

# Customer Service and Digital Government

Tuesday 30 August 2022

## Responses to Questions taken on Notice

### Question

**GREG WELLS:** We sole sourced Duncan through that process for a trial and, as we've talked about here before, probity have confirmed that was the proper process to do and we followed probity rules and had probity advice that was provided to you on notice.

**The Hon. JOHN GRAHAM:** Mr Wells, how much was this contract worth?

**GREG WELLS:** I'll try and find that for you.

**The Hon. JOHN GRAHAM:** Minister, this contract was signed on 16 July 2019 but not published until 26 November. Can you tell us why?

**Mr VICTOR DOMINELLO:** No, I don't get involved in procurement decisions. You're going to have to ask Mr Wells.

**GREG WELLS:** Can I just check? You said it was published on?

**The Hon. JOHN GRAHAM:** It was committed on 16 July 2019 but not published until 26 November. Why was that the case?

**GREG WELLS:** I'll have to take that on notice, but I think you have to publish contracts within 12 months so it was probably just in the process of getting it finalised and uploaded to the tender site, I would say, Mr Graham.

**The Hon. JOHN GRAHAM:** Yes, they're usually published—to the Government's credit, and I think Minister you've driven this approach in some ways—

### ANSWER

The delay was a result of the restructure within the Department of Customer Service (DCS) procurement responsibilities.

The estimated value of the contract was \$1,260,600 over 3 years. In June 2022 the first-year option was enacted making the total contract value \$1,621,200 over 4 years. The contract has provision for a further 2, 12 month extensions.

**Mr VICTOR DOMINELLO:** Page 20?

**The Hon. JOHN GRAHAM:** Yes. This is an agency official—I won't name them—talking to the probity adviser and saying this—that highlighted section: Can you please urgently advise if this will mitigate the probity risks? This is talking about certain additional steps that might be taken. What were the probity risks, Minister?

**Mr VICTOR DOMINELLO:** You would have to ask Mr Wells about that because I don't—

**The Hon. JOHN GRAHAM:** So you're unaware of probity risks to do with this?

**Mr VICTOR DOMINELLO:** I don't get involved in procurement decisions.

**The Hon. JOHN GRAHAM:** Mr Wells.

**GREG WELLS:** I think we were just looking to confirm that the sole source process undertaken was in accordance with probity rules, which we did.

**The Hon. JOHN GRAHAM:** That's not what it says. It says, "We seek urgent advice from the probity adviser of mitigating the probity risks." What were the probity risks?

**GREG WELLS:** I will have to just read the rest of this in context, if that's okay, and come back.

### ANSWER

Operating within the NSW Government Procurement Framework, the Department of Customer Service and its agencies primarily ascertain services through Whole of Government contracts and prequalification schemes. DCS conducts its procurement in accordance with NSW Government Procurement Policy.

When a probity advisor or auditor is engaged on a project, engagements are generally undertaken through the NSW Whole of Government Performance and Management Services Scheme (SCM005).

The standard probity risks we engage a probity adviser for include:

- where the integrity of the process (or part of it) may be called into question
- where the project is politically sensitive and/or potentially controversial
- to avoid a perception of bias or favouritism
- where the process is extremely complex
- where there are substantial costs involved in preparing submissions or there is substantial Government funding involved.

This is described at

[PBD-2013-05 Engagement of probity advisers and probity auditors \(nsw.gov.au\)](#)

In this particular case, the “probity risk” was a potential/perceived risk given by continued line of questioning and repeated GIPA requests for information. The probity report was to ensure and validate the process undertaken was in accordance with applicable policy. In line with PBD-2013-05 the project had become politically sensitive/potentially controversial.

**The CHAIR:** What are you basing your enforcement regime on? Has a national code been developed?

**Mr VICTOR DOMINELLO:** It's in the process, but we are already in the market, so we need enforcement now.

**The CHAIR:** When you say it's in process, can we have some more detail? How far down this process are they? Have you seen a draft?

**Mr VICTOR DOMINELLO:** No.

**The CHAIR:** Has anyone in your department or the Office of the Registrar General seen a draft? What are we basing this second bill on if we haven't even seen a draft national code?

**Mr VICTOR DOMINELLO:** I'll have to take that on notice. But then again, Mr Banasiak, I've been very open about this to all the other States and Territories, and we're all on the same page.

**The CHAIR:** My concern is that you said one thing to us in May, and other members of your Government in supporting your bill said one thing to us about how the second bill would be about improving safeguards.

## ANSWER

The proposed NSW enforcement regime provides necessary enforcement power until the national regime is in place. The proposed NSW enforcement regime are based on the Position Paper “*Changes to Enforcement Powers in the Electronic Conveyancing National Law*” published by the Australian Registrars National Electronic Conveyancing Council (ARNECC) in April 2021 and available on ARENCC’s website. The Position Paper proposed additional enforcement powers for Registrars including enforceable undertakings, binding directions, financial penalties and stronger investigative powers.

Further information is provided at page 53-54 of the transcript.

**The CHAIR:** The user readiness testing report that the Office of the Registrar General was supposed to produce—have you seen a copy of that? This is the one that was in addition to the national assessment.

**Mr VICTOR DOMINELLO:** I may have. I just don't recall.

**The CHAIR:** Do you want to take it on notice to see whether it's been received by you?

**Mr VICTOR DOMINELLO:** I'm happy to take it on notice.

**The CHAIR:** Industry stakeholders have actually asked for a copy from the Registrar General three times and have essentially been fobbed off. So if you do have a copy and you are able to table it to this Committee, that would be great.

**Mr VICTOR DOMINELLO:** I'm happy to take it on notice, yes.

**ANSWER**

The NSW Health Check Summary Report **is attached** and will be provided to stakeholders.

The full report is designed to be confidential and classified as NSW government. This is because the health check process relies on open and frank stakeholder discussions, and these comments need to be confidential, to preserve the process for this report and for future health checks. A copy of the full report has been provided to the Ministers Office.

The report itself is based on interviews with industry which took place in May and June 2022. The final report was issued on 8 August 2022. The national group of registrars, ARNECC, is concurrently arranging for a health check which covers similar matters. For this reason, we wanted to consider our response to this report in conjunction with ARNECC's response to its health check.

**The Hon. JOHN GRAHAM:** I have a couple of quick questions for Mr Wells as we deal with those answers. Back to this contract issued to Duncan Solutions on 16 July, published much later that year. You say you believe you might have 12 months, or one of you said you believe you might have 12 months. In fact, the legislation requires this to be published within 45 days. Are you aware of that requirement, Mr Wells?

**GREG WELLS:** I'll check that and come back, if that's okay.

**The Hon. JOHN GRAHAM:** Okay, thank you.

**ANSWER**

This question was answered on page 61 of the transcript.

**The Hon. JOHN GRAHAM:** Mr Wells, what is the advice you're about to publicly give the Minister?

**GREG WELLS:** So, we're in the process—this is for the accessible parking component. Is that what you referring to?

**The Hon. JOHN GRAHAM:** This is the original—the first probity report before the changes were requested.

**GREG WELLS:** I'll have to get the time line, Mr Graham. I'm happy to provide that on notice, if I'm able to do that.

**The Hon. JOHN GRAHAM:** Well, I am asking the Minister for a commitment that that report will be released, that probity report.

**Mr VICTOR DOMINELLO:** Again, I've got to get advice from the agency, so— **The Hon. JOHN GRAHAM:** So, you're refusing to agree to release that today.

**Mr VICTOR DOMINELLO:** No. I'm saying I'll respond to your questions—

**The Hon. JOHN GRAHAM:** I've heard these sorts of answers before from other Ministers—not from you, usually.

**Mr VICTOR DOMINELLO:** Yeah.

**The Hon. JOHN GRAHAM:** Will you release this report, this probity report into this—

**Mr VICTOR DOMINELLO:** Yes. Subject to advice, yes.

**ANSWER**

The Probity Report was previously provided to DPC and the Legislative Assembly and released via the Standing Order 52 in mid 2022.

Timeline:

- The Duncan contract was signed 16 July 2019.
- The approval of engagement of OCM as the Probity Advisor was signed on 9 December 2019.
- In the following two months the Department worked with OCM.
- The Probity Report was provided at the conclusion on 28 January 2020.

Outcome from the report was:

Based on the information provided by DCS since our project engagement OCM confirms that:

- all members of the Project Contract Negotiation Team from the Department have indicated in writing that, to the best of their knowledge, they did not have a conflict of interest with regard to Department's negotiations with Duncan Solutions. Further these personnel are bound by their Code of Conduct and Ethics (the Code) to maintain confidentiality in favour of DCS
- records of the negotiations, including contract amendments and relevant legal advice, have been retained by DCS.
- External legal providers are retained under the Legal Services Panel Deed which include comprehensive confidentiality and conflict management obligations.
- OCM has not sighted signed copies of the Code by the Project Contract Negotiation Team. For completeness, OCM would recommend that DCS undertake this task.

In view of:

- the work performed by OCM, and
- the information provided by DCS throughout the term of this engagement,

OCM considers that DCS has demonstrated that the probity principles were reasonably observed during the course of the single source negotiations with Duncan Solutions.

**The Hon. MICK VEITCH:** Yeah. Who's doing the probity report? Which probity company are we using?

**GREG WELLS:** I'll come back to you today on that.

**The Hon. MICK VEITCH:** Is it O'Connor Marsden?

**GREG WELLS:** No, I don't think so. I'll come back today. I think it's a—

**The Hon. MICK VEITCH:** Okay. Thank you.

#### ANSWER

When a probity advisor or auditor is engaged on a project, engagements are generally undertaken through the NSW Whole of Government Performance and Management Services Scheme (SCM005).

The independent probity advisor engaged for the accessible parking program under Park'nPay is HWL Ebsworth, a pre-qualified provider on the SCM005 scheme.

**The Hon. MICK VEITCH:** In January 2022 there was a contract award notice publicly made around allaboutXpert Australia Pty Ltd picking up the contract for what it looks like is phase two of the strata hub. What lessons have you learned from phase one, Minister, which I believe went live on 1 July?

**Mr VICTOR DOMINELLO:** Yes, it did. I got a briefing on it. Look, I have to ask the agency in relation to what are the lessons they got. It's a good question. I just don't have it in front of me.

**The Hon. MICK VEITCH:** I guess what I'm after, the next question is: Phase two, what are the lessons we going to carry forward to assist in the development of that phase?

**Mr VICTOR DOMINELLO:** Yeah. They're all great questions. I just don't have the answer. There are just so many products across the board.

**The Hon. MICK VEITCH:** Yes.

**Mr VICTOR DOMINELLO:** But strata hub is a really good one and I can take that on notice: but fair questions.

**ANSWER**

The work completed by AllAboutXpert Australia Pty Ltd (AAXA) for Strata Hub phase 2 in July 2022 was the first of three releases to support the implementation of the Strata Schemes Management Amendment (Information) Regulation 2021.

Subsequently there has been an August 2022 release with more digital functionality for the Strata Hub and there will be a September 2022 release. These releases have been completed by DCS with the support of another vendor.

While a formal review of this phase will not be undertaken until all work packages/phases of the work are complete, due to the inter-dependencies between the phases, the key lesson learnt at this stage is the importance of robust ICT contracts being in place that support a phased delivery approach for large digital programs like Strata Hub. The Agreement with AAXA enabled DCS to end the contract at an appropriate time without penalty to both parties.

DCS has developed a monitoring and evaluation plan for Strata Hub. It will be implemented post the September 2022 release and will include a lessons learnt exercise.

**The Hon. EMMA HURST:** Thank you. Do you have any awareness of why this greyhound industry project was given priority for funding over phase two of the NSW Pet Registry? We have got 6.25 for the Pet Registry and \$3.6 million for this industry, and it almost sounds like it's recreating the same system. It's like we've got two of the same system. Maybe Ms Hogan has some more information?

**EMMA HOGAN:** I don't, but I'll try to find some for you this afternoon because I'm not clear on whether the greyhound tracking project came out of a regular budget, whether it came out of anything to do with Restart or whether it's a subset of something else to do with racing in general. But I'll have a look in the break and I'll bring an answer back to you this afternoon.

**ANSWER**

This question was answered on page 33 of the transcript.

**Mr VICTOR DOMINELLO:** The background is that when fireworks go off, obviously it causes distress to a number of animals. All we need to do is make sure that people have information about when those fireworks are going off. Linda Scott reached out to me and indicated that there was already a place in SafeWork where you've got to notify in advance if you're going to let off fireworks. It's a simple data-matching exercise. Why wouldn't we just quickly say, "There's all the information in SafeWork. Why don't we bring it across to Service NSW so that if you want to be notified—for example, you have an animal that does get distressed—then you can get notified?" To be honest, it just made inherent sense to me. There's a range of things that we're trying to use through Service to get notifications on but we want to personalise notifications. I don't have a pet so I won't need that, but I might be asthmatic so I will want that. When it comes to air quality, I want to get notified about that. But I will pass to Mr Rees to expand on when the delivery will be.

**DAMON REES:** Unless Greg knows, I'll need to take the actual timing on notice. But just to build on the Minister's point, as we've been working through with customers we have found broader interest in this feature. Certainly one example is families with children that are often scared or distressed when fireworks are close. We see it as really valuable. Greg, unless you have the delivery date for that feature I'll take it on notice and revert.

**GREG WELLS:** It certainly is in the back line. I think it is early next year, Damon, but we will come back to you.

**The Hon. EMMA HURST:** Thank you, I appreciate that. Minister, given that you have talked about children being afraid of fireworks, asthmatics and companion animals, do you think there is a move towards more digital laser displays and away from fireworks in the future?

**Mr VICTOR DOMINELLO:** This is my personal preference. I love the laser displays and the drones; I have posted about that many times. I just think they are far more interactive and engaging, but that is

really dependent on local councils. I was at a recent school fete that was run by local schools and they wanted the fireworks, but in my world, yes, definitely move to lasers and drones. Having said that, drone technology is probably on par with regard to the cost, but I think that will rapidly come down.

#### ANSWER

This question was answered on page 22 of the transcript.

**The Hon. EMMA HURST:** Very true. I want to talk about Smart Beaches and the Smart Beaches program that received \$1.6 million from the Digital Restart Fund.

**Mr VICTOR DOMINELLO:** Yes.

**The Hon. EMMA HURST:** Can you tell me a little bit about what that funding was used for?

**GREG WELLS:** If it is okay, we might come back on notice.

**The Hon. EMMA HURST:** Yes. I've got a few other questions around—

**Mr VICTOR DOMINELLO:** The Digital Restart Fund, yes.

**The Hon. EMMA HURST:** Yes. I understand that the program is being trialled in five councils. Is that correct? Do you know which ones?

**EMMA HOGAN:** It wouldn't be DCS's program, so I am not clear on that.

**The Hon. EMMA HURST:** Okay, you don't have that information.

**GREG WELLS:** It would be one of the Smart Places initiatives that the Smart Places group is running, so we will check exactly which councils, the scope of what that business case covered and we should be able to come back today.

**Mr VICTOR DOMINELLO:** It would have come out of the \$45 million allocated to Smart Places.

**The Hon. EMMA HURST:** Yes. Minister, do you know, if that program does get rolled out further, beyond the trial, whether that will coordinate in any way with the SharkSmart app?

**Mr VICTOR DOMINELLO:** It should, but I will get some more details. When we designed the Smart Places fund we made sure that we could pilot, but then scale up as well. Initially the funding is for the pilots, but then if the pilots are successful there would need to be a separate source of funding for that. But, yes, the takeaway from today is in relation to the greyhounds and the shark app; there's a lot of digital products happening across—

**The Hon. EMMA HURST:** Yes. I guess with the shark one, just to give a little bit of context, there is a massive shift away from using shark nets, which is great because obviously they're ineffective and they're very harmful to many animals, but in some of the other programs is the SharkSmart app, which is an element of beach safety I guess, so it would be great to have those two programs working together and interacting.

**Mr VICTOR DOMINELLO:** Yes, I'll definitely make some inquiries. I'll report back to you separately on this.

#### ANSWER

The Business Case for the Smart Beaches project includes the following deliverables:

- a standardised and automated reporting tool available to all lifeguard services integrating available and emerging data sources.
- Cameras using image analytics will offer automated crowd counting at patrolled and unpatrolled beaches.
- GPS tracked rescue assets will provide automated beach status and rescue notifications; and
- further enhancement to the Manly Hydraulics Lab Nearshore Wave Tool will improve localised beach condition assessments.

Further questions about project delivery and specific deliverables should be directed to the Minister for Environment and Heritage.

**Mr VICTOR DOMINELLO:** But, Ms Hurst, again it's going to be like you see with the Service app; there's going to be a lot of iterations. For example, we're in discussions with My Health Record, so that, if you want, you can access your My Health Record on the patient/health app. The potential for that is enormous. And we are digitising the Blue Book hopefully by the end of the year, and again that is something that you should be able to access through your health app, so it is just going to continue to evolve over time. I just want to get the first product to market as soon as we can so that people can see the utility and the potential.

**The Hon. EMMA HURST:** Yes, absolutely. Can I ask how much funding has been allocated to the patient app so far?

**GREG WELLS:** Can we come back with the exact figure?

**The Hon. EMMA HURST:** Yes, absolutely, and if you could also let me know, if there is a figure noted before we get to a final product, if there's additional funding required?

**GREG WELLS:** Yes.

**The Hon. EMMA HURST:** I'm also wondering, Minister, if this app will tell patients if there's actually a doctor in the emergency room. This was a major concern at one of the inquiries we ran in PC2 around rural and regional health and that some hospitals didn't have doctors on call and people were just going to the hospital and then being sent off to another larger hospital where there was a doctor available. Some of the feedback we got at that inquiry was that members of the community really wanted to be able to access that information before rushing to a hospital and finding out that there was no doctor there. Is that something that is being considered as part of this app, so that people in regional, rural and remote New South Wales can get access to that sort of information?

**Mr VICTOR DOMINELLO:** Well, I know the emergency wait times because they already exist in a web page somewhere else, and not many people know about that, so we're bringing that in, so that's a tick. We talk about parking. Again, we are trying to make parking easier for people, so that will be available—tick. In relation to doctors' availability, I'd have to check with Minister Hazzard, who's obviously got the primary responsibility around that. Our job here is to create that seamless digital interface that people can use and trust, but the primary source has to come from Health, so I'll have to check with him.

**The Hon. EMMA HURST:** Thank you. If you could let us know, that would be fantastic.

**Mr VICTOR DOMINELLO:** Yes.

## ANSWER

No funding has currently been allocated or approved to NSW Health for the NSW Health App project from the Digital Restart Fund. Questions regarding investment and project delivery are best directed to the Minister for Health who has primary responsibility.

**DAMON REES:** Ms Hurst, if I could just confirm April 2023 for the firework notification in the Service NSW app.

**The Hon. EMMA HURST:** April 2023 for the fireworks, yes, thank you.

**The CHAIR:** I might just try to close the loop on the eConveyancing stuff. Before we finished you confirmed that safeguards were going to be in the second bill; it wasn't just about enforcement. Is that correct? So in the second bill you are going to address the concerns that were raised in the inquiry and raised through consultation?

**Mr VICTOR DOMINELLO:** Yes, I'll take that on notice. I'll take it on notice.

**The CHAIR:** You don't know what's in your own bill?

**Mr VICTOR DOMINELLO:** I haven't seen the final form of it yet, no.

**The CHAIR:** When you sent drafting instructions did you include safeguards?

**Mr VICTOR DOMINELLO:** I'll take it on notice. Again, there's just so much material across it, I've got to refresh my memory.

**ANSWER**

The bill currently proposed in NSW is limited to an enforcement regime that applies only in NSW. It does not amend the Electronic Conveyancing National Law (ECNL). The main points of the NSW enforcement regime are to provide enforcement powers for the Registrar General with enforceable undertakings, binding directions and financial penalties applying to Electronic Lodgement Network Operators (ELNOs).

As noted in previous responses above, NSW is working with other jurisdictions on a second bill to amend the ECNL.

Further information is provided at page 53-54 of the transcript.

**The CHAIR:** Going to some of the other items listed there, it says "modernise licensing and compliance". I have asked you this before: Does this mean we are going to see a digital firearms licence? We have got a licence for everything else electronically and the one thing that we don't have, and I know some of my constituents are calling for it, is being able to have that digital firearms licence in their digital wallet. I know, obviously you need to deal with the Firearms Registry, and I feel your pain, but they use a critical part of your ecosystems to do their functions. I am wondering what the holdup is?

**EMMA HOGAN:** We have an e-regulation solution which we are bringing multiple licences onto the platform, which will see different licences then shared in the MyService app. Where the firearms one sits specifically, I don't know. I would have to take it on notice as to whether it is on the road map, and if so when it would be released. Currently, the primary licences we have been dealing with are more things like white card or tradie kinds of licences. Unless Mr Rees has got any additional information?

**The CHAIR:** They are already up, aren't they, the white card?

**EMMA HOGAN:** They're up. We've got lots of those in the pipeline. I'm just not sure where the firearms one is. I will find out for you after the break.

**ANSWER**

This question was answered at page 41 of the transcript.

**The CHAIR:** One final question to wrap up: In previous estimates we have spoken about the delays in driver licence testing that were caused by COVID. I wonder if we can get an update on that and whether we have any projected modelling about these new, proposed changes where we have international drivers having to sit a test, how that is going to impact and whether we have done any calculations as to—

**Mr VICTOR DOMINELLO:** We have got a new centre at St Marys coming up in the next few months, but Mr Rees can give you the developments.

**The CHAIR:** First, possibly an update on where we are with those delays and churning through the backlog?

**Mr VICTOR DOMINELLO:** We've gone from 18 days to nine days. We have made inroads into that. Mr Rees?

**DAMON REES:** There's been very good progress. Our target for people to be able to access a driver test is 10 working days. We have now brought our average across the network down to that. There are a number of sites where we are still sitting above that where there is more work to do. Of our 103 sites where we do testing, there's still about nine that we are not happy with. The worst of those sits at 25 days. Most of them are in the teens, but we have got to bring that down. We have done a number of things to do that.

**The CHAIR:** On notice can you provide the ones that you aren't happy with that are above your expectation, or sitting above what you expect?

**ANSWER**

Driver testing backlog per site week ending 11 September 2022:

Bankstown – 21 days

Blacktown – 25 days

Casino – 15 days  
Chatswood – 25 days  
Cootamundra – 25 days  
Corrimal – 17 days  
Eden – 20 days  
Leeton – 25 days  
Lightning Ridge – 18 days  
Finley – 12 days  
Glen Innes – 12 days  
Kempsey – 12 days  
Maclean – 14 days  
Marrickville – 25 days  
Merrylands – 25 days  
Moree – 20 days  
Muswellbrook – 25  
Murwillumbah – 13 days  
Narrabri – 19 days  
Narrandera – 17 days  
Narooma – 15 days  
Newcastle – 13 days  
Queanbeyan – 25 days  
Raymond Terrace – 15 days  
Rockdale – 17 days  
Roselands – 14 days  
Ryde – 25 days  
Singleton – 25 days  
Walgett – 19 days  
Wellington – 15 days  
Wentworth – 25 days  
West Wyalong – 25 days

Average wait time at all other Service Centres is under 10 days.

The average wait time across the state is 9.7 days.

**The Hon. MICK VEITCH:** Minister, I want to go back to the eConveyancing regime that has been put in place. My questions flow on from Mr Banasiak's line of questioning. Was ARNECC consulted on the proposed second bill? Have you consulted with them on the proposed—

**Mr VICTOR DOMINELLO:** Sorry, can you repeat that?

**The Hon. MICK VEITCH:** Have you consulted ARNECC on the proposed second bill?

**Mr VICTOR DOMINELLO:** I have definitely informed ARNECC of the proposed second bill, and the Office of the Registrar General no doubt would have been involved in deeper discussions around it.

**The Hon. MICK VEITCH:** Did they see the discussion paper?

**Mr VICTOR DOMINELLO:** I am not sure about that operational detail. I can take it on notice and report back next week.

**ANSWER**

This question was answered at page 68 of the transcript.

**The Hon. MICK VEITCH:** Okay. I think this panel has been predetermined via an assessment process undertaken for government and then the respective agencies, including the Ministers, would then go that panel to select someone. Is that—

**MANDY YOUNG:** I'd have to come back to you but that's my understanding—that there is a range of consultants or external providers that can provide that advice and that's part of the way that they are accredited to provide support to government and that would be through that process. But I will come back to you on the exact process if that's helpful and which particular panels we might use.

**ANSWER**

Operating within the NSW Government Procurement Framework, the Department of Customer Service and its agencies primarily ascertain services through Whole of Government contracts and prequalification schemes. DCS conducts its procurement in accordance with NSW Government Procurement Policy.

When a probity advisor or auditor is engaged on a project, engagements are generally undertaken through the NSW Whole of Government Performance and Management Services Scheme (SCM005).

**The Hon. MICK VEITCH:** As a matter of interest, how many does the department use—a range of different probity advisers and probity auditors or do you tend to use the same two or three? I say this because I think the field's small.

**MANDY YOUNG:** I think you're right. I think the field is small, but I think again that's the detail we can come back with you on; on who is available to do that work and who is accredited to do that work. We don't use external probity advisers that often because we have a really strong legal team that provides the advice internally and it would depend on the type of information we're seeking or the risk that we have and whether that risk can be managed or mitigated internally or whether we actually need to go externally to seek that advice.

**ANSWER**

Operating within the NSW Government Procurement Framework, the Department of Customer Service and its agencies primarily ascertain services through Whole of Government contracts and prequalification schemes. DCS conducts its procurement in accordance with NSW Government Procurement Policy.

When a probity advisor or auditor is engaged on a project, engagements are generally undertaken through the NSW Whole of Government Performance and Management Services Scheme (SCM005).

DCS is a Level 2 accredited Cluster, for Goods & Services Procurement, which requires DCS to establish minimum standards for managing procurement activities to ensure procurement activities are undertaken within a framework of strong governance, fairness, and transparency. The DCS Procurement Manual sets out the behaviours, processes, and procedures to be exercised when conducting procurement activity in accordance with the NSW Procurement Framework.

DCS Corporate Services Division comprises personnel with deep subject matter expertise in the areas of audit, investigations, procurement and legal. This ensures that DCS can access expert advice on procurement related matters internally.

The DCS Procurement Manual requires that the engagement of external probity advisors or auditors should be an exception rather than the rule, in line with NSW Procurement Framework.

**The Hon. MICK VEITCH:** How big is the legal team within the department, Minister?

**Mr VICTOR DOMINELLO:** I don't know.

**MANDY YOUNG:** I think we've got about 120 lawyers across the department more broadly.

**EMMA HOGAN:** I'll check with you on the numbers, and I'll come back to you.

**The Hon. MICK VEITCH:** Sure. Is it 120 FTEs or 120 individuals?

**MANDY YOUNG:** FTEs I believe but let me come back to you with the exact number. Just in terms of your note, the approved supplier scheme is scheme 0005 if you wanted to look that up.

**The Hon. MICK VEITCH:** Yeah, okay.

**ANSWER**

As at 7 September 2022, the Department's Corporate Services legal team has a headcount of 85. Not all are lawyers. The headcount includes paralegals, legal graduates and administrative staff.

**Ms ABIGAIL BOYD:** I guess tolls is an example of the type of service that people have to use or regularly use as part of their day to day.

**Mr VICTOR DOMINELLO:** Spot on, yes.

**Ms ABIGAIL BOYD:** What other examples are there of that sort of thing that we have outsourced to private companies?

**Mr VICTOR DOMINELLO:** That's a good question. I'm just trying to think. When you say "outsourced to private companies"—

**Ms ABIGAIL BOYD:** In terms of there's a contract between the Government and the toll operator, in this case, that allows them to collect that information. Do we have other examples of that? What other data is being collected, other than through the Service NSW app?

**Mr VICTOR DOMINELLO:** That's why I'm trying to think, because I know in our space—but in terms of other agencies, I'm just trying to think what would be there. Can I take that on notice? I'll think about it.

**Ms ABIGAIL BOYD:** Yes. Where I'm going is, is there an opportunity then for that app idea that you've been talking with Minister Ward about to be brought within the Service NSW stable of apps so that we're not giving out that information to private companies?

**ANSWER**

Service NSW digital assets such as the Apps, MyAccount, or the website are built and operated by internal teams. Service NSW sometimes partners with digital companies for the delivery of digital objectives, but the outcomes and products are always within control of Service NSW internal teams and not outsourced.

**Ms ABIGAIL BOYD:** The EV legislation that went through last year included, when the EV tax comes into play, a number of exemptions—for example, if you drive on your private land or on a farm or some other things. At the time I asked the Treasurer how that would actually be calculated without using some sort of a device that's attached and is GPS tracked. This is something that is coming in the very near future. Is this something that your department has been asked to look at already?

**Mr VICTOR DOMINELLO:** It hasn't come across my desk, no. But I will make some inquiries about it, and I'll put that on my to-do list.

**Ms ABIGAIL BOYD:** Thank you, because that does concern me greatly—the idea that within a few years we could have everybody being tracked.

**Mr VICTOR DOMINELLO:** I will report back to you.

**ANSWER**

The DCS has not been asked to assist with this matter to date.

**The Hon. EMMA HURST:** Thank you. I want to talk to you about the drone biodiversity hub. It was recently announced that there is an investment of \$2.3 million from the Digital Restart Fund. My understanding is that the hub will use drone technology to detect wild species at risk, with a focus on koalas. I was wondering if you could advise how that's actually going to work in a practical sense.

**Mr VICTOR DOMINELLO:** I don't know about the detail of that. Greg, are you across that?

**GREG WELLS:** I'm sorry. I am aware that it was funded, and it was part of a Planning and Environment bid to the Digital Restart Fund through the Smart Places process. But I'll come back to you, if that's okay, with the details of technically how that works.

**Mr VICTOR DOMINELLO:** Yes. I haven't gone into the detail of the technicality, but I know the project and it's really exciting. Again, this is using tech for good in relation to a critical area. That's why when I saw it, I remember reaching out to Minister Griffin about it. I love this stuff. This is what we need to do more of. I'm not across the detail of it, but I will get some.

**The Hon. EMMA HURST:** Do you know if it's going to be deployed for other species, or is it just focused on koalas?

**Mr VICTOR DOMINELLO:** I will take that on notice. Ideally—

**EMMA HOGAN:** I imagine it has the capability to do so, but I don't know if it does or doesn't.

**GREG WELLS:** Yes. It's pretty much a requirement of most of these programs that they trial and make sure that it works, with the potential to scale to other use cases.

**Mr VICTOR DOMINELLO:** Which other species did you have in mind?

**The Hon. EMMA HURST:** Perhaps the vulnerable eastern bent-wing bat, if you want some specifics

**Mr VICTOR DOMINELLO:** I'm just thinking off the top of my head. If it's a drone, obviously they get the treetops and they could probably identify heat through a koala in a tree type of thing. I imagine if it's that type of technology, maybe getting access to the ground might be harder. Again, I'm just speaking off the top of my head. I can get some detail.

**The Hon. EMMA HURST:** Thank you.

**Mr VICTOR DOMINELLO:** That's number five. I'll report that back to you as well.

**The Hon. EMMA HURST:** Mr Wells, while you're looking it up, if you wouldn't mind, I have a bit of a question around how the project is actually going to work to increase the koala numbers. How will it work in practice? Is it a thermal camera? If there are any early results from the project—I don't know how far along we are and how it will actually work to overall increase the number of koalas.

**GREG WELLS:** Yes, sure. Thanks.

## ANSWER

The Digital Restart Fund has funded the Drone Capability for Biodiversity Monitoring project for \$2.3 million. The project is being delivered by the NSW Department of Planning and Environment.

The project Lean Business Case and DRF monthly reporting provides:

- The Drone Biodiversity Hub is web based, and provides tools to plan fauna surveys, upload and store information, and a trained artificial intelligence object detection model. This project will increase the efficiency of population monitoring for a variety of fauna species, starting with the koala.
- The surveying of koalas is achieved through drones fitted with thermal cameras. The technology will enable monitoring of collared koalas and the ability to map koala density.

Questions regarding project delivery should be directed to Department of Planning and Environment who have primary responsibility for delivering this project.

**The Hon. EMMA HURST:** Thank you. Minister, in late March this year there was a report on the initiatives to create safe, reliable, connected transport networks, with a focus on active transport cycleways as a proof of concept. I understand that it's seeking to capture data on cycleways and meaningful insights to ultimately lead to improvements. Given we want to encourage more people to cycle for environmental reasons, how will this initiative help that and help people who are choosing to cycle to work, for example, or on weekends?

**Mr VICTOR DOMINELLO:** Are you across that one, Greg? I'm sorry, Ms Hurst. There are just so many projects across the Digital Restart Fund. But if I can take that on notice, I'll give you a separate briefing on that as well.

**ANSWER**

The Get NSW Active program is being delivered by Transport for NSW and not funded through the Digital Restart Fund therefore this question should be referred to the Minister for Transport.

**The Hon. PETER PRIMROSE:** It's the case that you recently announced that there will be a \$25.3 million Cyber Security Operations Centre to safeguard NSW Police Force systems. Is that correct?

**Mr VICTOR DOMINELLO:** Yes. The Deputy Premier and I visited that yesterday. It's in operation.

**The Hon. PETER PRIMROSE:** Thank you. Was this part of the 2022-23 budget process?

**Mr VICTOR DOMINELLO:** I think it was. It came out of DRF. I think it came out of DRF.

**The Hon. PETER PRIMROSE:** Okay. Can I ask maybe if you could ask one of your officers?

**Mr VICTOR DOMINELLO:** Yes. Mr Wells, are you aware of that?

**GREG WELLS:** Yes. I'll come back exactly with the amounts and the years on notice, if that's okay, but part of this and part of police's maturity in building cyber resilience was part of the Digital Restart Fund, definitely.

**Mr VICTOR DOMINELLO:** But it's already in operation, so I imagine it came out of that budget.

**The Hon. PETER PRIMROSE:** Can you please also indicate where it appears in the budget papers?

**EMMA HOGAN:** Yes. Well, we will have a look at that. I imagine it's probably in police's budget papers under a DRF allocation, so I'll check it in the break for you.

**ANSWER**

Police Cybersecurity Transformation Program was approved \$25.3 million (\$7.4 million FY20/21; \$9.5 million FY21/22; \$6.6 million FY22/23) in December 2020 from the DRF. The DRF Annual Report contains a list of projects that received payment from the DRF. This document can be accessed here [Attachment D - Projects Funded in 2020-21.pdf \(nsw.gov.au\)](#).

The Minister for Police is best placed to answer questions relating to where NSW Police programs are located in the budget papers. This question should be referred to the Minister for Police.

**The Hon. PETER PRIMROSE:** If I ask, for example, if I looked at the capital infrastructure statement for a number of budget years—say, 2020-21, 2021-22 and 2022-23, and I look for DCJ Cyber Security Program, would I find funds allocated for that?

**EMMA HOGAN:** In terms of where it's located in the budget, that would probably be a question for the Minister or associated Ministers for DCJ. My experience from last year when you asked a similar question was that, depending on the dollar amount, sometimes it's categorised in an "other" category as opposed to being specifically called out. So we would have the amounts of money that the Digital Restart Fund has distributed to other clusters as it relates to coming out of our \$240 million cyber funding. We could tell you what the distribution mechanisms were for that but in terms of where they recorded it on their own budget or capital papers, I'd have to take that question on notice.

**ANSWER**

**From a DCS perspective:**

[Budget Paper 3 – Infrastructure Statement 2022-23](#) - shows the overall Financials of the Department of Customer Service (Principal Agencies) and separate Cluster Agencies – NSW Telco Authority and Service NSW.

- For Projects that have received funding from the Digital Restart fund this is included in the relevant Operating Statement under – Grants and Contributions.
- This includes either payments made to projects or Budget allocated for FY22/23.

- Under Legislation the Department also produces a Digital Restart Fund Annual Report. The Annual Report for FY20-21 is published here: [2020-2021 In Review | Digital.NSW](#)

**Mr VICTOR DOMINELLO:** In relation to safe beaches or Beachwatch, that is a Federal Government initiative. But I know there has been involvement through the Data Analytics Centre, so again I'll come back to you on that.

**ANSWER**

See answer above on Smart Beaches program.

**The Hon. MICK VEITCH:** Thank you very much. I believe IPART is undertaking a review of the pricing framework for eConveyancing.

**Mr VICTOR DOMINELLO:** Yes.

**The Hon. MICK VEITCH:** I was wondering if we could get Ms Livingstone to provide an update on that for us?

**LIZ LIVINGSTONE:** Yes. Our review is about the costs that what are called ELNOs, or electronic lodgement network operators, might need to pay each other, depending on who plays what role in a transaction. Once you introduce competition, it's quite possible that more than one ELNO will be involved in a transaction, and we're just trying to work out the appropriate charges between the two ELNOs.

**The Hon. MICK VEITCH:** What is the time frame for that work, Ms Livingstone?

**LIZ LIVINGSTONE:** It's well underway. We've had consultation with industry, with other regulators around Australia. I think our draft report is due out later this month, but I can check that and get the details back to you this afternoon.

**The Hon. MICK VEITCH:** That would be really good, thanks. I guess there's a bit of consultation in the development of that work. Maybe when you come back this afternoon you can let us know about the scope of that and how you actually engaged—not who you engaged, but how you went about engaging—with stakeholders?

**LIZ LIVINGSTONE:** Yes, certainly, and it is all on our website; you can see videos of some of the public hearings we've had and so forth. I am happy to provide that detail.

**The Hon. MICK VEITCH:** Thank you.

**ANSWER**

This question was answered on page 67 of the transcript.

**The Hon. MICK VEITCH:** Before I hand over to my colleague to wrap this all up, Mr Rees—you might want to take this on notice—as at today's date what is the amount that has been paid to Service NSW for the operation of the Dine & Discover vouchers?

**DAMON REES:** I think we have previously provided a breakdown of all programs on notice. But we will give you an updated figure for that.

**ANSWER**

Service NSW does not charge a levy for voucher programs. Service NSW had administration costs for Dine and Discover, as it does for all the programs it delivers. The administration costs for Dine and Discover were \$19,749,561 which consisted of \$7,955,912 implementation costs and \$11,793,649 operational costs. The Dine and Discover program costs also resulted in Service NSW creating digital assets that have made delivery of future voucher programs less expensive moving forward.

**The Hon. DANIEL MOOKHEY:** Is icare still underpaying workers when it comes to pre-injury average weekly earnings?

**ADAM DENT:** I don't know that they're still—I think it would be unfair to characterise that they're still doing that. I haven't seen any new evidence of underpayments based on PIAWE.

**The Hon. DANIEL MOOKHEY:** Or overpayments, to be fair to them.

**ADAM DENT:** Not to suggest that we also haven't necessarily more recently looked. But as for the matter I imagine you're talking about the remediation program is underway.

**The Hon. DANIEL MOOKHEY:** No, they are two separate matters. We will get to the remediation. To be fair to them, they told us at the hearing that the Law and Justice Committee had a year ago, or thereabouts— gee, it's been a while—that they were, and that 6 per cent to 8 per cent of people were still not having the correct PIAWE applied to them. Can you on notice perhaps come back to us with any information you have as a regulator as to whether or not SIRA has done anything to check?

**ADAM DENT:** Yes, I will take that on notice.

**The Hon. DANIEL MOOKHEY:** Yes, and incidentally across all the schemes and all the insurers.

**ADAM DENT:** Yes, of course.

**The Hon. DANIEL MOOKHEY:** Equally, I think your organisation—Ms Donnelly may have made this decision prior to your arrival, Mr Dent. As I understand it, there was going to be some examination as to whether other insurers have suffered from the same mistakes when it comes to applying the PIAWE. Can we get, on notice, what the latest report is from SIRA in respect to the prevalence of this practice across the scheme?

**ADAM DENT:** Yes, of course.

## **ANSWER**

SIRA continues to engage regularly with icare in relation to PIAWE remediation and ongoing calculations. PIAWE is a standing agenda item on both the monthly Executive Principal meetings and Operational meetings.

SIRA is undertaking quarterly file audits of the Nominal Insurer, commencing October 2022. These audits will consider actions undertaken in the early stages of the claim, including the process and timeliness of PIAWE calculation.

SIRA has also undertaken audits of self-insurers accuracy of PIAWE calculation and the application of the correct methodology. These audits were undertaken in late 2021 and into early 2022 by an independent external forensic accountancy firm. SIRA identified specific minor issues to the calculation of PIAWE with a small number of self-insurers, however, did not identify any significant general issues with the calculation of PIAWE across the system and no systemic under-payment or over-payment was identified.

SIRA hosts a PIAWE Reference Group, comprising representatives from employers, unions, insurers, the Personal Injury Commission and the Independent Review Office. SIRA is engaging this group for the PIAWE post-implementation review, which is ensuring that the new PIAWE provisions are meeting their objectives of being simple, fair and transparent. SIRA has further undertaken surveys, analysis of disputes, interviews and file reviews of PIAWE calculations and will be publishing a PIAWE Post Implementation Report at the end of this year.

**The CHAIR:** I might leave that line of questioning there. I've just got one more line before I throw to the Opposition, and it's to you, Ms Livingstone. In 2018 your department did a review of taxi fares in New South Wales. It was a fairly lengthy report—I think it was about 70 pages. Are you familiar with that report or was that before your time?

**LIZ LIVINGSTONE:** It was before my time.

**The CHAIR:** Okay. In those 70 pages, the idea of surge pricing was mentioned once. Given that the concerns of the industry and customers has, essentially, emerged as truth—that surge pricing has become rampant in the point-to-point industry with rideshare companies—is your agency looking at doing or are you doing any work around how we grapple with this issue of surge pricing so customers aren't continually ripped off?

**LIZ LIVINGSTONE:** The work that we do needs to be referred to us somehow. Either it's a function in legislation or a Minister refers terms of reference to us. We haven't been asked to do work on that.

## **ANSWER**

IPART has not been asked to do work on this issue.

**The Hon. DANIEL MOOKHEY:** Secretary, do you mind if I resume that questioning?

**EMMA HOGAN:** Please continue.

**The Hon. DANIEL MOOKHEY:** Mr Rees, you were telling me that you think that you are going to have it all done by the end of the year?

**DAMON REES:** Cohort 1 we completed by 30 June, which was the commitment with icare. For cohort 2, we believe we'll have that completed by the end of the year, subject to being able to find a way to achieve that within the appropriate privacy obligations we have.

**The Hon. DANIEL MOOKHEY:** Do you have clearance from the Privacy Commissioner?

**DAMON REES:** I believe we're still working through that at the moment.

**The Hon. DANIEL MOOKHEY:** Innocent question, Ms Tydd, but you're not the Privacy Commissioner, are you?

**ELIZABETH TYDD:** Correct.

**The Hon. DANIEL MOOKHEY:** Good. Where are we up to in terms of getting clearance from the Privacy Commissioner, because that seems to be the hurdle here in respect to remediating these workers?

**DAMON REES:** I don't believe it is exclusively resting with the Privacy Commissioner, but I'll take on notice exactly where we're at in that process, if that's helpful.

#### ANSWER

This question was answered on pages 55 and 58 of the transcript.

**The Hon. DANIEL MOOKHEY:** Your job is to make sure employers who are meant to pay premiums pay premiums, correct?

**ADAM DENT:** That's correct.

**The Hon. DANIEL MOOKHEY:** That gives you the ability to launch investigations into whether or not a person has paid the premiums that they owe. Fair?

**ADAM DENT:** That is correct, which we do reasonably actively.

**The Hon. DANIEL MOOKHEY:** When was the last time you checked a gig company or a gig platform as to whether or not they meet the definition of "employee" and "employer" from the perspective of workers comp laws that would require them to pay a premium?

**ADAM DENT:** I'd have to take that on notice. But the short answer would be that for each of those gig platforms, it would depend which workers you're talking about. So people working at the head office of a platform, for example, would absolutely be considered an employee.

**The Hon. DANIEL MOOKHEY:** I will be very specific. Have you investigated whether HungryPanda should be paying premiums under the workers compensation scheme above what they already do to cover the people that pay their—

**ADAM DENT:** Not specifically for HungryPanda that I'm aware.

**The Hon. DANIEL MOOKHEY:** The reason I mention that one is because we have a PIC finding that suggests that they were.

**ADAM DENT:** The insurer accepted liability in that case. The PIC finding was around the distribution of the death benefit. I don't think it's fair to say the PIC found that that person was an employee.

**The Hon. DANIEL MOOKHEY:** That's interesting, because how that PIC process is characterised was slightly different by Mr Harding. But I thought the insurer accepted liability, too.

**ADAM DENT:** I think importantly there was no liability decision made by the Personal Injury Commission. That decision only is around the apportionment of the lump sum.

**The Hon. DANIEL MOOKHEY:** Okay. But did that catalyse you to perhaps inspect whether or not you should be testing HungryPanda?

**ADAM DENT:** On that particular matter—and I can take this on notice—I did ask my team whether there was anything in that decision and whether we needed to look more broadly. And, from memory, the answer was essentially that under the circumstances the insurer had made a decision in relation to that. In the main, most of the delivery riders, for example, employed by HungryPanda or the like, are still considered independent contractors for the purpose of workers compensation.

**The Hon. DANIEL MOOKHEY:** But you rely on the common-law test, don't you?

**ADAM DENT:** The test under the Workers Compensation Act for us is slightly different. But, broadly, yes.

**The Hon. DANIEL MOOKHEY:** So the issue is that we have multiple common-law decisions arising from different tribunals that all have had to look at this question for different purposes under law according to different fact patterns that have prevailed at the time within the platforms. But Revenue NSW has a case right now with Uber that asserts that for a period of time they were employees for the purpose of payroll tax. The Fair Work Ombudsman has brought various matters against companies like Deliveroo and all. All I'm interested in is when was the last time SIRA looked at whether they satisfied the definition of "employee" and "employer" for the purpose of premiums? I want to ask very specifically about HungryPanda and Uber Eats, because they're the ones that have various forms of dispute around workers comp. On notice—

**ADAM DENT:** I will take that on notice. Not a problem.

**The Hon. DANIEL MOOKHEY:** But I am going to ask you, on notice, to look at Deliveroo and Amazon Flex. I'm going to also ask you, on notice, to look at Uber Eats, Uber, DoorDash, Menulog and EASI, because you will find that they are all hovering in this—

**ADAM DENT:** Broadly similar space.

**The Hon. DANIEL MOOKHEY:** Yes. Look, I don't want to just be mean to Revenue NSW and only direct my ire at them. I did say that I would be mean to other people, too, so here I am.

**ADAM DENT:** It's very kind of you to share the love.

## **ANSWER**

There has been no definitive judicial determination of whether people undertaking gig economy services are workers for the purposes of the workers compensation scheme in NSW. When conducting supervisory or enforcement activity related to the gig economy insurance arrangements, individual circumstances must always be considered and therefore SIRA's supervision and enforcement activities focus on individual matters rather than the gig service provider as an entity. SIRA does not currently have any evidence that would suggest gig service providers are not adhering to their requirements for purchasing and maintaining a workers compensation insurance policy where one is required.

There is a project currently underway to improve and address known issues with SIRA's worker status tool. The worker status tool guides employers through a series of questions to assist with determining whether a person is a worker, deemed worker or contractor for workers compensation insurance purposes.

SIRA supervises the compliance of all NSW employers in several ways including:

- SIRA uses investigative methods to identify employers who do not have a current workers compensation policy. Where an employer is identified as not having a policy, a proportionate enforcement response is undertaken.
- monthly predictive data modelling that identifies employers at risk of poor outcomes utilising a range of factors. Gig platforms who hold policies for their employees would be included in this data set and where a high risk is identified engagement would be undertaken. To date gig service providers have not been identified in the data as being at a high risk of poor outcomes.

- monitoring outcomes of matters before the Personal Injury Commission to identify decisions that are providing case law impacting our policy, supervisory and/or enforcement activities.
- SIRA's employer supervision team will be reviewing the current workers compensation policies of certain gig companies before the end of the year.

Individuals or employers on behalf of an individual can apply to SIRA for a private ruling on whether they are a deemed worker. The legislation does not allow for a general assessment of groups of people. An assessment is determined on an individual's circumstances.

**DAMON REES:** Mr Mookhey, if I could quickly close out your questions?

**The Hon. DANIEL MOOKHEY:** Please.

**DAMON REES:** We're waiting on a public interest direction to be approved by the Attorney General. That will enable data matching between Service NSW data and icare data, which will enable the contact of that cohort too.

**The Hon. DANIEL MOOKHEY:** So that means the Privacy Commissioner has said that this requires a Minister to tick it off?

**DAMON REES:** That's right.

**The Hon. DANIEL MOOKHEY:** And that has gone to the Attorney General?

**DAMON REES:** I believe there are two approvals required. One is Minister Dominello—I believe that's complete—and the second is the Attorney General.

**The Hon. DANIEL MOOKHEY:** When did it go to the AG?

**DAMON REES:** I don't have that precise date. But, subject to that being approved, we expect to commence those notifications in October.

**The Hon. DANIEL MOOKHEY:** Okay. Can you, on notice, tell us when the Attorney General was asked to approve it?

**DAMON REES:** Sure.

#### ANSWER

17 August 2022.

**The Hon. PETER PRIMROSE:** Can I direct all my questions to the secretary, please? But please feel free to refer them to whoever you think is appropriate. Can I ask you what the current balance is of the Digital Restart Fund?

**EMMA HOGAN:** Mr Wells, you might need to answer that. I know that the majority of the fund has been allocated against projects and there is probably a small amount left to be allocated, but Mr Wells would know more.

**GREG WELLS:** Thanks, Mr Primrose. There has been a total of 251 projects now approved. Of the \$2.2 billion, \$1.945 billion has been allocated to projects. Excluding a small amount of contingency, \$242 million has been reserved for projects, as part of the pipeline we talked about before, but has yet to be allocated.

**The Hon. DANIEL MOOKHEY:** Can we, on notice, get a list of the 200 projects and how much each—

**EMMA HOGAN:** The 251.

#### ANSWER

All projects across the sector that have been funded from the Digital Restart Fund will appear in the Annual Report that is published DRF website.

The Annual Report for FY20-21 is published here: [2020-2021 In Review | Digital.NSW](#)

The Annual Report for FY21-22 will be published late 2022 in line with the requirement under s14(4) of the *Digital Restart Fund Act 2020*, which allows for the report to be published up to 6 months after year end date (30th June).

**The CHAIR:** How much is this pilot program costing the department? How is it being resourced? Is this part of a SIRA employee's existing role, or is there someone being discretely employed to work on this?

**ADAM DENT:** It is a combination of both, Mr Banasiak. There is a number of our existing resources who work in our SIRA "assist" area, which has previously been predominately focused on CTP Assist, and there is a small number of new staff that have been recruited—maybe five or so—that will assist with the workers compensation assist pilot.

**The CHAIR:** And obviously that is just a temporary appointment while the pilot—

**ADAM DENT:** Yes, that's right. If the pilot generates good results—and so far there is reasonably good feedback coming from employees about their experience and the assistance that's provided. That will be looked at, at the end. Should it actually stack up as a worthwhile proposition, we'll look at how we resource it going forward. We might look to shift or change it, or discontinue it if it hasn't achieved any results.

**The CHAIR:** How long is the pilot going for?

**ADAM DENT:** For 12 months.

**The CHAIR:** Are you deliberately targeting self-insurers? I know you listed Aldi, Toll and Catholic Church. They're all self-insurers.

**ADAM DENT:** No. We made an ask to all of the insurers about who would like to participate in the pilot. The first on board was Aldi, as a self-insurer, then Toll and Catholic Church Insurance came on board. We have recently approached New South Wales Government self-insured clusters and asked them if they would like to join the program and have us contact their workers. At the moment, we're negotiating through—I think there might be three clusters who have shown interest. Basically, as we're hitting project milestones, we're looking at expanding to make sure we're making the best use of the volume we have.

**The CHAIR:** Sure. On notice, can you indicate what those three or four clusters were that have—

**ADAM DENT:** Yes. I'm just not sure whether they've actually agreed or not, as yet.

## ANSWER

As Workers Compensation Assist (WC Assist) is a Pilot program, all establishment costs (including operating costs for the duration of the pilot) are being funded within SIRA's existing Customer Service and Operations budget. SIRA has allocated two of its experienced staff to the Pilot program to ensure its success, and has recruited 5 dedicated staff to support the Pilot program, at an estimated total cost of \$607,000.

As at 8 September 2022, DCS and Fire & Rescue NSW have committed to join the Pilot. In addition, meetings have been scheduled with the Department of Enterprise, Investment & Trade and the Ministry of Health to discuss our invitation to join the pilot in more detail.

**The Hon. PETER PRIMROSE:** Can I ask a few questions in relation again to our favourite, Park'nPay? When did the department first have contact with Duncan Solutions regarding Park'nPay?

**EMMA HOGAN:** I'll ask Mr Wells to answer your questions on Park'nPay.

**GREG WELLS:** I'll have to take that on notice.

**The Hon. PETER PRIMROSE:** Did the department have any discussions with Duncan Solutions prior to the Minister's office meeting with the company on 7 February 2019?

**GREG WELLS:** Again, I'll have to take that on notice. I'll have to take specific dates on notice.

**The Hon. PETER PRIMROSE:** I'm happy for you to take them on notice, and we'll review the answers. Thank you. How was the decision to award the contract to Duncan reached?

**ANSWER**

The first engagement by the department with Duncan solutions in 2019 was on 30 January. The department considered several different locations for the trial; however the Rocks was selected as the trial location as it fell within the responsibility of being a NSW Government site with Property NSW, which was at the time situated within the Department of Finance, Services and Innovation (DFSI) cluster.

**The Hon. PETER PRIMROSE:** In an email to the Minister's office, or the Minister's chief of staff, dated 6 December 2019 you state, "There was not a procurement process." Can you explain how the contract came to be awarded then?

**GREG WELLS:** Yes. As Ms Young talked about before—sorry, as I've just said, because we chose location first, the provider in that location was Duncan. We went through a process to sole-source Duncan for that trial and that was the basis from which the contract emerged.

**The Hon. PETER PRIMROSE:** Okay. In your email dated 5 December 2019, and as you state, "The Rocks were selected as a trial location by the Minister's office."

**GREG WELLS:** I'm sure there would have been consultation, as the Minister talked about before, around what the right location was. I'm sure there was advice from the department at that time. Again, I'd have to take that on notice in terms of that sequence; but, I mean, I'm sure that was the process around then.

**ANSWER**

After Minister Dominello's post on LinkedIn on 21 January 2019 regarding a poor parking experience at Lane Cove National Park, DCS (DFSI at the time) investigated how customer's parking experiences could be improved. Multiple discovery workshops were held to determine how we could digitise the parking experience.

The Department made a recommendation to the Ministers office on 7 February 2019 for DCS to progress a digital parking pilot at The Rocks.

The Rocks was initially selected as the preferred trial location as it fell within the responsibility of being a NSW government site through Property NSW, which at the time was within the Department of Finance, Services and Innovation (DFSI) cluster.

**The Hon. PETER PRIMROSE:** You signed the contract with Duncan Solutions in July 2019. Can you please explain why the contract award notice was not posted until 26 November?

**GREG WELLS:** Yes, I can't, and my apologies: I had that wrong before. It is 45 days in terms of contract disclosure so I can't answer right now but I'll try to find out on notice why that took an extra month.

**The Hon. PETER PRIMROSE:** Okay. But you agree that under GIPAA requirements a contract must be posted within 45 days?

**GREG WELLS:** Yes, I do.

**The Hon. PETER PRIMROSE:** Okay. After the Minister's chief of staff instructed you to seek probity advice, you replied you would do that as soon as possible.

**GREG WELLS:** Yes.

**The Hon. PETER PRIMROSE:** Is it correct you were the decision-maker on which probity firm was engaged?

**GREG WELLS:** I'll need to take that on notice as well but, again, as we talked about this morning, there is a panel of probity advisers that we use. They're under a government scheme called SCM005, so we would've worked through a process to engage someone from that panel. It depended on scope, on cost, whether we needed quotes from that process, so I'm happy to come back on notice as to how that process worked, Mr Primrose.

**The Hon. PETER PRIMROSE:** No. I understand the process. Were you the one who made the call?

**GREG WELLS:** Ultimately, I think I would have been the one that signed off on the probity adviser, yes.

**The Hon. PETER PRIMROSE:** Okay. If you weren't, can you tell us who was?

**GREG WELLS:** Yes, sure.

**The Hon. PETER PRIMROSE:** Okay. Has the department engaged O'Connor Marsden and Associates—and I will refer to them as OCM—in the past?

**GREG WELLS:** I'm sure we have. I can't cite the individual contracts we would have used O'Connor Marsden for. They're a probity adviser on that scheme, obviously, so I'm sure there's been from time to time occasions where we've used them as well.

**The Hon. PETER PRIMROSE:** Can you please take that on notice as well?

**GREG WELLS:** Certainly. That's fine.

**The Hon. PETER PRIMROSE:** Why were they chosen on this occasion?

**GREG WELLS:** Again, I'd need to go back and determine the process at that point.

**The Hon. PETER PRIMROSE:** You can't recall your decision?

**GREG WELLS:** I'm sorry, I can't. It was more than three years ago. I'll have to come back.

#### **ANSWER**

DCS contacted several probity providers who were at the time listed on the Buy.NSW SCM005 scheme. Based on meeting the project's timeframes to complete this work and identifying a provider's availability, OCM was the selected provider from the group and was engaged by following DCS' procurement approach.

OCM was formally selected on 9 December 2019 by Simon Geraghty, Executive Director Government Technology Platforms.

DCS has previously engaged OCM prior to this instance, on a separate non related project procurement activity in 2017. OCM were again one of several providers on the SCM005 prequalified scheme.

**The Hon. PETER PRIMROSE:** Okay. So if there was one contract covering the trial and the statewide rollout, as indicated by the initial Duncan quote in May 2019, why did you need two probity reports?

**GREG WELLS:** Because we looked at—we wanted to look at the scope, I understand, separately. We looked into this at lunch, based on your questions earlier.

**The Hon. PETER PRIMROSE:** Yes.

**GREG WELLS:** So we wanted to look at, first of all, the sole-sourcing of Duncan for the initial trial and then, secondly, we wanted to look at any potential risks moving forward to statewide rollout, if that was successful.

**The Hon. PETER PRIMROSE:** But you didn't need two contracts; just two probity reports.

**GREG WELLS:** We did two separate probity reports on those two separate pieces of scope is my understanding, that's correct.

**The Hon. PETER PRIMROSE:** "Request to alter the initial draft probity report", as I understand, "made 11 February 2020." Is requesting a probity report be changed standard practice?

**GREG WELLS:** Sorry, can you repeat that?

**The Hon. PETER PRIMROSE:** "Request to alter the initial draft probity report made 11 February 2020". Is requesting a probity report be changed standard practice?

**GREG WELLS:** I'm not aware of what you referring to there, Mr Primrose, sorry.

**The Hon. PETER PRIMROSE:** Okay. Can I suggest you take that on notice?

**GREG WELLS:** Yes, happy to. If this is in relation to that email that you produced this morning, as we've talked about before and just a minute ago, the basis for the trial was based on location, not on

provider, really clearly. I think some of the comments that you didn't read this morning in that email went to that fact, that it was based on location first. Some of the Standing Order 52 that you probably have goes to that as well. I think if that is the comment you're referring to from our team, just to make that abundantly clear, that is why that request would have been made, or that comment on the draft would have been made. But I am very happy to come back on notice as to what that exactly refers to.

**The Hon. PETER PRIMROSE:** Thank you. That same email requests the changes because the report reads, and I quote: ... like we chose Duncan first, then determined the location. But that's not what happened, was it?

**GREG WELLS:** That's correct. That's not what happened.

**The Hon. PETER PRIMROSE:** So why was that in the email?

**GREG WELLS:** That email is commenting on a draft report that we didn't think was clear enough about the actual process.

**The Hon. PETER PRIMROSE:** Let's look at the probity report. Was OCM informed of the Minister's office meeting with Duncan Solutions in February 2019?

**GREG WELLS:** Again, I'd have to take that on notice.

**The Hon. PETER PRIMROSE:** Was OCM advised that Duncan Solutions pitched the technology to the Minister's office?

**GREG WELLS:** Again, that is not my understanding, but I will check that as best I can.

**The Hon. PETER PRIMROSE:** You're the guys who did and accepted the probity report. I'm trying to work out what the nature of the probity report was and what it actually looked at. Was OCM advised that Duncan Solutions signed a deed of confidentiality with the department on 18 February 2019?

**GREG WELLS:** I'll have to take the detail of this process, Mr Primrose, on notice. I don't have that in front of me or can remember the detail of this.

## ANSWER

The Rocks was selected as the trial location as it fell within the responsibility of being a NSW government site with Property NSW, that at the time was within the Department of Finance, Services and Innovation (DFSI) cluster.

OCM was fully briefed of the department's engagement with Duncan Solutions, including their deed of confidentiality with the department on 18 February 2019. The scope of the probity report has been released as part of the Standing Order 52 papers and reviewed the Duncan Solutions Engagement Records and Assessment. The "change" in probity report referred to was to rectify a few factual errors by providing OCM with additional material to ensure that they had assurance as well as correctly capturing the sequencing of events. It is standard practice to have a draft report submitted for review and the opportunity to comment on the document.

**The Hon. PETER PRIMROSE:** What due diligence checks are undertaken during the procurement process?

**GREG WELLS:** In terms of what we did in this process, because it was a sole-source process, as Ms Young talked about this morning, most of the procurement processes we run are based on internal, legal and probity advice within the department. Those processes would have been followed. As Ms Young said this morning, occasionally we get, by exception, probity reports as well where it's a high-value or risky program et cetera.

**The Hon. PETER PRIMROSE:** I am going to read this statement out; please feel free to comment as you wish. You are affirming that it's the case that in the case of the procurement of Park'nPay and the application of Duncan Solutions, the department performed many due diligence checks, both financial and personal, at the time of the application?

**GREG WELLS:** On Duncan, I think you are going to an email that Duncan is talking about their staff to do with. Again, I will need to take the detail of these steps, these dates and these comments on notice.

**The Hon. PETER PRIMROSE:** I am just saying: Did you perform due diligence checks?

**GREG WELLS:** I'll take that on notice but we generally do, yes.

**The Hon. PETER PRIMROSE:** Generally? Okay. The Audit Office has made several inquiries regarding Park'nPay. In an email dated 1 June 2021 you instructed the department to pause all communications with the Audit Office until a formal process was established. What was that formal process?

**GREG WELLS:** Again, I'll have to take that on notice.

#### **ANSWER**

The Park'nPay team initially identified the NSW Government office site at The Rocks as the most suitable location to test and trail the MVP due to the site being government-owned and operated by Property NSW. It was considered the most suitable site as it was a controlled environment to oversee the pilot.

After identifying the location, the project team engaged Property NSW to understand the infrastructure in place and identify the required data sources. It was identified that the solution required data from the parking infrastructure provider. The team then followed the Department's Procurement approach to engage the incumbent supplier, Duncan Solutions, as they were/are the sole provider of the parking infrastructure in this location. Throughout this process, the appropriate approvals and documentation was completed in line with departmental guidelines as outlined in the probity report.

**The Hon. PETER PRIMROSE:** Given Park'nPay can be adopted by any council or meter combination, has any council adopted the app without engaging Duncan Solutions to provide the payment gateway?

**GREG WELLS:** I think there are three that I can list: Apark, ITSL and CDS, in various councils. We're working with all of those providers. As I talked about before, those other infrastructure providers have nothing to do with Duncan either, so it is completely agnostic to those infrastructure providers.

**The Hon. PETER PRIMROSE:** Can you provide us with that list on notice?

**GREG WELLS:** Yes. We did also in supplementary last time, but we're happy to update that list as well.

#### **ANSWER**

Park'nPay app has integrated with multiple vendors to offer real-time parking availability across NSW, example Smart Parking, Meshed, Parkhound, Parkagility, Frog parking, Commuter parking via Transport for NSW.

Park'nPay is also available in Councils with different meter providers as the app is not dependent upon the physical meter infrastructure example Burwood, Willoughby.

All meter payments through the current Pay'nPay solution are currently via the Duncan Solution Payment gateway.

**The Hon. JOHN GRAHAM:** Yes, okay. Thank you for that. Can I then ask about the other measure that is withdrawn, which is the small business subsidy for which road tolls could be claimed. So under the Small Business Fees and Charges Rebate scheme, small businesses were able to claim road user tolls. That scheme concluded on 30 June 2022. Can you tell us what was the financial allocation for that scheme for the last financial year?

**DAMON REES:** I'll just scan my list. Apologies, Mr Graham, it looks like I've got all of them except the one you've picked. I'll confirm that on notice, if that's okay?

**The Hon. JOHN GRAHAM:** Yes, good. So if you could tell us what was the allocation in 2021-22? And then, just confirming now, that has obviously fallen to zero in this financial year given the scheme has now been cancelled.

**DAMON REES:** That's correct. That was specifically a COVID program.

**The Hon. JOHN GRAHAM:** Yes, it was a COVID measure, so that's not surprising, but I'm just observing that's the allocation this year. You will come back to us on notice about what it was. Could you also indicate how much of the allocation was spent in the last financial year?

**DAMON REES:** Yes.

**The Hon. JOHN GRAHAM:** So those two numbers on notice would be helpful.

**DAMON REES:** Yes.

**The Hon. JOHN GRAHAM:** Will you be able to tell us or can you tell us how much of that rebate was claimed for tolls?

**DAMON REES:** If we can, we will report that back on notice.

**The Hon. JOHN GRAHAM:** Presumably you should be able to. You will need to know what it is being claimed for. There should be some record of what the use is.

**DAMON REES:** I would be confident that we would have that breakdown.

**The Hon. JOHN GRAHAM:** Great. So again, of the money that was spent, the subset of that that was claimed for tolls in each of the financial years.

**DAMON REES:** Yes.

**The Hon. JOHN GRAHAM:** Well, really, it just would have been last financial year when it was a possibility. Is that correct?

**DAMON REES:** I can't recall if that program spanned more than a single financial year, but we will report on the full period.

**The Hon. JOHN GRAHAM:** Could you report on each financial year in the full period?

**DAMON REES:** Yes.

**The Hon. JOHN GRAHAM:** Could you also, in doing that, tell us how many people were able to access that for toll relief?

**DAMON REES:** How many businesses that will be?

**The Hon. JOHN GRAHAM:** Yes, correct. So all of that on notice...

## **ANSWER**

- Small Business Fees and Charges Rebate financial allocation for each financial year:
  - \$142 million for 2020-2021 Financial Year
  - \$330 million for 2021-2022 Financial Year
  - \$200 million additional for Rapid Antigen Test expansion.
- Despite the program closing on 30 June 2022, payments are still being approved in Financial Year 2023, with a further \$13 million in possible claims to be paid. Amounts spent during the program by Financial Year are below:
  - 2020-2021 Financial Year - \$13.9 million
  - 2021-2022 Financial Year - 191.6 million
  - 2022-2023 Financial Year - \$33.6 million at 2 September 2022
- Amount of rebate claimed for tolls:
  - 2021-2022 Financial Year – \$9.96 million
  - 2022-2023 Financial Year – \$4.9 million
- Number of businesses able to access the Rebate:
  - 2021-2022 Financial Year – 10,464 businesses were paid 35,507 claims

**The Hon. JOHN GRAHAM:** ... And then returning to the new toll relief measure, which was announced in this year's budget, the budget allocation goes for two financial years. In the first year, Transport have indicated they believe that about 500,000 drivers will be eligible for that toll relief. I might just ask you—they were going away to check that and, again, they were keen to send this in your direction, Mr Rees—how many drivers are eligible in this financial year for the toll relief scheme?

**DAMON REES:** Absolutely. I don't mean to do this to you, but my understanding is Treasury did the modelling for that program. My understanding is that one of the assumptions that underpinned that was half a million individual drivers and potentially 100,000 business-related vehicles as well.

**The Hon. JOHN GRAHAM:** So on top of the 500,000 individual drivers or accounts, 100,000—and this would be in the light vehicle class, is it, for up to two light vehicles?

**DAMON REES:** That's to the best of my knowledge.

**The Hon. JOHN GRAHAM:** Do you have a view about whether that increases in the next financial year? Most of these figures would be pegged to grow with either population or perhaps traffic growth.

**DAMON REES:** Yes. I think we'd need to ask Treasury to provide the underpinnings of their modelling.

**The Hon. JOHN GRAHAM:** I'll take that on notice, in that case, and go and ask them in the finance area. Can you tell me, for the toll relief item, which is part of your budget, how many drivers are expected to hit the \$375 minimum, which will allow them to claim?

**DAMON REES:** You mean under the new program that we are working towards?

**The Hon. JOHN GRAHAM:** Under the new program. So once you reach a minimum \$375, you can start applying. How many drivers will hit that minimum?

**DAMON REES:** So unlike the previous program where there were effectively two steps and you either achieved half free rego or full free rego, this one is obviously proportionate between the minimum and the maximum spend.

**The Hon. JOHN GRAHAM:** Yes.

**DAMON REES:** Mr Graham, my expectation would be those numbers we spoke to of the half a million individual and the hundred—

**The Hon. JOHN GRAHAM:** Should hit the minimum?

**DAMON REES:** You'd expect that's the number that will enter the program at the minimum and then—

**The Hon. JOHN GRAHAM:** I agree with that. How many will reach the maximum of \$750?

**DAMON REES:** I think that would be part of Treasury's modelling that they would be able to supply.

**The Hon. JOHN GRAHAM:** This is your budget line item, though, which is why I'm asking you. They have not shared that with you?

**DAMON REES:** It is, but the modelling that underpins those numbers was Treasury modelling, not Service NSW modelling.

**EMMA HOGAN:** We can see if we can get it on notice for you.

## ANSWER

Drivers eligible for toll relief in this financial year:

- Mr Graham indicated he would refer this question to Treasury on page 71 of the transcript.

Questions relating to modelling, in particular 'how many drivers will reach the maximum rebate amount of \$750' and whether modelling takes into account 'an increase next financial year' should be referred to the NSW Treasurer.

**The Hon. JOHN GRAHAM:** So if I pay an amount on a toll, which includes the GST, I still count that when I work out if I'm eligible for the \$375?

**DAMON REES:** That is my understanding.

**The Hon. JOHN GRAHAM:** In order to reach the \$375, is this for each driver or each account or each household? Which of those categories are we talking about here?

**DAMON REES:** I would need to take that on notice. There was quite specific and precise logic around that for the original program. I need to understand what the equivalent is for this new program.

**ANSWER**

The tolling spend and rebate will be calculated on unique tolling accounts.

**The Hon. JOHN GRAHAM:** Can you tell me, how much are the top 10 per cent of non-business e-toll customers paying in tolls each year?

**DAMON REES:** I suspect that is a question for Transport, but I will take it on notice and confirm.

**ANSWER**

This question should be referred to the Minister for Metropolitan Roads

**The Hon. JOHN GRAHAM:** This seemed to occur in three tranches. In the first system problem, 45,000 drivers were affected; in the second, a different issue, 78,000 were affected; and in the third, again, a different issue, 14,000 people were affected. Does that accord with your understanding of the scale of the problem?

**DAMON REES:** Certainly, we understood the impact to be significant. I'd need to take on notice those specific data points you've raised there.

**The Hon. JOHN GRAHAM:** One of the issues that has been subsequently reported is people who have been having trouble resetting their password in order to check that their accounts are up to date. Do you have concerns or have you had reports that multiple people had problems with online access and are needing to phone-in for a password reset?

**DAMON REES:** We certainly saw a significant increase in the volume of customers needing support off the back of that change. I think there were a range of challenges they experienced. I would need to take on notice the specific problems that are continuing to impact customers.

**The Hon. JOHN GRAHAM:** One of the views that has been put to me is that account history for people should have been visible for something like 20 months but is now no longer visible past February of this year, and that's one of the things that's making it harder to resolve these issues. Is that account correct?

**DAMON REES:** That would be referencing, I think, a Transport system. That question would best be directed to them. The way you described it, it sounds like customers attempting to log on to the Transport system to check balances.

**The Hon. JOHN GRAHAM:** Again, that was not their view. But I am seeing them tomorrow so I'll happily revisit that.

**DAMON REES:** We will take that on notice just in case I got that wrong.

**ANSWER**

This question should be referred to the Minister for Metropolitan Roads.

**The Hon. MICK VEITCH:** We asked a couple of questions this morning about deemed diseases. I think my colleague Mr Primrose may have asked those or it might have been Mr Mookhey. You commissioned a report to review the latest scientific research to inform policy and develop a list of

scheduled diseases and guidance material. Are we looking at adding additional deemed diseases to actuaries?

**ADAM DENT:** Sorry, are actuaries a deemed disease?

**The Hon. MICK VEITCH:** No.

**ADAM DENT:** One of your former colleagues would have probably agreed to the first statement I made. Yes, at the moment what we are doing, we have taken that work from SafeWork Australia. It includes things like COVID-19, PTSD, cancers and skin issues. We've asked our actuaries to start looking at what the costs to the scheme would be of those coming on board, so yes. Before we make a policy, a recommendation, we would do that with the potential cost impact.

**The Hon. MICK VEITCH:** And the time frame for that work?

**ADAM DENT:** I don't have the time frame with me other than that the work is underway at present.

**The Hon. MICK VEITCH:** I am happy for you to take that on notice.

**ADAM DENT:** I'll take that on notice.

**The Hon. MICK VEITCH:** And also who is undertaking the work?

#### ANSWER

In December 2021, SafeWork Australia published its review of its *Deemed Diseases in Australia Report* along with a Revised List of Deemed Diseases and supporting guidance material.

SIRA has commissioned work to look at the potential costs to the scheme of expanding the list of deemed diseases. Additionally, SIRA is undertaking policy work across a range of relevant considerations including the scope of the legislation and the regulation making powers.

SIRA anticipates being able to provide policy advice and recommendations to government before the end of 2022.

The actuarial costings are being undertaken by SIRA's scheme actuaries, EY.

**The Hon. PETER PRIMROSE:** Okay. Can I ask in relation to each of the probity reports that you have mentioned, were they commissioned before or after the contract was signed?

**GREG WELLS:** As Ms Young talked about this morning, there are various points that we can seek probity advice. I think the first one was after the pilot, or after the allocation per the amounts you've got there. I'll have to take on notice

#### ANSWER

The first probity report was sought after the contract was signed. In early 2019, the project was not political nor contentious and therefore probity advisor not engaged at the time. As outlined in previous answers, this was in line with [PBD-2013-05 Engagement of probity advisers and probity auditors \(nsw.gov.au\)](#) as the project had become politically sensitive.

The contract was executed in July and OCM was engaged in December 2019. Further probity advice was sought from OCM in February 2020, prior to the expansion of the app. These documents have been released within the Standing Order 52 papers.

The Probity Advisor for Accessible parking does not relate to a specific procurement. The engagement was to assist DCS ensuring that unbiased information and treatment was provided to sensor providers and councils. The Probity Report by HWLE related to the Accessible Parking is in development.

**The Hon. PETER PRIMROSE:** But that doesn't trouble you, that you check out whether someone meets an adequate and acceptable level of probity before you have signed a contract with them?

**GREG WELLS:** As we said, what we did internally was check all those things first and then post the pilot we sought an additional check from the probity adviser. We did that work, Mr Primrose, as we've talked about before.

**The Hon. PETER PRIMROSE:** How many times—if I can ask Ms Hogan—does your cluster do that? How many probity checks would the cluster undertake every year, for example?

**EMMA HOGAN:** I would have to ask Ms Young, but I would probably need to take it on notice, I would think. Do you have an answer?

**MANDY YOUNG:** We would need to take it on notice, but it is absolutely an exception that we do that. It's an exception that we would seek external probity advice, but internally we would seek legal advice or probity advice on contracts. We can take it on notice, but I don't think the number would be particularly high.

**The Hon. PETER PRIMROSE:** What I am looking at, just so I can understand this process, over the last three years—please take it on notice—is, in terms of the cluster, how many probity checks have been undertaken? Secondly, how many of those have been undertaken after contracts have been signed?

**EMMA HOGAN:** Sure, we will take that on notice. If we have taken probity advice after a contract has been signed, we will share with you why that was the case.

**The Hon. PETER PRIMROSE:** I would appreciate that. Look, I'm not going to pursue it. I find it a very strange way for a government agency to work, but that's not my Government. I will leave that and won't ask you to comment on the politics, but I'd appreciate that. Thank you.

**EMMA HOGAN:** We will take that on notice. Thanks.

**GREG WELLS:** Thank you.

## ANSWER

As there is no legislative requirement to report at the level of detail sought on probity advisors, the significant resources required to source, compile and validate this information over the numerous time periods cannot be supported at this time.

As a Level 2 accredited Cluster for Goods & Services procurement, DCS conducts its procurement in accordance with NSW Government Procurement Policy. The DCS Procurement Manual sets out the behaviours, processes, and procedures to be exercised when conducting procurement activity in accordance with the NSW Procurement Framework, to ensure procurement activities are undertaken within a framework of strong governance, fairness, and transparency.

The DCS Procurement Manual requires that the engagement of external probity advisors or auditors should be an exception rather than the rule, in line with NSW Procurement Framework.

In support of this, DCS has a strong governance framework and internal governance processes to which it is expected all staff adhere to. Details of these can be found in the Agency Annual Report, together with disclosure of Consultancy costs in accordance with applicable government policies and procedures.

Further, DCS Corporate Services Division comprises personnel with deep subject matter expertise in the areas of audit, investigations, procurement and legal. This ensures that DCS can access expert advice on procurement related matters internally.

**The Hon. MICK VEITCH:** Just to wind out on that and close that out, I would assume that each time you engaged a probity adviser or a probity auditor there would be a set of instructions around the scope of the work that they are to undertake.

**EMMA HOGAN:** Yes, of course.

**The Hon. MICK VEITCH:** Is it possible to provide us with the scope of work for the probity audits or probity advice that was provided for this? Not the actual—I don't want the dollars and cents.

**EMMA HOGAN:** Yes. I suspect for the first two probity audits that we've referred to today, they're in the Standing Order 52 that has been provided, I think.

**The Hon. MICK VEITCH:** Yes.

**EMMA HOGAN:** But in relation to the scope for the third one, if that's complete and that's underway, I'm sure we could provide it on notice.

## ANSWER

Accessible Parking Probity Advisor (third Probity Advisor engagement)

Probity Advisor from HWL Ebsworth Lawyers

Statement of Work:

- review the preliminary slide packs provided and attend initial meeting with the team;
- attend meetings with DCS project team and DCS Legal to discuss any probity matters relating to the project;
- consider the final draft Funding Process Document, Briefing Material and Guidance Material and provide any probity-related comments and input, for consideration by DCS in finalising these documents;
- develop a probity plan that will be tailored to this matter, outlining the probity considerations relating to the approach (including requirements for managing conflicts of interest and attaching a meeting protocol to govern any council meetings that will take place);
- attend the briefing session(s) and any meetings with council; and provide a probity report/probity sign-off at key points of the project (which will be set out in the probity plan) confirming that DCS has followed the process set out in the approved version of the Funding Process Document.

**ADAM DENT:** I have two quick updates, if I may. First, a clarification my CFO sent: In relation to the expenditure on actuaries, I need to be clear that it's for the whole of SIRA. That includes the motor accidents scheme, not just workers compensation, and I would suggest that most of our expenditure on actuaries would be weighted towards the motor accidents scheme because there are more significant matters we need actuarial support on, including risk equalisation measures et cetera.

**The Hon. MICK VEITCH:** Are you able to break those down, Mr Dent?

**ADAM DENT:** We can do it on notice, absolutely.

**The Hon. MICK VEITCH:** Please—yes, of course.

**ANSWER**

As at 30 June 2022, the unaudited total consultants expenditure for SIRA was \$6.2 million, of which \$80,000 was funded from contributions from the Workers Compensation Operational Fund and the majority of the balance was funded from contributions from the Motor Accident Operational Fund. SIRA discloses consultants expenditure in the annual report.