences but following advice from a Business Connect advisor, developed a social media content strategy resulting in improved customer insights and reporting.

Cathy has developed website content to attract customers and successfully increased traffic to the website through Search Engine Optimisation.

A marketing strategy was also developed to gain referrals from aligned businesses and Cathy feels more confident with her knowledge and digital tools.

“As a brand-new first-time business owner, having individual, ongoing mentoring sessions is immensely valuable and would have been out of my reach normally.”



New Beginnings Naturopathy



Lisa enjoying the collection

Case study

Cobbitty Gallery is located near Camden in Sydney's south-west

The gallery brings together the work of talented local artists, florists, and craftspeople and also hosts workshops and art classes for the community. Lisa, the owner, reached out to a Service NSW Business Concierge in late 2020 to help her gain council permission to host an event in the gallery. The Business Concierge connected Lisa with Camden Council to help her identify the permits required to hold the event. The Business Concierge also helped Lisa apply for a special event liquor licence for the occasion. Lisa also mentioned that she wanted to register the business as a Dine & Discover NSW and Parents NSW voucher provider but was having trouble doing so.

The Business Concierge identified that the business required an exemption to apply, and guided Lisa through the process, including helping her prepare the required documentation. Lisa was able to successfully apply as a provider and accept vouchers for both programs. Wanting to grow her customer base, Lisa sought guidance from the Business Concierge in March 2023 on improving her marketing activities.

The Business Concierge put Lisa in touch with an independent Service NSW Business Connect advisor to create a marketing plan and generate more awareness for the business. Now looking to grow her industry relationships, Lisa hopes to engage with a creative specialist through Business Connect and gain support from an advisor who specialises in the arts. Lisa is also thinking of applying for the TAFE NSW Women in Business program with the assistance of her Business Concierge.

Leading community engagement

Events and activities are crucial to successfully delivering Service NSW's vision and purpose. Service NSW has a unique opportunity to connect with local communities, understand their customers and deliver exceptional customer experiences outside the Service Centres through these events which are held across the State.

Service NSW undertook 1020 Community Engagement activities this year which was an increase of 343% on the 230 community events undertaken in the previous financial year, noting COVID restrictions prevented community events at different times during this period.

Service NSW participated in major events including the Deaf Festival Sydney at Homebush in November 2022, Seniors Festival Expo and Sydney World Pride Fair Day in February 2023 and the Sydney Royal Easter Show in April 2023.

The Mobile Service Centre visit schedule to remote Aboriginal Communities has increased from less than 10 towns every 10 weeks to 36 towns every 10 weeks to ensure communities are receiving the support required to conduct government transactions such as applying for a photocard, driver licence or Working with Children Check and to have an opportunity to explore what other support services they may be eligible for.

In its third year of operation, the Service NSW Charity Calendar continued to demonstrate our commitment to making a meaningful difference in the lives of vulnerable and disadvantaged individuals across New South Wales.

The embodiment of our commitment was seen in the enthusiastic engagement of the Service NSW teams. Thousands of pieces of quality clothing were generously donated to Pass It On Clothing and hundreds of life-saving blood donations given. In addition to these tangible contributions, our collective efforts were reflected in the funds raised and gifts donated to charities such as Share the Dignity, Stepping Stone House, Cancer Council and STEPtember with over \$50,000 raised. These contributions came not only from monetary donations but also from the dedication of time, effort and resources by the Service NSW community.



The Welcome Experience

Many regional NSW communities are experiencing a shortage of critical frontline workers, including teachers, nurses and police. Service NSW is assisting Regional NSW with the pilot of The Welcome Experience which is a free service designed to attract, prepare and welcome essential workers relocating to regional, rural and remote NSW. Two pilot sites have been opened in both Coffs Harbour and Corowa to connect new essential workers with local people and resources to help them settle in, feel at home in their new community faster and improve retention rates of essential workers. These include employees of NSW Government agencies such as:

- Department of Education and Training – primary and secondary school teachers and non-teaching staff
- NSW Health – nurses, allied health professionals, ambulance staff, visiting medical officers and specialists employed through the Local Health District
- NSW Police Force
- Department of Communities and Justice
- NSW Fire and Rescue.

The program connects newly relocated workers with local residents and resources to help them quickly settle in and feel at home in their new communities. These connections are made through a Local Connector (a Service NSW Customer Care Specialist) who provides customers with information about the services and community organisations available in the local area. This service supports frontline workers and their families to settle into regional and rural towns which builds stronger communities.

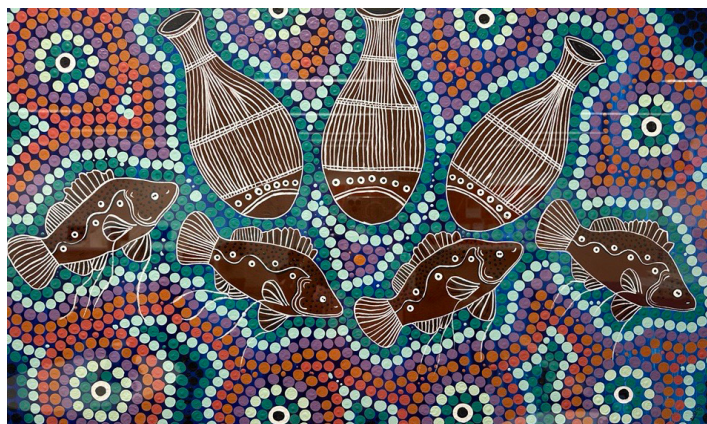
Aboriginal artwork

Service NSW has partnered with local Aboriginal communities to encourage connection with Aboriginal culture and build trust. The Aboriginal Artwork initiative is a program where Service Centres work with their local Aboriginal community to purchase and showcase Aboriginal artwork for customers to enjoy and to promote the deep connection Aboriginal culture has with the local lands. This program is in its infancy and the first Service Centres to participate in the initiative are:

Kempsey Service Centre showcases Down the Valley, which was created by Jason Ridgeway, a proud Aboriginal artist from the Dunghutti Nation on the NSW mid-north coast. Jason's inspiration for the artwork comes from exploring mountain ranges and the plateau of Dunghutti Country.

Moree Service Centre's art piece was created by local Gomeri Country artist Mark Washington. Titled Mehi River Dreaming Mark's artwork represents the bagaay (river) around Moree which has an abundance of guya (fish), gingaay (mussels) and mirrindjaa (shrimp) which were caught using a gulay (fish net) made of twisted bark fibres and grasses.

Dubbo Service Centre is now home to a beautiful Aboriginal art piece titled Home which was created by 20-year-old local Wiradjuri woman Shakyla Toomey. Shakyla's artwork represents how the land and water are connected, and how that connection is essential to the culture for continuity of the Wiradjuri people.



Moree Aboriginal Artwork "Mehi River Dreaming Artwork" by Mark Washington

Our People Matter/PMES



At Service NSW we are committed to creating a positive experience for our people and we strive to foster a values-driven team culture that places importance on diversity and flexibility.

In the 2022 People Matter Employee Survey, we had 87% participation rate and maintained strong engagement with a score of 77%.

At Service NSW, everything we do is underpinned by our commitment to our organisational values. This commitment from our people is clear with 94% of survey respondents saying they support our organisation's values.

As the economy has moved through to COVID recovery, it is clear that flexibility will continue to be an important factor for our workforce. Providing a variety of flexible working options for our people has been a significant focus over the last 12 months and it was pleasing to see that 74% of survey respondents are satisfied with their ability to access and use flexible work arrangements. This was a 5% increase from 2021.

Service NSW continues to be committed to ensuring an inclusive environment for our people and customers alike. This is supported by the fact that 91% of our survey respondents being of the view that their teammates treat each other with respect. This has remained a strong score from 2021.

Bravo Awards

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

Award categories include:

- DNA All Star
- Voice of the Customer
- Make It Happen
- People Leader.

This year, we continued to simplify the nomination platform, making it easier for our people to nominate, and our BRAVO judges to review and vote on the nominations. We received 981 award nominations recognising and celebrating the exceptional contribution of our team members.

BRAVO

Service NSW Awards

The Service NSW Awards is the annual culmination of our employee recognition program which includes all the monthly BRAVO awards. All BRAVO winners and runners up were considered for the awards and all divisions within the organisation submitted nominations for their outstanding teams and team members.

Award categories include:

- Customer Service All Star
- Quiet Achiever
- Digital Innovation & Delivery (Individual and Team Award)
- Fostering Collaboration
- Fostering Engagement
- DNA All Star (Frontline, Support Office and Team Award)
- Voice of the Customer (Frontline, Support Office and Team Award)
- Make It Happen (Frontline, Support Office and Team Award)
- People Leader (Frontline and Support Office Award)
- Circle of Service.

In November 2022, the Service NSW Awards were hosted at Parliament House with a total of 270 guests celebrating the award winners for their amazing contributions helping Service NSW continue to provide outstanding customer service to NSW citizens throughout 2022-23.



Customer response

Service Delivery

Service NSW have several options for customers to provide feedback or make a complaint. This includes in person at the Service Centres, via phone to our Contact Centres and via the website, email or by providing a satisfaction rating using the digital feedback machine when exiting a Service Centre.

During 2022-2023 we assisted more than 160.2 million customers through our Service Centres, Contact Centres, Disaster Recovery Centres and online via the website. This is a decrease of 38% from 259 million customers in 2021–2022 resulting from the removal of QR Code check in at venues, which was required during the Covid19 pandemic and recorded as an online visit.

More than 2.27 million customers provided feedback about their experience with an average customer satisfaction score of 96.92%. This feedback guides Service NSW when considering changes that will better support our customers.

Service NSW received 5824 customer complaints about our services, and 220 referrals from the NSW Ombudsman. Service NSW also received 590 complaints relating to partner agencies which were referred to the relevant parties to be addressed. Of the total 6634 complaints 6529 matters were resolved with the remaining 105 complaints being progressed to closure.

The main customer concerns in 2022–2023 were:

- Service Centres – transaction errors, customer service (attitude), incorrect/unclear information provided (rated first for complaints in 2021–22)
- Website, Service NSW App, myServiceNSW account – technical issues, information not clear (rated fifth for complaints in 2021–22)
- Driver Testing – wait times, request for reviews, information not clear, policy disputes (rated fourth for complaints in 2021–22)
- Support Office – dispute consumer grant assessments, information from Support Office teams unclear (this is the first year this data has been recorded)
- Contact Centre – transaction errors, customer service (attitude), incorrect/unclear information provided (rated second for complaints in 2021–22)

The total of 6634 customer complaints received in 2022–2023 (direct, via the Ombudsman and from partner agencies) represents a ~16% decrease from the previous year. The customer resolution team continues to work closely with partner agencies and with Service NSW teams to resolve customer issues promptly, and to monitor themes and trends to proactively support continuous improvement.

During
2022–2023



160.2M

assisted customers

We received
more than



2.27M

customers provided feedback

Feedback on
experience



96.9%

customer satisfaction score

Service NSW for Business

The Service NSW for Business Customer Resolution Team received 3338 complaints during the 2022–23 Financial Year, a decrease on the 16,609 complaints received during 2021–22. Due to the closure of COVID-19 stimulus.

The team resolved and closed out 3201 complaints this year. They also responded to 446 items of Ministerial Correspondence and resolved 140 referrals from the NSW Ombudsman. While the total number of complaints received by Business Customer Resolution has decreased, the number of complaints referred by the Ombudsman has increased by over 32%. Likewise, the proportion of complaints received via Ministerial Correspondence has increased 9% from the previous year. This increase was internal eligibility compliance review audit phase of COVID-19 stimulus programs where customers received advice on their lack of eligibility for financial supports.

Enquires and complaints were predominantly from business customers seeking financial assistance through stimulus packages and support while undergoing audits or assessments.

The 5 key issues raised by the business customers were:

- Issues raised surrounding the assessment and audit processes particularly for COVID-19 Stimulus programs
- Matters relating to the outcome of audits and assessments across all programs
- Requests for late applications for grant and rebate financial support programs that have closed across all grants
- Processing and payment delays for grants and financial support across all grants and rebates
- Issues relating to withdrawal claims submitted for the Small Business Fees and Charges Rebate including queries on the correct information to include and pathways to resubmit.

The Small Business Fees and Charges Rebate accounted for 929 complaints. These were primarily received in the first quarter of 22–23 as the program closed on 30 June 2022.

914 complaints received for 2021 COVID-19 JobSaver Payment and 2021 COVID-19 Business Grant were received consistently throughout the financial year and were largely initiated due to audits commencing on applications.

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

- Developing and implementing a robust quality assurance framework
- Streamlining and centralising our processes to ensure consistency and compliance with policy and SLAs.

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



Payment of accounts

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

Under the NSW Government's Faster Payment Terms Policy, Service NSW aims to pay 100% of registered small businesses within 5 business days of a correctly rendered invoice.

During 2022–23, there were no instances where penalty interest was paid for the late payment of invoices, although not all payments were paid on time. Factors affecting the timing of payments were invoices not being received on time, purchase orders not being completed prior to procurement, and invoices not correctly rendered.

Time for payment of accounts

Table 2. Aged analysis at the end of each quarter

Quarter	Current \$,000	Less than 30 days overdue \$'000	Between 30 and 60 days overdue \$'000	Between 61 and 90 days overdue \$'000	More than 90 days overdue \$'000	Total \$'000
All Suppliers						
Sep-22	43,744	1141	4331	2210	272	51,698
Dec-22	48,855	2943	2570	760	626	55,754
Mar-23	26,865	2703	5880	10,055	1480	46,983
Jun-23	44,078	3040	2982	495	833	51,428
Small business suppliers						
Sep-22	10,153	1021	447	309	4	11,934
Dec-22	10,071	1790	109	0	227	12,197
Mar-23	5144	2207	209	156	90	7806
Jun-23	2518	2364	336	253	117	5588

Table 3. Quarterly performance in payment of accounts

All suppliers	Sep 2022	Dec 2022	Mar 2023	Jun 2023
Invoices due for payment	1078	1164	1207	1139
Invoices paid on time	753	791	814	889
Actual percentage of accounts paid on time (based on number of invoices)	70%	68%	67%	78%
Amount due for payment	\$51,698,668	\$55,754,265	\$46,983,480	\$51,428,354
Amount paid on time	\$43,744,010	\$48,855,142	\$26,865,757	\$44,078,874
Actual percentage of accounts paid on time (based on \$)	85%	88%	57%	86%
Number of payments for interest on overdue accounts	0	0	0	0
Interest paid on late accounts	0	0	0	0
Small Business Suppliers	Sep 2022	Dec 2022	Mar 2023	Jun 2023
Invoices due for payment received from small businesses	155	187	179	140
Invoices from small businesses paid on time	67	80	74	78
Actual percentage of small business invoices paid on time (based on the number of invoices)	43%	43%	41%	56%
Amount due for payment to small businesses	\$11,934,083	\$12,197,587	\$7,806,747	\$5,588,643
Amount due to small businesses paid on time	\$10,153,093	\$10,071,188	\$5,144,860	\$2,518,657
Actual percentage of small business accounts paid on time (based on \$)	85%	83%	66%	45%
Number of payments to small business for interest on overdue accounts	0	0	0	0
Interest paid to small businesses on late accounts	0	0	0	0

Funds granted to non-government community organisations

Service NSW did not fund any grants to non-government community organisations in 2022–23.

Changes after the reporting period

Refer to Note 28: Events After the Reporting Period, in the audited financial statements.

Major works in progress (projects over \$1 million)

Table 4. New major works in 2022–23

Project name and location	Total expenditure to 30 June 2023	Estimated total cost	Start (year)	Completion date (actual or estimated)	Details of any significance
NSW Digital Identity & Verifiable Credentials (aka Digital Identity Roadmap)	10,872,155	26,125,000	2023	Jun 2024	
TR2 - Toll Relief	3,522,269	4,500,000	2023	June 2024	
Back to School voucher- \$150 subsidy for parents with school aged children	2,537,909	2,836,136	2023	Jul 2023	Completed
Grants as a Service	1,315,842	1,800,000	2023	Jul 2023	
Regional Apprentice and University Student Travel Card	1,722,194	1,752,904	2023	Jul 2023	
Tell Your Story Once - an inclusive person-centred approach to assisting disaster affected people (Beta Improve)	1,278,110	2,187,043	2023	Sep 2023	
Transport API	1,535,696	2,000,000	2023	Dec 2023	
Knowledge Management System	3,819,160	5,698,132	Nov 2021	Dec 2023	
New Metro Service Centres	12,202,924	14,850,000	2019	2023	Delayed due to logistic chains challenges

Project name and location	Total expenditure to 30 June 2023	Estimated total cost	Start (year)	Completion date (actual or estimated)	Details of any significance
Transaction Register Roadmap Implementation	752,462	3,811,000	2022	Dec 2023	Delayed due to resource constraints and scope changes
GME - Tell Your Story Once - an inclusive person-centred approach to assisting disaster	3,782,979	3,830,000	2022	Mar 2023	Completed
COVID-19 Driver Testing Backlog – Testing Hub	2,766,693	2,510,000	2022	June 2023	
Customer Identity Access Management (CIAM) Phase 1	2,274,371	1,948,000	2022	Apr 2023	
Commercial Identity Exchange	2,626,714	2,450,000	2022	Dec 2023	
Digital Birth Certificate (DIVC)	1,260,000	1,100,401	2022	Nov 2023	
Whole of Government Online Booking Service (OBS)	3,458,788	1,305,000		Jul 2023	
MyService Mobile App Critical Customer Features Implementation	1,873,342	1,990,000	2022	Sep 2023	Completed

Major assets, acquisitions and disposals

Clause 6(2) of the Government Information (Public Access) Regulation 2018 requires that government departments make publicly available certain additional 'open access information'.

Clause 6(2)(a) specifies that this includes a list of the department's major assets, other than land holdings, appropriately classified and highlighting major acquisitions during the previous financial year. Clause 6(2)(b) requires that government departments also make publicly available under open access information the total number and total value of properties disposed of by the department during the previous financial year.

Major Service NSW assets and acquisitions

Service NSW does not have any major assets, and no major assets were acquired during 2022–23.

Land disposal

No major assets were disposed of during 2022–23.

Further information

Further information about Service NSW assets, acquisitions and disposals can be found in the Financial Statements section of this report.

Service NSW is an executive agency of the Department of Customer Service. Further information about DCS assets, acquisitions and disposals can be found in their annual report.

Research and development

Service NSW has not undertaken any reportable research and development during 2022–23

Other expenses

No additional costs, expenses or payments to consultants were incurred with the production and printing of the 2022–23 Service NSW Annual Report.

Management and accountability



Senior Executive

Table 5. Senior executive profile

Senior Executive Band	Total 2022-23	Total 2021-22	Total 2020-21
4	-	-	-
3	1	1	1
2	7	6	5
1	30	30	23
Total	38	37	29

Statistics are based on Workforce Profile census date 22 June 2023, 23 June 2022 and 24 June 2021

Female senior executive roles

At 22 June 2023, 24 (63%) of the senior executive roles at Service NSW were held by female employees. This has decreased by 2 percentage points compared to last year.

Table 6. Female senior executive profile

Senior Executive Band	Total 2022-23	Total 2021-22	Total 2020-21
4	-	-	-
3	-	-	-
2	7	6	5
1	17	18	13
Total	24	24	18

Statistics are based on Workforce Profile census date 22 June 2023, 23 June 2022 and 24 June 2021

Workforce profile by employment category

At 22 June 2023, 24 of the senior executive roles at Service NSW were held by female employees. This is equal to 24 at 23 June 2023.

Table 7. Workforce profile by employment category

Staff category		Permanent full time	Permanent part time	Temporary full time	Temporary part time	SES full time	SES part time	Casual	Total
Female	2022-23 ¹	2371	686	291	82	24	0	28	3482
	2021-22 ¹	2010	800	499	104	23	1	6	3443
	2020-21 ¹	1703	670	346	107	17	1	-	2844
Male	2022-23 ¹	1398	125	174	16	14	0	12	1739
	2021-22 ¹	1210	139	271	37	13	0	5	1675
	2020-21 ¹	947	91	216	42	11	0	-	1307
Indeterminate / Intersex / Unspecified ²	2022-23 ¹	20	9	3	0	0	-	-	32
	2021-22 ¹	2	1	2	0	0	0	1	6
	2020-21 ¹	3	0	0	0	0	0	-	3
Total	2022-23 ¹	3789	820	468	98	38	0	40	5253
	2021-22 ¹	3222	940	772	141	36	1	12	5124
	2020-21 ¹	2653	761	562	149	28	1	-	4154

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

Number of Executive Officers and remuneration

Table 8. Number of Executive officers and remuneration

Band	Female	Male	Remuneration range (at 22 June 2023)	Average remuneration (June 2022)	Average remuneration (at June 2023)
4	-	-	\$509,251 – \$588,250	-	-
3	-	1	\$361,301 – \$509,250	\$498,952	\$500,000
2	7	-	\$287,201 – \$361,300	\$321,439	\$320,276
1	17	13	\$201,350 – \$287,200	\$249,757	\$254,344
Total	24	14	-	-	-

In 2022-23, 2.63% of Service NSW employee-related expenditure was related to senior executive employees.

In 2021-22, 2.41% of Service NSW employee-related expenditure was related to senior executive employees.

Movement in wages, salaries or allowances

Movements in wages, salaries or allowances for Service NSW employees' remuneration and conditions are covered by the *Service NSW (Salaries and Conditions) Employees Award 2022*, excluding senior executive employees. From the first full pay period after 1 July 2022, there was an increase in award rates of 3.0% (inclusive of a 0.5% increase in employer compulsory superannuation contributions). The increase in award rates followed the decision of the NSW Industrial Relations Commission on 22 July 2022. Negotiations for a new award to operate from 1 July 2023 were also managed centrally on behalf of the Industrial Relations Secretary (including Service NSW) by Public Sector Employee Relations.'

Payments to consultants

Table 9. Consultancies of value equal to or greater than \$50,000

Name of consultant	The title/nature of consultancy	Cost (AUD)
Accenture Australia Pty Ltd	Evaluation of COVID Stimulus	\$430,655
Boston Consulting Group Pty Ltd	Value and Efficiency Review	\$350,000

Consultancies of a value less \$50,000

There were 3 individual consultancies with a value of less than \$50,000. They were for management services and totalled \$26,057.50.

Overseas travel

Overseas visits undertaken by our officers and employees during 2022–23 and the main purpose of these visits:

Table 10. Number of Executive officers and remuneration

Date	Officer	Destination	Purpose
November 2022	Executive Director – Digital Services	Cambridge, USA (only accommodation funded by Service NSW)	Attended the Massachusetts Institute of Technology to enhance domain expertise in order to support advancements in the Service NSW Digital Capability.
June 2023	Executive Director – Digital Services	New Zealand (only accommodation funded by Service NSW)	Attended the CIO (Chief Information Officer), Digital Transformation & Data Summit 2023 to provide a keynote speech on digital innovation in Government. Additionally, engaged and collaborated with multiple government agencies and partners.

Personnel policies and practices

Grievance Management and Resolution Policy and Procedures

The Grievance Management and Resolution Policy and Procedure applies to all Service NSW staff members, including employees, contractors and consultants, and provides a framework for managing grievances arising from any work-related situation or issue.

This Policy and Procedure applies to all work locations, conferences, training courses, workshops, throughout the course of a business, and any other work functions. The Grievance Management and Resolution Policy and Procedures are designed to provide an accessible and user-friendly framework for all staff who may be involved in a grievance.

Industrial relation policies and practices

Managing for Improvement Framework

Service NSW aims to ensure that all managers and employees are equipped with the appropriate support and resources to enable them to work together and improve issues of performance. The Managing for Improvement framework provides managers and employees with proper resources and is a two-step process (Step 1 – Informal work plan, Step 2 – Formal Performance Improvement Plan).

A total of 88 (17 of which were still open as at 1 July 2023) employee relations matters were actioned in the 2022–23 financial year. The matters related to conduct, performance, probationary performance, bullying, harassment, discrimination, abandonment of employment and medical retirements.

Industrial relations matters

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

Table 11. Matters dealt with at the NSW Industrial Relations Commission

Type of Matter	Quantity
Unfair Dismissal	1
Industrial Dispute	0
Public Sector Disciplinary Appeals	0
Award Agreements	1

The following types of matters were dealt with at the Australian Human Rights Commission:

Table 12. Matters dealt with at the Australian Human Rights Commission

Type of Matter	Quantity
Discrimination	1

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

Legal change

No amendments were made to the *Service NSW (One-stop Access to Government Services) Act 2013* during the 2022–23 financial year.

Service NSW (One-stop Access to Government Services) Regulation 2022 commenced on 16 December 2022. This Regulation repeals and replaces the *Service NSW (One-stop Access to Government Services) Regulation 2018*, which would otherwise be repealed on 1 September 2023 by the *Subordinate Legislation Act 1989*, section 10(2).

Significant judicial decision

There were no significant judicial decisions affecting Service NSW or its customers during the 2022–23 financial year.

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

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

Review of proactive release program

The GIPA Act authorises and encourages the proactive release of government information by agencies.

The agency's program for the proactive release of information involves analysing data collected on requests for information under the GIPA Act over the financial year, considering the kinds of government information held by the agency that may be suitable for proactive release and asking our divisions and branches to identify information relevant to the agency that we want the public to know about. The Service NSW GIPA team provides guidance on whether there are any public interest considerations against disclosure of the information, whether consultation is required and whether this would impose unreasonable additional costs to the agency.

During the reporting period, the agency proactively released a wide range of information free of charge via our webpages and social media channels. This included information about NSW Government assistance programs and services, statistics, guidelines, fact sheets, annual reports, news updates and media releases.

Examples of information and tools proactively released during the year include:

- maintained the Service NSW performance dashboard, providing weekly updates to customers on how we're tracking across our delivery channels and programs.
- continually updated disaster recovery support statistics, available on our website
- published regularly updated statistics on digital licences and the savings finder program (vouchers and rebates).

Government Information (Public Access) statistics

During 2022–23, Service NSW received 217 access applications, including withdrawn applications, but not including invalid applications. There was one access application refused, either wholly or in part, because the application was for disclosure of information for which there is conclusive presumption of overriding public interest against disclosure.

Table 13. Number of applications by type of applicant and outcome

Application type	Access granted in full	Access granted in part	Access refused in full	Information not held	Information already available	Refuse to deal with application	Refuse to confirm/deny whether information is held	Application withdrawn
Media	0	1	0	1	0	0	0	0
Members of Parliament	0	0	0	0	0	0	0	0
Private sector business	0	0	0	0	0	0	0	2
Not-for-profit organisations or community groups	0	0	0	0	0	0	0	0
Members of the public (by legal representative)	0	1	0	0	0	0	0	3
Members of the public (other)	13	2	0	5	3	0	0	27

Table 14. Number of applications by type of application and outcome

Application type	Access granted in full	Access granted in part	Access refused in full	Information not held	Information already available	Refuse to deal with application	Refuse to confirm/deny whether information is held	Application withdrawn
Personal information applications ²	8	2	0	2	1	0	0	19
Access applications (other than personal information applications)	0	1	0	1	0	0	0	8
Access applications that are partly personal information applications and partly other	5	1	0	3	2	0	0	5

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

Table 15. Invalid applications

Reason for invalidity	Number of applications
Application does not comply with formal requirements (section 41 of the GIPA Act)	21
Application is for excluded information of the agency (section 43 of the GIPA Act)	0
Application contravenes restraint order (section 110 of the GIPA Act)	0
Total number of invalid applications received	21
Invalid applications that subsequently became valid applications	1

Table 16. Conclusive presumption of overriding public interest against disclosure: matters listed in Schedule 1 of the GIPA Act

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

3. More than one public interest consideration may apply in relation to a particular access application and, if so, each such consideration is to be recorded (but only once per application). This also applies in relation to Table E.

Table 17. Other public interest considerations against disclosure: matters listed in table to section 14 of the GIPA Act

Reason	Number of occasions when application not successful
Responsible and effective government	3
Law enforcement and security	1
Individual rights, judicial processes and natural justice	3
Business interests of agencies and other persons	0
Environment, culture, economy and general matters	0
Secrecy provisions	0
Exempt documents under interstate Freedom of Information legislation	0

Table 18. Timeliness

Timeframe	Number of applications
Decided within the statutory timeframe (20 days plus any extensions)	191
Decided after 35 days (by agreement with applicant)	0
Not decided within time (deemed refusal)	0
Total	191

Table 19. Number of applications reviewed under Part 5 of the GIPA Act (by type of review and outcome)

Review type	Decision varied	Decision upheld	Total
Internal review	1	0	1
Review by Information Commissioner ⁴	0	1	1
Internal review following recommendation under section 93 of the GIPA Act	0	0	0
Review by NCAT (NSW Civil and Administrative Tribunal)	0	0	0
Total	1	1	2

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

Table 20. Applications for review under Part 5 of the GIPA Act (by type of applicant)

Applicant	Number of applications for review
Applications by access applicants	3
Applications by persons to whom information the subject of access application relates (see section 54 of the GIPA Act)	0

Table 21. Applications transferred to other agencies under Division 2 of Part 4 of the GIPA Act (by type of transfer)

Type of transfer	Number of applications transferred
Agency-initiated transfers	165
Applicant-initiated transfers	7

Privacy

At Service NSW we take the privacy of the citizens of NSW and of our employees seriously. Service NSW has a dedicated privacy team that sits in the Risk, Strategy and Customer Support (RSCS) business unit. The Privacy Team is responsible for identifying privacy risks through mechanisms such as privacy impact assessments (PIAs), as well as managing privacy complaints and enquiries. Coordination of responses to privacy incidents and potential data breaches. The Privacy Team delivers privacy advice and support to Service NSW teams and initiatives as well as training and awareness to personnel. It also leads the relationship with the Information and Privacy Commissioner (IPC).

Service NSW has a Privacy Management Framework in place that outlines the practical guidance, policies, procedures and assurance mechanisms to manage privacy risks in Service NSW. Service NSW also publishes a Privacy Management Plan (PMP) in line with the requirements under section 33 of the Privacy and *Personal Information Protection Act 1998 (PPIP Act)*. The PMP was updated in February 2023 with a copy provided to the IPC as part of this process. Together these documents demonstrate how Service NSW meets our privacy obligations when handling information under the PPIP Act, the *Health Records and Information Privacy Act 2002 (HRIP Act)* and the *Service NSW (One-stop Access to Government Services) Act 2013*.

Service NSW uses 'privacy by design' principles to embed good privacy practices into the way our products or services are designed. We generally use PIAs to operationalise privacy by design principles. In 2022–23 PIAs were conducted over a range of initiatives and some notable activities supported included the below.

- Flood Disaster Recovery Support Services and Grants
- Life Administrator
- Savings Finder
- Tell Your Story Once
- Back to School Voucher
- Implementation of Live Chat.

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

Access request applications under section 14 of the PPIP Act

This year, Service NSW received 47 formal requests for personal information under the PPIP Act. Service NSW also dealt with numerous informal requests by individuals requesting their personal information.

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

Additionally, Service NSW completed three requests for internal review under the PPIP Act. These internal reviews were handled in line with guidance issued by the IPC.

Public Interest Disclosures

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

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

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

Table 22. Public Interest Disclosure

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

Service NSW Audit and Risk Committee

The Service NSW Audit and Risk Committee (the Committee) has been established in compliance with the NSW Treasury Policy Internal Audit and Risk Management Policy for the General Government Sector (TPP 20-08). It provides independent assurance to the Service NSW Chief Executive Officer. During 2022–23 the Committee met ten times (5 times in 2022 and 5 times in 2023) to provide oversight of financial reporting, risk management, internal and external audit activities, and the operational management of Service NSW. Members of the Committee are listed in the Service NSW Internal Audit and Risk Management Policy Attestation Statement on page 63.

Risk management

Risk management is a fundamental facet to planning, decision making and operationalising services to customers in Service NSW and which risk management arrangements continue to be improved through risk management principles aligned with the 'Internal Audit and Risk Management Policy for the General Government Sector', close collaboration with the Department of Customer Service Risk Management Framework and the ISO 3100:2018 Risk Management Guidelines. The Service NSW Risk Appetite Statement strengthens the approach by balancing the drive for innovation in a dynamic changing environment and prioritising risks affecting our people, resources, and customers. The Service NSW Risk Appetite Statement is reviewed annually to ensure the risk management arrangements support Service NSW in identifying and managing risk.

Service NSW safeguards key risks facing our services and operations, such as privacy, cyber and fraud, by specialised teams to manage and monitor these key risks areas of our operations.

The Chief Risk Officer oversees the implementation of the risk management framework and ensures the framework continues to be embedded across Service NSW divisions. The Service NSW Audit and Risk Committee further supports the Chief Risk Officer and CEO by providing independent oversight of the risk management framework, assurance activities and governance.

Service NSW complies with NSW Treasury Policy for Internal Audit and Risk Management Policy for the General Government Sector (TPP20-08) and aligns our Risk Management Framework with the ISO3100:2018 Risk Management Standard.

This year, Service NSW continued to uplift risk management capability through the development and implementation of a new risk management framework and guideline designed to reflect the current structure, processes, and operations. The framework aims to create a more consistent and purposeful approach to risk management in all our activities. We commenced establishing a more robust risk assessment and reporting process in various levels of the organisation and commenced the implementation of a risk management system to improve the capturing and reporting of risks across Service NSW. To further educate and embed risk with staff, a monthly risk awareness campaign was initiated supported by training programs targeting staff at different levels and roles in the organisation. Risk management in Service NSW is an evolving capability that continues to be enhanced in order to keep up with SNSW's growing and dynamic operations.

Climate risk

This year Service NSW completed the NSW Government Climate Preparedness Survey. Delivered every three years for the Office of Energy and Climate Change, the survey helps understand the NSW government's readiness to respond to the impacts of climate change and achieve climate resilience objectives.

Internal Audit

Service NSW Internal Audit provides independent and objective assurance services and risk and control consulting advice to the Executive Leadership Team, the Audit and Risk Committee and the CEO. It also plays an important role in supporting Service NSW to achieve its strategic objectives by providing independent assurance that reviews the effectiveness of our risk management practices and internal controls framework. The CAE reported to the CEO and the Audit and Risk Committee quarterly on the risk-based internal audit plan, and the progress towards completion of the plan, as well as the implementation of audit recommendations.

This year the internal audit function updated its Charter, Policy and Procedures including report templates, and undertook an independent external quality assessment of the internal audit function. The following assurance activities were reviewed:

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

- transport for NSW DRIVES database access certification
- grant administration and fraud response
- accessibility of Service NSW services
- data protection and privacy compliance
- purchase to pay.

DCS Investigations & Corruption Prevention received 40 reports of fraud, corruption and maladministration matters in 2022–23 for Service NSW, which underwent assessment and investigation as appropriate. Of those reports, 15 matters were reported as bribes. Of all Service NSW matters assessed none were determined to be eligible as a Public Interest Disclosure (PID). DCS Investigations & Corruption Prevention also provided advice to Service NSW management on corruption prevention, risk and internal control improvements, and facilitated regulatory reporting to the Independent Commission Against Corruption and the NSW Ombudsman. Work is underway to progressively refresh the Department's policy and procedures settings to drive increased awareness and support fraud and corruption prevention.

External Audit

The Audit Office of NSW audited the Service NSW financial statements for the year ended 30 June 2023, and the opinion in the Independent Auditor's Report was unmodified.

Insurance

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

The TMF SoC provides cover for the following risk exposure:

- legal liability including:
 - public liability
 - product liability
 - environmental liability
 - liability for claimed misleading representations
 - cyber liability
 - statutory liability
 - professional indemnity and
 - directors/ officer's liability.
- workers compensation
- property
- motor vehicles
- miscellaneous including employee fidelity, personal accident (officials who are not covered under the NSW Workers Compensation), personal effects, cancellation of events and travel (domestic and international).

Claims performance

Table 23. Number of insurance claims

Line of business	2022-23
Workers Compensation	141
Motor Vehicle	11
Property	3
General Liability	10
Total	165

Table 24. Net incurred insurance claims cost (\$)

Line of business	2022-23
Workers Compensation	\$1,836,864
Motor Vehicle	\$17,558
Property	\$1,579,031
General Liability	\$48,907
Total	\$3,482,360

Data regarding incurred claims and relevant costs was sourced from icare TMF dashboard. They are based on the claims submitted (both reportable and non-reportable claims) and relevant assessment as at 30 June 2023.

Reportable claims include claims incidents where payments were made, or estimates established.

Non-reportable claims include claims incidents with no payments and nil estimates that are not or not yet classified as claims.

The final costs and claim numbers may vary due to the timing of loss incurred, claims reported, and the outcome of the negotiated settlement.

Internal audit and risk management policy attestation

I, Greg Wells, Chief Executive, am of the opinion that Service NSW has internal audit and risk management processes in operation that are compliant with the seven (7) Core Requirements set out in the Internal Audit and Risk Management Policy for the General Government Sector, specifically:

Core requirements		For each requirement, please specify whether compliant, non-compliant, or in transition
Risk Management Framework		
1.1	The Accountable Authority shall accept ultimate responsibility and accountability for risk management in the agency.	Compliant
1.2	The Accountable Authority shall establish and maintain a risk management framework that is appropriate for the agency. The Accountable Authority shall ensure the framework is consistent with AS ISO 31000:2018.	Compliant
Internal Audit Function		
2.1	The Accountable Authority shall establish and maintain an internal audit function that is appropriate for the agency and fit for purpose.	Compliant
2.2	The Accountable Authority shall ensure the internal audit function operates consistent with the International Standards for Professional Practice for Internal Auditing.	Compliant
2.3	The Accountable Authority shall ensure the agency has an Internal Audit Charter that is consistent with the content of the 'model charter'.	Compliant
Audit and Risk Committee		
3.1	The Accountable Authority shall establish and maintain efficient and effective arrangements for independent Audit and Risk Committee oversight to provide advice and guidance to the Accountable Authority on the agency's governance processes, risk management and control frameworks, and its external accountability obligations.	Compliant
3.2	The Accountable Authority shall ensure the Audit and Risk Committee has a Charter that is consistent with the content of the 'model charter'.	Compliant

Membership

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

- Independent Chair, Josephine Rozman 12 October 2021 to 11 October 2024
- Independent Member, Stephen Horne, 1 July 2016 to 30 June 2024
- Independent Member, Gary Blair, 1 April 2020 to 31 March 2026



Greg Wells

Chief Executive Officer
4 September 2023

Cyber security annual attestation statement 2022–23 financial year

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

During 2022–2023, Service NSW has continued to uplift its maturity against the CSP requirements by strengthening cyber security governance and resilience across our agency, ensuring information safety for all NSW citizens and businesses. Service NSW set out to achieve this through the execution of planned strategic initiatives, using a risk-based approach. This includes, but is not limited to:

- **Governance** – Service NSW has executive governance forums where cyber security is appropriately addressed and discussed on a regular basis. Service NSW continues to strengthen and embed cyber security governance into operational levels to drive improvements.
- **Cyber Culture** – Service NSW has focussed on strengthening our cyber aware culture across the organisation through regular cyber safe behaviour campaigns. These campaigns are run across multiple channels and include phishing simulations, tailored cyber training for frontline and support office staff; and targeted communications to uplift staff maturity in cyber security.
- **Risk Management** – Service NSW continues to actively manage our Cyber Security risks. This involves ongoing assessment and management in accordance with the established organisational risk management framework.
- **Information Security Management System (ISMS)** – Service NSW is certified against ISO27001:2022. Service NSW continues to focus on expanding the scope of our ISMS certification to ensure our critical systems and information is better protected
- **Incident Response** – Service NSW has an established cyber incident response plan and associated procedures. Ongoing scheduled tests, reviews and adjustments have been conducted throughout the reporting period to better prepare Service NSW to respond to an incident in a coordinated and effective manner.



Greg Wells,

Chief Executive Officer, Service NSW
1 September 2023

Sustainability



Modern Slavery Act 2018 (NSW) reporting

Service NSW is an executive agency of the Department of Customer Service. Further information about how DCS complies with the *Modern Slavery Act 2018* can be found in their annual report.

Service NSW established a Procurement and Contract Performance Team in November 2022 for procurement of goods and services under \$1 million. This team is designed to work under the accreditation of the Department of Customer Service's Corporate Procurement, ensuring we comply with all NSW Procurement policies including using their templates with supplier declaration of compliance regarding the *Modern Slavery Act 2018*. Procurements over \$1m supported by DCS procurement are subject to comply with the same policies.

Work Health and Safety

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

Work Health and Safety (WHS)

In 2022-23, a key focus was further developing, educating and embedding work health and safety systems and processes across the organisation.

- mySafety the online hazard and incident reporting tool available to all employees was a key focus. To embed the use and understanding of mySafety, information sessions have been scheduled on a fortnightly basis for team leaders across the organisation, with a particular focus on the incident investigation process.
- The Work Health and Safety Dashboards, allows managers and people leaders to obtain a snapshot of incidents, hazard and investigation data from a simple customised dashboard linked to the mySafety data, is available and allows reporting with both lead and lag indicators. Monthly work health and safety reports are provided to the Executive Leadership team to identify and monitor trends, discuss action plans and more.
- The all-staff mandatory Work, Health and Safety online training module was refreshed to include details on the support available to ill and injured staff through the Recover at Work Program and further, details on how to report a hazard and incident in mySafety, including a link to video demonstrations, user guides and other resources available.

- The Work Health and Safety Management System – our overarching system of policies and procedures, supported by related materials such as guidelines, plans and forms, is currently under review, including seeking feedback from staff. The management system aims at systematically managing health and safety at work and which can help to minimise the risk of injury and illness from workplace operations.
- A new Work Health & Safety Hub was introduced as the central pathway in providing staff a quick and easy centralised platform to access work health and safety information.
- The safety of our staff and customers is a priority with a commitment to a zero tolerance to violence and/or threats of violence towards customers or staff within its Service Centres and Contact Centres. The Respect & Resilience Program continues which is supported by the Unreasonable Customer Behaviour Policy, processes and training for our frontline staff.
- Ergonomic support continued as a key focus for employees using a hybrid working pattern. Resources continue to be available to support employees including ergonomic assessments and equipment as needed.

Wellbeing support

- The Wellbeing Hub continues to provide current health and wellbeing information such as tools and resources for your self-care and to support you to stay well. It highlights how it is important to look after your mental wellbeing as much as your physical health, connecting with others and building a positive wellbeing culture through how we relate to each other and the work we do together.
- Mental Health and Wellbeing Initiatives year both locally and state-wide examples include, RUOK Day, World Mental Health Day and National Carer's week. A key element being the ongoing promotion and support of initiatives that are relevant to our staff, with various charities supported, which included clothing and laptop drives, to walking challenges and morning teas.
- Mental health first aid program as part of a supportive, compassionate workplace, SNSW has an ongoing Mental Health First Aid Officer network. This is a dedicated community trained to promote psychological wellbeing, support staff and provide peer to peer mental health first aid support. Our officers are available to discuss wellbeing concerns, offer support and facilitate connections to professional services as appropriate. Quarterly education and mentoring sessions are also organised to increase mental health first aid officers' knowledge and share experiences.

- Through the DCS partnership with Fitness Passport, A Fitness Passport is available at a reduced cost, to all staff to access a low cost, flexible corporate gym and pool membership program in their preferred area.
- The Illness Prevention Strategy includes several key measures to reduce the risk of illness in our workplaces and stay healthy and well. A free annual flu vaccination program was held in the leadup to winter and was available to all our people including temporary employees.
- Employee Assistance Program (EAP). We continue to provide exemplar EAP support to actively create greater awareness of the program and the range of services offered which contributed to a 7.6 per cent use of EAP services, compared to a public sector industry standard of 6.1 per cent and all industries at 4.2 per cent, as of June 2023.
- Proactive and early intervention psychological support was made available through the Well-Check programs carried out for teams impacted by natural disaster events (recent floods) and to staff who supported the vulnerable NSW communities during recovery.
- During the recent natural disasters, proactive and early intervention psychological support was offered broadly. In Service NSW Well-Check programs were also carried for teams impacted by natural events and to those staff who supported to vulnerable NSW communities during recovery.
- During 2022-23, there were 141 incidents within Service NSW where there was an injury involved were reported to the insurer an increase compared with the previous financial year (2021-22). Of the 141 claims lodged, 64% (91) were nonreportable claims (claims incidents with no payments and nil estimates that are not or not yet classified as claims) and did not incur any costs.
- The leading mechanism of injury for incidents reported to EML in 2022-23 is vehicle incidents (46 total claims), body stressing (28) and mental stress (21). Of these reported incidents, the mechanism of injury of body stressing led to 16 reportable workers compensation claims, followed by the mechanisms of 11 mental stress claims and 9 vehicle incidents.
- Physical claims categories, particularly vehicle incidents and body stressing have contributed to the increased claims numbers, which can be attributed to the resumption of driver testing and staff returning to offices compared to previous years during COVID-19 restrictions.

Of the 141 claims reported, 50 were reportable claims (claims incidents where payments were made, or estimates established) and incurred a Net Incurred Cost (NIC) of \$1,836,864.63.

Psychological claims continue to drive the claims cost upwards for Service NSW. The Net Incurred Costs (NIC) on psychological claims was 44% of the total NIC on all Service NSW claims during 2022-23. In comparison to 2021-22, the NIC on psychological claims increased by 7%.

Service NSW experienced a 64% reduction in total paid amount on claims as well as an overall 24% reduction of NIC compared to 2021-22, despite the rise in claim numbers.

Data regarding the number of claims and relevant costs were sourced from iCare as at 30 June 2023. They are based on claims lodged and relevant assessment. The final cost may vary when compared to the same period in previous annual reports due to the timing of loss incurred, claims reported and the outcomes of the negotiated settlement.

There have been two mental stress Whole Person Impairment (WPI) claims listed in the Personal Injury Commission (PIC) during financial year 2022-23.

Service NSW had nil prosecutions under the Work, Health and Safety Act 2011 during the 2022-23 year.

Prosecution notation added here to show no prosecutions in the 2022-23 FY.

Supporting recovery at work

- The Recover at Work team continued to provide caring and comprehensive case management using evidence-based strategies to drive optimal recovery at work outcomes.
- The Recover at Work Program was reviewed and updated following staff consultation to ensure currency and best practice strategies following an employer improvement notice issued by the State Insurance Regulatory Authority.
- The Recover at Work team partnered with the workers compensation insurer, Employers Mutual Limited (EML), to create physical and psychological Suitable Duties Registers for Service NSW frontline employees. The registers are innovative early intervention tool that documents individual job tasks within a role to assist with securing optimal return to work outcomes. The Recover at Work team continued to meet fortnightly with EML to ensure the safe and timely return of our employees to work. The workers compensation claim reviews are focused on premiums impacting claims (lodged since 01/07/2018) as well as newly lodged claims with a no capacity work status.

Diversity

The Service NSW diversity and inclusion programs align with the DCS Care and Belonging Strategy 2022–2025, including the initiative to ‘break the cycle of disadvantage’ and ‘putting the customer at the centre of everything we do’. The strategy’s 6 focus areas emphasise the critical cultural pillars upon which to build a culture of care and belonging at DCS. Each focus area has detailed commitments for delivery over 3 ‘time horizons’ up to the end of 2025, setting us up for a successful implementation.

Service NSW continues to work towards the DCS Aboriginal Employment Strategy, the DCS Disability Inclusion Action Plan, participated in consultation and development of DCS’s first Multicultural Plan and contributed to the Women NSW Strategy.

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

Resources were published for staff on practical ways to be anti-racist and support culturally and linguistically diverse (CALD) colleagues.

The Multicultural Plan 2023–25 was launched in November 2022 and builds on the Care and Belonging Strategy. The Plan aims to achieve the vision of the Multicultural Policies and Services Program ensuring people from culturally diverse communities achieve high degrees of social and economic participation.

Utilising the DCS CALD calendar we build awareness of different cultural events that occur in the year, focusing on a cultural highlight and spotlighting an employee’s ‘story’ to connect our people with our cultures.

Internal social media platform Workplace is used by thousands of our people each year to share photos of their celebrations of a wide variety of cultural events.

Multicultural policies and services

Service NSW is committed to multiculturalism and as part of this commitment has undertaken work to ensure all members of the NSW community have access to our services. In addition to the broader multiculturalism initiatives undertaken by DCS in 2022–23, some of our key programs to support our people, customers or suppliers who come from culturally and linguistically diverse backgrounds have included the following:

Refugee Internship Employment Program

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

This year, Service NSW successfully engaged 17 refugees, bringing our total refugee interns recruited to Service NSW to 104. Over 80% of these team members remain in temporary and ongoing roles across Service NSW and at DCS.

This year the CALD ERG with the Service NSW Employment Program team launched the Refugee Mentoring Pilot Program to enhance the experience of the refugee interns.

In 2023–24, Service NSW will continue our commitment to multiculturalism by ensuring all members of the NSW community continue to have access to our services. We will continue to support initiatives undertaken by DCS as well as our key programs to support our people, customers or suppliers who come from culturally and linguistically diverse backgrounds including our key Cost of Living Programs and our Refugee Internship Employment Program.

New refugees recruited this year



17

bringing our total refugees recruited to 104

Refugee intern retention rate



80%

in temporary and ongoing roles (Service NSW/DCS)

Agreements with Multicultural NSW

Service NSW has the following agreements in place with Multicultural NSW:

- 1. Memorandum Of Understanding for the provision of Interpreting by Multicultural NSW for Service NSW Service Centres** – This is the agreement for Multicultural NSW to provide the National Accreditation Authority for Translators and Interpreters (NAATI) accredited interpreters (in person) at Service Centres.
- 2. Service Agreement for Service NSW to provide business as usual (BAU) support for Multicultural NSW transactions** – Under this agreement, Service NSW provides Multicultural NSW over-the-counter support for customers that require documents translated and Contact Centre and Middle Office support for customer inquiries.
- 3. Project Agreement - The Multicultural Youth Linker Pilot Program** emerged from the Refugee Youth Policy Initiative, a process of co-design, collaboration and partnership with young people from refugee backgrounds. This initiative was led by Professor Peter Shergold as NSW Coordinator General for Refugee Resettlement, the Agency and the NSW Department of Customer Service. A key outcome realised throughout the initiative was the need to support young people with navigating and accessing government services available to them through a peer-to-peer 'navigation' model. The Youth Linker service is to work closely with the community and non-government agencies to support applicable services through a peer-to-peer navigation model. Multicultural Youth Linker appointments are available face-to-face at the Bankstown, Auburn, Liverpool, Wetherill Park, Newcastle and Wallsend Service NSW Service Centres.

Young people from refugee, migrant and similar backgrounds can book an appointment to speak with a Youth Linker and ask for an interpreter if needed. Appointment can be booked by calling 13 77 88, visiting a Service Centre or online through the Service NSW website. These appointments can be face to face or over the phone.

- 4. Memorandum of Understanding for the Telephone Interpreting Services - On Demand APP between Service NSW and Multicultural NSW** – This program commenced in December 2021, with 2 access points are provided to Culturally and Linguistically Diverse (CALD) customers to provide the customer with language translation assistance when accessing services and information from Service NSW Contact Centres and has now been rolled out across the Contact centre network.

In March 2023, Multicultural NSW and Service NSW signed a new Memorandum of Understanding for Multicultural NSW to be the preferred provider of telephone interpreting for all calls coming to the Service NSW information line (13 77 88). Our partnership involves a shared focus on delivering better outcomes for customers seeking language support, including digital enhancements to streamline workflows and reduce average handling times for over-the-counter translation services.

Customers have 2 options to request assistance to Service NSW for information and services. CALD customers are able to call either the Multicultural NSW phone number advertised on their website or the Service NSW 13 77 88 number and be connected to a 3-way conference (between the CALD customer, the interpreter and the Contact Centre team member).

Workforce diversity report

Table 25. Size of agency (Headcount)

	2021	2022	2023	% Change 2022 to 2023
Headcount at Census Date	4154	5124	5253	2.5%
Non-casual Headcount at Census Date	4154	5112	5213	2.0%

Table 26. Workforce Diversity Survey Response Rate (Non-casual Headcount at Census Date)

	2021	2022	2023
Non-casual Headcount at Census Date	4154	5112	5213
Non-casual Workforce Diversity Survey Respondents at Census Date	3765	4671	4802
Response Rate	90.6%	91.4%	92.1%

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

Table 27. Workforce Diversity Actual Staff Numbers (Non-casual Headcount at Census Date) 2022–23

Remuneration level of substantive position	Total staff (men, women and unspecified)	Respondents	Men	Women	Unspecified gender	Aboriginal and/or Torres Strait Islander people	People from racial, ethnic, ethno-religious minority groups	People whose language first spoken as a child was not English	People with a disability	People with a disability requiring work-related adjustment
\$0 - \$51,756	3	3	0	3	0	3	1	0	0	0
\$51,756 – \$67,975	1842	1737	492	1342	8	84	388	556	59	14
\$67,975 – \$75,992	354	327	76	277	1	9	57	67	10	2
\$75,992 – \$96,164	1574	1439	506	1049	19	46	180	261	62	23
\$96,164 – \$124,357	577	529	214	361	2	10	117	142	16	6
\$124,357 – \$155,445	534	481	259	273	2	8	155	225	9	2
\$155,445 > (Non SES)	291	264	166	125	0	2	74	78	8	3
\$155,445 > (SES)	38	22	14	24	0	0	6	5	0	0
Total	5213	4802	1727	3454	32	162	978	1334	164	50

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

Table 28. Workforce Diversity Actual and Estimated Staff Numbers (Non-casual Headcount at Census Date) 2022–23

Remuneration level of substantive position	Actual					Estimated				
	Total staff (men, women and unspecified)	Respondents	Men	Women	Unspecified gender	Aboriginal and/or Torres Strait Islander people	People from racial, ethnic, ethno-religious minority groups	People whose language first spoken as a child was not English	People with a disability	People with a disability requiring work-related adjustment
\$0 - \$51,756	3	3	0	3	0	3	1	0	0	0
\$51,756 - \$67,975	1842	1737	492	1342	8	89	411	590	63	15
\$67,975 - \$75,992	354	327	76	277	1	10	62	73	11	2
\$75,992 - \$96,164	1574	1439	506	1049	19	50	197	285	68	25
\$96,164 - \$124,357	577	529	214	361	2	11	128	155	17	7
\$124,357 - \$155,445	534	481	259	273	2	9	172	250	10	2
\$155,445 > (SES)	38	22	14	24	0	0	10	9	0	0
\$155,445 > (Non SES)	291	264	166	125	0	2	82	86	9	3
Total	5213	4802	1727	3454	32					

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

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

Table 29. Workforce Diversity Actual and Estimated Staff Numbers (Non-casual Headcount at Census Date) as Percentages - 2023

Remuneration level of substantive position	Actual					Estimated				
	Total staff (men, women and unspecified)	Respondents	Men	Women	Unspecified gender	Aboriginal and/or Torres Strait Islander people	People from racial, ethnic, ethno-religious minority groups	People whose language first spoken as a child was not English	People with a disability	People with a disability requiring work-related adjustment
\$0 - \$51,756	3	100.0%	0.0%	100.0%	0.0%	100.0%	33.3%	0.0%	0.0%	0.0%
\$51,756 - \$67,975	1,842	94.3%	26.7%	72.9%	0.4%	4.8%	22.3%	32.0%	3.4%	0.8%
\$67,975 - \$75,992	354	92.4%	21.5%	78.2%	0.3%	2.8%	17.4%	20.5%	3.1%	0.6%
\$75,992 - \$96,164	1,574	91.4%	32.1%	66.6%	1.2%	3.2%	12.5%	18.1%	4.3%	1.6%
\$96,164 - \$124,357	577	91.7%	37.1%	62.6%	0.3%	1.9%	22.1%	26.8%	3.0%	1.1%
\$124,357 - \$155,445	534	90.1%	48.5%	51.1%	0.4%	1.7%	32.2%	46.8%	1.9%	0.4%
\$155,445 > (SES)	38	57.9%	36.8%	63.2%	0.0%	0.0%	27.3%	22.7%	0.0%	0.0%
\$155,445 > (Non SES)	291	90.7%	57.0%	43.0%	0.0%	0.8%	28.0%	29.5%	3.0%	1.1%
Total	5,213	92.1%	33.1%	66.3%	0.6%					

Note: Table 4a presents the figures in Table 4 as percentages. E.g., Estimated % of People with a Disability in Salary Band 1 = (Estimated number of People with a Disability in Salary Band 1 / Total number of Staff in Salary Band 1) * 100. Estimated figures are only provided for agencies with a response rate greater than 65%. For agencies with a response rate less than 65%, actual figures are reported in all instances.

Table 30. Trends in the Representation of Workforce Diversity Groups

Workforce Diversity Group	Benchmark	2021	2022	2023
Women	50%	68.0%	66.9%	66.3%
Aboriginal and/or Torres Strait Islander People	3.3%	2.7%	3.3%	3.3%
People whose first language spoken as a child was not English	23.2%	21.5%	25.2%	27.8%
People with disability	5.6%	2.8%	3.0%	3.4%
People with disability requiring work-related adjustment	N/A	0.9%	1.0%	1.0%

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

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

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

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

Table 31. Trends in the Distribution Index for Workforce Diversity Groups

Workforce Diversity Group	Benchmark	2021	2022	2023
Women	100	87	87	86
Aboriginal and/or Torres Strait Islander People	100	88	83	82
People whose first language spoken as a child was not English	100	110	106	102
People with disability	100	97	97	96
People with disability requiring work-related adjustment	100	90	102	102

Note 1: A Distribution Index score of 100 indicates that the distribution of members of the Workforce Diversity group across salary bands is equivalent to that of the rest of the workforce. A score less than 100 means that members of the Workforce Diversity group tend to be more concentrated at lower salary bands than is the case for other staff. The more pronounced this tendency is, the lower the score will be. In some cases, the index may be more than 100, indicating that members of the Workforce Diversity group tend to be more concentrated at higher salary bands than is the case for other staff.

Note 2: The Distribution Index is not calculated when the number of employees in the Workforce Diversity group is less than 20 or when the number of other employees is less than 20.

Table 32. Representation of Workforce Diversity Groups

Workforce Diversity Group	Benchmark	2021	2022	2023
Women	50%	68.0%	66.9%	66.3%
Aboriginal and/or Torres Strait Islander People	3.3%	2.7%	3.3%	3.3%
People whose first language spoken as a child was not English	23.2%	21.5%	25.2%	27.8%
People with a disability	N/A	2.8%	3.0%	3.4%

Disability Inclusion Action Plan

Service NSW is committed to the principles of the Department of Customer Service's Disability Inclusion Action Plan 2020–2025 (DIAP), which creates a 5-year roadmap to ensure our services, facilities and workplaces are accessible to all.

Mapped to the NSW Disability Inclusion Plan, our DIAP uses 10 key areas of access and inclusion to ensure that DCS includes all our customers, people and suppliers with disability. As well as publishing the full document, we have provided public summaries in Auslan and Easy English. The plan is governed by the Disability Inclusion Steering Committee which includes representatives from Service NSW and supported by the Ability ERG.

Key achievements in the last 12 months include:

- there are now 74 Mental Health First Aid Officers across all business areas and divisions within Service NSW to support all our people. Development of an online Disability Toolkit, accessible through SharePoint, providing all Service NSW staff access to a variety of resources and information relating to disability and accessibility
- a Capability Uplift and Community Engagement pilot, which included mandatory disability awareness training for all our people. The pilot also encouraged teams to build ongoing relationships with local disability and carer organisations, obtain ongoing feedback and assist in improving our customer experience
- achieved Disability Confident Recruiter (DCR) Accreditation from the Australian Network on Disability and in the upcoming financial year we will be seeking DCR year 2 renewal
- an increased take-up in disability confident training either by e-learning modules or workshops
- the successful 'Quiet Hour' pilot from 2021-22 is now available at 110 service centres across NSW. This program provides a lower-sensory experience for customers and staff
- updated our internal mentoring program to allow prospective mentors to specify that they wish to mentor a person with disability and promoting this to our people with disability and across other ERGs
- an increase in targeted recruitment activities, in particular the diversity talent pool campaign which ran over the months of December 2022 through to April 2023. All panel members completed the Disability Confident Manager training e-learning module
- our job adverts are anchored in our Care & Belonging strategy, tailored adverts to include embedded accessible wording and added in links to the different types of disabilities and types of adjustments
- continued partnership with Toozy, a dedicated online jobs board platform specifically designed for job seekers with disability, with all roles advertised in accessible formats
- a successful event that the Ability ERG coordinate yearly is the Chat-Listen-Champion event. In 2022 10 Executive Listeners heard stories from 10 employees who identify with having disability to educate our Executives around disability confidence
- inclusion of hearing loops in meeting rooms as standard, and all meeting rooms updated to provide automated captioning features
- Accessibility NSW is providing the tools, technical advice, and solution to our employees to make their work accessible
- in June Accessibility NSW launched the second iteration of the Digital Accessibility Toolkit. The Toolkit has all the guidance needed to make the work accessible, whether it be sending a meeting invite or designing a complex digital product
- in the 2023-24 financial year Accessibility NSW will see the delivery of the first Accessibility Learning Modules
- provided guidance and leadership to teams on accessibility, inclusive design, customer research and testing via internal communications and the Service NSW intranet as well as mentoring and guild sessions

Mental health
first aid officers



74

across all business areas and divisions within SNSW

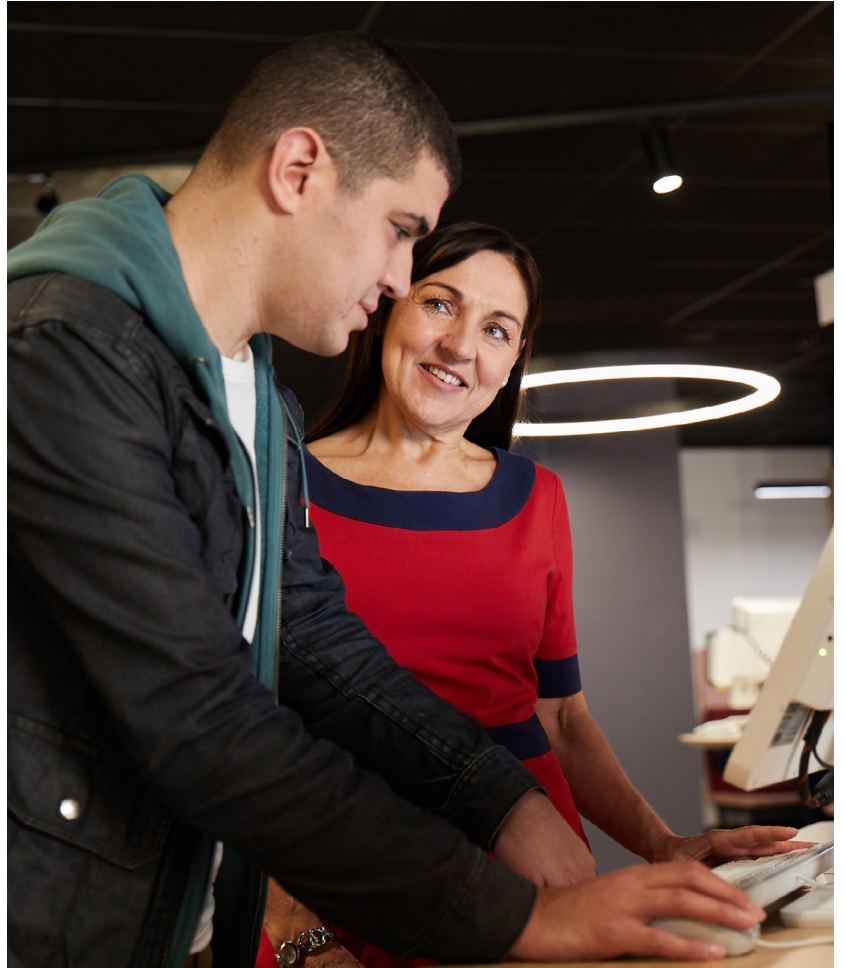
Successful Quiet Hour
pilot from 2021–22



110

now available in 110 Service Centres across NSW

- developed quality assurance standards and guidance known as Digital Experience Standards to embed inclusive design and accessibility
- incorporated modules on inclusive design, customer research and testing within Digital Service's Onboarding Academy
- Service NSW has embedded the Secretaries Board endorsement definition of disability. The definition is based on the social model of disability, rather than an outdated medical model of disability, and recognises that people are disabled by physical and environmental barriers in society
- the nsw.gov.au website makes it easier for all customers to engage with NSW Government. People with disability can use assistive technology to read or listen to content
- plain English commitment across all digital platforms ensuring reader levels are consistent, and basic grammar and syntax support information sharing
- DCS recognises the importance of intersectionality and both our DIAP and AES have actions for Aboriginal people with disability. The DIAP has actions for people with disability of CALD and other diversity backgrounds.



Achieved Disability
Confident Recruiter



2022-23

Accreditation from the
Australian Network on Disability

Chat-Listen
Champion event



10

Executive Listeners heard stories from 10 employees
who identify with having a disability

Financial performance



Statement by the Chief Executive Officer

Service NSW

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

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



Greg Wells
Chief Executive Officer, Service NSW
13 November 2023



INDEPENDENT AUDITOR'S REPORT

Service NSW

To Members of the New South Wales Parliament

Opinion

I have audited the accompanying financial statements of Service NSW, which comprise the Statement by the Chief Executive Officer, the Statement of Comprehensive Income for the year ended 30 June 2023, the Statement of Financial Position as at 30 June 2023, the Statement of Changes in Equity and the Statement of Cash Flows, for the year then ended, notes comprising a Statement of Significant Accounting Policies, and other explanatory information.

In my opinion, the financial statements:

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

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

Basis for Opinion

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

I am independent of Service NSW in accordance with the requirements of the:

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

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

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

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

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

Chief Executive Officer's Responsibilities for the Financial Statements

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

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

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

Auditor's Responsibilities for the Audit of the Financial Statements

My objectives are to:

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

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

A description of my responsibilities for the audit of the financial statements is located at the Auditing and Assurance Standards Board website at: www.auasb.gov.au/auditors_responsibilities/ar6.pdf. The description forms part of my auditor's report.

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

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



Weini Liao
Director, Financial Audit

Delegate of the Auditor-General for New South Wales

14 November 2023
SYDNEY

Table of Contents

Statement of Comprehensive Income	5
Statement of Financial Position	6
Statement of Changes in Equity	7
Statement of Cash Flows	8
1. Summary of Significant Accounting Policies	9
2. Expenses Excluding Losses	11
3. Revenue	14
4. Gains/(losses) on disposal	17
5. Other gains / (losses)	17
6. Cash and Cash Equivalents	17
7. Receivables	18
8. Contract Assets	18
9. Other Assets	19
10. Other Financial Assets	19
11. Non-Current Assets – Property, Plant and Equipment	19
12. Leases	21
13. Intangible Assets	24
14. Fair value measurement of non-financial assets	25
15. Current Liabilities – Payables	25
16. Current Liabilities – Other liabilities	26
17. Current/Non-Current Liabilities – Lease liability	26
18. Current/Non-Current Liabilities – Provisions	27
19. Equity	29
20. Commitments for Expenditure	30
21. Contingent Liabilities and Contingent Assets	30
22. Budget Review	30
23. Reconciliation of Cash Flows from Operating Activities to Net Result	31
24. Amounts Held on Behalf of Other Agencies	31
25. Administered Items	33
26. Financial Instruments	36
27. Related Party Disclosures	42
28. Events After the Reporting Period	43

**STATEMENT OF COMPREHENSIVE INCOME
FOR THE YEAR ENDED 30 JUNE 2023**

	Notes	Budget 2023 \$'000	Actual 2023 \$'000	Actual 2022 \$'000
Expenses excluding losses				
Operating expenses				
Employee related	2a	322,166	513,671	480,035
Other operating expenses	2b	171,165	300,377	373,499
Depreciation and amortisation	2c	45,633	38,475	56,516
Grants and subsidies	2d	246,000	778	660
Finance costs	2e	-	33	2,288
Total expenses excluding losses		784,964	853,334	912,998
Revenue				
Sale of goods and services	3a	75,477	59,429	62,285
Grants and contributions	3b	668,390	733,591	719,449
Acceptance by the Crown of employee benefits and other liabilities	3c	5,082	7,814	3,399
Investment revenue	3d	198	1,317	46
Other revenue	3e	7	99,226	100,816
Total revenue		749,154	901,377	885,995
Operating result		(35,810)	48,043	(27,003)
Gains/(losses) on disposal	4	-	(1,775)	1,737
Other gains/(losses)	5	-	3	(568)
Net result		(35,810)	46,271	(25,834)
Other comprehensive income		-	-	-
Total comprehensive income	22	(35,810)	46,271	(25,834)

The accompanying notes form part of these financial statements.

STATEMENT OF FINANCIAL POSITION
AS AT 30 JUNE 2023

	Notes	Budget 2023 \$'000	Actual 2023 \$'000	Actual 2022 \$'000
ASSETS				
Current assets				
Cash and cash equivalents	6	7,931	31,197	14,359
Receivables	7	32,959	29,712	35,182
Contract assets	8	-	4,215	6,337
Other assets	9	-	13,309	14,844
Other financial assets	10	-	3	110
Total current assets		40,890	78,436	70,832
Non-current assets				
Property, plant and equipment				
Leasehold improvements	11	-	70,470	65,587
Plant and equipment	11	61,713	18,284	16,261
Total property, plant and equipment		61,713	88,754	81,848
Right of use asset	12	194	299	293
Intangible assets	13	68,733	62,810	62,270
Total non-current assets		130,640	151,863	144,411
Total assets		171,530	230,299	215,243
LIABILITIES				
Current liabilities				
Payables	15	73,793	38,765	76,473
Other liabilities	16	-	15,539	17,181
Lease liability	17	305	416	387
Provisions	18	45,502	55,783	50,719
Total current liabilities		119,600	110,503	144,760
Non-current liabilities				
Lease liability	17	-	906	858
Provisions	18	6,503	14,524	11,530
Total non-current liabilities		6,503	15,430	12,388
Total liabilities		126,103	125,933	157,148
Net assets		45,427	104,366	58,095
EQUITY				
Accumulated funds		45,427	104,366	58,095
Total equity		45,427	104,366	58,095

The accompanying notes form part of these financial statements.

**STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 30 JUNE 2023**

	Notes	Accumulated funds 2023 \$'000	Accumulated funds 2022 \$'000
Balance at beginning of year		58,095	83,842
Net result for the year		46,271	(25,834)
Transactions with owners in their capacity as owners			
Increase / (decrease) in net assets from equity transfers	19	-	87
Balance at 30 June		104,366	58,095

The accompanying notes form part of these financial statements.

**STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 30 JUNE 2023**

	Notes	Budget 2023 \$'000	Actual 2023 \$'000	Actual 2022 \$'000
Cash flows from operating activities				
Payments				
Employee related		(317,084)	(491,046)	(456,660)
Grants and Subsidies		(246,000)	(778)	(660)
Finance cost		-	(33)	(2,288)
Payments to suppliers		-	(284,695)	(385,254)
Other		(161,165)	(17,323)	(20,138)
Total payments		(724,249)	(793,875)	(865,000)
Receipts				
Sales of goods and services		75,477	84,161	88,965
Grants and contributions		655,030	734,373	736,235
Other		205	40,873	98,092
Total receipts		730,712	859,407	923,292
Net cash from operating activities	23	6,463	65,532	58,292
Cash flows from investing activities				
Proceeds from sale of intangibles		-	-	201
Purchase of plant and equipment		(14,152)	(28,397)	(2,289)
Purchase of intangibles		(26,905)	(20,091)	(40,488)
Net cash from investing activities		(41,057)	(48,488)	(42,576)
Cash flows from financing activities				
Payment of principal portion of lease liabilities		-	(206)	(17,029)
Net cash from financing activities		-	(206)	(17,029)
Net increase/(decrease) in cash		(34,594)	16,838	(1,313)
Opening cash and cash equivalents		42,525	14,359	15,672
Closing cash and cash equivalents	6	7,931	31,197	14,359

The accompanying notes form part of these financial statements.

1. Summary of Significant Accounting Policies

a. Reporting entity

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

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

Service NSW delivers transactional services on behalf of other agencies and administers certain activities on behalf of the Crown.

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

The financial statements for the year ended 30 June 2023 have been authorised for issue by the Chief Executive Officer on 13 November 2023.

b. Basis of preparation

Service NSW's financial statements are general purpose financial statements which have been prepared on an accrual basis and in accordance with:

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

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

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

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

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

c. Statement of Compliance

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

d. Amounts held on behalf of other agencies

Service NSW delivers some transactional services on behalf of other agencies and does not have the discretion to deploy the resources for the achievement of Service NSW's own objectives. The disclosure of receipts and payments in Note 24 is based on related cash flows, rather than the accrual basis accounting.

Transactions and balances relating to these activities are not recognised as Service NSW's income, expenses, assets and liabilities, but disclosed in Note 24.

e. Administered activities

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

Transactions and balances relating to administered activities are not recognised as Service NSW's income, expenses, assets and liabilities, but are disclosed in the accompanying schedules as 'Administered Income', 'Administered Expenses', 'Administered Assets' and 'Administered Liabilities' in Note 25.

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

f. Accounting for the Goods and Services Tax (GST)

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

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

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

g. Comparative information

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

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

i. Effective for the first time in the current year

The accounting policies applied in the financial year 2023 are consistent with those of the previous financial year. Several other amendments and interpretations apply for the first time in the financial year 2023, but do not have an impact on the financial statements of Service NSW.

ii. Issued but not yet effective

NSW public sector entities are not permitted to early adopt new Australian Accounting Standards unless Treasury determines otherwise. In accordance with the NSW Treasury mandate (TPG 23/04), Service NSW did not adopt any of the accounting standards and interpretations that have been issued but are not yet effective.

Certain new accounting standards and interpretations have been published that are not mandatory for 30 June 2023 reporting period.

- AASB 2020-3 Amendments to Australian Accounting Standards - Annual Improvements 2018 - 2020 and other Amendments
- AASB 2020-6 Amendments to Australian Accounting Standards - Classification of Liabilities as Current or Noncurrent - Deferral of Effective Date
- AASB 2022-3 Amendments to Australian Accounting Standards - Illustrative Examples for Not-for-Profit Entities accompanying AASB 15

These standards have been assessed for their possible impact on the financial statements, if any, in the period of their initial application. Service NSW has determined that they are unlikely to have a material impact on the financial statements of Service NSW.

i. Impact of COVID-19 and recent severe NSW Floods on Financial Reporting for the current year

The natural disasters in the financial year, including coronavirus (“COVID-19”), have had an impact on individuals and businesses.

In financial year 2022 and financial year 2023, Service NSW has been administering several COVID-19 Stimulus programs on behalf of other NSW Government agencies. As a result, Service NSW had recruited additional frontline and support staff across the State to manage the anticipated increase in enquiries and customer flow.

Refer to Note 25 for further details relating to the above COVID-19 Stimulus programs.

NSW flood activity resulted in damage to leasehold improvements, leased property and plant and equipment at Lismore, Casino and Murwillumbah in 2022 and Forbes in 2023. Service NSW has recognised losses to reflect the damage of property and office equipment at these locations. Refer to Note 4 for further details.

Service NSW is administering flood grant programs to assist the people and businesses impacted by these flood events. Refer to Note 25 for details.

The total impact on Service NSW relating to additional administrative costs amounted to \$45.3million (2022: \$252.3 million) for COVID-19 stimulus and flood grant programs. Service NSW was able to fund these costs through the monies received for grant programs which it administers as approved by NSW Treasury or relevant Department / Agency.

j. Superannuation Annual Leave Loading

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

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

2. Expenses Excluding Losses

a. Employee related expenses

	2023	2022
	\$'000	\$'000
Salaries and wages (including annual leave)	426,840	411,725
Long service leave	6,919	2,544
Superannuation - defined benefit plan	629	679
Superannuation - defined contribution plan	44,850	37,219
Payroll tax and fringe benefit tax	27,252	21,331
Workers' compensation insurance	6,640	4,577
Other	541	1,960
	513,671	480,035

Employee related costs have been capitalised, in particular property, plant and equipment and intangible asset accounts and therefore excluded from the above, i.e \$24.4 million (2022: \$17.1 million).

b. Other operating expenses

	2023	2022
	\$'000	\$'000
Auditor's remuneration		
- audit of financial statements	620	389
Expenses relating to short-term leases	10,136	9,665
Maintenance	979	773
Insurance	1,247	1,073
Consultants	830	247
Contractors	40,762	94,597
Travel	7,357	4,879
Energy costs	1,308	743
Advertising, general marketing, promotions etc	711	10,630
Property related	31,945	16,200
Printing	7,666	8,668
Clothing	976	1,191
Information technology	52,467	62,638
Office equipment	4	2
Telephone and communications	6,409	10,227
Bank charges	24,276	20,700
Shared service charges	20,399	34,408
Courier and freight	1,883	2,074
Interpreters & translators	1,601	1,549
Staff recruitment	828	348
Postage costs	3,739	4,478
Office supplies	1,418	1,260
Department of Customer Service (DCS) - Corporate costs	60,493	60,684
Other	22,323	26,076
	300,377	373,499

Recognition and Measurement

Expenses relating to short-term leases

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

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

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

Contractors

Contractors include costs of contingent labour hire. In financial year 2023 contractor costs have declined due to temporary resourcing requirements relating to COVID-19 and floods reducing as programs and related services taper off.

Advertising, general marketing, promotions etc

The decrease in advertising cost is mainly due to reduction in COVID 19 expenses which were incurred in financial year 2022.

Property related

Property related costs include costs incurred for cleaning, minor fit-out costs, rates and outgoings, security and waste disposal of corporate office and service centres. As at 30 June 2022, Service NSW accepted the changes in the agreements for occupancy of premises with Property NSW ("PNSW"), which led to the derecognition of right-of-use assets and lease liabilities last financial year. Property related costs include accommodation costs as a result of this change.

Information technology

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

Shared service charges

Shared service charges consists of support costs incurred in relation to financial reporting, payroll and other operational activities for Service NSW.

DCS - Corporate costs

In the current year, DCS continue to provide some corporate and shared services functions to Service NSW. These include corporate technology functions, Finance, People & Culture, Corporate Affairs, Procurement, and Governance and Risk. DCS does not charge Service NSW. These corporate costs are recognised as deemed income as an in-kind benefit shown as *Other revenue* in Note 3(e). These benefits are calculated through DCS' centralised model based on Full Time Equivalent (FTE) staff numbers allocated to Service NSW.

c. Depreciation and amortisation expense

	2023	2022
	\$'000	\$'000
Depreciation:		
Plant and equipment	4,948	4,094
Leasehold improvements	14,659	13,085
Right of use asset	208	17,459
	19,815	34,638
Amortisation of intangible assets	18,660	21,878
	38,475	56,516

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

d. Grants and subsidies

	2023	2022
	\$'000	\$'000
Grants to Transport for NSW	778	660

The transfer of the Registry functions occurs pursuant to an assignment model. Transport for NSW ("TfNSW") continue to directly incur rental, software and printing costs required for card operations relating to the old motor registries until these functions are integrated into the Service NSW network.

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

The grants to TfNSW are represented by the following:

	2023	2022
	\$'000	\$'000
Operating lease rental expense		
- minimum lease payments	145	57
Information Technology	633	603
	778	660

e. Finance costs

	2023	2022
	\$'000	\$'000
Interest expense from lease liabilities	33	2,288

Recognition and Measurement – Finance Costs

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

Due to de-recognition of PNSW leases in financial year 2022, from 1 July 2022 the interest expenses only relates to motor vehicle leases. Refer Note 12: Leases.

3. Revenue

Recognition and Measurement

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

a. Sale of goods and services from contracts with customers

	2023	2022
	\$'000	\$'000
Rendering of Services	59,429	62,285
	59,429	62,285

Recognition and Measurement

Rendering of services

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

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

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

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

As at 30 June 2023, Service NSW fully satisfied the performance obligations of its fees for service revenue.

b. Grants and contributions

	2023	2022
	\$'000	\$'000
Grants without sufficiently specific performance obligations	719,586	716,229
Grants to construct a recognisable non-financial asset to be controlled by SNSW	14,005	3,220
	733,591	719,449

Recognition and Measurement

Income from grants without sufficiently specific performance obligations are recognised when Service NSW obtains control over the granted assets (for example, cash). Income from grants without sufficiently specific performance obligations are recognised when Service NSW obtains control over the granted assets. This includes funding revenue for Service NSW to administer the programs (disclosed in notes 24 and 25) amounting to \$53.1 million (2022: \$252.3 million).

Revenue from grants with sufficiently specific performance obligations are recognised when Service NSW satisfies a performance obligation by construction of the asset. Service NSW typically satisfies its performance obligations under the transfer to construct assets over time as the non-financial assets are being constructed. Service NSW received funding from the Digital Restart Fund, with obligations to create and deliver digital projects.

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

c. Acceptance by the Crown of employee liabilities

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

	2023	2022
	\$'000	\$'000
Superannuation - defined benefit	629	679
Long service leave	7,153	2,690
Payroll tax	32	30
	7,814	3,399

d. Investment revenue

	2023	2022
	\$'000	\$'000
Interest revenue	1,317	46
	1,317	46

Recognition and Measurement

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

e. Other revenue

	2023	2022
	\$'000	\$'000
Credit card processing fee recovery	22,467	19,709
Project Cost recoveries	11,388	12,392
In-kind Contributions from DCS	60,493	60,684
Other income	4,878	8,031
	99,226	100,816

Recognition and Measurement

Credit card processing fee recovery

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

Project Cost recoveries

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

In-kind Contributions from DCS Service

Refer note 2b for details.

f. Parliamentary Appropriations

The *Appropriation Act 2022 (Appropriation Act)* (and the subsequent variations, if applicable) appropriates the sum of \$3,053,934,000 (2022: \$2,309,462,000) to the Minister for Customer Service out of the Consolidated Fund for the services of DCS for the financial year 2023. The spending authority of the Minister from the *Appropriation Act* has been delegated or subdelegated to officers of DCS and entities that it is administratively responsible for, including Service NSW.

The *Treasury and Energy Legislation Amendment Act 2022* made some amendments to sections 4.7 and 4.9 of the *Government Sector Finance Act 2018 (the GSF Act)*. These amendments commenced on 14 November 2022 and are applied retrospectively. As a result, the Minister for SNSW, being the Minister for Customer Service, is taken to have been given an appropriation out of the Consolidated Fund under the authority section 4.7 of the *GSF Act*, at the time Service NSW receives or recovers any deemed appropriation money, for an amount equivalent to the money that is received or recovered by Service NSW. These deemed appropriations are taken to have been given for the services of DCS.

In addition, government money that Service NSW receives or recovers, from another GSF agency, of a kind prescribed by the GSF regulations that forms part of the Consolidated Fund, is now capable of giving rise to deemed appropriations where the receiving agency has a different lead Minister to the agency making the payment, or one or both of the agencies is a special office (as defined in section 4.7(8)).

On 16 June 2023, the GSF Amendment (Deemed Appropriations) Regulation 2023 was approved to bring the GSF regulations in line with the above deemed appropriation amendments to the *GSF Act*.

A summary of compliance is disclosed in the financial statements of the Annual Report of DCS. It has been prepared by aggregating the spending authorities of the Minister for Customer Service for the services of DCS. It reflects the status at the point in time this disclosure statement is being made. Service NSW's spending authority and expenditure is included in the summary of compliance.

The delegation/sub-delegations for 2023 and 2022, authorising officers of the Service NSW to spend Consolidated Fund money, impose limits on the amounts of individual transactions, but not the overall expenditure of the Service NSW.

However, as they relate to expenditure in reliance on a sum appropriated by legislation, the delegation/sub-delegations are subject to the overall authority of the DCS to spend monies under relevant legislation. The individual transaction limits have been properly observed. The information in relation to the aggregate expenditure limit from the *Appropriation Act* and other sources is disclosed in the summary of compliance table included in the financial statements of the Annual Report of DCS.

Service NSW receives its funding under appropriations from the Consolidated Fund / grant funding received from DCS which receives appropriations from the Consolidated Fund. Appropriations for each financial year are set out in the Appropriation Bill that is prepared and tabled for that year.

4. Gains/(losses) on disposal

	2023	2022
	\$'000	\$'000
Gain on disposal of right of use assets	1,000	7,873
Loss on disposal of plant and equipment	(1,884)	(1,046)
Loss on disposal of intangible assets	(891)	(5,090)
	(1,775)	1,737

5. Other gains / (losses)

	2023	2022
	\$'000	\$'000
Impairment loss on intangible assets	-	(1,150)
Impairment gain/(loss) on right of use assets	-	472
Fair value unrealised gain	3	110
	3	(568)

Recognition and Measurement

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

- Property, plant and equipment – Note 11
- Right-of-use assets – Note 12
- Intangible assets – Note 13

Fair value unrealised gain

TPP 21-14, NSW Government Foreign Exchange Risk Policy requires for supplier payments exceeding AUD \$500,000 to be hedged, to reduce risk of losses from adverse movement of foreign currency.

6. Cash and Cash Equivalents

	2023	2022
	\$'000	\$'000
Cash at bank	31,009	14,207
Cash on hand	188	152
Cash and cash equivalents (as in Statement of Financial Position and Cashflows)	31,197	14,359

Please refer to Note 26 for details regarding credit risk and market risk arising from financial instruments.

7. Receivables

	2023	2022
	\$'000	\$'000
Current		
Trade receivables from contracts with customers	3,294	5,378
Goods and Services Tax recoverable from ATO	14,065	12,421
Other receivables	8,434	6,776
Accrued revenue	3,919	10,607
	29,712	35,182

Details regarding credit risk of trade debtors that are neither past due nor impaired are disclosed in Note 26.

Recognition and Measurement

Service NSW recognises a financial asset or a financial liability when and only when, it becomes a party to the contractual provisions of the instrument. To determine when Service NSW becomes a party to the contractual provisions of the instrument, Service NSW considers:

- Whether Service NSW has a legal right to receive a cash (financial asset) or a legal obligation to pay cash (financial liability); or
- Whether at least one of the parties has performed under the agreement.

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

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

Subsequent measurement

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

Impairment

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

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

8. Contract Assets

	2023	2022
	\$'000	\$'000
Contract assets - current	4,215	6,337
	4,215	6,337

Contract assets relate to Service NSW's right to consideration in exchange for services transferred to customers/work completed, but not billed at the reporting date in respect of services provided to partner agencies. The balance of contract assets at 30 June 2023 was lower due to revised service agreements and volume changes.

9. Other Assets

	2023 \$'000	2022 \$'000
Prepayments	13,309	14,844

10. Other Financial Assets

	2023 \$'000	2022 \$'000
Derivative – Forward Foreign Exchange Contract	3	110

Please refer to Note 26 for details regarding credit risk and market risk arising from financial instruments.

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

	Leasehold improvements \$'000	Plant and Equipment \$'000	Work in progress \$'000	Total \$'000
At 1 July 2021 - fair value				
Gross carrying amount	126,626	21,775	24	148,425
Accumulated depreciation and impairment	(65,901)	(19,750)	-	(85,651)
Net carrying amount	60,725	2,025	24	62,774
Year ended 30 June 2022				
Net carrying amount at start of year	60,725	2,025	24	62,774
Additions	-	-	2,266	2,266
Transfers to / from WIP	43	-	(43)	-
Disposal of plant and equipment	(870)	(174)	-	(1,044)
Transfer to / from Intangible Assets	13,593	15,715	5,723	35,031
Depreciation expense	(13,085)	(4,094)	-	(17,179)
Net carrying amount at end of year	60,406	13,472	7,970	81,848
At 1 July 2022 - fair value				
Gross carrying amount	138,199	30,801	7,970	176,970
Accumulated depreciation and impairment	(77,793)	(17,329)	-	(95,122)
Net carrying amount	60,406	13,472	7,970	81,848
Year ended 30 June 2023				
Net carrying amount at start of year	60,406	13,472	7,970	81,848
Additions	2,100	1,615	24,682	28,397
Transfers to / from WIP	19,423	59	(19,482)	-
Disposal of plant and equipment	(1,853)	(31)	-	(1,884)
Depreciation expense	(14,659)	(4,948)	-	(19,607)
Net carrying amount at end of year	65,417	10,167	13,170	88,754

	Leasehold improvements	Plant and Equipment	Work in progress	Total
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At 30 June 2023 - fair value

Gross carrying amount	153,972	22,602	13,170	189,744
Accumulated depreciation and impairment	(88,555)	(12,435)	-	(100,990)
Net carrying amount	65,417	10,167	13,170	88,754

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

Recognition and measurement***Acquisitions of Property, Plant and Equipment***

Property, plant and equipment are initially measured at cost and subsequently revalued at fair value less accumulated depreciation and impairment. Cost is the amount of cash or cash equivalents paid or the fair value of the other consideration given to acquire the asset at the time of its acquisition or construction or, where applicable, the amount attributed to that asset when initially recognised in accordance with the requirements of other AAS.

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

Where payment for an asset is deferred beyond normal credit terms, its cost is the cash price equivalent, i.e., deferred payment amount is effectively discounted over the period of credit.

Assets acquired at no cost, or for nominal consideration, are initially recognised at their fair value at the date of acquisition.

Capitalisation thresholds

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

Restoration costs

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

Revaluation of property, plant and equipment

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

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

Impairment of property, plant and equipment

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

Service NSW assesses at each reporting date, whether there is an indication that an asset may be impaired. If any indication exists, or when annual impairment testing for an asset is required, Service NSW estimates the asset's recoverable amount.

When the carrying amount of an asset exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount. As a not-for-profit entity, an impairment loss is recognised in the net result.

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

Depreciation of property, plant and equipment

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

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

	2023	2022
- Plant and equipment	3-5	3-5
- Leasehold improvements	*	*

* Shorter of lease term or 10 years.

12. Leases

Service NSW leases various motor vehicles. Lease contracts are typically made for fixed periods of 3 to 4 years but may have extension options. Lease terms are negotiated on an individual basis and contain a wide range of different terms and conditions. The lease agreements do not impose any covenants, but leased assets may not be used as security for borrowing purposes. Service NSW does not provide residual value guarantees in relation to leases.

Extension and termination options are included in a number of motor vehicle leases. These terms are used to maximise operational flexibility in terms of managing contracts. The majority of extension and termination options held are exercisable only by Service NSW and not by the respective lessor. In determining the lease term, management considers all facts and circumstances that create an economic incentive to exercise an extension option, or not exercise a termination option. Extension options (or periods after termination options) are only included in the lease term if the lease is reasonably certain to be extended (or not terminated). Potential future cash outflows have not been included in the lease liability because it is not reasonably certain that the leases will be extended (or not terminated). The assessment is reviewed if a significant event or a significant change in circumstances occurs which affects this assessment and that is within the control of the lessee. During the current financial year, the financial effect of revising lease terms to reflect the effect of exercising extension and termination options was NIL (2022: \$0.6 million).

	Buildings \$'000	Motor Vehicle \$'000	Total \$'000
Balance at 1 July 2021	96,195	316	96,511
Additions	20,028	150	20,178
Lease remeasurement	11,169	(3)	11,166
Disposal	(110,575)	-	(110,575)
Depreciation expense	(17,289)	(170)	(17,459)
Impairment	472	-	472
Balance at 30 June 2022/ 1 July 2022	-	293	293
Additions	-	242	242
Lease remeasurement	-	(28)	(28)
Depreciation expense	-	(208)	(208)
Balance at 30 June 2023	-	299	299

b. Lease liabilities

The following table presents liabilities under leases:

	2023 \$'000	2022 \$'000
Balance at start of year	1,244	105,355
Additions	242	20,178
Lease remeasurement	(7)	11,188
Interest expense	11	2,288
Payments	(217)	(19,317)
Lease incentives	48	1,962
De-recognition of Rights of use assets	-	(120,410)
Balance at 30 June	1,321	1,244

c. Right-of-use expenses under leases

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

	2023 \$'000	2022 \$'000
Depreciation expense of right-of-use assets	208	17,459
Interest expense on lease liabilities	33	2,288
Expense relating to short-term leases	10,291	9,696
Expense relating to leases of low-value assets	6,407	10,214
Variable lease payments, not included in the measurement of lease liabilities	657	742
Gains arising from derecognising right-of-use asset	-	(472)
Total amount recognised in the statement of comprehensive income	17,596	39,927

Service NSW had total cash outflows for leases of \$17.4 million in 2023 (2022: \$20.7 million).

Recognition and measurement

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

i. Right-of-use assets

Service NSW recognises right-of-use assets at the commencement date of the lease (i.e., the date the underlying asset is available for use). Right-of-use assets are initially measured at the amount of initial measurement of the lease liability (refer ii below), adjusted by any lease payments made at or before the commencement date and lease incentives, any initial direct costs incurred, and estimated costs of dismantling and removing the asset or restoring the site.

Right-of-use assets are depreciated on a straight-line basis over the shorter of the lease term and the estimated useful lives of the assets, as follows:

- Motor vehicles 3 to 4 years

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

The right-of-use assets are also subject to impairment. Service NSW assesses at each reporting date, whether there is an indication that an asset may be impaired. If any indication exists, or when annual impairment testing for an asset is required, Service NSW estimates the asset's recoverable amount. When the carrying amount of an asset exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount. After an impairment loss has been recognised, it is reversed only if there has been a change in the assumptions used to determine the asset's recoverable amount. The reversal is limited so that the carrying amount of the asset does not exceed its recoverable amount, nor exceed the amount that would have been determined, net of depreciation, had no impairment loss been recognised for the asset in prior years. Such reversal is recognised in the net result.

ii. Lease liabilities

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

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

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

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

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

Service NSW's lease liabilities are included in borrowings.

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

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

iv. Derecognition of Right-of-Use Assets

As at 30 June 2022, Service NSW had accepted changes in the arrangements for occupancy of properties held by Property NSW (PNSW). The office accommodation agreement with PNSW was no longer accounted for as a lease as at 30 June 2022. This involved judgment that the 'substitution right' clause in the agreement provided PNSW with a substantive substitution right. Management agreed that PNSW can obtain benefits from exercising the substitution right when it achieves office accommodation efficiency at the whole-of-government level and/or its other service objectives. It was also considered practical for PNSW to exercise the substitution right due to the general nature of the relevant office accommodation. The corresponding right of use assets and lease liabilities were derecognised on 30 June 2022, the effective date of the new clause. The net impact of the derecognition was recognised in "Other Gains/(Losses)" (refer to Note 5). From 1 July 2022, the accommodation charges are recognised as property related expenses as and when incurred over the agreement duration.

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

13. Intangible Assets

	Software \$'000	Work in progress \$'000	Total \$'000
At 1 July 2021			
Cost (gross carrying amount)	104,341	31,806	136,147
Accumulated amortisation and impairment	(51,147)	-	(51,147)
Net carrying amount	53,194	31,806	85,000
Year ended 30 June 2022			
Net carrying amount at start of year	53,194	31,806	85,000
Additions	-	40,076	40,076
Disposals	(201)	(4,546)	(4,747)
Capitalisation of WIP as Software	14,356	(14,356)	-
Transfer to / from PPE	(5,081)	(29,950)	(35,031)
Impairment loss	(1,150)	-	(1,150)
Amortisation	(21,878)	-	(21,878)
Net carrying amount at end of year	39,240	23,030	62,270
At 1 July 2022			
Cost (gross carrying amount)	99,681	23,030	122,711
Accumulated amortisation and impairment	(60,441)	-	(60,441)
Net carrying amount	39,240	23,030	62,270
Year ended 30 June 2023			
Net carrying amount at start of year	39,240	23,030	62,270
Additions	558	19,533	20,091
Disposals	(181)	(710)	(891)
Capitalisation of WIP as Software	12,489	(12,489)	-
Amortisation	(18,660)	-	(18,660)
Net carrying amount at end of year	33,446	29,364	62,810

	Software \$'000	progress \$'000	Total \$'000
At 30 June 2023			
Cost (gross carrying amount)	100,160	29,364	129,524
Accumulated amortisation and impairment	(66,714)	-	(66,714)
Net carrying amount	33,446	29,364	62,810

Recognition and Measurement

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

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

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

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

14. Fair value measurement of non-financial assets

Fair value measurement and hierarchy

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

15. Current Liabilities – Payables

	2023 \$'000	2022 \$'000
Accrued salaries, wages and on-costs	10,820	8,361
Creditors and accruals	27,945	68,112
	38,765	76,473

Details regarding liquidity risk, including a maturity analysis of the above payables, are disclosed in Note 26.

Recognition and Measurement

Payables represent liabilities for goods and services provided to Service NSW and other amounts. Short-term payables with no stated interest rate are measured at the original invoice amount where the effect of discounting is immaterial. Payables are financial liabilities at amortised cost, initially measured at fair value, net of directly attributable transaction costs. These are subsequently measured at amortised cost using the effective interest method. Gains and losses are recognised in the net result when the liabilities are derecognised as well as through the amortisation process.

16. Current Liabilities – Other liabilities

	2023	2022
	\$'000	\$'000
Liabilities under transfers to acquire or construct non-financial assets to be controlled by the entity	13,615	17,181
Unearned revenue	1,924	-
	15,539	17,181

Reconciliation of financial assets and corresponding liabilities arising from transfers to acquire or construct non-financial assets to be controlled by the entity

Opening balance of liabilities arising from transfers to acquire/construct non-financial assets to be controlled by the entity	17,181	-
Add: receipt of cash during the financial year	7,834	19,470
Deduct: income recognised during the financial year	11,400	2,287
Closing balance of liabilities arising from transfers to acquire/construct non-financial assets to be controlled by the entity	13,615	17,181

17. Current/Non-Current Liabilities – Lease liability

	2023	2022
	\$'000	\$'000
Current		
Lease liabilities	416	387
	416	387
Non-current		
Lease liabilities	906	858
	906	858

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

Lease liabilities are determined in accordance with AASB16 *Leases*. Refer to Note 12 for the recognition and measurement criteria.

Details regarding liquidity risk of lease liabilities including a maturity analysis, refer to Note 26.

18. Current/Non-Current Liabilities – Provisions

	2023 \$'000	2022 \$'000
Current		
Employee benefits and related on-costs		
Annual leave	49,780	44,740
Long service leave	5,693	5,143
	55,473	49,883
Other provisions		
Provision for makegood	310	836
Total current provisions	55,783	50,719
Non-current		
Employee benefits and related on-costs		
Long service leave	563	509
Other provisions		
Provision for makegood	13,961	11,021
Total non-current provisions	14,524	11,530
Aggregate employee benefits and related on-costs		
Provisions	56,036	50,392
Accrued salaries and wages (Note 15)	10,820	8,361
	66,856	58,753
Provisions expected to be settled within 12 months from reporting date		
Annual leave	44,404	33,540
Long service leave	1,121	1,007
	45,525	34,547
Provisions expected to be settled more than 12 months after reporting date		
Annual leave	5,376	11,200
Long service leave	5,135	4,645
	10,511	15,845

Movements in provisions (other than employee benefits)

Movements in each class of provision during the financial year, other than employee benefits, are set out below:

	2023 \$'000	2022 \$'000
Reconciliation of provision for makegood		
Carrying amount at beginning of year	11,857	7,010
Additional provision recognised	992	1,525
Amounts used	(46)	(93)
Unwinding of discount or change in discount rate	1,468	3,415
Carrying amount at end of year	14,271	11,857

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

Provision for make good represents an estimate of future outgoings in respect of leasehold improvements where refurbishment activity had commenced at year end. The amount of provisioning is based on the application of a market estimate of the cost of make good in comparable buildings applied to the area of leased space. The discount rate used to calculate present value of makegood provision is between 3.16% and 3.47%.

Recognition and Measurement

Employee Benefits and other provisions

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

Salaries and wages (including non-monetary benefits) and paid sick leave that are expected to be settled wholly within 12 months after the end of the period in which the employees render the service are recognised and measured at the undiscounted amounts of the benefits.

Annual leave is not expected to be settled wholly before twelve months after the end of the annual reporting period in which the employees render the related service. As such, it is required to be measured at present value in accordance with AASB 119 *Employee Benefits* (AASB 119) (although short-cut methods are permitted).

Actuarial advice obtained by Treasury has confirmed that the use of a nominal approach plus the annual leave on annual leave liability (using 8.4% of the nominal value of annual leave) can be used to approximate the present value of the annual leave liability. Service NSW has assessed the actuarial advice based on the entity's circumstances and has determined that the effect of discounting is immaterial to annual leave. All annual leave is classified as a current liability even where Service NSW does not expect to settle the liability within 12 months as it does not have an unconditional right to defer settlement.

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

Long service leave and superannuation

Service NSW's liabilities for long service leave and defined benefit superannuation are assumed by the Crown. Service NSW accounts for the liability as having been extinguished, resulting in the amount assumed being shown as part of the non-monetary revenue item described as 'Acceptance by the Crown of employee benefits and other liabilities'.

Long service leave is measured at the present value of expected future payments to be made in respect of services provided up to reporting date in accordance with AASB 119. This is based on the application of certain factors (specified in NSWTC 21-03) to employees with five or more years of service, using current rates of pay, expected future age, salary level and experience of employee departures. These factors were determined based on an actuarial review to approximate present value. Expected future payments are discounted using the Commonwealth Government bond rate at the reporting date.

The superannuation expense for the financial year is determined by using the formulae specified in the Treasurer's Directions. The expense for certain superannuation schemes (i.e. Basic Benefit and Aware Super) is calculated as a percentage of the employees' salary. For other superannuation schemes (i.e. State Superannuation Scheme and State Authorities Superannuation Scheme), the expense is calculated as a multiple of the employees' superannuation contributions.

Consequential on-costs

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

Other Provisions

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

Any provisions for restructuring are recognised only when Service NSW has a detailed formal plan and Service NSW has raised a valid expectation in those affected by the restructuring that it will carry out the restructuring by starting to implement the plan or announcing its main features to those affected.

If the effect of the time value of money is material, provisions are discounted between 3.16% and 3.47%, which is a pre-tax rate that reflects the current market assessments of the time value of money and the risks specific to the liability. When discounting is used, the increase in the provision due to the passage of time (i.e. unwinding of discount rate) is recognised as a finance cost.

19. Equity

Accumulated Funds

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

Increase/decrease in net assets from equity transfers

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

	2023 \$'000	2022 \$'000
Department/Agency		
From Treasury	-	87
	-	87

Recognition and Measurement

The transfer of net assets between entities as a result of an administrative restructure, transfers of programs/functions and parts thereof between NSW public sector entities and 'equity appropriations' are designated or required by AAS to be treated as contributions by owners and recognised as an adjustment to 'Accumulated Funds'. This treatment is consistent with AASB 1004 and Australian Interpretation 1038 *Contributions by Owners Made to Wholly-Owned Public Sector Entities*.

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

In 2022, there was a Machinery of Government (MOG) change, which effectively transferred computers and employee related liabilities relating to Business Connect Division from Treasury. The equity transfer amounted to \$87,000.

20. Commitments for Expenditure

	2023	2022
	\$'000	\$'000
Capital Commitments		
Aggregate capital expenditure for the acquisition of property, plant and equipment contracted for at balance date and not provided for:		
Within one year	3,173	2,921
Later than one year and not later than five years	174	7
Greater than five years	-	-
Total (including GST)	3,347	2,928

The total commitments above include total input tax credits of approximately \$0.3 million (2022: \$0.3 million) that are expected to be recoverable from the Australian Taxation Office.

21. Contingent Liabilities and Contingent Assets

Contingent liabilities

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

Contingent Asset

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

The current estimates provided by iCare for our claims in progress amount to \$6.6 million.

22. Budget Review

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

Net Result

The actual net result for Service NSW for 2023 is a \$46.3 million surplus which was favourable to the budgeted net result by \$82.1 million.

The major expense variations to budget are:

- Grant and subsidies of \$246 million in the original budget, this is not reported in the actual results as it relates to an administered grant program, Toll Relief.
- Employee related expenses were higher than the original budget by \$191.5 million. The increase in employee related expenses was primarily due to additional staff hired due to increases in volumes and complexity of transactions.

Other operating expenses were higher than the budget by \$129.2 million due to corporate costs amounting to \$60.5 million which are recovered as in-kind contribution (other revenue) and additional costs not included in the budget for administering the programs amounting to \$55 million which are recovered as grants and contributions revenue. The major revenue variations to budget are:

- Fee for service arrangements with agencies and credit card recovery was \$6.4 million higher than budget due to revised service arrangements and volume changes.
- Other revenue was \$99.2 million favourable to budget. This was primarily due to in-kind contributions revenue recognised amounting to \$60.5 million relating to corporate and shared services received. In addition, credit card processing fee recoveries of \$22.5 million and project cost recoveries of \$11.4 million is included here.

Assets and Liabilities

The actual net asset of \$104.4 million was \$58.9 million favourable to budget.

Total assets were favourable to budget by \$58.8 million predominantly due to cash balances being \$23.3 million higher than budget as at 30 June 2023. The non-current assets were also higher by \$21.3 million due to increase in capitalisation as more Service Delivery centres were set-up. Prepayments and contract assets also contributed to the favourable variance as these were not included in the budget.

Total liabilities remained stable with increase in provision being offset by reduction in Payables as the business continued its efforts on ensuring payment of suppliers in a timely manner.

Cash flows

The closing cash balance is \$23.3 million favourable to budget primarily due to favourable operating cashflows compared to budget. This is mainly driven by receipts for project cost recovery and other income not included in the original budget.

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

	2023	2022
	\$'000	\$'000
Net cash used on operating activities	65,532	58,292
Add/(less) non-cash items:		
Depreciation / amortisation	(38,475)	(56,516)
Gain on disposal	(1,775)	1,737
Other gains/(losses)	3	(568)
Changes in operating assets and liabilities		
Increase / (decrease) in Contract assets	(2,122)	4,595
Increase / (decrease) in receivables	(7,005)	6,373
(Increase) / decrease in payables	38,171	(22,012)
(Increase) / decrease in other provisions	(8,058)	(17,735)
Net result	46,271	(25,834)

24. Amounts Held on Behalf of Other Agencies

Service NSW holds money in dedicated bank accounts to administer the programs on behalf of other agencies for various purposes as disclosed below. As Service NSW administers these programs where the monies cannot be used for the achievement of Service NSW's own objectives, these funds are not recognised as part of its operations in the financial statements in accordance with AASB 1050 *Administered Items*. However, as these are disclosed in the respective agencies' financial statements, it is not required to be disclosed again in Service NSW as administered items. It is noted that respective agencies have administration responsibilities while Service NSW is providing transaction services only. Refer to Note 1(d) for policy.

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

Program	Partner Agency	Opening	Add:	Less:	Cash
		balance at 1 July 2022	Receipts	Payment	balance at 30 June 2023
		\$'000	\$'000	\$'000	\$'000
Active Kids	Office of Sport	6,490	126,000	119,340	13,150
Creative Kids	Dept. of Premier & Cabinet	4,857	45,000	45,937	3,920
Bushfire \$10k Small Business Rebate Grant	Resilience NSW	7,988	137	8,125	-
Bushfire \$50k Small Business Rebate Grant	Resilience NSW	6,571	15	6,585	1
Volunteer Firefighter Program	Resilience NSW	2,241	-	2,241	-
In Vitro Fertilisation Rebate	NSW Health	3,624	14,658	14,145	4,137
Jobs for Tomorrow	Dept. of Education	607	-	2	605
Senior Energy Rebate	Dept. of Planning & Environment	959	9,277	8,698	1,538
COVID-19 \$10k Small Business Grant	NSW Treasury	-	6	6	-
Export Assistance Grant	Investment NSW Dept. of Planning & Environment	149	-	149	-
Alfresco Dining****	Environment	24,998	-	24,998	-
Before and After School Care	Dept. of Education	6,605	44,928	51,533	-
First Lap Voucher	Office of Sport	1,607	11,000	11,676	931
Icare/PIAWE	The Workers Compensation Nominal Insurer	1,858	9,024	10,882	-
Mouse Plague#	Regional NSW	3,732	-	3,729	3
Northern Rivers Business Grant	Regional NSW	7,973	7,000	13,294	1,679
Overpayment**	N/A	-	100	100	-
Recovery Account***	N/A	713	79,226	79,232	707
Taxi Transport Scheme	Transport for NSW	1,930	12,000	13,464	466
Toll Relief Program	Transport for NSW	1,311	-	628	683
Remitting account*	N/A	42,291	5,231,918	5,225,109	49,100
TOTAL		126,504	5,590,289	5,639,873	76,920

* The remitting account balance and movement above include fees collected by Service NSW which have been remitted to the agencies during the year. These include Land and Housing NSW, DCS, Transport for NSW (Transport), Department of Planning and Environment (DPE), Department of Communities and Justice, Liquor and Gaming NSW and Multicultural NSW. Transport for NSW represents a significant portion, with a remittance of \$4.67 billion for the financial year.

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

*** Recovery account is mainly used to recover payment from customers who need to repay Service NSW due to overpayment of grant payment and funds recovery activities (such as funds recovered by Revenue NSW, bank indemnities and court order compensations).

**** Alfresco Dining – funding received from Department of Planning and Environment (formerly Department of Planning, Industry & Environment) in February 2022 as cash in trust. This was converted to Administered item for financial year 2023 based on AASB1050 Revenue assessment, following advice from NSW Treasury. Grant payments started in August 2022.

#Mouse Plague – rebate program closed. Remaining balance to accommodate for pending payments where the applications are being assessed. Remaining funds in the account transferred to Regional NSW on 18 September 2023.

25. Administered Items

Service NSW administers grant programs on behalf of the Crown. Service NSW does not recognise the income and expenses as disclosed below in its Statement of Comprehensive Income because Service NSW is responsible for transferring the amounts to eligible beneficiaries, consistent with agreements and frameworks controlled by the Crown. As such, the expenses are recognised as grants by the Crown as they are deemed to control the programs. Unspent funding for administered grant programs that are not protected, the funding is recognised in grants and contributions.

Service NSW received the funding via DCS as inter-company transfer payments. Refer to Note 1(e) for the policy. During the year, Service NSW administered the following Administered expenses on behalf of the Crown:

	2023	2022
	\$'000	\$'000
Administered Expenses		
COVID-19 Stimulus – Dine and Discover Vouchers ⁽¹⁾	57,218	306,920
Flood Relief/Recovery Grant ⁽²⁾	106,017	131,036
Northern Beaches Hardship ⁽³⁾	10	605
Return to Work ⁽⁴⁾	10,655	718
Small Business Fees & Charges Rebate ⁽⁵⁾	34,435	191,621
2022 Small Business Support (Bizsaver) ⁽⁶⁾	973	98,979
Accommodation Providers Grant ⁽⁷⁾	91	11,531
Commercial Landlord Hardship ⁽⁸⁾	2,435	22,732
JobSaver ⁽⁹⁾	24,628	7,421,030
MicroBusiness ⁽¹⁰⁾	985	779,478
Music and Overnight Camp ⁽¹¹⁾	856	200
Northern Rivers Recovery Grant ⁽¹²⁾	3,180	6,862
Parent NSW Vouchers ⁽¹³⁾	65,990	58,764
Rental Support Scheme/Back Home – Flood ⁽¹⁴⁾	180,271	126,909
Small Business Hardship ⁽¹⁵⁾	1,949	2,359,817
Stay and Rediscover Vouchers ⁽¹⁶⁾	29,806	17,100
Test and Isolate ⁽¹⁷⁾	3	92,278
Council Rates Relief – Flood ⁽¹⁸⁾	25,377	-
Alfresco Dining ⁽¹⁹⁾	7,228	-
Back to School ⁽²⁰⁾	168,460	-
Toll Relief Program 2.0 ⁽²¹⁾	66,604	-
Northern Rivers Commercial Landlord Grant ⁽²²⁾	26,777	-
Total Administered Expenses	813,948	11,626,580

Recognition and Measurement

The above Administered Expense are recognised as an expense when the control of the contribution is transferred to the grant applicants. The control associated with the grant is deemed to transferred to the grantee when the grant is paid or payable. The Administered Expense does not include funds recovered from the customers who were ineligibly paid in the prior periods due to non-compliance amounting to \$79.0 million [2022: \$52.4 million].

For the purpose of clarity in 2023, the below table has been separated to show:

- Transfer Payments Received during the financial year; and
- Return of Unused Funds.

Comparatives for 2022 have been updated accordingly.

	2023	2022
	\$'000	\$'000
Transfer Payments received from Crown		
COVID-19 Stimulus – Dine and Discover Vouchers ⁽¹⁾	45,796	350,000
Flood Relief/Recovery Grant ⁽²⁾	126,420	187,670
Return to Work ⁽⁴⁾	14,980	-
Small Business Fees & Charges Rebate ⁽⁵⁾	5,478	231,000
2022 Small Business Support (Bizsaver) ⁽⁶⁾	-	220,000
Accommodation Providers Grant ⁽⁷⁾	-	26,000
Commercial Landlord Hardship ⁽⁸⁾	-	40,000
JobSaver ⁽⁹⁾	-	7,934,800
Micro Business ⁽¹⁰⁾	-	784,600
Music and Overnight Camp (Skill Enhancement) ⁽¹¹⁾	-	14,000
Northern Rivers Recovery Grant ⁽¹²⁾	-	60,000
Parent NSW Vouchers ⁽¹³⁾	110,981	130,000
Rental Support Scheme – Flood ⁽¹⁴⁾	128,747	248,000
Small Business Hardship ⁽¹⁵⁾	-	2,369,100
Stay and Rediscover Vouchers ⁽¹⁶⁾	33,952	70,000
Test and Isolate ⁽¹⁷⁾	-	104,000
Council Rates Relief – Flood ⁽¹⁸⁾	-	40,000
Back to School ⁽²⁰⁾	177,460	-
Toll Relief Program 2.0 ⁽²¹⁾	66,604	-
Northern Rivers Commercial Landlord Grant ⁽²²⁾	28,956	-
Total Transfer Payments received	739,374	12,809,170
Return of Unused Funds		
COVID-19 Stimulus – Dine and Discover Vouchers ⁽¹⁾	107,329	92,270
Flood Relief/Recovery Grant ⁽²⁾	20,330	-
Northern Beaches Hardship ⁽³⁾	1,302	-
Small Business Fees & Charges Rebate ⁽⁵⁾	3,315	25,870
2022 Small Business Support (Bizsaver) ⁽⁶⁾	27,160	92,476
Accommodation Providers Grant ⁽⁷⁾	4,481	9,488
Commercial Landlord Hardship ⁽⁸⁾	15,179	-
JobSaver ⁽⁹⁾	115,626	184,658
Micro Business ⁽¹⁰⁾	6,099	-
Music and Overnight Camp (Skill Enhancement) ⁽¹¹⁾	12,872	-
Northern Rivers Recovery Grant ⁽¹²⁾	33,545	-
Parent NSW Vouchers ⁽¹³⁾	45,211	70,735
Rental Support Scheme – Flood ⁽¹⁴⁾	38,626	-
Small Business Hardship ⁽¹⁵⁾	9,256	-
Stay and Rediscover Vouchers ⁽¹⁶⁾	39,297	17,347
Test and Isolate ⁽¹⁷⁾	-	10,883
Alfresco Dining ⁽¹⁹⁾	17,762	-
Return of Unused Funds	497,390	503,727
Net Transfer Payments Received	241,984	12,305,443

In 2023, a total of \$497.4 million was returned to the Crown. This consists of \$196.8 million current year funding and \$300.6 million from prior year. An amount of \$191 million in funds held for administered programs was recognised as revenue during the year to meet operational needs in accordance with a spending authority conferred by the *Appropriation Act 2022*.

Recognition and Measurement

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

- (1) Service NSW administers Dine & Discover to encourage the community to get out and about and support dining, arts, and recreation businesses. Three vouchers each are issued for recreational purposes and dining activities. The grant expenses recognised are based on the value of the vouchers that have been scanned and paid.
- (2) Flood Relief \$50,000 Grant provides grants for eligible small businesses and not-for-profit agencies directly impacted by the NSW storms and floods from 19 February 2021.
- (3) Northern Beaches Hardship Grant provides a one-off payment to help small businesses impacted by the Northern Beaches Public Health Order.
- (4) Return to Work Grants are to assist women whose employment has been affected by COVID-19 to overcome obstacles in returning to the workforce.
- (5) Small Business Fees & Charges Rebate supports businesses with the cost of government fees and charges to recover from the impact of the COVID-19 pandemic and to incentivise business growth.
- (6) The 2022 Small Business Support Grant provides cashflow support to help businesses survive the immediate impacts of density restrictions in January 2022 from the Omicron wave. Eligible businesses may receive a one-off payment covering the four-week period in February 2022 with a minimum payment of \$750 per week or \$5,000 per week.
- (7) The Accommodation Support Grant Program provides support to accommodation premises that experienced cancellations for stays as a result of the June – July 2021 lockdown restrictions.
- (8) Commercial Landlord Hardship provides grants of up to \$3,000 per month per property to eligible small landlords who will or have experienced hardship as a result of providing rental relief to their tenant(s) under the Retail and Other Commercial Leases Regulation 2021.
- (9) JobSaver provides cashflow support to impacted businesses to help maintain their NSW employee headcount. The program objective is to help businesses save jobs to support the economy after restrictions are lifted. Eligible businesses may receive fortnightly payments based on decline in turnover. The minimum payment was \$1,500 per week and the maximum payment was \$100,000 per week.
- (10) The Micro Business grant provides cashflow support for micro businesses with an aggregated annual turnover more than \$30,000 and less than \$75,000. Eligible businesses can apply for a fortnightly payment of \$1,500 to cover business expenses for the duration of the Greater Sydney lockdown.
- (11) The Music and Overnight camp are to provide financial assistance to businesses impacted by settings in schools, in particular overnight camp businesses and music providers working in schools. Payments was up to \$30k on single application.
- (12) The Northern Rivers Recovery Grant is a one-off payment of \$10,000 for eligible small businesses and not for profit organizations in highly impacted local government areas (LGAs) that have been directly or indirectly impacted by the floods. One of the eligibilities for the grant is to demonstrate a 40% decline in turnover compared to the previous 2 years.
- (13) The Parent Thank You Vouchers were launched to support households for their efforts with children learning from home during 2021. The vouchers are aimed to encourage households to get out and about to support Stay & Rediscover businesses. Each NSW household in which there is a child enrolled in school in 2021 in NSW is eligible for 5 x \$50 vouchers.
- (14) The Rental Support and Back Home payment was created to support residents impacted by the 2022 floods. It is a one-off payment for eligible households to help pay for the cost of short-term accommodation where the residential property they have occupied as the principal place of residence is considered non habitable due to being directly impacted by the eligible disaster.
- (15) The Small Business Hardship grant provides cashflow support to businesses for the first three weeks of the Greater Sydney lockdown (from 26 June to 17 July). The intention of the grant is to help businesses survive the lockdown after restrictions are lifted. Eligible businesses can apply for a one-off payment of \$7,500 (tier 1), \$10,500 (tier 2) or \$15,000 (tier 3).
- (16) Stay and Discover vouchers are offered to NSW residents to use against the cost of accommodation bookings in the Sydney CBD to boost business activity in the CBD.
- (17) The Test & Isolate payment was a one off \$320 payment to provide financial support to NSW workers who are required to self-isolate after a Coronavirus test and stay in isolation while waiting for their test results.
- (18) Council Flood Rates Relief Program provides support for eligible owners directly impacted by the NSW severe weather and flooding events commencing 22 February 2022 onwards who own property in the 7 LGAs of Ballina, Byron, Clarence Valley, Kyogle, Lismore, Richmond Valley and Tweed Shire.
- (19) Alfresco Dining, the purpose of the grant is to provide one-off rebate of up to \$5,000 to the first 5,000 approved eligible Small or Medium Food and Beverage Businesses to create or expand their alfresco areas to enable increased capacity. This

was converted to Administered item for financial year 2023 based on AASB1050 Revenue assessment, following advice from NSW Treasury. Grant payments started in August 2022.

(20) Back to School program provides \$150 Back to School voucher (3 x \$50) for every NSW child undertaking primary and secondary school in NSW in 2023 (all school sectors) to go towards the cost of school supplies, to help alleviate cost of living pressures for parents and families.

(21) Toll Relief Program (TRP2) is designed to reduce the cost of living for owners of privately registered vehicles who are frequent toll road users. Under the Toll Relief Scheme, customers will receive a 40% of toll spend as cash rebate into their nominated bank account.

(22) Northern Rivers Commercial Property – Return to Business Support Grant is to support eligible commercial property owners in the Northern Rivers who were significantly impacted by the storms and flood disaster events in February and March 2022 (2022 Floods). The payment helps to pay costs associated with re-establishment, clean-up, and reinstatement of commercial properties to allow for a return to business for tenants and occupants.

The following is a list of Administered Assets and Liabilities:

	2023	2022
	\$'000	\$'000
Administered Assets		
Cash at bank ⁽ⁱ⁾	179,381	665,865
Receivable ⁽ⁱⁱ⁾	81,598	68,858
Less: Expected Credit Losses	(14,855)	(3,239)
Net Receivable	66,743	65,619
Total Administered Assets	246,124	731,484

Recognition and Measurement

- (i) Cash at bank represents funds held as at 30 June 2022 and 30 June 2023 respectively in relation to COVID-19 stimulus and flood relief programs which are yet to be distributed to the public in relation to the programs mentioned above.
- (ii) Receivables mainly represents grants that are currently being subject to recovery action derived from compliance assessment and fraud related investigations.

Administered Contingent Asset

Service NSW is currently investigating its grants for fraud and non-compliance, the outcome of many of these reviews are yet to be determined. Depending on the outcome of these reviews, Service NSW is expected to undertake action to recover the overpayment of the grant monies as a result of fraud, non-compliance or incorrect deposit of bank account. The number and amounts under investigation are disclosed as below:

Cases currently referred to law enforcement:

The total amount of \$95.3 million is being actively investigated by law enforcement authorities. These cases involve potentially fraudulent activities and the outcome of the investigations will determine the recoverability of the funds.

The above amounts represent contingent assets, as their realisation is dependent on the outcomes of ongoing investigations and the cooperation of relevant parties.

26. Financial Instruments

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

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

The Chief Executive Officer monitors, reviews and provides advice about governance processes, risk management and control frameworks, and its accountability obligations in relation to managing these risks. Risk management policies are

established to identify and analyse the risks faced by Service NSW, to set risk limits and controls and to monitor risks. Compliance with these policies is reviewed by Service NSW on a continuous basis.

a. Financial instrument categories

Financial Assets	Note	Category	2023	2022
Class:			\$'000	\$'000
Cash and cash equivalents	6	Amortised cost	31,197	14,359
Receivables ¹	7	Amortised cost	15,647	22,761
Contract assets	8	Amortised cost	4,215	6,337
Derivative asset	10	Fair value through profit and loss	3	110
Carrying amount of financial assets			51,062	43,567

Financial Liabilities	Note	Category	2023	2022
Class:			\$'000	\$'000
Payables ²	15	Financial liabilities measured at amortised cost	36,530	74,874
Borrowings	17	Financial liabilities measured at amortised cost	1,322	1,245
Carrying amount of financial liabilities			37,852	76,119

Notes:

1. Excludes statutory receivables and prepayments (i.e., not within scope of AASB 7).
2. Excludes statutory payables and unearned revenue (i.e., not within scope of AASB 7).

b. Derecognition of financial assets and financial liabilities

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

- the entity has transferred substantially all the risks and rewards of the asset; or
- the entity has neither transferred nor retained substantially all the risks and rewards of the asset but has transferred control.

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

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

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

c. Offsetting financial instruments

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

d. Financial risk

i. Credit risk

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

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

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

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

Cash and cash equivalents

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

Accounting policy for impairment of trade debtors and other financial assets

Receivables - trade debtors

Collectability of trade debtors is reviewed on an ongoing basis. Procedures as established in the Treasurer's Directions are followed to recover outstanding amounts, including letters of demand.

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

To measure the expected credit losses, trade receivables have been grouped based on shared credit risk characteristics and the days past due.

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

Trade debtors are written off when there is no reasonable expectation of recovery. Indicators that there is no reasonable expectation of recovery include, amongst others a failure to make contractual payments for a period of greater than 90 days past due.

The loss allowance for trade debtors as at 30 June 2023 and 30 June 2022 was determined to be nil.

	Current \$'000	<31 days \$'000	31-60 days \$'000	61-90 days \$'000	>91 days \$'000	Total \$'000
30 June 2023						
Expected credit loss rate	0%	0%	0%	0%	0%	0%
Estimated total gross carrying amount at default	7,264	2,952	359	-	810	11,385
Expected credit loss	-	-	-	-	-	-
	Current \$'000	<31 days \$'000	31-60 days \$'000	61-90 days \$'000	>91 days \$'000	Total \$'000
30 June 2022						
Expected credit loss rate	0%	0%	0%	0%	0%	0%
Estimated total gross carrying amount at default	8,074	911	320	963	1,441	11,709
Expected credit loss	-	-	-	-	-	-

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

The entity is not materially exposed to concentrations of credit risk to a single trade debtor or group of debtors as at 30 June 2023.

ii. Liquidity risk

Liquidity risk is the risk that Service NSW will be unable to meet its payment obligations when they fall due. Service NSW manages this risk through monitoring future operating cash flows and the timing of receiving approved funding allocation from NSW Treasury, which is on a cashflow needs basis, to facilitate the coordination and adoption of an optimal cash management strategy for the State. Service NSW maintains a suitable cash buffer to manage ad-hoc unscheduled payments, when required to ensure that working capital is sufficient to meet current liabilities. Liabilities are recognised for amounts due to be paid in the future for goods or services received, whether invoices are received or not. Amounts owing to suppliers (which are unsecured) are settled in accordance with the policy set out in TC11-12. For small business suppliers, where terms are not specified, payment is made not later than 30 days from date of receipt of a correctly rendered invoice. For other suppliers, if trade terms are not specified, payment is made no later than the end of the month following the month in which an invoice or a statement is received. For small business suppliers, where payment is not made within the specified time period, simple interest must be paid automatically unless an existing contract specifies otherwise. For payments to other suppliers, the Head of an authority (or a person appointed by the Head of an authority) may automatically pay the supplier simple interest.

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

Maturity analysis and interest rate exposure of financial liabilities

	Weighted Average Effective Int. Rate %	Nominal Amount \$'000	Fixed Interest Rate \$'000	Variable Interest Rate \$'000	Non- interest bearing \$'000	< 1 year \$'000	1 -5 years \$'000	> 5 years \$'000
2023								
Payables	n/a	36,530	-	-	36,530	36,530	-	-
Borrowings	3.75%	304	304	-	-	157	147	-
2022								
Payables	n/a	74,874	-	-	74,874	74,874	-	-
Borrowings	0.78%	275	275	-	-	163	112	-

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

iii. Market risk

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

The effect on profit and equity due to a reasonably possible change in risk variable is outlined in the information below, for interest rate risk and other price risk. A reasonably possible change in risk variable has been determined after taking into account the economic environment in which the entity operates and the time frame for the assessment (i.e. until the end of the next annual reporting period). The sensitivity analysis is based on risk exposures in existence at the Statement of Financial Position reporting date. The analysis is performed on the same basis as for 2022.

The analysis assumes that all other variables remain constant.

Interest rate risk

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

The following table demonstrates the sensitivity to a reasonably possible change in interest rates:

		2023 \$'000 -1%		2023 \$'000 +1%	
	Carrying amount	Net result	Equity	Net result	Equity
2023					
Financial assets					
Cash and cash equivalents	31,197	(312)	(312)	312	312
2022					
Financial assets					
Cash and cash equivalents	14,359	(144)	(144)	144	144

e. Fair value of financial instruments

i. Fair value compared to carrying amount

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

ii. Fair value recognised in the Statement of Financial Position

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

When measuring fair value, the valuation technique used maximises the use of relevant observable inputs and minimises the use of unobservable inputs. Under AASB 13, Service NSW categorises, for disclosure purposes, the valuation techniques based on the inputs used in the valuation techniques as follows:

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

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

	Level 1 \$'000	Level 2 \$'000	Level 3 \$'000	Total \$'000
2023				
Financial Assets at fair value				
Derivative – Forward Foreign Exchange Contract	3	-	-	3
Total	3	-	-	3
2022				
Financial Assets at fair value				
Derivative – Forward Foreign Exchange Contract	110	-	-	110
Total	110	-	-	110

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

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

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

27. Related Party Disclosures

Key Management Personnel

Compensation for Service NSW key management personnel is as follows:

	2023	2022
	\$'000	\$'000
Short-term employee benefits		
Salaries	2,751	2,643
Post-employment benefits	227	184
Termination benefits	39	-
Total remuneration	3,017	2,827

Service NSW did not enter into transactions with key management personnel, their close family members and controlled or jointly controlled entities thereof. Compensation for one of the key management personnel is paid through corporate services charges to DCS.

Government-related Entities

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

From 1 July 2019 some corporate and shared services have transferred to DCS under a centralised model. This includes corporate technology functions, People & Culture, Corporate Affairs, Procurement, and Governance and Risk. In 2023 Service NSW continues to consume the Corporate Services provided by DCS as in-kind benefit with a value of \$60.5 million (2022: \$60.6 million). Refer to Note 2(b) for expenses and Note 3 (e) for revenue respectively.

In 2023 Service NSW provided \$232 million (2022: \$228 million) in services to Transport for NSW which was funded through DCS cluster grant.

As at 30 June 2023, Service NSW recognised project cost recovery revenue of \$11.4 million, these mainly comprised of \$3.1 million for Transport NSW, \$2.8 million for Resilience NSW, \$1.2 million for NSW Reconstruction Authority, \$0.7 million for Department of Education, \$0.7 million for Icare and \$0.7 million for Department of Regional NSW. Refer to Note 3(e).

Last year, Service NSW reimbursed DCS \$10.2 million for advertising expenses incurred on its behalf to support administered grant programs such as Cost of Living, Alfresco rebate and other Stimulus measures. These costs are included as part of Advertising expenses in Note 2b and not disclosed below.

sale of goods and services are as follows:

	2023	2022
	\$'000	\$'000
Sale of good and services		
Insurance and Care NSW	10,490	15,831
Department of Customer Service	4,782	9,945
NSW Ministry of Health	1,272	-
NSW Department of Communication and Housing NSW	2,730	-
Office of the Children's Guardian	7,702	7,160
Office of Sport	6,211	6,036
Transport for NSW	3,925	4,880
NSW Trains	6,228	3,983
NSW Police Force	2,130	3,233
Department of Planning and Environment	4,941	2,461
Department of Regional NSW	627	2,030
Department of Enterprise, Investment, Hospitality and Racing	5,946	-
Multicultural NSW	1,005	-
	57,989	55,559
Purchases of goods and services		
Department of Customer Service	70,732	60,684
Property NSW	26,093	11,644
Transport for NSW	778	660
	97,603	72,988

28. Events After the Reporting Period

a) Adjusting Events

There are no known events after the reporting period which could give rise to a material impact on the reported results or financial position of Service NSW as at 30 June 2023.

b) Non-Adjusting Events

There are no known events after the reporting period which would give rise to a material impact on the reported results or financial position of Service NSW as at 30 June 2023.

End of audited financial statements

List of tables

Page	Title
15	Table 1. Executive Leadership Team profile
44	Table 2. Aged analysis at the end of each quarter
45	Table 3. Quarterly performance in payment of accounts
46	Table 4. New major works 2022–23
50	Table 5. Senior executive profile
50	Table 6. Female senior executive profile
51	Table 7. Workforce profile by employment agency
51	Table 8. Number of Executive officers and remuneration
52	Table 9. Consultancies of value equal to or greater than \$50,000
52	Table 10. Number of Executive officers and remuneration
53	Table 11. Matters dealt with at the NSW Industrial Relations Commission
53	Table 12. Matters dealt with at the Australian Human Rights Commission
55	Table 13. Number of applications by type of applicant and outcome
55	Table 14. Number of applications by type of application and outcome
56	Table 15. Invalid applications
56	Table 16. Conclusive presumption of overriding public interest against disclosure: matters listed in Schedule 1 of the GIPA Act
57	Table 17. Other public interest considerations against disclosure: matters listed in table to section 14 of the GIPA Act
57	Table 18. Timeliness
57	Table 19. Number of applications reviewed under Part 5 of the GIPA Act (by type of review and outcome)
57	Table 20. Applications for review under Part 5 of the GIPA Act (by type of applicant)
57	Table 21. Applications transferred to other agencies under Division 2 of Part 4 of the GIPA Act (by type of transfer)
59	Table 22. Public Interest Disclosure
62	Table 23. Number of insurance claims
62	Table 24. Net incurred insurance claims cost (\$)
70	Table 25. Size of agency (Headcount)
70	Table 26. Workforce Diversity survey response rate (non-casual headcount at Census date)
70	Table 27. Workforce Diversity actual staff numbers (non-causal headcount at Census date) - 2023
71	Table 28. Workforce Diversity actual and estimated staff numbers (non-casual headcount at Census date) - 2023

Page	Title
72	Table 29. Workforce Diversity actual and estimated staff numbers (non-casual headcount at Census date) as percentages - 2023
73	Table 30. Trends in the representation of workforce diversity groups
73	Table 31. Trends in the distribution index for workforce diversity groups
73	Table 32. Representation of workforce diversity groups

Compliance checklist

Compliance requirement	Section in the annual report	Page
Access	Access to Service NSW	10
	Annual report production cost and online availability	48
Aims and objectives	Message from the CEO	8
	What we do	11
	Highlights of our year	19
Charter	What we do	11
	Authorising legislation	12
	Extension of time	5
Consultants	Consultants	52
Customer response	Customer response	42
Cyber Security Policy attestation	Cyber security annual attestation statement	64
Disability inclusion action plan	Disability inclusion action plan	74
Economic or other factors	Customer Response	42
	Message from the CEO	8
	Changes after the reporting period	46
Financial statements	Financial statements	77
Funds granted to non-government community organisations	Funds granted to non-government community organisations	45
<i>Government Information (Public Access) Act 2009 (GIPA Act)</i>	<i>Government Information (Public Access) Act 2009 (GIPA Act)</i>	54
Human resources	Workforce	50
	Movements in wages, salaries or allowances	52
	Personnel policies and practices	53
	Industrial relations policies and practices	77
	Modern Slavery Act 2018 reporting	66
Identification of audited financial statements	Financial statements	77
Inclusion of unaudited financial statements	Financial statements	82
Internal audit and risk management policy attestation	Internal audit and risk management policy attestation	67
Land disposal	Land disposal	63
Legal change	Legal change	48
	Significant judicial decisions	53

Compliance requirement	Section in the annual report	Page
Letter of submission	Letter of submission	53
Management and activities	What we do	5
	Highlights of our year	11
	Message from the CEO	19
	Year at a glance 2022-23	8
	Internal audit	18
	External audit	61
	Delivering with our partners	61
	Message from the Minister	6
	Major works	46
Management and structure	Executive leadership team	15
	Management structure	14
Multicultural policies and services program	Multicultural policies and services	68
Multicultural NSW agreements	Agreements with Multicultural NSW	69
Numbers and remuneration of senior executives	Workforce	50
Payment of accounts	Payment of accounts	44
Privacy and Personal Information Protection Act 1998 (PPIPA)	Privacy	58
Promotion	Overseas travel	52
Public interest disclosures (PID)	Public interest disclosures	59
Research and development	Research and development	48
Risk management and insurance activities	Risk management, attestation and insurance activities	60
Summary review of operations	Message from the CEO	8
	What we do	11
	Highlights of our year	19
Time for payment of accounts	Time for payment of accounts	44
Work health and safety	Work health and safety	66
Workforce diversity	Workforce diversity report	70

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