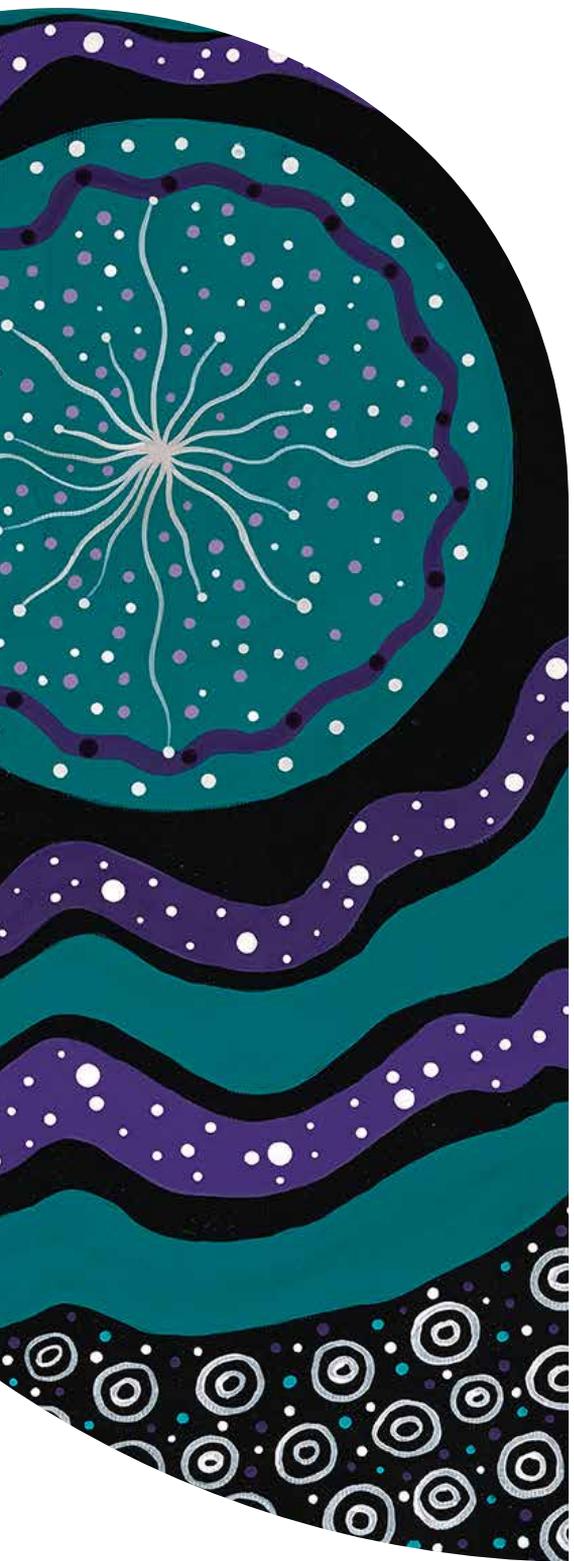

Public Service Commission

Annual Report 2020-2021



ENABLING A
WORLD CLASS
PUBLIC SERVICE





Acknowledgement

The Public Service Commission acknowledges the traditional custodians of the lands on which we work and gather, and their continuing connection to land and waters. We pay respects to Elders past, present and emerging.

We pay tribute to the diversity of Aboriginal and Torres Strait Islander peoples, their ongoing culture and to our Aboriginal and Torres Strait Islander colleagues.

Letter of submission

The Hon. Dominic Perrottet MP
Premier of New South Wales
GPO Box 5341
SYDNEY NSW 2001

The Hon. Don Harwin MLC
Minister for the Public Service and Employee
Relations, Aboriginal Affairs, and the Arts
GPO Box 5341
SYDNEY NSW 2001

Dear Premier and Minister

In accordance with the *Annual Reports (Departments) Act 1985*, it is my pleasure to submit the Public Service Commission Annual Report 2020-2021 to you for presentation to the Parliament of New South Wales.

The Public Service Commission Annual Report 2020-2021 is an account of the establishment, activities and performance of the Public Service Commission for the period 1 July 2020 to 30 June 2021.

The report also provides an account of my work and activities, as required by section 15(1) of the *Government Sector Employment Act 2013*. Please note, the annual *State of the NSW Public Sector Report* and *Workforce Profile Report* will be submitted in December 2021 for the purposes of section 15(2) of the *Government Sector Employment Act 2013*.

The Public Service Commission Annual Report 2020-2021 has been prepared in accordance with the provisions of the *Public Finance and Audit Act 1983*, the *Public Finance and Audit Regulation 2015*, the *Annual Reports (Departments) Act 1985*, and the *Annual Reports (Departments) Regulation 2015*.

As required by the *Annual Reports (Departments) Act 1985*, I have also provided a copy of the Public Service Commission Annual Report 2020-2021 to the Treasurer, the Hon. Matthew Kean MP.

Yours sincerely



Kathrina Lo
Public Service Commissioner

Date: 12 October 2021

Message from the Chair



As the Chair of the Advisory Board, it has been heartening to watch the continued resilience and commitment of the NSW public sector, and of every person in the Public Service Commission (PSC) over the past 12 months.

The hard work of the sector continues to have a positive impact on the people of NSW, with the sector's Customer Satisfaction Index increasing to 82% in 2020 for consumers and 80.7% for businesses¹. This is a significant show of support for the work the sector is doing to assist local communities and businesses during a time of continued change.

I thank you for your support in having remained focused on the constantly changing needs of the people of NSW and responding with empathy, determination and agility.

Collaboration and partnership

The PSC is committed to understanding where examples of best workplace practice exist across the sector, within other jurisdictions and in the private sector. We are uniquely well positioned to share the knowledge by working in collaboration with our sector customers and partners. This enables us to jointly create and deliver more effective solutions and outcomes as we continue to drive our aspiration of creating a world class public service.

This year I was pleased to take part in the commencement of the PSC's strategic planning session. It is always important to bring the customer voice into the room as we chart our future. It was wonderful to have 3 senior public servants join us for this session – Samara Dobbins, Chief People Officer, Department of Premier & Cabinet, Sally Friedlander, Chief People Officer, Department of Planning, Industry and Environment, and Brendan Thomas, Chief Executive Officer, Legal Aid NSW. I thank Samara, Sally and Brendan for their openness in discussing the challenges they face and how the PSC can best continue to support and enable their agencies. Their input alongside that of our PSC team was invaluable.

¹ Customer satisfaction measurement survey top-line results 2020, Department of Customer Service

Delivering for the NSW public sector

As we continued to navigate through the impact of COVID-19 and respond to the constantly changing needs of the public sector some of our key areas of focus have included:

- Progressing our work on the Premier's Priority to create a world class public service: 41% of sector senior executive roles are held by women; there are 105 Aboriginal senior leaders in the sector; and our workforce includes 2.4% of roles held by people with disability.
- Progress in key strategic focus areas of capability building; inclusion and belonging; transformational data and insights; and transformational work practices.
- Advancing our diversity and inclusion initiatives, with the sector showing an increase to 72% in favourable scores on diversity and inclusion measures in the 2020 People Matter survey.
- Supporting the sector to hire 213 candidates from our award-winning talent acquisition programs.
- Delivering significant enhancements to gender neutral paid parental leave for all sector employees, creating more opportunities for women's participation in the workforce and better work/life balance for new parents.
- Supporting the sector's goal of increasing our regional workforce by using a principles-based approach to establish a regional workforce strategy in collaboration with Chief People Officers from across the sector.

The year ahead

I would like to take this opportunity to thank Kathrina Lo for her contribution, dedication and leadership through a year of unprecedented change for the PSC, the NSW public sector and the people of NSW.

It is a great privilege for me to be the PSC Chair and work alongside my Board colleagues, who bring their expertise, insights and passion to our work. I thank them all for their contribution during the past year.

Our goals for the upcoming year are ambitious and clearly defined. Each of us at the PSC is committed to continuing to support the delivery of a world class public service for the people of NSW.

I look forward to 2022.

Sandra McPhee AM

Chair

Public Service Commission Advisory Board

Message from the Commissioner



Our ability to connect, collaborate and provide quality data and insights at pace has been crucial in enabling important outcomes for the public sector workforce this year.

Connection, capability and co-design

We formally established the Chief People Officers' Leadership Group, first started in response to last year's bush fires. This forum has shown its value by connecting leaders to address workforce issues, particularly in times of crisis. I have enjoyed learning from and working with the group, chairing meetings on a range of topics ranging from vaccine rollout to managing employee wellbeing.

Our commitment to uplifting public sector capability continued with the rollout of people manager online training – 29 agencies have taken up the training so far. The Spark mentoring program paired 60 NSW Government HR practitioners with mentors, and we saw 343 executives through the Leadership Academy.

We are increasingly using co-design approaches to help ensure solutions meet the needs of our workforce now and into the future. Our sector partnerships to accelerate digital capabilities and strategic workforce planning are great examples of this.

Working responsively

The NSW Government committed to creating more public sector roles in regional NSW. Our capabilities in data insights and strategic workforce planning coupled with our ability to connect leaders allowed the rapid development of the regional workforce strategy.

Approval for enhancements to the paid parental leave for the public sector workforce was a significant success this year. We led a sector working group to develop a gender-neutral policy that better meets the needs of our modern and diverse workforce.

Winning awards

Our quality work was recognised by several awards. The NSW Government Graduate Program was named the #1 graduate program in Australia in 2021 by the Australian Financial Review. Our 2020 Premier's Awards Livestream event won a Gold Quill, an international communications award. And we were thrilled to receive a Silver Award from the Australasian Reporting Association for the NSW Public Service Commission Annual Report 2019-2020, the first time the PSC has entered this award.

Commitment to transparency and accountability

We have had a particular focus on best practice processes and accountability. Our new governance framework, risk appetite statements, and updated financial delegations all contribute to this. Importantly, we have improved our cyber security positive maturity rating, consistent with the core requirements of the NSW Government Cyber Security Policy and the Essential 8 framework.

During April and May we worked collectively to develop our new Strategic Plan 2022-2025. It is driven by the needs of an evolving sector and expresses clear outcomes and transparent and measurable targets to show our progress over the next 4 years.

My thanks

Thank you to the PSC staff. We have supported each other through the changes brought by the pandemic and demonstrated an unwavering commitment to our purpose. A culture of belonging is very important to us and I am always so proud to see the energy of staff as they organise events that encourage and support inclusion.

I would like to thank our Senior Leadership Team, who have continually shown their resilience in managing their teams through change and are committed to a PSC that values and empowers our staff through our Transformational Leadership program.

I would also like to extend my thanks to the PSC Advisory Board for their ongoing support and guidance, and their role in our continued success over the past year.

Kathrina Lo

Public Service Commissioner

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Our organisation

Our **purpose** is to be a trusted partner and advisor to the NSW public sector in shaping a world class workforce.

Because our **ambition** is a contemporary, diverse, inclusive and highly capable public sector that delivers the best outcomes for the people of NSW.

We do this through our **values** of Integrity, Trust, Service and Accountability.



Who we are

The Public Service Commissioner is an independent statutory office holder appointed by the Governor under the *Government Sector Employment Act 2013 (NSW)*. The Public Service Commission (PSC) is a Public Service agency that exists to support the Commissioner in the execution of their statutory functions.

Our customers

Our customers are all employees from across the 9 NSW public sector clusters: Health; Education; Stronger Communities; Transport; Planning, Industry & Environment; Customer Service; Premier & Cabinet; Treasury; and Regional NSW. This includes office-based, frontline and operational staff, regional and metropolitan staff. Our high contact stakeholders include cluster Secretaries, Deputy Secretaries, Chief People Officers, Human Resources Executive Directors, HR practitioners, diversity and inclusion leads and hiring managers.

We partner with and advise our customers, helping ensure the sector is up-to-date with contemporary best practice, has the data and insights for sound decision making and supports inclusive, ethical, values driven workplaces.

Together, we create better outcomes for the people of NSW.

A trusted partner and advisor to the NSW public sector in shaping a world class workforce.

Role of the Commissioner

The Public Service Commissioner reports to the NSW Premier and the Special Minister of State, and Minister for the Public Service and Employee Relations, Aboriginal Affairs, and the Arts ('the Minister') on the exercise of the Public Service Commissioner's functions under the *Government Sector Employment Act 2013* (GSE Act). The Commissioner is not subject to the control and direction of the Premier or the Minister in the exercise of these functions. The GSE Act is jointly administered by the Premier and the Minister.

The GSE Act establishes the role of the Public Service Commissioner. The Act states the principal objectives of the Commissioner are to:

- promote and maintain the highest levels of integrity, impartiality, accountability and leadership across the government sector
 - improve the capability of the government sector to provide strategic and innovative policy advice, implement the decisions of the NSW Government and meet public expectations
 - attract and retain a high calibre professional government sector workforce
 - ensure that government sector recruitment and selection processes comply with the merit principle and adhere to professional standards
 - foster a public service culture in which customer service, initiative, individual responsibility and the achievement of results are strongly valued
 - build public confidence in the government sector
- support the NSW Government in achieving positive budget outcomes through strengthening the capability of the government sector workforce.

The Act also states the Commissioner has the following functions:

- To identify reform opportunities for the government sector workforce and to advise the NSW Government on policy innovations and strategy in those areas of reform.
- To lead the strategic development and management of the government sector workforce in relation to:
 - » workforce planning, including identifying risks and strategies to minimise risks
 - » recruitment, particularly compliance with requirements relating to appointment and promotion on merit performance management and recognition
 - » equity and diversity, including strategies to ensure the government sector reflects the diversity of the wider community
 - » general conduct and compliance with ethical practices
 - » learning and development
 - » succession planning
 - » redeployment, including excess employees
 - » staff mobility
 - » executive employment arrangements.

- To advise the NSW Government on leadership structure for the government sector.
- To advise the NSW Government on appropriate strategies, policies and practices in relation to the structure of the government sector workforce.
- To advise the NSW Government on appropriate strategies, policies and practices in relation to such other government sector matters as the Ministers administering the GSE Act may determine from time to time, and to monitor, co-ordinate and assist the implementation of NSW Government strategies, policies and practices in such other areas as the Ministers administering the GSE Act may determine from time to time.
- To develop and advise the NSW Government on service delivery strategies and models for the government sector through collaboration with the private business sector, the not-for-profit sector and the wider community.
- To set standards, subject to any legislative requirements, for the selection of persons for appointment as members of boards or committees of public authorities (including Government business enterprises).

The Commissioner has and may exercise such other functions as are conferred or imposed on the Commissioner by or under the GSE Act or any other Act. For example, the Commissioner has the power to conduct inquiries into any matter relating to the administration or management of a government sector agency.

The Commissioner is to exercise his or her functions in accordance with general policies and strategic directions determined by the PSC Advisory Board.

The Public Service Commissioner has a role in reporting on major issues that face the NSW public sector workforce, supported by the PSC. This includes an annual State of the NSW Public Sector Report and reporting on workforce diversity across government sector agencies that the Premier tables in Parliament on behalf of the PSC.

Applying the GSE Act

The GSE Act establishes two main employment structures: the 'government sector', and within that, the 'Public Service'. The Public Service consists of the departments and agencies listed in Schedule 1 to the GSE Act. The components of the Public Service are:

- Departments – listed in Part 1 of Schedule 1
- Public Service executive agencies related to Departments – listed in Part 2 of Schedule 1
- separate Public Service agencies – listed in Part 3 of Schedule 1.

The government sector, as defined by the GSE Act, includes the Public Service, the Teaching Service, the NSW Police Force, the NSW Health Service, the Transport Service of New South Wales, any other service of the Crown (including the service of any NSW Government agency) and the service of any other person or body constituted by or under an Act or exercising public functions (such as a State owned corporation), being a person or body that is prescribed by the regulations for the purposes of this definition.

The public sector incorporates the government sector and the service of certain other public bodies including the Independent Commission Against Corruption, the Audit Office of New South Wales, the Parliament, the Judicial Commission, and the service of State-owned corporations such as water and energy companies.

Regulation and rules

The GSE Act is supported by:

- Government Sector Employment Regulation 2014 (GSE Regulation)
- Government Sector Employment (General) Rules 2014 (GSE Rules)
- Government Sector Employment (Health Service Senior Executives) Rules 2016
- Government Sector Employment (NSW Police Force) Rules 2017
- Government Sector Employment (Transport Service Senior Executives) Rules 2017
- Government Sector Employment (Senior Executive Bands) Determination 2014.

The public sector

The government sector

under the Government Sector Employment Act 2013 (NSW)

Teaching Service

Other Crown services#

Public Service

- Departments
- Executive agencies related to a department
- Separate Public Service agencies

Police Force

Transport Service

Health Service

State owned corporations*

Judicial officers

Independent Commission Against Corruption

Audit Office

Staff of Members of Parliament**

Staff of the Parliament

Judicial Commission

Examples of other services of the Crown include the service of NSW Government agencies such as the TAFE Commission (excluding senior executives) and School Administrative and Support Staff.

* Under the GSE Act, State owned corporations are included in the government sector for certain, specified purposes. In this report, they are treated as part of the public sector but not the government sector.

** The PSC does not collect data on these employees.



Staff attend the 18th annual CEO and Young Professionals breakfast. Left to right: Elle Wood, Annaliese Hickie, Kathrina Lo (Public Service Commissioner), Heggy Odeh, Joyce Setoo-McEvoy, Cindy Leung, Ross Weich, Erntasha The-tjoean

Organisation structure

In 2020 we underwent an organisational restructure to help ensure we continue to be deep and impactful, responsive to sector needs and work cohesively as one team.

The restructure was concluded by December 2020, with the new operating model beginning in late 2020. An evaluation of the process and methodology was conducted by the Deputy Commissioner in 2021. The terms of reference and final evaluation report and recommendations were made available to all staff and the Public Service Association.

As at 30 June 2021, our organisational structure included a Capability & Culture division and a Corporate Services division. Capability & Culture is comprised of 4 operational branches: Leadership and Talent, Workforce Strategy and Capability, Performance and Insights, and Workforce Inclusion and Experience.

Management Board established

As part of our organisational restructure, a new governance framework was formalised in February 2021, with a key change being the establishment of our Management Board. It is the most senior governance and decision-making body in the PSC, providing executive leadership, strategic oversight, risk management and assurance for the planning and delivery of our program of work. More information on our Governance Framework can be found on page 73 in the [governance](#) section.



Left to right: Narelle Barnes, Joyce Low, Kathrina Lo, Chris Lamb

As at June 30, 2021 our Management Board included:

- Kathrina Lo, NSW Public Service Commissioner (Chair)
- Chris Lamb, Deputy Commissioner
- Joyce Low, Chief Financial Officer, Director, Governance & Risk
- Narelle Barnes, Acting Associate Director, People and Engagement
- Sarah Bradshaw, Executive Officer to the Commissioner (observer)



Kathrina Lo (Public Service Commissioner) keynote address at the North Coast Female Leadership Forum

Senior Leadership Team

Our Senior Leadership Team provides organisational leadership by promoting and delivering the PSC's strategic direction and priorities and ensuring risks are managed. It also facilitates information sharing, collaboration and consultation among the PSC's senior leaders on matters affecting the organisation.

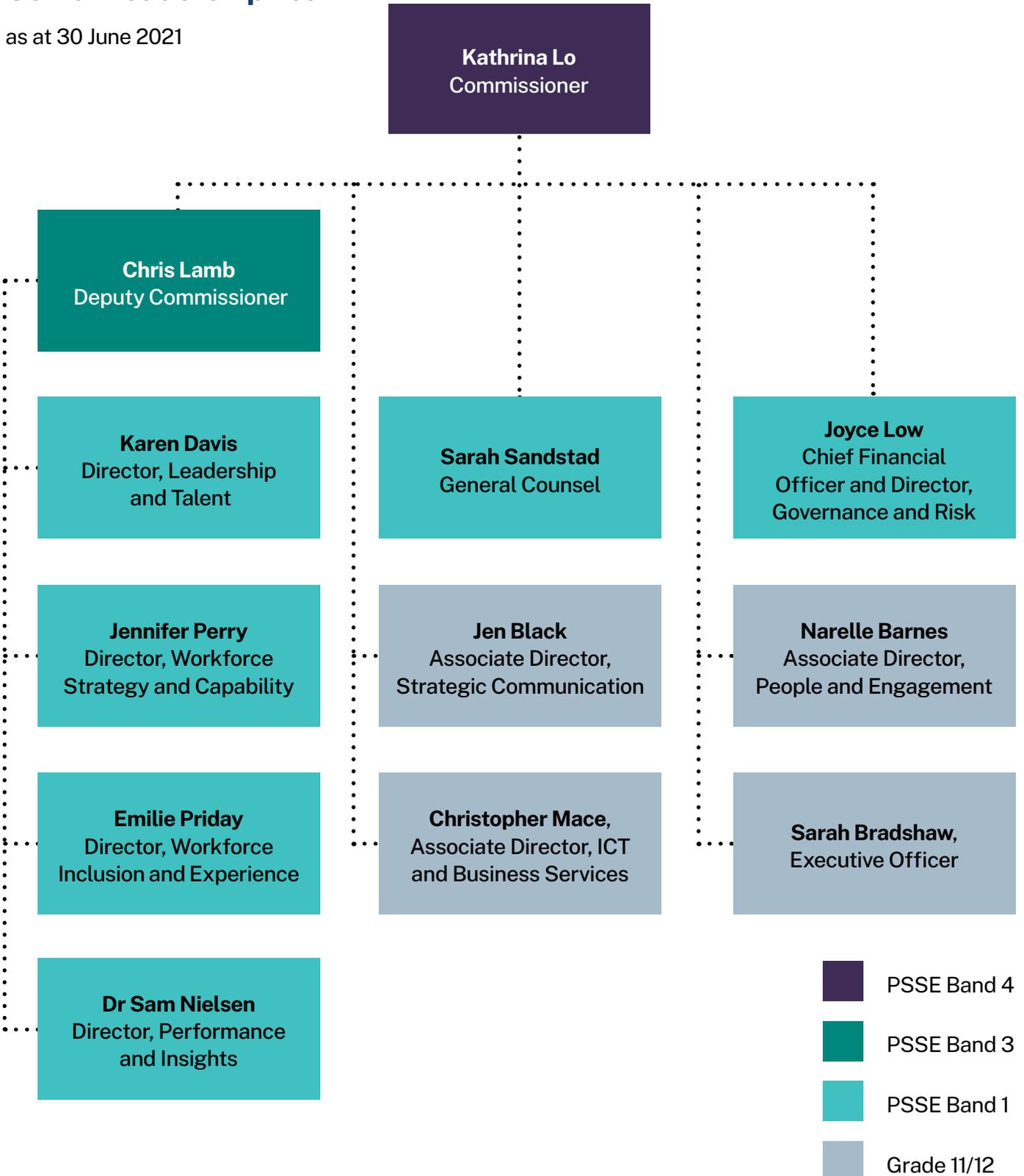
The Public Service senior executive (PSSE) headcount for the PSC is a total of 8 executives and is shown in the [chart below](#) and [Appendix A Workforce information and diversity](#).

Movements within the year included the:

- departure of Gail Le Bransky from the temporary role of Director Disability Employment in September 2020
- departure of Dr Kate Harrington as Acting Assistant Commissioner in October 2020
- appointment of Jane Spring to the role of Chief Operating Officer in October 2020
- appointment of Chris Lamb to the role of Deputy Commissioner in October 2020
- appointment of Sarah Sandstad to the role of General Counsel in April 2021 following her secondment from the Department of Customer Service
- secondment and temporary appointment of Anat Hassner to the role of Assistant Commissioner, Regional Workforce in April 2021
- departure of Jane Spring as Chief Operating Officer in April 2020
- departure of Anat Hassner as Assistant Commissioner, Regional Workforce in June 2021.

Senior Leadership Team

as at 30 June 2021



Kathrina Lo

Public Service Commissioner

Master of Laws, Bachelor of Laws, Bachelor of Economics, Graduate Diploma in Legal Practice

Kathrina joined the Commission in April 2020 after previously working as a Deputy Secretary for the Department of Communities and Justice. Kathrina has extensive public sector experience with both state and federal governments. She has held senior executive roles in the NSW Department of Justice, Audit Office of New South Wales and NSW Information and Privacy Commission. She is passionate about working in the public interest and is a champion for diversity and inclusion. Kathrina is a member of Chief Executive Women.

Chris Lamb

Deputy Commissioner

Diploma Business (Banking & Finance), Graduate Diploma of Management, Graduate Certificate Aboriginal Studies, GAICD, FCPHR, MPACFA

Chris joined the Commission in October 2020 after previous senior leadership roles in People and Culture, Talent and Organisation Development for Lendlease, American Express and Westpac. Chris has a strong commitment to achieving outcomes related to diversity and inclusion and has overseen award winning Diversity and Inclusion programs for gender diversity, Indigenous Engagement, LGBTIQ+ inclusion and mental health.

He is a graduate of the Australian Institute of Company Directors and a certified Practising Fellow of the Australian Human Resources Institute.

Emilie Priday

Director, Workforce Inclusion and Experience

Master of Criminology, Bachelor of Social Work (Honours), Bachelor of Arts

Emilie joined the PSC in October 2018 as the Director of Performance and Reporting. Emilie has extensive experience in social policy and research. Prior to joining the PSC, Emilie led significant programs of work at the Australian Human Rights Commission, including the collaboration with the Australian Defence Force to embed cultural reform priorities and increase diversity and inclusion.

Jennifer Perry

Director, Workforce Strategy and Capability

Master of Public Administration, Bachelor of Laws, Bachelor of Arts (Honours)

Appointed in September 2017, Jennifer is Director of the Workforce Strategy Branch. Jennifer has over 15 years' experience in HR and industrial relations, including roles with the NSW Department of Premier and Cabinet, the former Attorney General's Department and Legal Aid NSW. Jennifer brings an in-depth knowledge of NSW public sector employment frameworks and extensive experience in working to deliver strategic workforce reform initiatives across government to the role.

Joyce Low

Chief Financial Officer and Director, Governance and Risk

Master of Commerce (Financial Accounting), Bachelor of Commerce, Fellow of the Institute of Chartered Accountants in Australia and New Zealand

Joyce is the Chief Financial Officer and Director, Governance and Risk at the PSC and has over 20 years' experience in the public sector. Joyce commenced her role at the PSC in January 2019. Joyce's experience includes appointments at the Audit Office of New South Wales, various senior finance roles in Sydney Harbour Foreshore Authority and Housing NSW, Financial Controller at ASIC, CFO at the Ministry for Police & Emergency Services and Director, Financial Planning & Strategy at the NSW Department of Education.

Karen Davis

Director, Leadership and Talent

Bachelor of Education, Diploma in Teaching, Graduate Certificate in Social Administration

Before joining the PSC in April 2018, Karen led, reformed, and implemented strategies for government departments and large organisations in the areas of mobility, people and culture, operations, human resources, training, organisational development, and leadership – locally and internationally. Karen has held leadership roles across the NSW public sector including the NSW Department of Premier and Cabinet and managed her own consultancy firm whose clients included the NSW Department of Health, Roads and Maritime Services and more.

Dr Sam Nielsen

Director, Performance and Insights

Doctor of Philosophy in Disaster Management, Master of Education (Research), Bachelor of Science, Bachelor of Information Technology, Bachelor of Arts

Sam joined the PSC in January 2020 as the Director of Workforce Analytics and Systems. His work uses strategy, analytics and data science to ensure an organisation has insightful and empowering evidence to optimise success in key decisions and transformations. Sam worked in the higher education sector for more than 20 years as a researcher, administrator, and manager, previously leading the Strategic Intelligence Unit, International Strategy Unit and the Department of Reporting and Analysis at the Queensland University of Technology (QUT).

Sarah Sandstad

General Counsel

Master of Laws, Bachelor of Laws (Honours), Graduate Certificate in Legal Practice, Bachelor of Arts

Sarah joined the PSC as General Counsel in June 2020. Sarah brings a wealth of government legal experience to the role of General Counsel, with over 20 years' experience in senior legal roles. Prior to joining PSC, Sarah held the senior executive role of Director Legal, NSW Department of Customer Service and its predecessor the NSW Department of Finance Services and Innovation for over 4 years, and prior to that advised a broad range of NSW Government agencies in her capacity as a Senior Solicitor, NSW Crown Solicitor's Office.

Narelle Barnes

Acting Associate Director, People & Engagement

Certificate IV Training and Assessment, Executive Coach Certification, Strategic HR Business Partnering Certification

Narelle joined the PSC in May 2020. She has over 15 years' experience in HR and Leadership roles in the private sector, for both local and global organisations. Narelle has worked in HR generalist, learning and development, talent development and senior HR positions across industries. Narelle brings a strong mix of HR, commercial and strategic workforce transformation capabilities to our People and Engagement team.

Chris Mace

Associate Director, ICT and Business Services

Bachelor of Arts, Member of Australian Institute of Company Directors

Appointed in November 2017, Chris is responsible for ICT, Business Services and Cyber Security. Chris holds the role of Chief Information & Security Officer at the Public Service Commission and has over 15 years of experience in technology, security, and corporate services. Chris has held various senior ICT roles across government, university, and private sectors.

Jen Black

Associate Director, Strategic Communication

Bachelor of Commerce, Bachelor of Arts

Jen joined the PSC at the beginning of 2020. She is an award-winning communication professional with 20 years' experience in both the United Kingdom and Australia. Since moving to Australia, Jen has worked in both state and federal government roles. She has extensive experience in leading strategic initiatives that deliver customer-centred outcomes within complex organisations.

Sarah Bradshaw

Executive Officer, Commissioner's Office

Bachelor of Arts, Graduate Certificate in Human Resource Management

Sarah has been with the PSC since 2012, having previously been a Senior Advisor at the Department of Premier and Cabinet. Sarah has worked across remuneration tribunals, senior executive employment, and government boards and committees. As Executive Officer to the Commissioner, Sarah liaises regularly with senior external stakeholders, including board members and ministerial staff.

Advisory Board

The PSC Advisory Board is established by the GSE Act.

The Advisory Board determines general policies and strategic directions in relation to the functions of the Public Service Commissioner and advises the Premier, either on request or on its own initiative, on any matter relating to the management and performance of the government sector.

The Advisory Board has such other functions as are conferred or imposed on it by or under the GSE Act or any other Act. Members comprise a Chairperson and 4 others appointed by the Premier, together with the Public Service Commissioner and Secretaries of the Department of Premier and Cabinet (DPC) and the Treasury (or their respective senior delegates).

The Premier's appointees must together have expertise in human resources management, probity and accountability, strategic planning, budget and performance management and service delivery across the public, private, tertiary and not-for-profit sectors.

As at 30 June 2021, the Advisory Board members include:

- Sandra McPhee AM (current Chair)
- Vince Graham AM
- Susan Lloyd-Hurwitz
- Jordan O'Reilly
- Kathrina Lo (Public Service Commissioner)
- Tim Reardon (Secretary, DPC)
- Michael Pratt (Secretary, Treasury)

Biographies of external Advisory Board members can be found on page 120 in [Appendix C: Advisory Board member biographies](#).

The Advisory Board determines general policies and strategic directions in relation to the functions of the Public Service Commissioner and advises the Premier.

Calendar of events 2020-2021

July

- The Age of Inclusion program launched
- Pride in NSW employee network launched

August

- The Spark HR capability uplift program launched

September

- Inclusive leadership social media campaign

October

- Formal establishment of Chief People Officers' group
- PSC transformational leadership workshops commence

November

- Premier's Awards ceremony held
- New PSC corporate website launches

December

- International Day of People with Disability sector event held

January

- Anita Hawtin, Principal Advisor Talent Acquisition, receives Public Service Medal

February

- New PSC Governance Framework launched
- Commencement of Workforce Regionalisation work
- NSW Government Graduate program named #1 in Australia

March

- Release of 2020 State of the Public Sector and Workforce Profile reports
- International Women's Day sector event held

April

- Digital Career Pathways tool launched
- Work begins on PSC strategic planning 2022-2025

May

- Release of calendar of Aboriginal significant events and celebrations
- The Spark HR mentoring program launched
- 2020 Premier's Awards event wins IABC Gold Quill Award

June

- Gender neutral paid parental scheme launched

Awards received in 2020-2021



IABC's Gold Quill Awards have recognised and awarded excellence in strategic communication worldwide for more than 40 years. The awards have a focus on achieving solid business outcomes and are acknowledged as one of the most prestigious awards programs in the industry. See page 30 for information on how the [2020 Premier's Awards set the benchmark for a world class public service.](#)



The Australasian Reporting Awards (ARA) are open to all private sector, public sector and not-for-profit organisations in Australia, New Zealand and countries in the Asia-Pacific region and beyond. A Silver Award means our 2019-2020 report provided quality coverage of most of the ARA criteria; satisfactory disclosure of key aspects of business; and outstanding disclosure in at least one major area.



Left to right: Governor of NSW, Her Excellency the Honourable Margaret Beazley AC QC and Anita Hawtin PSM

We were all proud to see our own Anita Hawtin on the Australia Day 2021 Honours List. Anita was awarded the Public Service Medal for outstanding public service to the NSW Public Service Commission. The Award recognises Anita's hard work establishing the NSW Government Graduate Program and sector-wide talent pools.



The NSW Government Graduate Program was named Australia's number 1 graduate employer in the Australian Financial Review's Top 100 Graduate Employer's list for 2021. We were also a finalist in the Business & Commerce category and were awarded the Most Popular Government and Defence Employer in Australia for the fourth year running. See page 34 for more information about [Growing the most popular graduate program in Australia.](#)

Operational performance



A message from the Chief Financial Officer

Despite a challenging year of uncertainties brought on by the pandemic, we operated within our approved expense budget control limits and achieved a net result of \$0.319m, which was \$2.233m better than budget.

Full year operating expenditure of \$17.309m was \$0.570m, 3.2% lower than original budget. Another pleasing result was the budget transfer of sector programs to the PSC, thereby removing the inefficiencies of inter-agency invoicing.

Our internal budget allocations proceeded using our newly issued Outcome Budgeting Business Planning Principles, where the focus is on branch business plans aligning with PSC strategic focus outcomes and measurable performance.

By integrating outcomes into our budgeting process and the performance metrics in our business plans, we can increase transparency and accountability.

Contemporary CFOs are strategic partners to their organisation and focus on the 'why' and 'how' and we are no different at the PSC. For the next 12 months, my team will be embarking on more collaboration within the PSC to deliver business outcomes and focusing on more analytical narratives to complement the reporting. There's a story behind the numbers.

Joyce Low

Chief Financial Officer and Director, Governance and Risk

Key financial statistics

	2016-17	2017-18	2018-19	2019-20	2020-21
Five year trend	\$'000	\$'000	\$'000	\$'000	\$'000
Financial performance					
Total revenue	37,718	40,638	41,604	44,102	39,563
Total expenses	38,546	37,298	41,365	43,095	38,638
Net result	(828)	3,340	207	1,011	319
Financial position					
Total assets	3,908	10,783	9,596	13,356	11,901
Total liabilities	5,080	8,616	7,222	9,971	8,197
Accumulated funds	(1,172)	2,167	2,374	3,385	3,704

Performance against budget

	2020-21	2020-21	2021-22
	Budget	Actual	Budget
Revenue	\$'000	\$'000	\$'000
Appropriations	33,607	32,226	32,625
Other revenue	6,098	7,337	3,672
Total revenue	39,705	39,563	36,297
Expenditure			
Employee relates expenses	21,357	19,331	21,505
Other operating expenses	17,920	17,352	14,027
Depreciation and amortisation	2,342	1,955	2,235
Total expenses	41,619	38,638	37,767
Impairment loss on right of use asset	-	606	-
Net result	(1,914)	319	1,468

Year in review highlights

We have been very pleased with our results and the impact we had progressing our strategic focus areas. During this year's strategic planning we identified our success targets up to 2025 and started developing baseline measures.



Progress towards strategic focus areas 2020-2021

Smarter ways of working

We enable a mobile and responsive public sector workforce focused on the delivery of customer-centric services.

Action	Performance	What's next
Develop internship programs for Aboriginal people and people with disability	On track	Continue internship programs and build the talent pipeline
Manage and promote best practice recruitment, talent pools, career development and mobility initiatives	On track	Continue to collaborate with the sector on recruitment, talent and mobility initiatives. Complete refresh of the I work for NSW website.
Roll-out strategic workforce planning Accelerator series and masterclasses	Delivered	Continue to collaborate with the sector on strategic workforce planning pilots and review the strategic workforce planning framework.
Develop an organisation and role design framework and supporting resources	Ongoing	Test and refine the framework and supporting resources in partnership with the sector
Develop a workforce transition and change management resource	Ongoing	Design approach to uplift the sector's change management capability based on needs/gap analysis findings

Key measures of success

Year-on-year increase in number of candidates hired by agencies through the talent acquisition programs

- 2020 established baseline: 213

Maintain percentage of graduates retained in the public sector upon completion of the program, target: 75%

- 2016–2018: 80%
- 2019: yet to be collected

Number of agencies with a strategic workforce process in place, target: 25% by 2025.

- Baseline to be established in 2021-2022.

Capability for high performance

We enable the public sector workforce's capability to adapt to emerging needs and changing environments.

Action	Performance	What's next
Increase leadership impact and build the talent pipeline	On track	Refine and refresh Leadership Academy programs
Roll-out people manager capability uplift program including online training and resources	Delivered	Refine and develop further people manager resources
Design and deliver a digital learning experience (LXP) platform	On track	Partner with Department of Customer Service to pilot the LXP with up to 5,000 of their staff. Evaluate employee adoption of the LXP and capability uplift to inform scale up decisions about digital learning across the sector
Roll-out learning pathways for the digital and customer capabilities	On track	Develop additional learning pathways for the 6 digital capabilities

Key measures of success

<p>Year-on-year increase in the number of agencies applying digital and customer capabilities</p> <ul style="list-style-type: none"> Baseline to be established 2021-2022 following pilot 	<p>Improved positive results for managing change², target: 50%</p> <ul style="list-style-type: none"> 2020: 41% 2019: 42% 	<p>Improved positive results for people managers³, target: 68%</p> <ul style="list-style-type: none"> 2020 baseline: 63%
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See page 41 for more information on our [Capability for high performance](#) focus area.

² Measured by 'Change is managed well' question, *People Matter Employee Survey*

³ Measured by total score Feedback and performance management questions in *People Matter Employee Survey*

Inclusive ethical public sector

We enable workplace cultures that foster diversity, belonging and respect.

Action	Performance	What's next
Develop a Belonging and Inclusion strategy	On track	Strategy launched late 2021
Launch Everyone's Business Stolen Generations training	Upcoming	Training to be released late 2021
Progress Aboriginal Employment Strategy	On track	Review and refresh strategy for 2021-2022
Deliver gender neutral paid parental leave	Delivered	Continue to work with the sector working group on ongoing enhancements
Enable progress towards disability employment targets (Premier's Priority 14)	On track	Develop tools and resources, and provide ongoing support to the sector
Progress prevention of bullying and sexual harassment project	On track	Develop tools and resources, and provide ongoing support to the sector
Launch sector wide LGBTIQ+ network and undertake targeted engagement to encourage identifying staff and allies to join	Delivered	Develop and implement an online peer to peer networking platform, sharing tools and resources for the community

Key measures of success

Increase in positive rating of senior leaders' impact on workplace culture⁴, target: 62%

- 2020: 58%
- 2019 53%

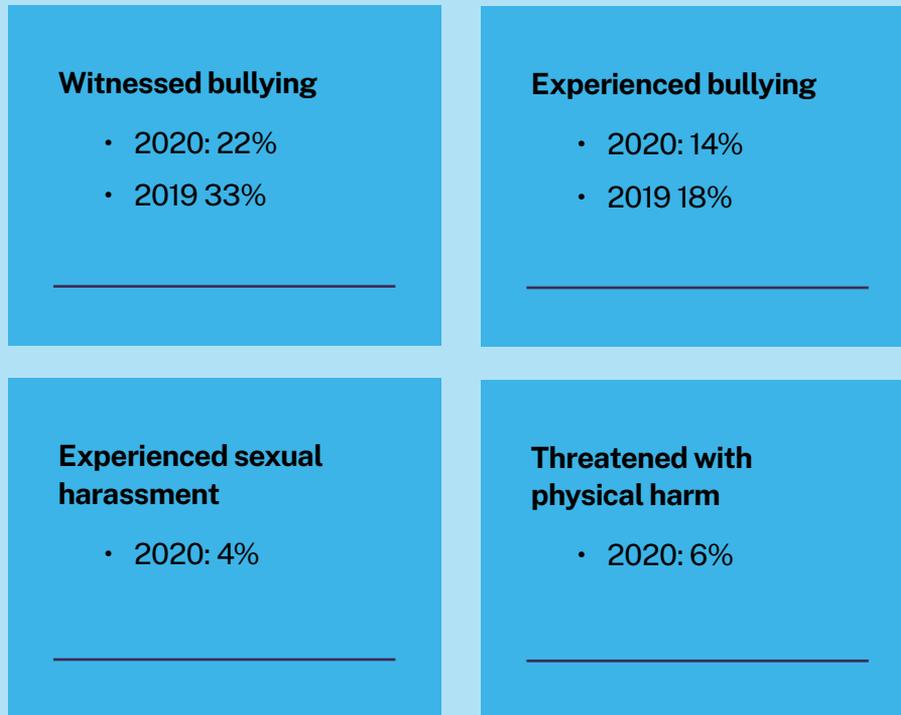
Increase in favourable scores on inclusion and diversity measures⁵, target: 75%

- 2020: 74%
- 2019 72%

⁴ Measured by total score Senior Managers' questions in *People Matter Employee Survey*

⁵ Measured by *People Matter Employee Survey*

Year-on-year decrease in incidence of bullying, sexual harassment, and harm⁶



See page 47 for more information on our [Inclusive, ethical public sector focus area](#).

⁶ Measured by *People Matter Employee Survey*

Measuring up to world class

A key foundation in addressing sector wide challenges and priorities is our ability to provide decision makers with quality data and insights, across all strategic focus areas. During 2020-2021 we have continued to deliver quality analysis and insights and have advanced development of our data strategy.

Action	Performance	What's next
Deliver flagship sector reports: People Matter Employee Survey, State of the Public Sector Report and Workforce Profile Report	On track	Continue to respond to current environment and sector needs in the delivery of data and insights
Implement the Workforce Dataflow & Analytics project to strengthen workforce analytics services	On track	Deliver Phase 1 of the project using Digital Restart Funds received
Deliver key Insights papers e.g. people with disability in the workforce and regionalisation informed by sector priorities	On track	Will deliver at least 2 key Insights papers per year in partnership with the sector
Establish a data and analytics strategy to coordinate and strengthen the PSC's approach to workforce data availability, information services and governance	On track	The strategy guides priority actions to deliver out to 2025. Examples of priorities for FY21/22 include building an Information Asset Register and establishing a Data Experts alliance
Support implementation of best practice productivity by reporting the engagement of our sector workforce and their delivery of key outcomes for a world class public sector	On track	Report sector progress using People Matter Employee Survey engagement data and an initial set of 23 outcomes delivered by our workforce as nominated by clusters

See page 55 for more information on our [Measuring up to world class focus area](#).



Left to right: Bridget Taylor and Nickolaos Nousis showcasing the benefits of digital and customer capabilities

Creating a world class public sector

The PSC, together with the Premier's Implementation Unit, are directly accountable to the Premier for Premier's Priority 14: World class public service (PP14).

This Premier's Priority seeks to implement best-practice productivity and digital capability in the NSW public sector, as well as drive public sector diversity by 2025 through:

- 50% of senior leadership roles held by women
- increasing the number of Aboriginal people in senior leadership roles to 114
- 5.6% of government sector roles held by people with a disability.

We lead and enable delivery of the priority in partnership with the sector, regularly reporting to the Secretaries Board and Premier on sector progress.

Sector performance on diversity targets 2020-2021

- 41.1% senior leadership roles held by women, up from 40.3% in 2019-2020
- 105 Aboriginal senior leaders, indicates that we continued to progress towards the target of 114, up from 98 in 2019-2020
- 2.4% government sector roles were held by people with a disability. This target has seen a slight decline from 2.5% in 2019-2020.

We assisted all 9 clusters to develop action plans and stretch targets for each priority target area. These collective actions include planned interventions to accelerate sector progress towards targets.

See page 47 for more on [Women in leadership](#).

See page 52 for more on [Improving Aboriginal cultural capability and growing our Aboriginal workforce](#).

See page 49 for more on [Improving experiences for sector employees with disability](#).

Digital capability

Our Digital and Customer Capability Framework, with 6 capabilities, ensures our workforce can respond to the changing environment of work and provide better services to our citizens.

With funding from the Digital Restart Fund, we have commenced development of a digital capability learning experience platform (LXP), learning content, and learning pathways.

See page 43 for more on [Developing digital capabilities for a future-ready workforce](#).

Productivity

We have worked closely with the sector to explore approaches to implementing and reporting on best-practice productivity. Using NSW Treasury's Outcomes Budgeting⁹ model we have established a suite of measures that account for the diverse range of services delivered by the public sector.

Employee engagement and cluster-nominated outcomes have been chosen as indicators because they are consistent with improved productivity and performance and together can be insightful and focus effort. These measures will be reported on regularly to the Secretaries Board from next year.

Key challenges

The COVID-19 response and recovery will continue to present challenges for us as we deliver services and support talent mobility. An efficient and effective workforce sector must adapt to urgent and novel events such as the pandemic and evolve new and effective models of working. For this reason, we've recognised that productivity extends beyond delivery of planned outputs and this has been reflected in the measures we've agreed with the sector.

Increasing disability employment has remained a challenge and focus for us. We facilitated a disability employment cross-sector working group that has identified a range of potential initiatives. We will continue to facilitate these connections to drive interventions for progressing the disability employment targets.

Modelling indicates that 12,000 additional people with a disability need to be employed in the sector between now and 2025 to reach the target. This will be achieved not only by additional hiring, but also by existing employees sharing their disability status. This highlights both the magnitude of the challenge, and other complexities in terms of data collection, understanding of the definition of disability, awareness and capacity building, and barriers to accessibility and sharing diversity information.

⁹ <https://www.treasury.nsw.gov.au/four-pillars/outcome-budgeting>

Our progress on Premier's Priority 14: World class public service 2020-2021

Talent and mobility

-  **150 graduates** commenced the NSW Government Graduate Program
 -  **Over 20,000 enrolments** in the NSW Government Virtual Internship Program
 -  Average time to hire from the Public Service Talent Pools is approximately **8 days**
-

Digital and Customer Capability Framework

-  **Cross sector input** in the development of learning pathways and content.
 -  **18 learning pathways** developed for the 6 Digital and Customer Capabilities
 -  **600 learning resources** developed and curated.
-

Women in leadership

-  **72 HR, recruitment and people managers** attended the Behavioural Insights Intervention workshop to **learn how to increase female applications** for leadership roles, **5 clusters** have now implemented this.
 -  **Over 1000 staff** from across the NSW public sector viewed the International Women's day event live on International Women's Day 2021
 -  **57% of participants** in the NSW Government Graduate Program are **women**
 -  **57% of participants** in the Leadership Academy are **women**
-

Aboriginal leadership and participation

 **Launched a calendar** of Aboriginal significant events and celebrations

 **50 participants** in the Aboriginal Career and Leadership Development Program

 **9% of participants** in the 2021 NSW Government Graduate program are Aboriginal

 **10 interns** participated in the Aboriginal Internship Program

 **20% of the participants** in the Leadership Academy are **Aboriginal**

Productivity

 **23 outcomes** were identified by clusters to measure productivity from 2021-2022

Disability and Inclusion

 **Launched Learning Bites** in collaboration with the Institute of Public Administration Australia, NSW

 Ran a successful International Day of People with Disability event with **383 attendees watching live** (58% attendance of 662 registrations (industry standard 35-45%))

 **Provided support to the DENconnect** (disability employment network) to support its independence as a cross sector employee group

 **Tailored Talent** was nominated for a Premier's Award 2020

 **6% of participants** in the 2021 NSW Government Graduate program have a disability

 **10 interns** participated in the Disability Internship Program

 **1.3%** of the participants in the Leadership Academy have a disability

2020 Premier's Awards set the benchmark for a world class public service



The Premier's Awards showcase the world class work of the NSW public sector.

We lead the delivery of the awards, which normally sees 300 finalists and VIPs attending an in-person event in Sydney. In response to the limitations imposed by the pandemic, we redesigned the 2020 event as a livestream. This made it much more inclusive, with over 1,500 public sector employees and their teams tuning in.

We were delighted to be awarded a Gold Quill Award of Merit for the design and delivery of the 2020 Premier's Awards Livestream, by the International Association of Business Communicators.

Over 290 nominations were received for 9 awards in the following categories:

- A strong economy
- Highest quality education
- Well connected communities with quality local environments
- Putting customer at the centre
- Tackling longstanding social challenges
- Excellence in digital innovation
- Recovery and resilience
- Anthea Kerr award
- NSW Public Servant of the Year



The 2020 NSW Public Servant of the Year award was presented to Dr Kerry Chant PSM, NSW Chief Health Officer. Dr Chant has been at the frontline of NSW's health strategy with respect to the COVID-19 pandemic and is also the longest-serving NSW Chief Health Officer, serving in the role since 2008.

Supporting the sector's COVID-19 recovery



Kathrina Lo (Public Service Commissioner) and Anat Hassner (Assistant Public Service Commissioner) meet with the Hunter Aboriginal Riverkeeper team

Connecting people leaders

This year the Commissioner continued to chair the Chief People Officers (CPO) Leadership Group. Originally formed in 2019 to discuss the sector response to the bushfires sweeping across NSW, meetings were maintained as the COVID-19 pandemic emerged. In October 2020 the group was formalised after recognising the benefits monthly and ad hoc meetings were having not only on pandemic responses, but on how CPOs were able to collaborate to address shared issues and opportunities across the sector.

The group is made up of the most senior CPO from all 9 sector clusters. It is chaired by our Commissioner and attended by the Deputy Commissioner. Together, the CPO group has contributed to range of initiatives including flexible work, vaccine rollout, return to office policies, workplace health and safety, and managing employee wellbeing.

Building back better

In late 2020 we developed a 'build back better' toolkit to support sector agencies to prepare for the return to the office where safe to do so, taking advantage of what the sector had learned while working through COVID-19. The toolkit assists teams to build a shared sense of responsibility and accountability by co-designing their 'new normal', and the opportunity to re-think where, when, how and by whom the team's outcomes are achieved.

Growing our regional workforce

In February 2021 a principles-based approach to creating more roles in regional NSW was announced by the Deputy Premier, the Hon John Barilaro MP. We were engaged to assist with the implementation of the principles, which was led by our Assistant Commissioner, Regional Workforce.

The regional workforce principles are:

1. Maintain or grow the size of the public service workforce in regional NSW (excludes Greater Sydney Metropolitan area, Newcastle and Wollongong local government areas).
2. Where roles are identified as 'location agnostic', they are advertised as 'regional location encouraged'.
3. Commit to a proportional increase of public sector roles at clerk grade 11/12 (or equivalent) and higher in regional NSW in each cluster by 2023.
4. Protect the number of jobs in vulnerable regional economies (localities of under 5,000 residents).

The Assistant Commissioner worked with teams from across the PSC, including Workforce Analytics and Workforce Strategy and Capability, to support the implementation of the regional workforce principles. Between February and June a regional workforce action plan was developed in collaboration with Chief People Officers from across the sector. These actions will be implemented between 2021-2025 to increase regional public sector roles. Focus initiatives include:

- increasing leadership presence in regional NSW where there is a disproportionate number of employees compared to leaders
- promoting regional NSW decision and policy making locally
- enabling career pathways for regional employees.

Departments were required to provide regionalisation targets for their workforce. These targets, if achieved, will see an additional 900 roles located across regional NSW by 2025.

Smarter ways of working

We enable a mobile and flexible workforce where talent is responsive to areas of need and focused on the delivery of customer-centric services by:

- developing world class recruitment and talent experiences
- ensuring high potential talent is attracted, developed, deployed and retained
- using strategic workforce planning to put the right people in the right roles at the right time
- using employment frameworks and structures to enhance sector performance
- ensuring leaders have the mindsets, capabilities and behaviours to lead high performing, outcomes-focused workplaces.



Left to right: Graduates Amelia Parsonage and John Reynolds

Growing the most popular graduate program in Australia

We lead the NSW Government Graduate Program, a whole-of-government structured employment and development initiative designed to attract and retain talented graduates, build public sector capability and develop a cohort of future leaders. It offers graduates a rewarding 18-month experience across different NSW Government agencies and includes a mentor, executive sponsor, a series of networking events and a tailored education component for each stream.

The program saw a significant 62% growth in application numbers this year with 6,377 applicants, compared to 3,937 in 2020.

The sector supported the program with a commitment to take 150 graduates. The primary stream comprised 143 graduates, open to people with any university degree. A new occupational-specific legal stream took 7 graduates, who on successful completion of the program in 2021 will be ready to be admitted as solicitors in NSW. Eighteen roles were offered across regional NSW, including Gosford, Maitland, Newcastle, Orange and Coffs Harbour.

Graduate mobility data shows that program participants progress rapidly in their careers after starting at the Grade 3/4 level. For past graduates still in the sector 3 years after completing the program, 42% of the 2016 cohort and 28% of the 2017 cohort had moved to a role that was at least 3 grades higher.

In response to agency workforce needs, the program will continue to expand with the introduction of a digital stream and a social work stream for 2022.

Providing pathways to employment for students

We run 3 internship programs for students including an Aboriginal Internship Program, a Disability Internship Program and a Virtual Internship Program.

These internships give students experience of working in NSW Government while they complete their university degree and decide on their future careers. The Aboriginal and disability targeted internship programs also support students to complete their studies and gain valuable on-the-job experience necessary to be competitive when applying for the NSW Government Graduate Program.

Launched in 2019, the Aboriginal Internship Program had 10 Aboriginal interns placed in government agencies in 2020. In 2021, 4 interns are set to graduate and more are being sought for roles across the sector.

The Disability Internship Program pilot was launched in 2020 and 10 students with disability were placed in roles at NSW Government agencies. These 10 interns will be soon graduate and be eligible to apply for the 2022 NSW Government Graduate Program. Due to the success of the pilot, the program will continue in 2021-2022 with 10 new internship placements.

The Virtual Internship Program offers students an internship like experience while showcasing the range of opportunities available to graduates in NSW Government. The program offers 4 virtual work modules in policy, digital, data analysis and legal, with an economics module due to be launched in 2021. The program continues to grow with over 20,000 students enrolled since its launch.

Reducing time to hire through talent pools

A talent pool is a group of candidates who have been rigorously assessed and are ready to be hired. Our public service talent pools provide agencies with access to diverse, high calibre talent in a way that is both time and cost effective. The average time to hire from the pools in 2020-2021 was 8 days.

Grade 3/4 and 5/6 talent pools for Client Support Officers concluded in January 2021. There was a total of 42 hires from this pool.

A Grade 1/2 talent pool was launched July 2020 with 90 candidates placed in the pool. Since its launch, this pool has had 29 hires, and will conclude January 2022.

We continue to co-design approaches for both establishing and increasing use of talent pools for common roles with the sector. A virtual assessment and selection process was run in May 2021 to create a Grade 7/8 pool for various roles. The campaign attracted 899 applications with 82 candidates placed in the talent pool. This pool will conclude on 1 January 2023.

Enabling agencies to future proof their workforce

Strategic workforce planning (SWP) is about understanding and planning for the effects of strategic and operational business imperatives on the workforce, including economic, social, and technological impacts, and social dynamics. Our target is 25% of agencies will have a SWP process in place by 2025.

SWP has many benefits for an agency including:

- increased ability to respond to internal and external changes
- reducing reactive recruitment decisions
- providing insights for leaders to make data-based decisions about the workforce
- increasing the ability to implement sustainable workforce strategies in areas that have the greatest impact.

We support agencies to implement and embed our SWP framework, which optimises the public sector workforce by putting the right people, in the right roles, at the right time, to meet the longer-term objectives of the organisation.

Throughout 2020-2021 our SWP team:

- hosted 4 SWP Accelerator workshops with over 141 sector participants to build capability and enable peer-to-peer learning in key areas
- developed a SWP toolkit and resources
- piloted a SWP masterclass to assist HR practitioners who are at the beginning of their journey
- launched the INSPIRE Collaborative, a sector-driven online community for HR and workforce planners to share experiences
- initiated an online space for over 100 practitioners to collaborate on LinkedIn
- partnered with the Department of Regional NSW and the New England North-West Region to develop workforce strategies for the region
- partnered with the Department of Regional NSW, the Riverina Murray Region and the Riverina Murray Regional Alliance to develop an Aboriginal workforce strategy, to create 20 initiatives for the region.

Next year, the focus will be on continuing to uplift capability through our masterclasses, INSPIRE Collaborative, online community of practice, planning tools and supporting resources.



Participants in the Riverina Murray strategic workforce planning workshop

Driving strategic workforce planning outcomes for the Aboriginal community of the Riverina Murray region

'Regional NSW approached us to assist them in developing an Aboriginal Employment Strategy for the region, and we were well placed to support them in this work with our strategic workforce planning tools and resources.' Louella Hodge, Principal Advisor, Workforce Strategy and Design

Using data analysis, desktop research and interviews with Aboriginal employees in the sector, the team developed and delivered a series of workshops with local participants with the first held in Wagga Wagga. 'It was great to hear the stories and perspectives of the community, to understand why the work is important – it's not just the data which tells us what we should be focusing on,' said Louella.

The workshops resulted in recommendations such as supporting Aboriginal staff in the early days and weeks of their employment with Government, investing in pathways to employment, and creating culturally safe recruitment processes.

After one workshop, an Aboriginal participant from the local area remarked that the session led them to think differently about careers in government: 'I stepped out of my comfort zone so I can be a role model for my grandchildren. I didn't dream for my children's future because I didn't dream for myself. Our families are living in chaos because they don't know how to dream. But you can't dream if you live in chaos.'

Insights from the Riverina Murray region are informing the team's ongoing approach to strategic workforce planning more broadly, Louella reflected that this work 'provides good customer service, shows our sector goals for reconciliation, and lives our sector values of integrity, accountability, service, and trust'.

Supporting the sector to work flexibly

The impact of COVID-19 has meant that flexible work is no longer the work of the future but is more accurately a description of how we work now.

We provide flexible working resources to agencies with information, advice, guidance on best practice and other tools to support leaders, People and Culture teams, managers, and employees. Flexible working is best managed and implemented when discussion and decisions are made at a local level.

Data from the 2020 People Matter Employee Survey reflects the progress made in flexible working, accelerated by the need to work from home because of COVID-19. This was particularly noted in office-based workforces.

Overall, in 2020, 65.3% of employees reported satisfaction with their access to flexible working (an increase of 6.0% from 2019). This is a significant improvement from the previous 3 years which had largely been stable with increases of only 0.1% - 1.3%. There are still differences in satisfaction scores between frontline employees and office-based employees, with office-based employees rating 28.9% higher than frontline staff.

During 2020, 78.3% of all sector employees reported using at least one type of flexibility over the 12 months preceding (an increase of 15.8% since 2019). In 2020, 87.1% of office-based workers reported using at least one type of flexibility, while only 66.4% of frontline workers reported use.

Each NSW public sector department and agency is responsible for managing flexible and remote working arrangements for their workforce.

Designing modern roles and organisations

During a time of rapid global change and disruption it has never been more crucial for the public sector to have a modern approach to organisation and role design. Agencies need to be able to modify and adjust how they work to deliver against new areas of focus in a budget constrained environment.

In 2019-2020, we developed a research paper and sector engagement plan for a best practice approach to the modernisation of organisation and role design in the NSW public sector.

Building on the research paper, in 2020-2021, we developed an Organisation and Role Design Framework. The framework is designed to align with an agency's strategic direction as well as whole of sector workforce strategies of flexible work, regionalisation, digitisation, diversity and inclusion.

We developed an accompanying suite of resources to support the implementation of the framework including a methodology, situation diagnostics, design process overview and road map template. A series of workshops have also been developed for agencies to run for themselves, including facilitator notes, workbook and supporting resources.

Over the next year we will stress test our approach then test and iterate a solution with the sector.

Developing leaders through our Leadership Academy

The Leadership Academy delivers trusted leadership development programs for high potential and high performing leaders from across the NSW public sector.

During 2020-2021, we piloted a re-designed program with 343 leaders from across the sector. This helped us meet our target of delivering 69% more places for 10% less budget. Our new program offers contemporary content, a blended delivery approach, and uses a new digital platform for self-directed learning. Learning is tailored for different cohorts and uses immersive and evidence-based approaches.

Based on feedback from 2020 participants, we made modifications to our 2021 program to introduce as much face-to-face learning as COVID-19 safety measures would allow. Participants received a series of virtual masterclasses with globally recognised thought leaders. To support leaders through COVID-19, we offered participants one-to-one coaching sessions, 13 weeks of virtual leadership material and a series of virtual interactive workshops.

Ongoing program evaluation and improvement is contributing to an improved participant experience whilst helping to refine the programs.

The Executive Leadership Essentials program was completed by 283 new sector executives, and over 345 executives attended each of our two Executive Connections events. We saw encouraging participation from executives based in regional NSW, with 18.4% of the 2020 cohort, and 15.5% of the 2021 cohort based in the regions.



Jennifer Perry participating in a human-centred design workshop



Gordon Cairns (Chairman, Woolworths Group) and Kathrina Lo (Public Service Commissioner) spoke to 300 leaders at our Leadership Academy Executive Connections event on the role leaders play in creating positive workplace cultures

Improving leadership impact through tailored coaching

‘The Leadership Academy peer coaching sessions have been incredibly valuable in helping me increase my professional network and develop my short and long-term leadership capabilities’ says Dr Diane Watson, Chief Executive, Bureau of Health Information and Leadership Academy participant.

Adapting the program for the COVID-19 pandemic, the Leadership Academy introduced peer group coaching sessions as part of the learning experience for Executive Band 3 participants.

Sessions were designed to support the leaders’ development in a shorter timeframe, allowing them to broaden their networks and create deeper connections with their peers.

‘Peer group coaching was designed to elevate and strengthen the participant experience and provide opportunities for peer learning together,’ said Ankica Majdandzic, Manager, Leadership Academy. ‘We know that this type of learning works well for leaders at this level.’

Guided by a coach, participants in the 2020 cohort were able to attend monthly face-to-face sessions with up to 4 other executives at their level.

‘The Band 3 leaders spent so much time together online during the lockdown that it was important to continue building those relationships face-to-face when possible,’ added Maree Perfrement, Business Partner, Leadership Academy.

The peer group coaching was complemented by individual coaching, which has formed part of the Band 3 program since its inception. Coaches were mapped to each participant’s individual needs and preferences.

‘Each coach partners with a participant and guides them, as opposed to driving – participants are very active in their coaching sessions,’ said Clare McAndrew, Business Partner, Leadership Academy. ‘Feedback from leaders has been that they have been challenged to think differently.’

Following the success of this coaching arrangement, the peer group coaching will be incorporated into the 2021 program from the start and continue to form part of the program for the foreseeable future.

Capability for high performance

We enable a public sector workforce focused on evolving capabilities for high performance, by:

- uplifting the strategic capability of sector HR professionals
- ensuring People Managers have the skills to optimise team performance
- enabling the public sector workforce to grow their core digital and customer capabilities to support contemporary, customer-centric service design and delivery
- ensuring the strategic goals of workforce transition and change are maximised and benefits are realised faster.

Uplifting human resources strategic capability across the sector

We launched The Spark – shaping a world class HR program in August 2020 to drive the development of NSW Government HR professionals to better support the workforce and shape a world class public sector.

In response to sector feedback and global HR trends, The Spark is designed to uplift HR capability across 3 key areas:

- people analytics
- smarter ways of working
- the changing role of HR.

Program content has been co-designed with The Spark HR working group, comprising HR practitioners from small and large agencies and the HR Professionals Community of Practice Advisory Board. These groups are regularly consulted to seek feedback and ensure the program continues to meet the needs of sector HR professionals.

The program has delivered a flexible and innovative learning experience for HR professionals via:

- 12 podcasts
- 3 virtual masterclasses
- a sector wide mentoring program

Interviewing a range of leading HR experts and business leaders from both the public and private sector our podcasts cover a range of topics across the learning areas. To date, the series has been listened to over 2,300 times.

The virtual masterclasses provide participants with a highly informative and interactive learning experience, unpacking each of The Spark's key learning areas. Masterclass participants indicated that they had a better understanding of the key focus areas and would be making changes in their work based on the masterclass content.

Our mentoring program launched in May 2021 with a total of 120 mentors and mentees. In this relationship-based learning environment, mentees were paired with a more senior HR professional from a different cluster, to focus on developing their HR skills.

Using self-assessments from participants and interviews with HR practitioners from across the sector, we have seen a significant increase in awareness and understanding of our key focus areas.

The Spark

Shaping a world-class HR



Public
Service
Commission

Uplifting human resources capability through The Spark mentoring program

'My mentor has been so willing to share her knowledge, it's been really wonderful. I'm very grateful for the experience.' Mentee

'The match has been excellent. I think we will gain momentum the more times we meet. The support materials have been terrific.' Mentor

Human resources professionals across the NSW public sector participated in The Spark mentoring program, a pilot mentoring opportunity connecting 120 human resources leaders and practitioners from different agencies to promote continued development in HR capability.

The program gave participants an opportunity to connect one-to-one with a HR professional they may not ordinarily have access to, offering both mentors and mentees a chance to grow personally and professionally while enhancing broader public sector capability.

The PSC Capability Design team developed the program to align with the PSC's Human Resources capability set. Pairs were formed based on their experience, department and desired area of focus using algorithms developed to encourage cross-sector collaboration.

"The one-to-one engagement gives participants access to people across clusters, grades and regions that they wouldn't ordinarily have access to. Everyone feels valued, and everyone gets something out of it" says Jane Latimer, Principal Advisor, Capability Design at the PSC.

Participants selected areas of focus from 3 key capability themes identified during the co-design process: smarter ways of working, people analytics and the changing role of HR. Pairs discussed their areas of focus in regular virtual meetings over a 6-month period.

The program has received overwhelmingly positive feedback by participants. Many HR practitioners continue to express their interest in an expanded program in 2022.



Nickolaos Nouis and Bridget Taylor speak to senior leaders at the Department of Customer Service Senior Executive Board forum on the digital capability framework

Developing digital capabilities for a future-ready workforce

Because the people of NSW expect seamless and responsive interactions with government, public sector employees need the capabilities to design services and policies in a customer-centric way.

The Digital and Customer Capability Framework, which we co-designed with sector stakeholders underpins all digital and customer capability work in the NSW public sector. The Framework identifies the 6 digital and customer capabilities requiring immediate uplift across the sector.

This year we received funding to create learning content for the framework, resulting in the development of over 600 learning resources across 18 learning pathways. This will be delivered via a Learning Experience Platform (LXP) which provides sector employees with a personalised, dynamic, online learning experience that can be accessed, anytime, anywhere, in the flow of work. The Department of Customer Service will pilot the LXP with up to 5,000 employees for 2 years commencing in August 2021.

We will evaluate both employee adoption of the LXP and capability uplift to establish an evidence base for rolling-out digital learning at scale. This will help ensure that any sector-wide digital capability uplift program is viable, sustainable, and relevant.

The Digital and Customer Capability Framework

Leading in a digital world

- Stakeholder communications
 - Leading with purpose
 - Inclusive leadership
 - Developing talent
 - Ethical leadership in the digital age
 - Authentic and transparent leadership
 - Resilience skills
 - Growth mindset
 - Change management
-

Customers at the centre

- Human-centred design (HCD)
 - Customer research and community engagement
 - Storytelling
 - Service and experience design
 - Leading with 'Customer at the Centre'
 - Customer Service
 - Customer Commitments
 - Behavioural Insights
-

Enabling technology

- Cyber security
 - Internet of things
 - Artificial intelligence and machine learning
 - Platform as a service
 - Crypto-currency and blockchain
 - Leading through constant change
 - Coding
-

Collaboration and agility

- Agile project methodology
 - Blended waterfall and agile
 - Working in the open
 - Virtual collaboration
 - Leading collaborative teams
-

Ideas to impact

- Lean start-up and entrepreneurship
 - Ecosystem partnerships
 - Disruption and innovation
 - Growth mindset
 - Fail-friendly leadership and culture
-

Data, decisions and ethics

- Data literacy
 - Coding
 - Open data and API usage
 - Information access and privacy of citizen data, ethics and social license
 - Data-informed leadership
 - Coding
 - Risk management
 - Systems thinking
-

Supporting people managers in the sector

There are approximately 70,000 people managers across the NSW public sector, making up about 20% of the workforce. Effective people managers are vital to high-performing organisations, positive workforce outcomes and delivering services to the people of NSW.

In response to generally lower scores for the people manager questions in the People Matter Employee Survey (63% in 2020), we conducted broad sector consultation to discover how we could best support agencies to build the capability of their people managers.

We consulted with 195 people managers from every cluster both in metropolitan and regional NSW, collected 59 survey responses and conducted 9 interviews with HR professionals to discover common 'moments that matter' that people managers find most challenging.

Our target is to improve people manager survey scores to 68% by 2025.

In April 2021 we launched our first set of resources, including the People Manager:

- Frame – a one page overview describing the key attributes of an effective people manager
- Fundamentals – online learning modules designed to build foundational people manager capabilities
- Hub – an online toolkit bringing together key supporting resources required by NSW public sector people managers.

We are continuing to consult with HR professionals across the sector to identify further resources and programs to support people manager uplift.

Supporting ICT and digital career pathways

In April 2021 we released our on-line, interactive Digital Careers Pathway (DCP) tool, an innovative way to showcase career paths for over 230 ICT and digital roles in the NSW Government. The tool is based on the Skills Framework for the Information Age (SFIA)¹⁰ and was developed to include current trends influencing the NSW public sector ICT and digital function.

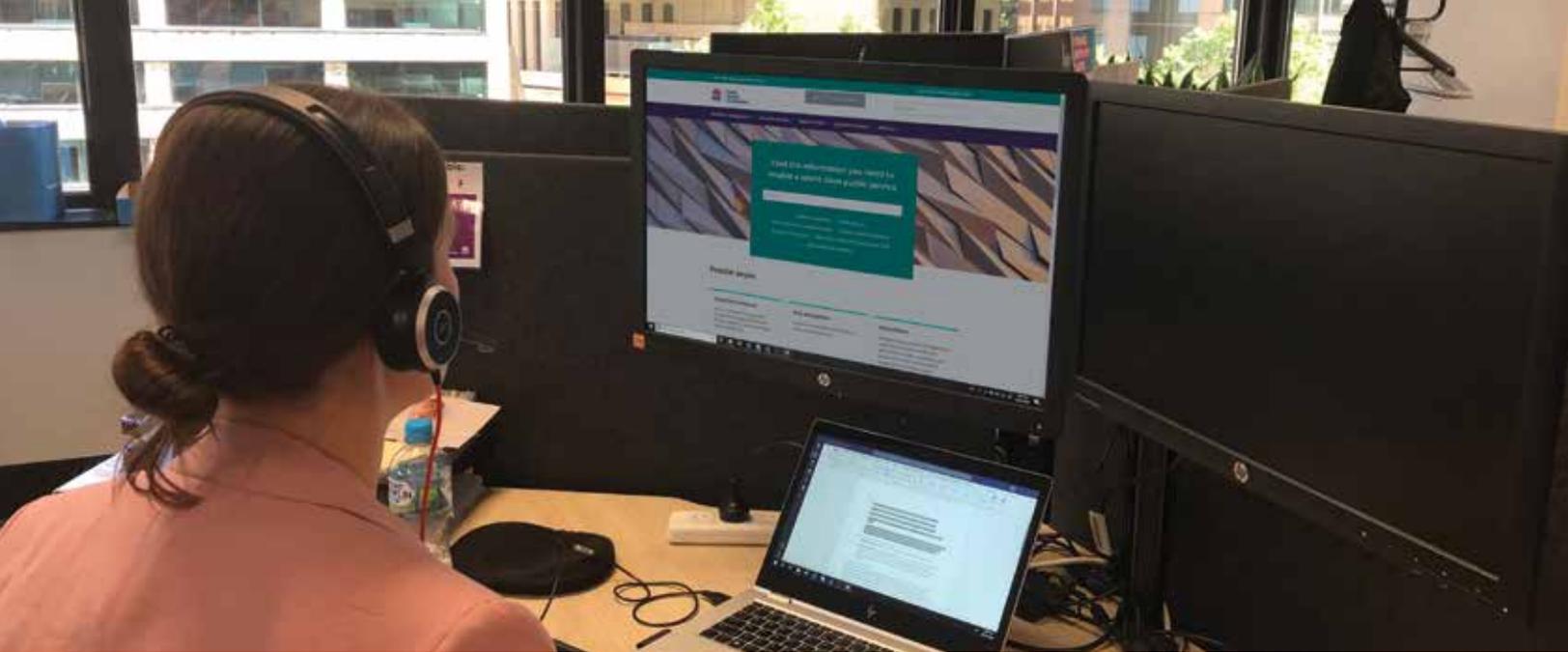
The DCP tool has been funded by the Digital Restart Fund. We used a human-centred design approach to build the most useful product for sector employees, including convening a governance group of senior sector ICT and digital professionals.

The tool evolves our former ICT Career Pathway Framework to help ensure a consistent approach to recruiting, developing and managing the careers of staff in ICT and digital roles, and attract and retain the best talent in a competitive market.

By using the DCP tool, sector staff can identify growth opportunities, career pathways and upskilling resources to help them drive development conversations with their managers.

Since its launch the tool has had 1,600 unique visits. Evaluation questions have been embedded in the tool to track and measure how users are interacting with it. Further surveys will be conducted 6 and 12 months after the launch date.

¹⁰ Skills for the Information Age – the global skills and competency framework for a digital world



Delivering a content led website for customers

'The information is now set out in a clearer way. With the old website... it was overwhelming.' HR Manager, Department of Communities and Justice.

The PSC website psc.nsw.gov.au is our most visited external communications channel attracting approximately 500,000 unique visitors each year. Visitors reported finding the site difficult to use and data showed they were often unable to discover the information they needed to complete tasks.

In the 2019-2020 financial year we began work on transforming our website to be more customer centred. We defined clear objectives and created a proof of concept to test our ideas and apply findings from our research with sector website users.

The Strategic Communication team worked with 14 Capability & Culture teams across the PSC to review over 600 web pages, using a content design best practice approach. This involved basing decisions on user preferences as evidenced through Google Analytics data. The number of web pages was streamlined to 427 within 6 weeks.

We launched our new site in November 2020, and customers have noted that they are now able to see information on our website they didn't know was there before.

The data proves it with analytics showing our website is now being engaged with more by our customers:

- 📉 Increase in time spent engaging with our content average of 2 minutes in 2020 **up to 6 minutes in 2021.**
- 📉 Decrease in the bounce rate of customers leaving our site without interacting with it **down from 58% to 9%.**
- 📈 Increase in average session time **from 3 minutes to 9 minutes.**

Inclusive, ethical public sector

We enable agencies to create workplace cultures that foster diversity, belonging and respect, by:

- supporting leaders to drive positive and productive workplace cultures
- creating equitable recruitment and employee experience practices
- developing resources to ensure the sector workforce is trauma informed to support Stolen Generations survivors, their families and communities
- encouraging public sector employees to actively contribute to an inclusive culture that is respectful and promotes belonging.

Women in leadership

The Premier's Priority for a world class public service includes a commitment to increase the proportion of women in senior leadership roles to 50% by 2025. In 2020-2021, to help the sector achieve this target, we undertook the following activities as well as monitoring cluster-based actions and reporting progress to the Premier.

Encouraging women to apply for senior leadership roles

We developed a toolkit and facilitated a workshop for 72 recruitment and people managers to learn how to implement a behavioural insights intervention to increase the proportion of women reapplying for senior roles. The intervention was identified through research we completed with the Behavioural Insights Unit (Department of Customer Service) in 2019-2020. It comprises an email and a phone call from a recruitment manager, focusing on how well an applicant has done and encouraging them to apply in the future.

Accelerating women's career advancement

We commenced evaluating the impact of the Opendoors Career Sponsorship pilot program. This pilot partnered influential senior leaders with diverse high-achievers to accelerate their career advancement and promote equality. The evaluation will inform refinements to the program to ensure it effectively meets outcomes and identifies opportunities to increase the reach of the program across the sector.

International Women's Day 2021

On 8 March 2021, we hosted an online International Women's Day event, 'Women in Leadership: Achieving an equal future in a COVID-19 world'. This theme aligned with the UN women's global focus and celebrated the efforts of women and girls around the world in shaping a more equal future and recovery from the COVID-19 pandemic.

The event was hosted by ABC News journalist, Jeremy Fernandez, with an address from NSW Public Service Commissioner, Kathrina Lo.

There were also interviews offering an invaluable perspective on inclusion with:

- Dr Kerry Chant, Chief Health Officer, NSW Health
- Lil Gordon, Executive Director, Aboriginal Affairs NSW
- Nas Campanella, Disability Affairs Reporter, ABC News

Through the keynote address, interviews and Q&A panel, attendees were encouraged to:

- acknowledge that gender bias and discrimination still exist and what improvements have or can be made to address these
- recognise that intersectionality plays a role in gender-based discrimination
- reflect on the opportunities a COVID-19 world presents to accelerate gender equality e.g., flexible work
- recognise their role in supporting The Age of Inclusion where women and girls are treated equally. See more on page 62 under [Creating a change movement through the Age of Inclusion](#).

The event was well attended with over 1000 people across the NSW public sector tuning in to watch the event live on International Women's Day.



Jeremy Fernandez interviews Dr Kerry Chant PSM for International Women's Day event

Enhancing gender neutral paid parental leave

During 2020-2021 we led a working group of sector employees to develop a leading practice parental leave model for the NSW public sector. The existing parental leave provisions did not adequately meet the needs of our modern and diverse workforce, where parents may share caring responsibilities for children, adopt children, or welcome children into their families via surrogacy.

To develop the enhanced provisions we completed a review of comparable jurisdictions, leading practice benchmarks, private sector entitlements, and international practices.

Under the new provisions, eligible employees can access up to 14 weeks paid parental leave for primary caregivers, regardless of their gender, within 12 months of the birth, adoption or surrogacy date. The scheme also offers the other parent an increase from 1 to 2 weeks paid parental leave at the time of birth, adoption or surrogacy plus up to 12 weeks paid parental leave if they later take on the role of primary caregiver.

The new parental leave provisions will be made available to all eligible public sector employees on 1 July 2021. An evaluation will be conducted in collaboration with the sector working group.

Benefits of gender neutral paid parental leave:

-  **increases** the participation of women in the workforce
-  **promotes the equal division** of paid and unpaid work in the home
-  **positively impacts** a parent's ability to balance work and family life
-  **enables** partners to experience a greater share of caring for their children.

Improving experiences for sector employees with disability

This year we continued to deliver the Jobs for People with Disability program of work by supporting the recruitment and retention of people with disability through awareness and engagement campaigns. We will integrate future work into a broader belonging and inclusion strategy



Creating a change movement through the Age of Inclusion

In July 2020, we launched The Age of Inclusion campaign to create a digital change movement of dedicated supporters willing to call out inequality. The campaign promotes positive attitudes to disability employment in NSW Government, leading people to the information and tools on our website, and ultimately to change behaviour. The Age of Inclusion campaign encourages the sector to think differently about recruitment, inclusive workplace culture and accessible workplaces.

Learning Bites encourage more inclusive practices

Learning Bites, 12 curated micro-learning videos, were shared with the sector in collaboration with IPAA NSW featuring firsthand experiences from sector employees with disability. The videos were designed to create more inclusive workplaces for people with disability. Topics included benchmarking inclusive practices, partnering with disability employment providers, inclusive recruitment practices, assistive technology, accessible communications and procurement and personal stories from individuals with disability. These videos were shared online via social media and dedicated newsletters to IPAA NSW members.



Supporting disability employee network DENconnect

DENconnect was formed in collaboration with other sector-wide Disability Employee Networks in 2020 and provided its members with much needed support and connection during COVID-19. Across 2020-2021 we provided secretariat support to DENconnect and developed an approach to support its independence as a cross sector employee group.

International Day of People with Disability

This year, our sector wide IDPWD event was designed to increase awareness and understanding of disability across the sector, promote the DENconnect group, and demonstrate senior leadership commitment to the Premier's Priority target of increasing disability employment to 5.6% by 2025.

Viewers heard from Michael Coutts-Trotter, Secretary of the Department of Communities & Justice, who interviewed Valuable 500 Founder, Caroline Casey, on the business case behind disability inclusion and how organisations can unlock greater productivity and innovation through inclusive practices. Jim Betts, Secretary of the Department of Planning, Industry & Environment, discussed the impact of COVID-19 on people with disability and how organisations can support employee mental health.

The event was a great success with over 380 attendees watching live, views of our Age of Inclusion manifesto video jumping by 14% and a 65% increase in DENConnect membership.

Tailored Talent pilot a 2020 Premier's Award finalist

The highly successful Tailored Talent pilot matched neurodiverse employees with hard to fill roles, achieving benefits for agencies and making a life changing difference for participants. Tailored Talent was delivered in partnership with social innovation company Specialisterne, to attract autistic and neurodiverse talents into a range of hard to fill roles such as cyber-security, software testing, data analytics and coding across NSW Government agencies.

We were thrilled that this pilot program was recognised as a finalist in the 2020 Premier's Award, showcasing the importance of diversity programs in the sector and the work done to achieve our goal of a world class public sector.

DENCONNECT

Supporting employees with disability and championing inclusion

'When the COVID-19 pandemic started, we knew we had to do something urgently to ensure employees with disability felt safe, connected and supported.' Kathryn Tidd, DENconnect founding member.

To support employees in the sector with disability, the PSC established 'DENconnect', an online 'check-in' space for people to share the challenges they were facing and feel supported and heard by their colleagues.

'People with disability were impacted by the pandemic in ways most people don't have to think about,' said Kathryn. 'For example, one of our members is blind and the advice around avoiding touching handrails, handles and similar communal surfaces presented challenges for her because she uses her hands to navigate.'

Over time, DENconnect has evolved from a wellbeing check-in space to a united disability inclusion network for employees with disability, their allies and colleagues. It has a solid sector-wide participant base with over 200 people registering since it commenced.

During the year we have supported DENconnect to become a peer led network and manage their own communications. We have continued to provide an Auslan interpreter for each meeting.

'The PSC was a great help in providing us with the tools and knowledge to become a peer led forum,' said Kathryn. 'We were really supported to be self-sufficient.'

Improving Aboriginal cultural capability and growing our Aboriginal workforce

Supporting culturally safe workplaces and services through Everyone's Business

Everyone's Business is an education and training package to improve and embed the workforce's understanding of Aboriginal and Torres Strait Islander peoples. It responds to recommendations 6 and 29 of *Unfinished Business*, the report of the NSW Legislative Council's General-Purpose Standing Committee No. 3 into reparations for the Stolen Generations in NSW.

The program supports strengthening the sector's understanding of past government forcible removal policies and practices, the impacts on Aboriginal people and communities, and is a step towards healing for Aboriginal peoples that aligns with the NSW Government's Opportunity, Choice, Healing, Responsibility, Empowerment (OCHRE) strategic plan for Aboriginal Affairs.

There are four outcomes for Everyone's Business:

1. Public sector participants develop knowledge and understanding about Aboriginal history and culture and how this shapes Aboriginal people's modern experiences and expectations in individual ways.
2. Participating public sector agencies demonstrate cultural respect, cultural safety and understanding in all aspects of their work.
3. Participating public sector agencies apply learnings by translating into actions that establish a safe and respectful environment and improve outcomes for all Aboriginal people.

4. The project is designed, delivered and evaluated in a way that involves partners and stakeholders in an equitable and respectful way.

The Everyone's Business suite includes a calendar of Aboriginal significant events and celebrations, a cultural awareness journey, and e-learning about the impacts of past forcible removal policies and practices on Aboriginal communities. It will also give guidance on how to engage with Aboriginal communities to co-design and deliver trauma informed culturally capable services.

Our evaluation framework for Everyone's Business aligns with a new 2021 People Matter Employee Survey question on racism. Our success measures are that all NSW public service agencies offer training to employees, improvement in employee experience results for Aboriginal employees and low to zero reporting of racism.

Everyone's Business is being designed in partnership between the PSC, Stolen Generations Advisory Committee, Stolen Generations Survivors and their organisations, and Aboriginal and non-Aboriginal experts across the NSW public sector.

The calendar of Aboriginal significant events and celebrations was published on the PSC website on National Sorry Day 2021. The remaining educational resources will be launched in late 2021.

Jawun cultural immersion secondments

Over 2020-2021 we helped coordinate the placement of 12 public servants into virtual 'in-place' secondments in Aboriginal communities.

This program is run in collaboration with Jawun, an organisation who partner with Aboriginal communities to empower Indigenous-led change and foster meaningful connections between Indigenous and non-Indigenous Australians. It is a unique opportunity to engage in an immersive cultural experience and develop personally and professionally.

These secondments were run virtually for participants, in response to the COVID-19 pandemic to ensure the safety of Aboriginal communities. Participants used their professional expertise to work alongside Aboriginal community organisations on a 5week project. Participants and their partner organisations overwhelmingly reported being very satisfied with the virtual secondment experience.

Building a talent pipeline

The Aboriginal Employment Development Program (AEDP) attracts talent and sustains the growth of our Aboriginal workforce. Participants are placed in a temporary grade 3/4 position in a NSW Government agency and work across a variety of projects.

During the 18-month program participants complete a Diploma in Leadership and Management from TAFE NSW and leadership coaching delivered in collaboration with C-Beyond coaching. Participants are mentored throughout the programs by senior Aboriginal public servants. Upon completion of the program, participants receive ongoing support and employment.

All 12 program participants completed the 2020 program and have ongoing employment in the sector.

Celebrating our Aboriginal Employment Development Program graduates



In February we celebrated the successful completion of the AEDP by our 12 graduates. The event was attended by our graduates, their managers and mentors, the Commissioner, Kathrina Lo and Deputy Commissioner, Chris Lamb. The keynote address was delivered by Brendan Thomas, the Chief Executive Officer Legal Aid NSW, and the Executive Sponsor of the Aboriginal Employment Strategy. Messages of congratulations were also delivered by key program partners Mike Cairncross, Teacher, TAFE NSW and Angivin Gunasehar, Leadership Coach, Cbeyond Coaching



Members of Pride in NSW from across the Department of Premier and Cabinet cluster

Establishing safe and supportive networks for LGBTIQ+ staff

We coordinate the Pride in NSW network, which was established in April 2020, following the Secretaries Board commitment to support the inclusion of LGBTIQ+ employees across the public sector.

During 2020-2021 Pride in NSW has built a strong member network of identifying staff and allies across all clusters, with regular events and communications to help drive staff engagement.

A significant achievement was establishing the first LGBTIQ+ Advisory Committee to Secretaries Board, which has provided the opportunity for staff and allies to share lived experiences with senior leaders. The first meeting was held in July 2021 with secretariat functions sitting within the PSC.

Other activities included:

- establishing a fortnightly Rainbow Leads group
- trialling an online platform to facilitate the LGBTIQ+ Peer Support Network
- an audit of existing data collection, human resources policies and available training to identify areas where Pride in NSW can support and facilitate LGBTIQ+ inclusion initiatives being run across the sector.

Pride in NSW will continue focus on growing the network driving best practice inclusion policy, that considers intersectional challenges, across the sector.

Pride in NSW by the numbers

-  **1,277** network members
-  **25%** identify as allies
-  **21%** are located in a regional location
-  **5 sector wide events** hosted across different clusters
-  **12 editions** of a network newsletter to members connected.

Measuring up to world class

We provide decision makers with quality data, reports, and insights, across all strategic focus areas, to address sector wide challenges and priorities, by:

- providing near real-time workforce information
- measuring and reporting on employee engagement and experience
- delivering whole of sector reports
- sharing integrated analysis and insights.

Workforce profile report

The *Workforce Profile Report* is an annual census of all NSW public sector employees and has been collected since 1999. We manage this census and work closely with around 250 contacts from across the sector to ensure accurate data collection.

The NSW public sector workforce represents 10% of all employees in NSW and over 80 data items are collected in the workforce profile for the more than 400,000 employees.

Our data provides insight on the composition of the public sector workforce and change over time, an important evidence base for government policy settings. It includes demographic and employment information, as well as location items to enable geographic analysis of the workforce.

An extended timeframe was provided to all NSW public sector departments and agencies to submit their 2020 workforce profile data in acknowledgement of the impact of COVID-19, delaying the publication of 2020 data until March 2021. Through a process of close collaboration

and being flexible with timeframes, we were still able to achieve a full set of quality data from the sector.

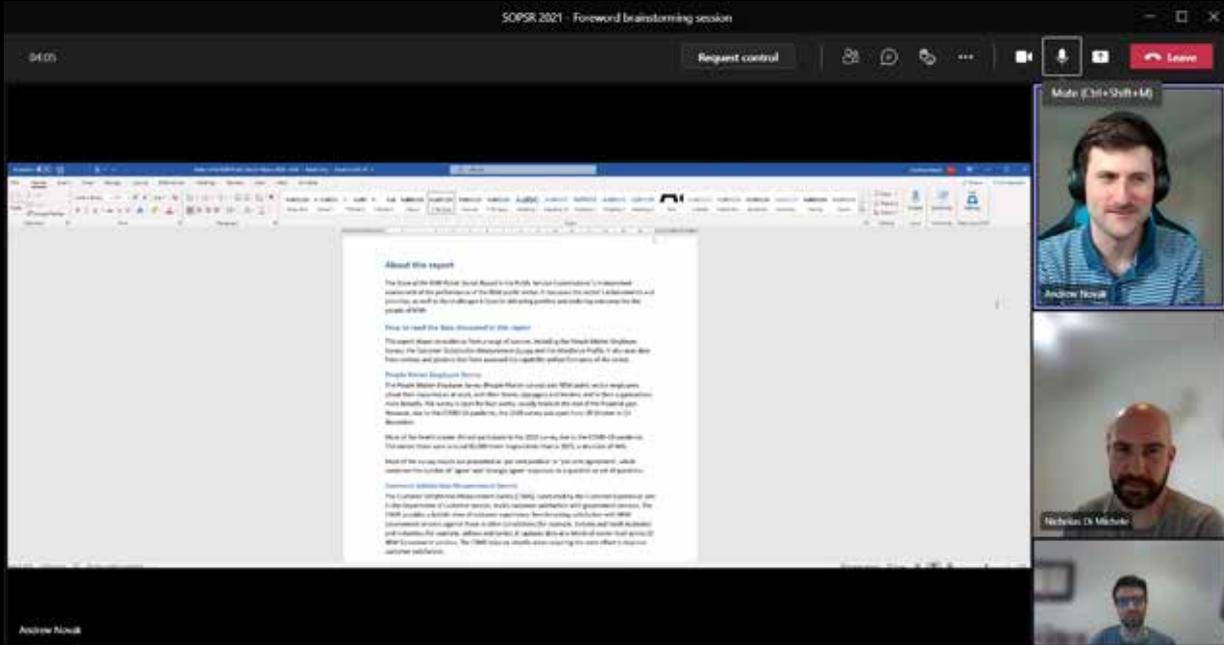
Our Analytics & Insights team used the workforce data to address approximately 160 requests for information during the year. The data has continued to support key PSC initiatives including our work on creating a world class public sector, mobility, and recruitment. Workforce collection data has also been used to support sector workforce strategic planning, notably planning undertaken in response to COVID-19.

State of the NSW Public Sector report

The *State of the NSW Public Sector Report* is required by the GSE Act and is the Public Service Commissioner's independent assessment of the performance of the NSW public sector. It discusses the sector's achievements and priorities, plus the challenges it faces in delivering positive and enduring outcomes for the people of NSW.

The purpose of the report is to keep the sector accountable for its workforce management and educate on best and innovative practice. To achieve these aims, the report draws on evidence from a range of sources, including the PMES, the Customer Satisfaction Measurement Survey and the *Workforce Profile Report*.

The PSC usually publishes the report in the second quarter of the following financial year. However, data collections were delayed due to COVID-19 and the 2020 edition of the report was not published until March 2021. The 2020 report included information on the sector's response to recovery and resilience after the bushfire season of early 2020 and the disruption of the COVID-19 pandemic.



Team members Andrew Novak, Nicholas Di Michele and Adam Bove collaborate on the State of the Public Sector report

Internal collaboration delivers for the sector

'2020 was a challenging year to deliver the State of the Public Sector report, with delayed data, competing COVID-19 priorities and difficulty in securing sector case studies' Adam Bove, Principal Advisor Employee Experience.

Three PSC teams – Employee Experience, Analytics & Insights and Strategic Communication – worked together as a project team to deliver the reports on schedule and on budget in March 2021. Nick Di Michele, Senior Advisor Employee Experience, said of the project: 'Having defined specialists working on particular aspects of the project was a key part of our success as a team. Everyone had the expertise to perform their roles, it was clear what was expected of all team members, and there was less time spent chasing answers and information.'

Adam also noted that team members were able to learn from other subject matter experts in the PSC and use those learnings in other projects they were working on. Taking this collaborative approach reduced the risk in the work, with more people spotting potential issues and offering solutions.

This project was a great opportunity to uplift internal capability in areas like project management, communication, and web design, and modelled effective collaboration within the agency.

Next year's reports will be delivered in the same way. Everyone is looking forward to working together again to deliver the key insights and data the sector needs, as we work towards a world class public sector.

Measuring employee engagement through the People Matter Employee Survey

The PMES remains an important event on the PSC calendar. A sector-wide initiative, the survey is used to gauge the experiences of employees working in the NSW public sector.

The results of the survey provide evidence of areas of strength and improvement for teams, clusters, agencies, and the sector in general. Employees benefit from participating in the survey when agencies act on results.

PMES 2020 was due to run in June 2020, but the sector agreed to move the survey into the next financial year, with a start date of 19 October 2020, because of the pandemic. Most of the Health cluster did not participate in the survey due to workforce-related challenges arising from COVID-19.

Response rates is a key measure of success for the survey PMES 2020 achieved a response rate of 47%, a small drop from the previous year's all-time-high of 53%. This drop was partly due to the impact of COVID-19 on employees and their work.

Insights from the PMES are shared with clusters and agencies and PMES data is used as important indicator of employee engagement and experience across the sector. PMES data is often used by agencies to identify key focus areas and to help shape employee engagement strategies for the coming year. For the first time, the PSC provided an action planning guide to sector agencies in 2020 to help shape a consistent employee experience across the sector.

Supporting the sector to make data driven strategy

Our data on the public sector workforce continues to be the authoritative source for the NSW Government.

New workforce systems solutions and a greater capacity to deliver analytics that are impactful and transformative are needed. This includes meeting the growing demand for additional and more timely data about the sector workforce. This data is crucial to supporting evidenced based, key strategic decisions about the workforce.

Our Dataflow project has been initiated to enhance data, information and analysis services we provide to the sector. Dataflow will be a multi-year program, and we have successfully obtained funding for Phase 1 from the Digital Restart Fund. We have developed a draft data strategy and reference architecture to sit within our broader data and analytics strategy.

The Dataflow project will ensure more timely and automated data will be available for our *State of the Sector Report* and *Workforce Profile Report*, sector wide workforce dashboards and strategic analyses. The Dataflow project centralises the management of workforce data, and ensure the sector is provided with timely and strategic data sets to support evidence-based decision making.



Kathrina Lo (Public Service Commissioner) and Anat Hassner (Assistant Public Service Commissioner) meeting with the Agriculture Institute in Tamworth

Shaping transformative data and insights

The PSC has a priority to champion a decision-support culture focused on transformative, ethical and accessible insights in collaboration with the sector. A schedule of insight publications has been planned, with initial priorities to focus on regionalisation and factors impacting the employment rate for people with a disability. Other topics included in our insights publications were decided based on an environmental scan of research priorities identified by the sector.

Our initial analyses have now been completed, with further insights reports to be delivered in late 2021.



Supporting the Veterans Employment Program

'The Veterans Employment Program team loves working with the PSC. Without the PSC we wouldn't be able to report the information we do and showcase the benefits of hiring veterans across the NSW public sector.'
Craig 'Dallas' Delaney, Veterans Employment Program Manager

Craig 'Dallas' Delaney is the Veteran's Employment Program Manager, Office of Veteran's Affairs, Department of Communities and Justice, and relies on PSC workforce profile data to help shape the best approach to transition Australian Defence Force personnel into roles in the public sector following their discharge from active service.

'Veterans have much to offer the sector and we are committed to supporting them to find their next career path.'

The PSC Analytics & Insights team provides Veterans Affairs with regular reports, showing how many veterans, apply for roles, were successful in getting roles, and demographic information on gender, which clusters employed veterans, types of employment, disability status and role grade.

The Premier has set a target to have 1,000 veterans employed in new roles in the public sector between 2019 and 2023. The PSC data is central to the twice-yearly reports prepared by Veterans Affairs on their progress towards this target and helps determine future priority target areas and strategic direction.

'Our Veterans Employment Program has become a leader in the field of veterans' employment across the country and has the data to support our success' says Craig.

Our state of operations

This year there was a mixture of remote and face-to-face working, with 'hybrid working' becoming a familiar term. Our culture values collaboration, connection and inclusion – priorities that helped us all make sense of the 'new normal'.



People

Throughout the year we invested in our internal culture, with a strong focus on belonging and inclusion. We also prioritised developing leaders, to help them support a values-led culture.

Transformational leadership



In October 2020, our Senior Leadership Team (SLT) commenced a Transformational Leadership program facilitated by Neural Networks. Senior Managers were engaged in the program from March 2021.

Neural Networks introduced leaders to various models to enhance transformational leadership capability underpinned by emotional intelligence and a focus on values. The work set an excellent foundation for leaders to work together in strategic planning for our 4-year strategic plan 2022-2025 (see page 62 for more information on [A more inclusive approach to strategic planning 2022-2025](#)).

Next steps are to launch a Leadership Charter and further develop coaching capability across the organisation.



A more inclusive approach to strategic planning 2022-2025



Leaders working together at our second strategic planning workshop

Work began on our 4-year strategic plan in April. The result has been a change in how we express our strategic focus areas and the addition of clear measures of success for each area.

We took a different approach to previous years with both executive leaders and senior managers taking an active role in planning our path ahead. Critical to the process were 2 collaborative workshops that helped us identify and discuss insights, consider the PSC's evolving role and impact.

In the 'Reflection and inspiration' workshop we heard from sector leaders Samara Dobson, Chief People Officer, Department of Premier & Cabinet; Sally Friedlander, Deputy Secretary, People, Performance & Culture, Department of Planning & Environment; and Brendan Thomas, Chief Executive Officer, Legal Aid NSW about what they need from us as a trusted partner. They were honest and specific about the challenges they face and how we can best continue to support and enable their agencies.

The second workshop focused on the prioritisation of work over the next 4 years and discussion of how we will measure outcomes.

For our 2022-2025 strategic plan, our focus areas have evolved from 4 to 3. 'Measuring up to world class' is now reflected as an enabling foundation for 'Smarter ways of working', 'Capability for high performance' and 'Inclusive ethical public sector.' The plan will be revisited each year to help ensure we continue to be responsive to the changing environment and prioritise accordingly.

Leaders across the organisation found the planning process positive and inclusive:

'I am enjoying the openness and sharing' Russell Symons, Principal Systems Administrator, Intelligence Systems

'Informative and has sparked ideas. My team is involved too because we have talked before and they are waiting for updates.' Louella Hodge, Principal Advisor, Workforce Strategy and Design

'Feeling of enthusiasm and connection. it's buzzing with positivity.' Anita Hawtin, Manager, Talent Acquisition



PSC staff at our 2021 Mardi Gras celebration. Left to right: Kathrina Lo, Chelsea Mitchell, Colette Robinson, Joyce Low, Zoe Kennedy, Sarah Gardner, Renee Roylance, Heggy Odeh

Reward and recognition

In February, we established a working group of 10 staff from a mix of teams to develop options for a PSC reward and recognition program. The group has used human-centred design to create a program that meets the needs of PSC staff at all levels. The new program will be implemented in 2021-2022.

Pride in PSC

Our Pride in PSC (PiPs) volunteer collective of employees continued to support and promote a culture where all employees, especially those identifying as LGBTIQ+, are valued so they can participate equitably and fulfil their potential in the workplace. The group broadened its engagement and impact through the endorsement of Terms of Reference that formalised its purpose, function and member roles.

This year, PiPs hosted events for Mardi Gras celebrations and International Day Against Homophobia, Biphobia, Intersexism and Transphobia (IDAHOBIT), the latter raising money for LGBTIQ+ youth support services. PiPs has committed to working collaboratively with agencies across the sector in cooperation with Pride in NSW to encourage all agencies to develop their own similar policy.

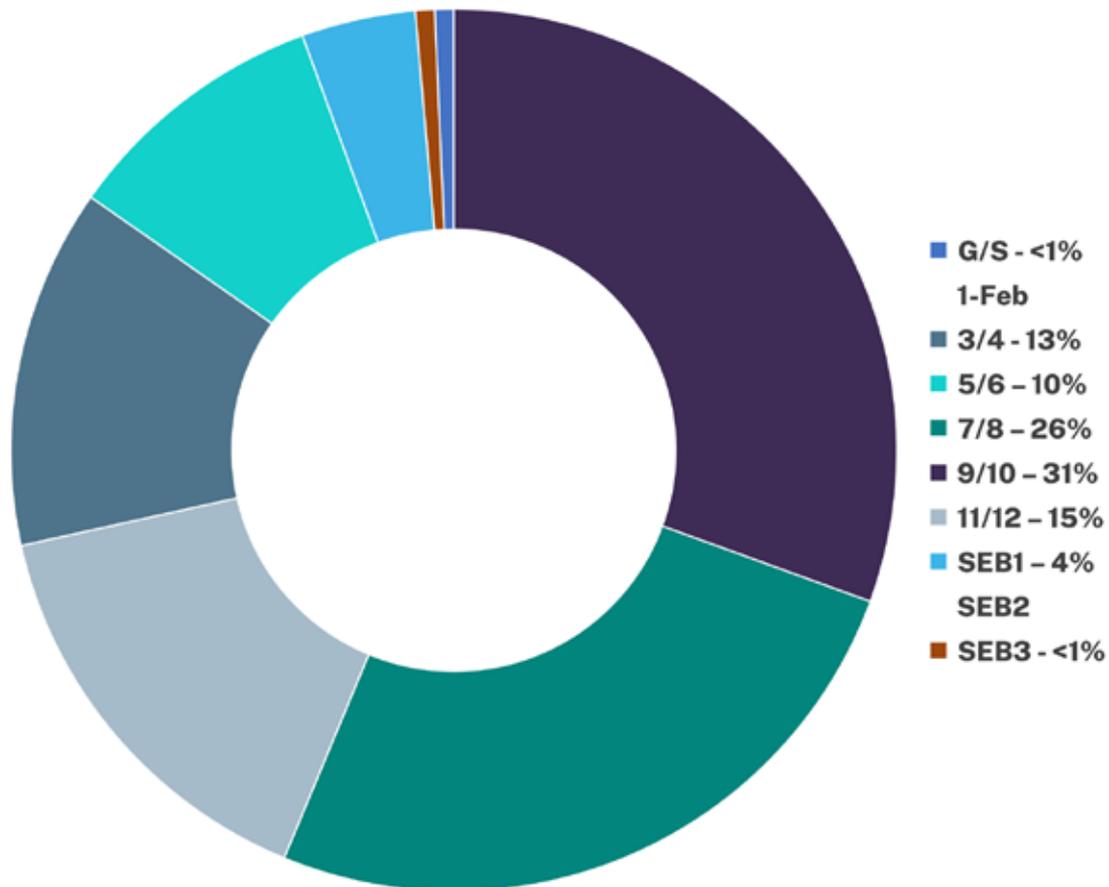
Workforce profile and engagement

As of 30 June 2021, the PSC has a headcount of 131 employees. Our headcount is the total number of employees working for the PSC in either a full-time or part-time capacity, including 16 employees externally seconded and on parental or unpaid leave. Our headcount does not include contractors.

The PSC workforce is diverse in experience. Our people come from a range of career backgrounds such as health, education, human resource management, leadership development, legal practice, policy development and implementation, community and social work, planning and analytics. PSC employees are highly skilled and dedicated to supporting and contributing to the development of the NSW government sector.

Figure 1: PSC employees by classification level

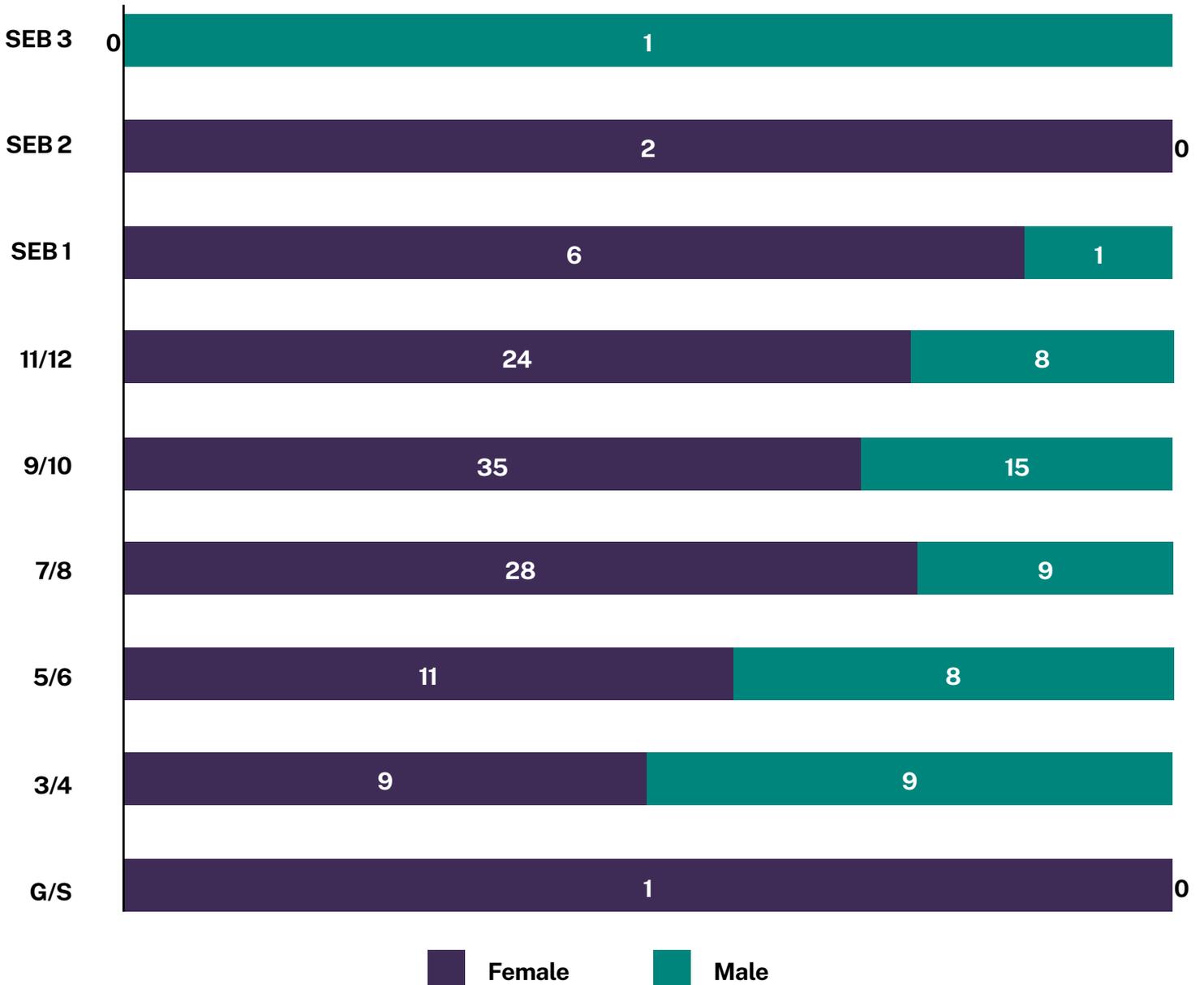
Includes employees on secondment, parental or unpaid leave.



Grade	2021 Total	2021 Male	2021 Female
G/S - <1%	1	0	1
1/2	0	0	0
3/4 - 13%	19	7	12
5/6 - 10%	14	5	9
7/8 - 26%	37	9	28
9/10 - 31%	44	12	32
11/12 - 15%	22	8	14
SEB1 - 4%	6	1	5
SEB2	0	0	0
SEB3 - <1%	1	1	0
Totals	144	43	101

Figure 2: Gender breakdown by classification level

Includes employees on Secondment, Parental or Unpaid leave



Note for figures 1 and 2: The Public Service Commissioner is an independent public officer holder and has been excluded.

More information and exact workforce data figures can be found in [Appendix A](#) Workforce information and diversity.

Employee engagement

For a third year in a row, we had a high participation rate of 93% in the PMES 2020. Our employee engagement score was 61%, down 12% from 2019 and 6% lower than the sector. Particularly good results can be seen for inclusion and diversity at 75%, and risk and innovation at 77%. We have also seen an increase in flexible working satisfaction at 94%, up 7% from 2019 and 28% higher than the rest of the sector.

Lower results were seen in a number of areas in 2020 compared to 2019. Much of this can be attributed to uncertainty from the organisational restructure and the COVID-19 pandemic.

Taking into account staff feedback, we created a strong action plan in response to the PMES 2020 results and are conducting pulse surveys to track progress. Results from pulse surveys show engagement is improving significantly and we will continue to place a high priority on employee engagement initiatives.

Progress on diversity targets

The representation and distribution of workforce diversity groups within the PSC as at 30 June 2021 are outlined below.

We seek diversity related data from employees upon commencement of their employment. Provision of diversity related data is voluntary.

Benchmark data is provided by our Workforce Information team. The collection of diversity data relies on employees self-reporting their diversity characteristics to their employing agency.



Left to right: Mary Mediati and Matthew West packing show-bags for the new Graduate Program intake

Figure 3: Women in the workforce

Workforce Diversity Group	Benchmark	2019	2020	2021
Women	50%	65.2%	69.3%	71.0%

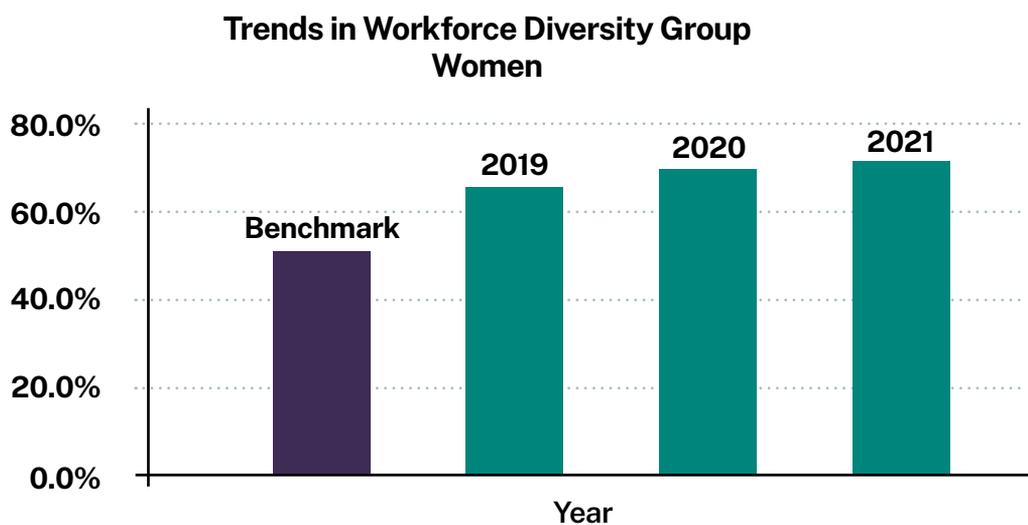


Figure 4: Women in senior leadership roles

Workforce Diversity Group	Sector target (by 2025)	2019	2020	2021
Women in senior leadership roles - %	50%	81.8%	80.0%	75.0%
Women in senior leadership roles - headcount	n/a	9	8	6

Figure 5: Aboriginal and Torres Strait Islander employees

Workforce Diversity Group	Benchmark	2019	2020	2021
Aboriginal and/or Torres Strait Islander People	3.3%	2.5%	2.5%	1.1%

**Trends in Workforce Diversity Group
Aboriginal and/or Torres Strait Islander People**

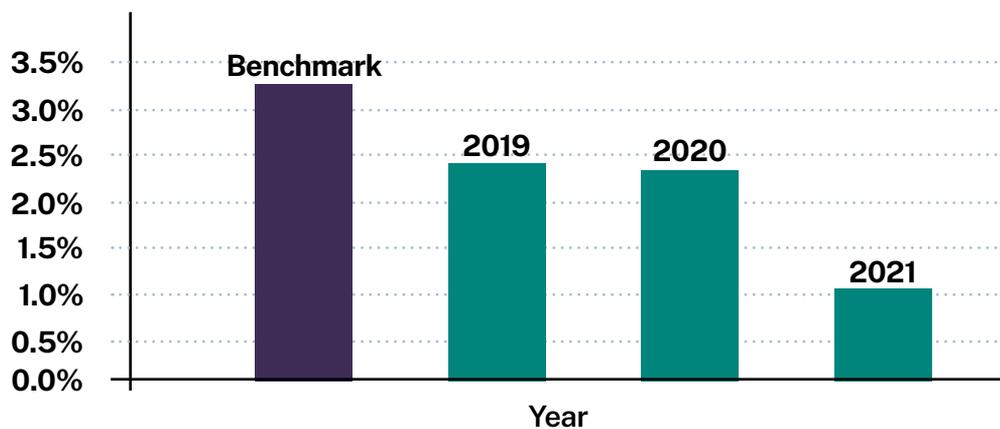


Figure 6: People whose first language spoken as a child was not English

Workforce Diversity Group	Benchmark	2019	2020	2021
People whose first language spoken as a child was not English	23.2%	8.1%	9.2%	21.0%

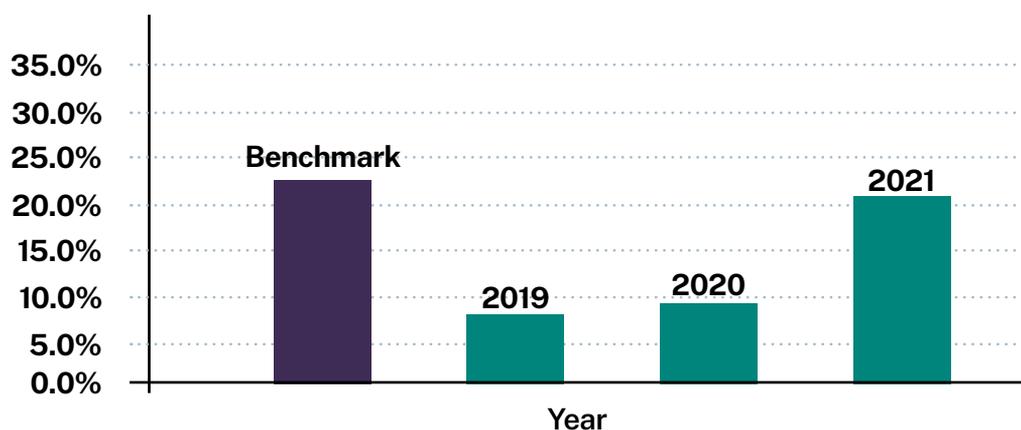
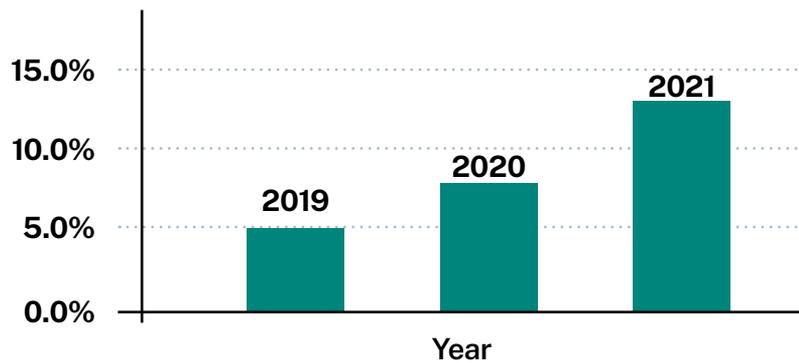


Figure 7: Disability representation

Workforce Diversity Group	Benchmark	2019	2020	2021
People with a Disability	N/A	5.0%	8.0%	12.8%



The data shows that the PSC continues to lead the way in participation of women in our workforce and exceeds the current benchmark for women in leadership roles with 6 out of 8 of the PSC’s executive leaders being women. We are also exceeding benchmarks for employment of people with a disability, and Aboriginal and Torres Strait Islander people.

People whose first language spoken as a child was not English has also increased between 2020-2021. However, we have further work to do to meet the sector benchmarks.

We drive the increased representation of people with disability in the workplace by actively encouraging our hiring managers to do targeted role advertisements and regularly showcase the benefits and importance of targeting roles.

Currently, people with disability make up 6.9% of PSC’s employees which is above the NSW public sector target. We have an ongoing focus to drive representation upward.

Exact diversity profile data can be found in [Appendix A](#) Workforce information and diversity.

Multicultural policies and services program

This year we commenced the development of a strategic partnership with Multicultural NSW and planning is underway to develop a formal Multicultural Plan in 2021-2022.

It is important to note that many of our programs align with the principles in the *Multicultural NSW Act 2000* and Multicultural Policies and Services Program. We celebrated and have been a part of many events that align with the *Multicultural NSW Act 2000*, including the Premier's Harmony Dinner in March 2021, a wonderful celebration of our multicultural community. Initiatives such as the enhancement of diversity in leadership continue to be a focus in our recruitment practices.

Health, safety and wellbeing

We remain committed to providing a workplace environment, both within the office and remotely, that promotes motivated, productive and healthy staff. We have an active and committed Work Health and Safety Committee.

This year we have undertaken the following initiatives:

- 6 monthly workplace inspections* where identified hazards, or improvements to hygiene, have been eliminated, managed or implemented
- a seasonal flu vaccination program with staff uptake surpassing previous years
- enhanced access to an Employee Assistance Program for staff and their immediate family members, including the addition of more dedicated lines of support for specific matters including LGBTQIA+, pastoral care, and First Nations people specific support

- continued ergonomic assessments for all staff (including in the home for remote working purposes)
- completed the conversion all office desks to sit-to-stand desks
- encouraged all staff to download the Bluetooth-enabled app to support ergonomic activities in the workplace
- provided WHS training, and recertification in First Aid, Mental Health First Aid training, cardiopulmonary resuscitation (CPR) and quarterly retraining of Emergency Wardens remotely
- continued to participate in the monthly testing of alarm systems as part of our WHS procedures
- WHS e-learning to support on-boarding for new staff including on-site emergency procedure education
- weekly induction sessions including emergency and COVID-19 response information and support
- continued use of emergency SMS notifications for staff
- implementation of improved physical security measures including CCTV cameras
- promotion of special deals for staff at gyms and fitness facilities close to our office, face-to-face sessions and virtual webinars for staff to promote wellbeing, mindfulness, stress reduction.

**Subject to office availability and COVID-19 lockdown conditions*

Supporting mental health

Mental health is an integral part of our health and wellbeing and has gained even more prominence as an area of focus as we continue to respond, and adapt, to the COVID-19 environment. Knowing how to prioritise the mental health and wellbeing of staff is more important than ever and can make a big difference to workplace morale and productivity.

Our Mental Health First Aiders have been trained as a first response to a mental health situation. While not professional counsellors, they are trained to observe and identify changes in people and ascertain a potential mental health risk, and work toward a solution.

We conducted a benchmark Mental Health Survey in October 2020. This study of PSC's workplace aimed to determine how mentally healthy our workplace was and to provide information to support a Mentally Healthy Workplaces Development Plan. Using insights from the survey the plan was developed to include improvements in policy and processes, managing risk in the workplace, education and training, and support services.

In response to COVID-19 we have become a corporate member of Headspace, joined with other service providers to deliver virtual fitness initiatives to ensure staff have access to a range of strategies to keep their bodies and minds healthy during lockdowns and returning to the office.

Our updated Workplace Health and Safety Policy and Procedures bring the concept of mentally healthy workplaces, and mental health for staff, into central focus. They are another way we nurture an inclusive and positive culture where staff feel safe and supported to talk about mental health. This is also supported by the updated NSW Mentally Healthy Workplaces Strategy 2018-2022.

Incident reporting

There were no reportable incidents or near misses in 2020-2021.

Worker's compensation claims

There were no workers compensation claims during this period.

Learning and development

Learning and development is not just conducted via formal training programs but is also embedded in the workplace via on-the-job learning and cross-functional working groups and internal secondment opportunities. We support continuous learning by offering a range of training and education opportunities to employees. This year has seen a move to virtual learning being available to our staff on several platforms.

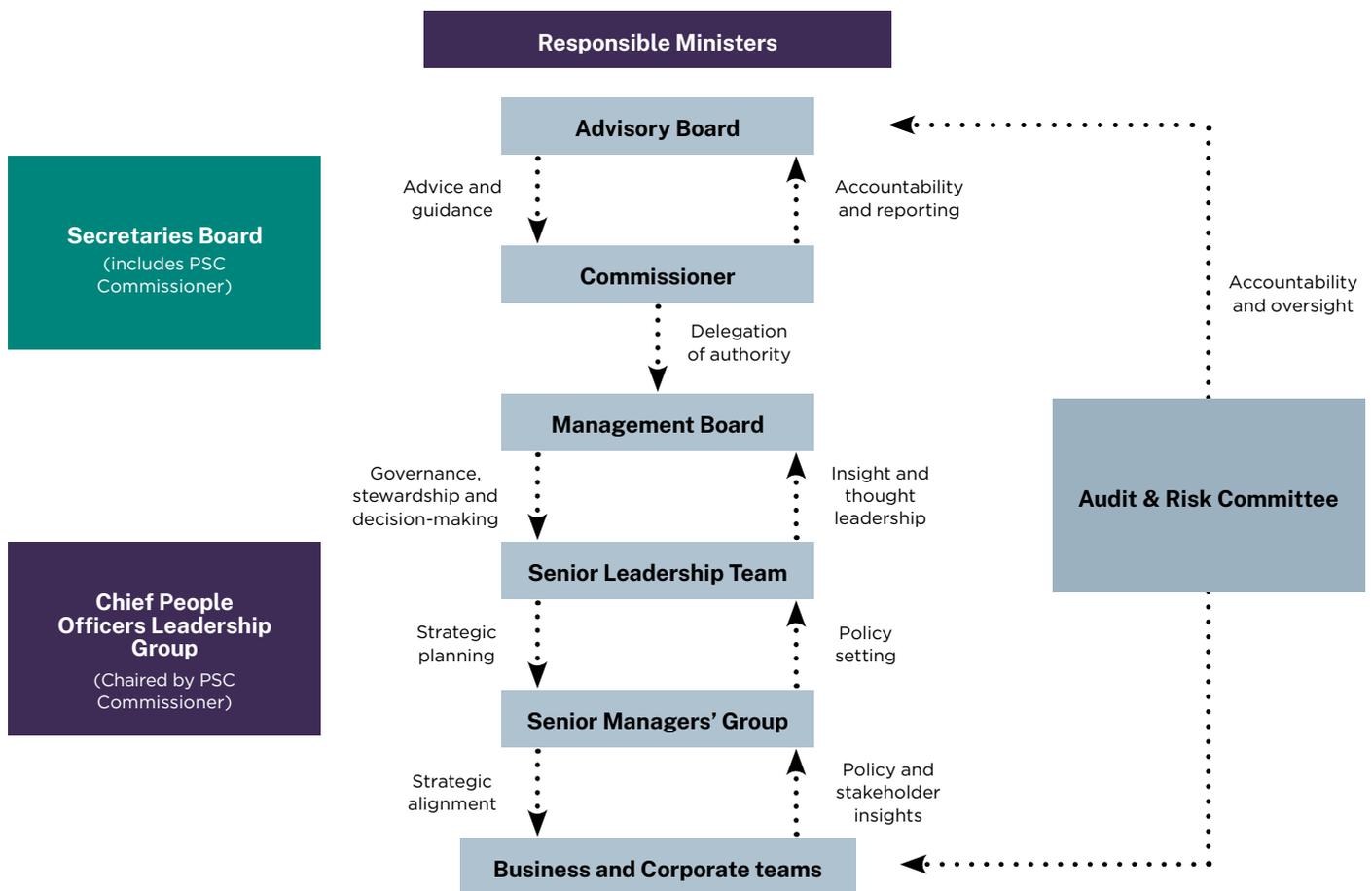
In 2020-2021, courses and workshops focused on diversity and inclusion, health and wellbeing, transformational leadership, cybersecurity, procurement, and strategic business partnering.

We updated our offerings within the myCareer learning management system. The new 'Learner home' enables our people to easily select subjects of interest, discover training courses, access and request new training, and track their development progress.

Governance

As part of our organisation redesign work undertaken in 2020, a new Governance Framework was developed to better meet our organisational objectives, deliver on our strategic focus areas, and streamline decision making. Our Governance Framework sets out the relationships, rules, systems, and processes within and by which authority is exercised and controlled within the PSC. It incorporates the mechanisms by which we are held to account.

PSC Governance Framework



Governance foundation blocks

Government Sector Employment Act 2013	Risk management framework	Strategic and business plans	Government Sector Finance Act 2018 (delegations framework)
ICT framework	Project management office	Customer feedback	Legislative compliance framework
Code of conduct and ethics	Financial controls and processes	Employee engagement	Internal communications cycle
			Performance and KPI metrics

Legislative framework and legal change

Government sector employment legislation

As at 30 June 2021, the following Act allocated to both the NSW Premier and the Special Minister of State, Minister for the Public Service and Employee Relations, Aboriginal Affairs, and the Arts (“Minister”) was administered by the PSC:

Government Sector Employment Act 2013

(Note: This Act was administered by the Premier from 1- 2 July 2020, and jointly by the Premier and Minister from 3 July 2020.)

The PSC also administered the *Government Sector Employment Regulation 2014*, the *Government Sector Employment (General) Rules 2014*, the *Government Sector Employment (Health Service Senior Executives) Rules 2016*, the *Government Sector Employment (NSW Police Force) Rules 2017* and the *Government Sector Employment (Transport Service Senior Executives) Rules 2017*, which are each made under the *Government Sector Employment Act 2013*.

During the reporting year the *Government Sector Employment Act 2013* was amended by the following to reflect various administrative changes:

- *Personal Injury Commission Act 2020*
- *Statute Law (Miscellaneous Provisions) Act 2020*
- *Administrative Arrangements (Administrative Changes- Venues NSW Staff Agency) Order 2020*
- *Administrative Arrangements (Administrative Changes – Miscellaneous) Order 2021*.

The *Government Sector Employment (General) Rules 2014* and the other statutory rules made under the *Government Sector Employment Act 2013* were not amended during the reporting year.

Statutory review

The *Government Sector Employment Act 2013* requires that the Minister review that Act as soon as possible after the period of 5 years from the commencement of the Act to determine whether the policy objectives of the Act remain valid and whether the terms of the Act remain appropriate for securing those objectives.

The Minister commissioned an independent review of the Act in August 2020 (Review), and we took a significant role in supporting this work. The Review Panel comprised the Hon Greg Pearce (Chair), Ms Gabrielle Trainor AO and Ms Jane Halton AO PSM. The Review panel invited comment from and interviewed a broad range of stakeholders, including Ministers, senior executives from the NSW public sector, acknowledged experts, representatives of the workforce and the community. We assisted and supported the Review through our GSE Act Review Secretariat and Working Group.

The Review panel delivered its Report of the Independent Review of the Government Sector Employment Act 2013 (Report) to the Minister on 30 November 2020. The Report found that the Act, as amended, and its objects provided a sound basis for reform and modernisation of the NSW government sector. The Report found that the Act serves its purpose well and its objectives remain valid, and that neither require significant amendment. The Report recommended some minor amendments to the Act to improve its operation, supporting the majority of the recommendations arising from the PSC’s earlier internal review of the Act in 2019.

In 2021, the PSC advised and assisted in relation to the preparation of the NSW Government's Response to the GSE Act Review Report. The Public Service Commissioner will lead work responding to various recommendations of the Report in 2021-2022 and beyond.

Judicial decisions

In the reporting year, there have been no significant judicial decisions affecting the PSC or the users of its services.

Public access to NSW Government Information

The PSC website includes comprehensive information about the agency and its responsibilities, policies and programs.

We publish policy documents, documents concerning the PSC tabled in Parliament, a disclosure log of access applications received by the PSC, and *Government Advertising Act 2011* advertising compliance certificates. In the 2020-2021 financial year we also released the *State of the NSW Public Sector Report 2020* and the *Workforce Profile Report 2020*.

In addition to complying with our open access obligations under the *Government Information (Public Access) Act 2009* (GIPA Act), we proactively release government information where possible, as long as release does not impose unreasonable additional costs on the PSC. PSC also undertook a review and refresh of government information made available by

PSC to the public as part of the development of PSC's new corporate website. The PSC's annual review for the purposes of section 7(3) of the GIPA Act did not identify any additional kinds of government information suitable for release in the public interest in the 2020-2021 financial year.

Access applications

During the period from 1 July 2020 to 30 June 2021, we received two formal access applications under the GIPA Act. One application had access granted in full as no public interest considerations against disclosure applied. In relation to the second application, the PSC did not hold any information within the scope of the request.

Statistical information about access applications can be found in [Appendix G](#).

Public Interest Disclosures

Under the *Public Interest Disclosures Act 1994* (PIDA), the PSC is required to report information about public interest disclosures (PIDs) made between 1 July 2020 and 30 June 2021, internal reporting policies in place, and actions taken to meet the Public Service Commissioner's staff awareness obligations.

Between 1 July 2020 and 30 June 2021, no PIDs were made to the PSC. Reported statistical information about public interest disclosures can be found in Appendix H: Public interest disclosures information.

The PSC has a current Public Interest Disclosures Policy (PID Policy). The PSC PID Policy provides information to PSC staff on how they can report serious wrong-doing and details the protections under the PIDA for a person who makes a public interest disclosure.

To ensure staff awareness as required by section 6E(1)(b) of the PIDA, new PSC employees are required to read the PSC's PID Policy as part of their induction. The PID Policy is accessible to all PSC staff on the PSC intranet. Staff are also required to complete the following NSW Ombudsman e-learning modules:

- PID Awareness e-learning module
- PID Reporting e-learning module

These e-learning modules are accessible on the PSC intranet website.

Privacy and personal information

The *Annual Reports (Departments) Regulation 2015* requires a statement of action taken by the PSC in complying with the requirements of the *Privacy and Personal Information Protection Act 1998* (PPIPA) and details of any reviews conducted by or on behalf of the PSC under Part 5 of the PPIPA.

Privacy Management Plan

Upon its creation, the PSC adopted the privacy management practices used at the Department of Premier & Cabinet. The PSC completed and approved its own Privacy Management Plan in May 2019, which remains in effect. The PSC's Privacy Management Plan (2019) is accessible on the PSC intranet and website.

Privacy Codes of Practice for PSC – Workforce Profile Data

The PSC has two codes of practice made respectively under the PPIPA and the *Health Records and Information Privacy Act 2002*. These privacy codes of practice modify the application of certain privacy principles and health privacy principles to the activities of the PSC, particularly with respect to the collection and use of workforce data and related information.

The Privacy Code of Practice for the Public Service Commission (2018) and Health Privacy Code of Practice for the Public Service Commission (2018) permit the PSC to depart from the strict operation of certain principles on condition that appropriate privacy protections in the Codes are fulfilled. These Codes are accessible on the PSC internet site and intranet.

Complaints management

The Public Service Commissioner or PSC received a small number of complaints in 2020-2021. Almost all complaints concerned other NSW Government agencies or their employees and were either made by members of the public or sector employees.

We manage each complaint in accordance with applicable PSC policies and procedures and any applicable legislation before the Commissioner or her delegate makes a determination in relation to the complaint. We regularly review our complaints handling policies and procedures in line with best practice guidance and resources provided by NSW Ombudsman.

We have no statutory power to review the decisions made by individual agencies and no general complaints handling function. The principal objectives and general functions of the Public Service Commissioner are set out in section 10 and 11 of the *Government Sector Employment Act 2013*. In most cases, we assist the complainant to direct their complaint to the agency best able to deal with the complaint, whether this be the agency concerned or one or more oversight agencies. In some cases, we will directly refer a complaint, and/or take action under the *Government Sector Employment Act 2013* in relation to issues raised concerning the administration and management of a government sector agency.

Internal reviews

In 2020-2021 no reviews were conducted by or on behalf of the PSC under Part 5 of the PPIPA.

Internal audit, risk management and insurance activities

The focus of the Audit and Risk Committee in 2020-2021 has been to ensure reporting practices align with the requirements under NSW Treasury policy TPP 20-08 and the Committee's charter. In 2020-2021, consistent with the requirements of its charter and NSW Treasury policy TPP 20-08, the committee reviewed the PSC's approach to maintaining an effective risk management approach, adequacy of internal control processes, legislative compliance, and financial management aspects.

The Committee reviewed the 2020-2021 financial statements in September 2021 and recommended their signing by the Commissioner. The Committee found no identified weaknesses in internal controls and was satisfied that all significant risks identified in the risk management process are being managed effectively.

Committee membership

The current Chair and Members of the Audit and Risk Committee are Ms Gerry Brus (independent chair), Ms Mary Haines (independent member), and Ms Carolyn Walsh (independent member).

The terms of the committee members are listed below:

- Gerry Brus: Independent Member (appointed as chair 1 February 2017 to 31 January 2022)
- Carolyn Walsh: Independent Member (current term: 1 December 2020 to 1 December 2023)
- Mary Haines: Independent Member (current term: 1 January 2020 to 1 January 2023).

The committee meeting dates and attendance in 2020-21 were:

- July 2020 (Gerry Brus, Carolyn Walsh, Mary Haines)
- September 2020 (Gerry Brus, Carolyn Walsh, Mary Haines)
- November 2020 (Gerry Brus, Carolyn Walsh, Mary Haines)
- March 2021 (Gerry Brus, Carolyn Walsh, Mary Haines)
- April 2021 (Gerry Brus, Carolyn Walsh, Mary Haines)
- June 2021 (Gerry Brus, Mary Haines).

Internal audit program

During the financial year, the Audit and Risk Committee monitored progress against the internal audit plan and internal audit reports and reviews.

As at 30 June there were 4 open recommendations against the 2019-2020 Project Management internal audit report. We continued to implement mitigation strategies for the risks identified in this internal audit report.

The Audit and Risk Committee also tracked progress on action items under a review of the PSC's stakeholder engagement processes and a high-level perception study, undertaken by KPMG. This review identified areas where our approach to stakeholder engagement can be matured including establishing a stakeholder engagement and management model and process and setting clear expectations for all teams. As at 30 June, 8 of 24 action items have been implemented and a stakeholder engagement and management project plan was underway to address the outstanding recommendations.

Internal audit and risk attestation

Internal Audit and Risk Management Attestation Statement for the 2020-2021 Financial Year for NSW Public Service Commission

I, Kathrina Lo, am of the opinion that the NSW Public Service Commission has internal audit and risk management processes in operation that are, excluding the exemptions or transitional arrangements described below, compliant with the seven (7) core requirements set out in the *Internal Audit and Risk Management Policy for the General Government Sector*, specifically:

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

Membership

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

- Independent Chair, Gerry Brus (current term: 1 February 2021 to 1 February 2022)
- Independent Member, Carolyn Walsh (current term: 1 December 2020 to 1 December 2023)
- Independent Member, Mary Haines (current term: 1 January 2020 to 1 January 2023).



Kathrina Lo
Public Service Commissioner



Sam Nielsen
Chief Audit Executive

External audit

The Audit and Risk Committee noted the Commissioner's Internal Audit and Risk Management Attestation Statement and the NSW Audit Office's opinion that the 2020-2021 financial statements were a true and fair view of the PSC's financial position.

Insurance

We are a member of the NSW Treasury Managed Fund (TMF) which forms part of the NSW Government's self-insurance arrangements. Our insurance activities are conducted through Insurance and Care NSW (iCare) which manages the TMF. The expense (premium) is determined by the TMF Manager based on past claim experience.

As a TMF member agency, we have broad coverage for the following insurable risks:

Type	Coverage
Liability	Including, but not limited to, public liability, products liability, professional indemnity, directors and officers liability
Property	Provides coverage for full replacement, new for old, and consequential loss
Miscellaneous	Including, but not limited to, employee dishonesty, personal accident, and protection during agency specific travel overseas
Workers compensation	Liability arising under NSW legislation

Credit card certification

The Purchasing Card Policy was last updated and approved in July 2020 and is considered current. The rules are consistent with government policy as outlined in Treasurer's Directions and NSW Treasury Circulars. For the 2020-2021 financial year, credit/purchasing card use by officers of the PSC has been in line with government requirements.

Funds granted to non-government community organisations

No funds were granted to non-government community organisations in 2020-2021.

Research and development

No research and development activities were undertaken in 2020-2021.

Business continuity

During 2020-2021 the ICT & Business Services team conducted various business continuity tests focusing on key operational services such as payroll, accounts payable, ICT core systems and end-user computing. The results of the tests were successful and based on scenarios which impacted ICT infrastructure outages and access to physical systems inside the corporate premises.

Remote service delivery

The PSC's methods of working significantly changed from March 2020 to 30 June 2020 and beyond due to the unprecedented disruption arising from COVID-19 pandemic.

Our staff worked remotely from April 2020 until early October 2020, when the PSC's office re-opened, subject to compliance with rules to prevent the spread of COVID-19. From October 2020 to June 2021, the number of staff attending the office increased significantly, however, many staff continued to take advantage of flexible working arrangements. In late June 2020, as the number of COVID-19 cases began to increase in the community, staff were again directed to work remotely.

The PSC's operations, and our budgetary and financial position have not been adversely affected by the COVID-19 pandemic and the PSC continues to perform its statutory functions and deliver its services effectively.

Emergency broadcasting

The emergency broadcast SMS system has been tested and used throughout 2020-2021 to ensure appropriate safety and outage notifications were delivered to staff. The system is managed by the internal ICT team and is regularly updated by the HR team to ensure staff contacts are correct.

Equipment and facilities

All our staff are equipped with a HP laptop and Jabra headset which enables remote working. Our laptops run the latest version of Windows operating systems and the latest security and authentication to ensure our data and people are safe.

Our workforce uses:

- Office 365 to work remotely, store files, and collaborate
- Microsoft Teams as our primary communication tool for online collaboration within the PSC, with other Government agencies, and external corporations.

In response to changing conditions due to COVID-19 we have installed 'touchless' entry and exits to our office, to ensure staff and visitors remain safe within our office.

Cyber security

The PSC maintains its own Information Security Management System (ISMS) to manage risk related to digital information and information systems. The ISMS policies are consistent with the core requirements of the NSW Government Cyber Security Policy (CSP).

We have a strong commitment to Cyber Security to ensure our people, process and technology are secured. Our continuous security improvement program ensures our security controls and awareness are aligned with the Essential 8 and NSW Cyber Security Policy. Essential 8 is a series of baseline mitigation strategies recommended for organisations and implementing these strategies as a minimum makes it much harder for systems to be compromised.

During 2020-2021 we improved our positive maturity Essential 8 rating from 7 to 8 points and overall maturity of our CSP from 1.9 points to 2.35 points. This is a significant increase for the size of our agency.

This year staff were also encouraged to complete a self-guided e-Learning course made available on our learning management system. The course was developed by Cyber NSW and educated staff on foundational cyber security practices including recognising and reacting to cyber threats and securing their personal systems.

Our financial statements

Commissioner's certification

**Public Service Commission
Certification of the Financial Statements
for the year ended 30 June 2021**

Pursuant to section 7.6(4) of the *Government Sector Finance Act 2018* ('the Act'), I state that these financial statements for the year ended 30 June 2021:

- have been prepared in accordance with the Australian Accounting Standards (which include Australian Accounting Interpretations) and the applicable requirements of the Act, the Government Sector Finance Regulation 2018 and the Treasurer's directions, and
- present a true and fair view of the Public Service Commission's financial position, financial performance and cash flows.
- Further, at the date of this statement, I am not aware of any circumstances that would render the particulars included in the financial statements to be misleading or inaccurate.



Kathrina Lo
Public Service Commissioner
18 October 2021

Independent Auditor's Report



INDEPENDENT AUDITOR'S REPORT

Public Service Commission

To Members of the New South Wales Parliament

Opinion

I have audited the accompanying financial statements of Public Service Commission (the Commission), which comprise the Statement by the Accountable Authority, the Statement of Comprehensive Income for the year ended 30 June 2021, the Statement of Financial Position as at 30 June 2021, the Statement of Changes in Equity and the Statement of Cash Flows, for the year then ended, notes comprising a Statement of Significant Accounting Policies, and other explanatory information.

In my opinion, the financial statements:

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

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

Basis for Opinion

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

I am independent of the Commission in accordance with the requirements of the:

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

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

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

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

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

Commissioner's Responsibilities for the Financial Statements

The Commissioner is responsible for the preparation and fair presentation of the financial statements in accordance with Australian Accounting Standards, the GSF Act, GSF Regulations and Treasurer's Directions. The Commissioner's responsibility also includes such internal control as the Commissioner determines is necessary to enable the preparation and fair presentation of the financial statements that are free from material misstatement, whether due to fraud or error.

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

Auditor's Responsibilities for the Audit of the Financial Statements

My objectives are to:

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

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

A description of my responsibilities for the audit of the financial statements is located at the Auditing and Assurance Standards Board website at: www.auasb.gov.au/auditors_responsibilities/ar4.pdf. The description forms part of my auditor's report.

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

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



Nirupama Mani
Director - Financial Audit

Delegate of the Auditor-General for New South Wales

18 October 2021
SYDNEY

Public Service Commission
Statement of Comprehensive Income for the year ended 30 June 2021

		Budget	Actual	Actual
	Notes	2021 \$000	2021 \$000	2020 \$000
Continuing operations				
Expenses excluding losses				
Employee-related expenses	2(a)	21,357	19,331	23,722
Operating expenses	2(b)	17,879	17,309	16,930
Depreciation and amortisation	2(c)	2,342	1,955	2,036
Grants and subsidies	2(d)	----	----	350
Finance costs	2(e)	41	43	57
Total expenses excluding losses		41,619	38,638	43,095
Revenue				
Appropriation	3(a)	33,607	32,226	27,899
Sale of goods and services	3(b)	3,005	3,445	4,305
Grants and other contributions	3(c)	2,616	4,253	9,620
Acceptance by the Crown of employee benefits and other liabilities	3(d)	387	(538)	2,246
Other income	3(e)	90	177	32
Total revenue		39,705	39,563	44,102
Operating result				
Gain / (loss) on disposal	4	----	----	4
Impairment losses on right-of-use assets	5	----	(606)	----
Net result from continuing operations		----	(606)	4
Net result		(1,914)	319	1,011
Total comprehensive income		(1,914)	319	1,011

The accompanying notes form part of these financial statements.

Public Service Commission
Statement of Financial Position as at 30 June 2021

		Budget	Actual	Actual
	Notes	2021	2021	2020
		\$000	\$000	\$000
Assets				
Current Assets				
Cash and cash equivalents	7	4,816	5,511	5,960
Receivables	8	1,575	2,876	1,574
Total Current Assets		6,391	8,387	7,534
Non-Current Assets				
Property, plant and equipment	9	1,645	1,832	2,490
Right-of-use assets	10	2,309	1,621	3,204
Intangible assets	11	65	61	128
Total Non-Current Assets		4,019	3,514	5,822
Total Assets		10,410	11,901	13,356
Liabilities				
Current Liabilities				
Payables	12	3,190	2,985	3,189
Borrowings	13	2,342	1,205	1,136
Provisions	14	2,851	2,373	2,851
Other current liabilities		92	----	----
Total Current Liabilities		8,475	6,563	7,176
Borrowings	13	11	1,281	2,434
Provisions	14	362	353	361
Other non-current liabilities		92	----	----
Total Non-Current Liabilities		465	1,634	2,795
Total Liabilities		8,940	8,197	9,971
Net Assets		1,470	3,704	3,385
Equity				
Accumulated funds		1,470	3,704	3,385
Total Equity		1,470	3,704	3,385

The accompanying notes form part of these financial statements.

Public Service Commission
Statement of Changes in Equity for the year ended 30 June 2021

	Accumulated funds \$000	Total \$000
Balance at 1 July 2020	3,385	3,385
Net result for the period ended 30 June 2021	319	319
Total other comprehensive income	----	----
Total comprehensive income for the period ended 31 June 2021	319	319
Balance at 30 June 2021	3,704	3,704
Balance at 1 July 2019	2,374	2,374
Net result for the year	1,011	1,011
Total other comprehensive income	----	----
Total comprehensive income for the year	1,011	1,011
Balance at 30 June 2020	3,385	3,385

The accompanying notes form part of these financial statements.

Public Service Commission

Statement of Cash Flows for the year ended 30 June 2021

		Budget	Actual	Actual
		2021	2021	2020
	Notes	\$'000	\$'000	\$'000
Cash flows from operating activities				
Payments				
Employee related		(20,970)	(21,002)	(20,560)
Grants and subsidies		----	----	(350)
Finance costs		(41)	(43)	(57)
Other		(17,879)	(18,955)	(20,353)
Total payments		(38,890)	(40,000)	(41,320)
Receipts				
Appropriations		33,607	32,226	27,899
Reimbursements from the Crown		----	645	150
Sale of goods and services		3,005	2,557	4,690
Grants and other contributions		2,616	5,283	10,591
Other		----	177	31
Total receipts		39,228	40,888	43,361
Net cash flows from operating activities	18	338	888	2,041
Cash flows from investing activities				
Proceeds from sale of property, plant and equipment		----	----	4
Purchase of plant and equipment		(278)	(200)	(168)
Purchase of intangible assets		----	----	(6)
Net cash flow from investing activities		(278)	(200)	(170)
Cash flows from financing activities				
Payment of principal portion of lease liabilities		(1,204)	(1,137)	(1,127)
Net cash flow from financing activities		(1,204)	(1,137)	(1,127)
Net increase/(decrease) in cash and cash equivalents		(1,144)	(449)	744
Opening cash and cash equivalents		5,960	5,960	5,216
Closing cash and cash equivalents	7	4,816	5,511	5,960

The accompanying notes form part of these financial statements.

Public Service Commission

Notes to and forming part of the financial statements
for the year ended 30 June 2021

1 Summary of Significant Accounting Policies

(a) Reporting entity

The Public Service Commission (the Commission) is a NSW government entity established under the *Government Sector Employment Act 2013* (GSE Act). The Commission is a not-for-profit entity (as profit is not its principal objective) and it has no cash generating units.

The role of the Commission is to support the Public Service Commissioner (Commissioner) in the execution of their function. The Commission has the lead role in designing and implementing workforce management strategies, reform and the transformation of culture to ensure that the NSW public sector workforce is capable to deliver high quality public services to the people of NSW.

A principal objective of the Commission is to promote and maintain the highest levels of integrity, impartiality, accountability and leadership across the government sector.

The Commission also has an Advisory Board established under the GSE Act.

These financial statements for the period ended 30 June 2021 have been authorised for issue by the Public Service Commissioner on 18 October 2021.

(b) Basis of preparation

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

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

The Commission's financial statements have been prepared on a going concern basis, which contemplates the continuity of normal operating activity and the realisation of assets and the settlement of liabilities in the normal course of operations.

Plant and equipment and certain financial assets and liabilities are measured using the fair value basis. Other financial statement items are prepared in accordance with the historical cost convention except where specified otherwise.

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

All amounts are rounded to the nearest one thousand dollars and are expressed in Australian currency, which is the Commission's presentation and functional currency.

COVID-19

The Commission has applied COVID-19 accounting guidance provided by NSW Treasury and has determined that the internal controls of the Commission have not been impacted during the pandemic.

(c) Statement of compliance

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

(d) Accounting for the goods and services tax

Income, expenses and assets are recognised net of the amount of goods and services tax (GST), except that:

- The amount of GST incurred by the Commission as a purchaser that is not recoverable from the Australian Taxation Office (ATO) is recognised as part of an asset's cost of acquisition or as part of an item of expense.
- Receivables and payables are stated with the amount of GST included.

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

Public Service Commission

Notes to and forming part of the financial statements
for the year ended 30 June 2021

1 Summary of Significant Accounting Policies

(e) Comparative information

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

(f) Changes in accounting policies, including new or revised Australian Accounting Standards

(i) Effective for the first time in 2020-21

The Commission applied AASB 1059 *Service Concession Arrangements: Grantors (AASB 1059)* for the first time. The impact of applying this standard does not have an impact on the accounts of the Commission.

Several other amendments and interpretations apply for the first time in FY2020-21, but do not have an impact on the financial statements of the Commission.

AASB 1059 Service Concession Arrangements: Grantors

AASB 1059 is effective for the Commission from 1 July 2020. At the same time NSW Treasury Policy and Guideline Paper TPP 06-8: Accounting for Privately Financed Projects (TPP 06-8) was withdrawn effective from 1 July 2020.

Service Concession Arrangements are contracts between an operator and a grantor, where the operator provides public services related to a service concession asset on behalf of the grantor for a specified period of time and manages at least some of those services.

Where AASB 1059 applies, the grantor recognises the service concession asset when the grantor obtains control of the assets and measures the service concession asset at current replacement cost. At the same time the grantor recognises a corresponding financial liability or unearned revenue liability or a combination of both.

(ii) Issued but not yet effective

NSW public sector entities are not permitted to early adopt new Australian Accounting Standards, unless Treasury determines otherwise.

The following new Australian Accounting Standards have not been applied and are not yet effective, in accordance with 'Mandates of options and major policy decisions under Australian Accounting Standards' (TC20-08):

- AASB 17 *Insurance Contracts*
- AASB 1060 *General Purpose Financial Statements – Simplified Disclosures for For-Profit and Not-for-Profit Tier 2 Entities*
- AASB 2020-1 *Amendments to Australian Accounting Standards – Classification of Liabilities as Current or Non-current*
- AASB 2020-3 *Amendments to Australian Accounting Standards – Annual Improvements 2018–2020 and Other Amendments*
- AASB 2020-5 *Amendments to Australian Accounting Standards – Insurance Contracts*
- AASB 2020-6 *Amendments to Australian Accounting Standards – Classification of Liabilities as Current or Non-current – Deferral of Effective Date*
- AASB 2020-7 *Amendments to Australian Accounting Standards – Covid-19-Related Rent Concessions: Tier 2 Disclosures*
- AASB 2020-8 *Amendments to Australian Accounting Standards – Interest Rate Benchmark Reform – Phase 2*

It is not anticipated that the adoption of these standards will affect the financial statements of the Commission.

Public Service Commission

Notes to and forming part of the financial statements
for the year ended 30 June 2021

2 Expenses excluding losses

	2021	2020
	\$000	\$000
(a) Employee-related expenses		
Salaries and wages (including annual leave)	16,527	18,595
Superannuation - defined benefit plans	45	93
Superannuation - defined contribution plans	1,356	1,433
Long service leave	(692)	2,347
Workers' compensation insurance	55	33
Payroll tax and fringe benefits tax	885	1,221
Redundancy payments	1,155	-----
	19,331	23,722

	2021	2020
	\$000	\$000
(b) Operating expenses include the following:		
Auditor's remuneration		
- audit of the financial statements	52	51
Consultants	17	113
Corporate services	1,015	1,170
Other contractors	120	551
Fees - ICT	1,615	1,270
Insurance	55	22
Other expenses	6,374	6,887
Computer expenses	1,569	1,621
Boards and committees	361	300
Fees - management	6,131	4,945
	17,309	16,930

Recognition and measurement

Maintenance

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

Insurance

The Commission's insurance activities are conducted through the NSW Treasury Managed Fund Scheme of self-insurance for Government entities. The expense (premium) is determined by the Fund Manager based on past claims experience.

Lease expense

The Commission recognises the lease payments associated with the following types leases as an expense on a straight-line basis:

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

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

Public Service Commission

Notes to and forming part of the financial statements
for the year ended 30 June 2021

2 Expenses excluding losses

	2021	2020
	\$000	\$000
(c) Depreciation and amortisation expenses		
Depreciation		
Leasehold improvements	566	497
Plant and equipment	292	302
Right-of-use assets	1,030	1,068
Amortisation		
Intangible assets	67	169
	1,955	2,036

Refer to note 9, note 10 and note 11 for recognition and measurement policies on depreciation and amortisation.

	2021	2020
	\$000	\$000
(d) Grants and subsidies		
NSW Government	----	350
	----	350

	2021	2020
	\$000	\$000
(e) Finance costs		
Interest expense on lease liability	43	57
	43	57

Public Service Commission

Notes to and forming part of the financial statements
for the year ended 30 June 2021

3 Revenue

Recognition and measurement

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

(a) Appropriation and Transfers to the Crown

Summary of compliance	2021 \$000	2020 \$000
Original budget per <i>Appropriation Act</i>	33,607	28,287
Other Appropriations		
Variations made to appropriations during the financial year		
Transfer of appropriation from Treasurer's State Contingencies appropriation	-----	-----
Transfer of appropriations from Treasurer's special appropriation for COVID-19 related expenses and inflation	-----	-----
Section 4.9 GSF Act Act (transfer of functions between GSF agencies)	-----	-----
Section 4.11 GSF Act (Variations of annual appropriations for Commonwealth grants)	-----	-----
Section 4.13 GSF Act Exigency of Government (additional appropriation approved by Treasurer and Governor for exigencies of government)	-----	-----
Exigency of Government (per Section 32 of the Appropriation Act)	-----	-----
COVID-19 pandemic and inflation (per Section 34 of the Appropriation Act)	-----	-----
Other	-----	-----
Total spending authority from parliamentary appropriations, other than deemed appropriations	33,607	28,287
Add:		
Own source revenue money received during the year	8,017	15,312
Own source revenue balance brought forward from prior years	7,495	5,216
Total	49,119	48,815
Less: total expenditure	40,000	41,320
Variance	9,119	7,495
Less		
The spending authority from appropriations lapsed at 30 June	-----	-----
Own source revenue balance carried forward to following years	9,119	7,495

Notes:

- The summary of compliance excludes deemed appropriations. It is based on the assumption that the annual appropriations monies are spent first (except where otherwise identified or prescribed).
- 'Expenditure' refers to cash payments. The term 'expenditure' has been used for payments for consistency with AASB 1058 *Income of Not-for-Profit Entities*.
- If an entity receives an equity appropriation this must also be disclosed in the summary of compliance as part of the appropriation.
- If there is a 'Liability for lapsed appropriations drawn down' (formerly known as 'Liability to Consolidated Fund'), the Commission must state that this represents the difference between the 'Amount drawn down against annual Appropriation' and the 'Expenditure / Net Claim on Annual Appropriations'.
- The table of "Movement of Section 4.7 GSF Act - Deemed Appropriations" is a disclosure note, independent from the "Appropriation" line item in the statement of comprehensive income. Deemed appropriations is a legal concept under the GSF Act, that does not have a corresponding financial statement line item. Instead, deemed appropriations may come from various sources, such as sale of goods and services, and the corresponding revenue is disclosed in the relevant sections of these items in the financial statements.

Public Service Commission

Notes to and forming part of the financial statements
for the year ended 30 June 2021

3 Revenue

	2021 \$000	2020 \$000
(b) Sale of goods and services		
Rendering of services	3,445	4,305
	3,445	4,305

Recognition and measurement

Sale of goods

Revenue from sale of goods is recognised when the Commission satisfies a performance obligation by transferring the promised goods.

Rendering of services

Revenue from rendering of services is recognised when the Commission satisfies the performance obligation in providing the services. These services are eRecruitment including iworkforNSW, the provision of the Executive Masters of Public Administration program and executive search recoveries.

The revenue is measured at the transaction price agreed under the contract. No element of financing is deemed present as payments are due when the service is provided.

	2021 \$000	2020 \$000
(c) Grants and other contributions		
Grants	4,253	9,620
	4,253	9,620

	2021 \$000	2020 \$000
(d) Acceptance by the Crown of employee benefits and other liabilities		
The following liabilities and / or expenses have been assumed by the Crown.		
Superannuation - defined benefit	43	90
Long service leave provision*	(584)	2,151
Payroll tax on superannuation	3	5
	(538)	2,246

* Long Service Leave provision is negative due to higher than expected transfer out of employees to other agencies and payment of entitlements to employees who participated in the voluntary redundancy program.

	2021 \$000	2020 \$000
(e) Other income		
Payroll recoveries	177	32
	177	32

Public Service Commission

Notes to and forming part of the financial statements
for the year ended 30 June 2021

4 Gain / (loss) on disposal

	2021	2020
	\$000	\$000
Net gain/(loss) on disposal of plant and equipment	-----	4
	-----	4

5 Impairment losses on right-of-use assets

	2021	2020
	\$000	\$000
Impairment losses on right-of-use assets	(606)	-----
	(606)	-----

The impairment loss on right of use assets was due to an assessment that rental market values had declined due to the impact of COVID-19. Property NSW, as the Commission's property agent, obtained independent advice on the impact to tenancy leases that are held as right of use assets. This decline represents the impact upon leased accommodation in the Sydney CBD.

6 Program group statements

The Commission has only one program group and so no program group statement is prepared.

Purpose:

The program group 'Services and Capabilities Improvement' includes the promotion and maintenance of the highest levels of integrity, impartiality, accountability, capability and leadership across the public sector through innovative workforce management policies and programs.

7 Current assets - cash and cash equivalents

	2021	2020
	\$000	\$000
Cash at bank and on hand	5,511	5,960
	5,511	5,960

For the purposes of the Statement of Cash Flows, cash and cash equivalents include cash at bank, and cash on hand.

	2021	2020
	\$000	\$000
Cash and cash equivalents (per Statement of Financial Position)	5,511	5,960
Closing cash and cash equivalents (per Statement of Cash Flows)	5,511	5,960

Refer Note 20 for details regarding credit risk, liquidity risk, and market risk arising from financial instruments.

Public Service Commission

Notes to and forming part of the financial statements
for the year ended 30 June 2021

8 Current assets - receivables

	2021	2020
	\$000	\$000
Sale of goods and services	2,227	508
Goods and services tax recoverable from Australian Taxation Office	302	294
Accrued income	46	42
Other receivables	13	29
Prepayments	288	701
	2,876	1,574

Details regarding credit risk of trade debtors that are neither past due or impaired, are disclosed in Note 20.

Recognition and measurement

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

Subsequent measurement

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

Impairment

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

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

Public Service Commission

Notes to and forming part of the financial statements
for the year ended 30 June 2021

9 Property, plant and equipment

	Plant and equipment \$000	Leasehold improvements \$000	Total \$000
At 1 July 2020 - fair value			
Gross carrying amount	1,176	2,930	4,106
Accumulated depreciation and impairment	(477)	(1,139)	(1,616)
Net carrying amount	699	1,791	2,490
At 30 June 2021 - fair value			
Gross carrying amount	1,407	2,898	4,305
Accumulated depreciation and impairment	(769)	(1,704)	(2,473)
Net carrying amount	638	1,194	1,832

Reconciliation

A reconciliation of the carrying amount of each class of property, plant & equipment at the beginning & end of the reporting period is set out below.

	Plant and equipment \$000	Leasehold improvements \$000	Total \$000
Year ended 30 June 2021			
Net carrying amount at start of year	699	1,791	2,490
Purchases of assets	200	----	200
Transfer between asset classes	31	(31)	----
Depreciation expense	(292)	(566)	(858)
Net carrying amount at end of year	638	1,194	1,832

	Plant and equipment \$000	Leasehold improvements \$000	Total \$000
At 1 July 2019 - fair value			
Gross carrying amount	670	3,293	3,963
Accumulated depreciation and impairment	(200)	(642)	(842)
Net carrying amount	470	2,651	3,121
At 30 June 2020 - fair value			
Gross carrying amount	1,176	2,930	4,106
Accumulated depreciation and impairment	(477)	(1,139)	(1,616)
Net carrying amount	699	1,791	2,490

Reconciliation

A reconciliation of the carrying amount of each class of property, plant & equipment at the beginning & end of the reporting period is set out below.

	Plant and equipment \$000	Leasehold improvements \$000	Total \$000
Year ended 30 June 2020			
Net carrying amount at start of year	470	2,651	3,121
Purchases of assets	61	107	168
Transfers between classes	470	(470)	----
Disposals	----	----	----
Depreciation expense	(302)	(497)	(799)
Net carrying amount at end of year	699	1,791	2,490

Public Service Commission

Notes to and forming part of the financial statements
for the year ended 30 June 2021

9 Property, plant and equipment

Recognition and measurement

Acquisitions of property, plant and equipment

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

Fair value is the price that would be received when an asset is sold in an orderly transaction between market participants at measurement date. Where payment for an asset is deferred beyond normal credit terms, its cost is the cash price equivalent; i.e. deferred payment amount is effectively discounted over the period of credit.

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

Restoration costs

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

Capitalisation thresholds

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

Depreciation of property, plant and equipment

Except for certain non-depreciable assets, depreciation is provided for on a straight-line basis so as to write off the depreciable amount of each asset as it is consumed over its useful life to the Commission.

All material identifiable components of assets are depreciated separately over their useful lives.

Category of Assets	2021	2020
	Depreciation Rates	Depreciation Rates
Office furniture and fittings	10 - 50%	10 - 14%
Computer equipment	25%	25%
General plant and equipment	20 - 25%	20 - 25%

Amortisation

Leasehold improvements are recognised over the period of the lease.

Revaluation of property, plant and equipment

Physical non-current assets are valued in accordance with the 'Valuation of Physical Non Current Assets at Fair Value' Policy and Guidelines Paper (TPP 21-09). This policy adopts fair value in accordance with AASB 13 and AASB 116.

The Commission's assets comprise of plant and equipment with short useful lives. These are measured at depreciated historical cost which approximates fair value.

Impairment of property, plant and equipment

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

The Commission assesses, at each reporting date, whether there is an indication that an asset may be impaired. If any indication exists, or when annual impairment testing for an asset is required, the Commission estimates the asset's recoverable amount. When the carrying amount of an asset exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount.

As a not-for-profit entity, an impairment loss is recognised in the net result to the extent the impairment loss exceeds the amount in the revaluation surplus of the class of asset.

Public Service Commission

Notes to and forming part of the financial statements
for the year ended 30 June 2021

10 Leases

Commission as a lessee

The Commission leases office space, the lease commenced on 1 June 2018 for a fixed period of five years. The lease agreement does not impose any covenants but lease assets may not be used as security for borrowing purposes. The Commission does not provide residual value guarantees in relation to leases.

AASB 16 *Leases* (AASB 16) requires a lessee to recognise a right-of-use asset and a corresponding lease liability for most leases.

Right-of-use assets under leases

The following table presents right-of-use assets that do not meet the definition of investment property.

	Buildings \$000	Total \$000
Balance at 1 July 2020	3,204	3,204
Additions	53	53
Other movements (Impairment loss)	(606)	(606)
Depreciation expense	(1,030)	(1,030)
Balance at 30 June 2021	1,621	1,621
Balance at 1 July 2019	4,272	4,272
Additions	----	----
Depreciation expense	(1,068)	(1,068)
Balance at 30 June 2020	3,204	3,204

Lease liabilities

The following table presents liabilities under leases.

	2021 \$000	2020 \$000
Balance at 1 July	3,570	4,640
Additions	53	----
Interest expense	43	57
Payments	(1,180)	(1,127)
Balance as at 30 June	2,486	3,570

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

	2021 \$000	2020 \$000
Depreciation expense of right-of-use assets	1,030	1,068
Other movements (Impairment loss)	606	----
Interest expense on lease liabilities	43	57
Total amount recognised in the statement of comprehensive income	1,679	1,125

The Commission had total cash outflows for leases of \$1,179,167 (FY2020: \$1,127,431).

Public Service Commission

Notes to and forming part of the financial statements
for the year ended 30 June 2021

10 Leases

Recognition and measurement under AASB 16

The Commission assesses at contract inception whether a contract is, or contains, a lease. That is, if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration.

The Commission recognises lease liabilities to make lease payments and right-of-use assets representing the right to use the underlying assets, except for short-term leases and leases of low-value assets.

i. Right-of-use assets

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

Right of use assets are subsequently measured at cost. They are depreciated on a straight-line basis over the shorter of the lease term and the estimated useful lives of the asset, as follows:

- Buildings 5 years

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

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

ii. Lease liabilities

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

- fixed payments (including in substance fixed payments) less any lease incentives receivable;
- variable lease payments that depend on an index or a rate;
- payments of penalties for terminating the lease, if the lease term reflects the Commission exercising the option to terminate.

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

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

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

The Commission's lease liabilities are included in borrowings.

Public Service Commission

Notes to and forming part of the financial statements
for the year ended 30 June 2021

11 Intangible assets

	Software at cost \$000	Total \$000
At 1 July 2020		
Cost (gross carrying amount)	3,704	3,704
Accumulated amortisation and impairment	(3,576)	(3,576)
Net carrying amount	128	128
At 30 June 2021		
Cost (gross carrying amount)	3,681	3,681
Accumulated amortisation and impairment	(3,620)	(3,620)
Net carrying amount	61	61
Year ended 30 June 2021		
Net carrying amount at start of year	128	128
Additions	----	----
Amortisation (recognised in "depreciation and amortisation")	(67)	(67)
Net carrying amount at end of year	61	61
At 1 July 2019 - fair value		
Cost (gross carrying amount)	5,295	5,295
Accumulated amortisation and impairment	(5,004)	(5,004)
Net carrying amount	291	291
At 30 June 2020 - fair value		
Cost (gross carrying amount)	3,704	3,704
Accumulated amortisation and impairment	(3,576)	(3,576)
Net carrying amount	128	128
Year ended 30 June 2020		
Net carrying amount at start of year	291	291
Additions	6	6
Amortisation (recognised in "depreciation and amortisation")	(169)	(169)
Net carrying amount at end of year	128	128

Recognition and measurement

The Commission recognises intangible assets only if it is probable that future economic benefits will flow to the Commission and the cost of the asset can be measured reliably. Intangible assets are measured initially at cost. Where an asset is acquired at no or nominal cost, the cost is its fair value as at the date of acquisition. Following initial recognition, intangible assets are subsequently measured at fair value only if there is an active market. If there is no active market for the Commission's intangible assets, the assets are carried at cost less any accumulated amortisation and impairment losses.

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

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

The Commission's intangible assets are amortised using the straight line method over a period of 4 years.

The amortisation period and the amortisation method for an intangible asset with a finite useful life are reviewed at least at the end of each reporting period.

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

Public Service Commission

Notes to and forming part of the financial statements
for the year ended 30 June 2021

12 Current liabilities - payables

	2021	2020
	\$000	\$000
Accrued salaries, wages and on-costs	265	261
Creditors	1,209	1,192
Other accruals	1,508	1,731
Other payables	3	5
	2,985	3,189

Details regarding liquidity risk, including a maturity analysis of the above payables, are disclosed in Note 20.

Recognition and measurement

Payables represent liabilities for goods and services provided to the Commission and other amounts. Short term payables with no stated interest rate are measured at the original invoice amount where the effect of discounting is immaterial.

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

13 Current / non-current liabilities - borrowings

	2021	2020
	\$000	\$000
Lease liabilities (see Note 10)	2,486	3,570
	2,486	3,570

Details regarding liquidity risk, including a maturity analysis of the above payables, are disclosed in Note 20.

Recognition and measurement

Financial liabilities at amortised cost

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

Public Service Commission

Notes to and forming part of the financial statements
for the year ended 30 June 2021

14 Current / non-current liabilities - provisions

	2021	2020
	\$000	\$000
Current provisions		
Annual leave including on-costs	1,859	2,169
Long service leave on costs	514	682
Current employee benefits and related on-costs	2,373	2,851
Total current provisions	2,373	2,851
Non-current provisions		
Long service leave on costs	51	59
Non-current employee benefits and related on-costs	51	59
Restoration costs	302	302
Total non-current provisions	353	361
Employee benefits and related on-costs	2,424	2,910
Restoration costs	302	302
Total provisions	2,726	3,212
Aggregate employee benefits and related on-costs		
Provisions - current	2,372	2,851
Provisions - non-current	51	59
Accrued salaries, wages and on-costs (note 12)	265	261
	2,688	3,171

In accordance with the NSW TC 21-03 *Accounting for Long Service Leave and Annual Leave* and AASB 101 *Presentation of Financial Statements*, all the annual leave and unconditional long service leave is presented as a current liability in the statement of financial position. All annual leave classified as a current liability is expected to be settled within 12 months of balance sheet dates.

The Commission's liability for long service leave is assumed by the Crown. However the Commission has an obligation to meet the long service leave related on-cost.

Movements in provisions (other than employee benefits)

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

	2021	2020
	\$000	\$000
Provision for restoration costs		
Carrying amount at the beginning of financial year	302	302
Additional provisions recognised	----	----
Amounts used	----	----
Unused amount reserved	----	----
Unwinding /change in discount rate	----	----
Carrying amount at the end of financial year	302	302

Public Service Commission

Notes to and forming part of the financial statements
for the year ended 30 June 2021

14 Current / non-current liabilities - provisions

Recognition and measurement

Employee benefits and related on-costs

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

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

Annual leave is not expected to be settled wholly before twelve months after the end of the annual reporting period in which the employees render the related service. As such, it is required to be measured at present value in accordance with AASB 119 *Employee Benefits* (although short cut methods are permitted). Actuarial advice obtained by Treasury has confirmed that the use of a nominal approach plus the annual leave on annual leave liability (using 8.4% (2020: 7.9%)) of the nominal value of annual leave) can be used to approximate the present value of the annual leave liability. The Commission has assessed the actuarial advice based on the Commission's circumstances and has determined that the effect of discounting is immaterial to annual leave. All annual leave is classified as a current liability even where the Commission does not expect to settle the liability within 12 months as the Commission does not have an unconditional right to defer settlement.

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

Long service leave and superannuation

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

Long service leave is measured at present value of future payments to be made in respect of services provided up to the reporting date. Consideration is given to certain factors based on actuarial review, including expected future wages and salary levels, experience of employee departures and periods of service. Expected future payments are discounted using the Commonwealth government bond rate at the reporting date.

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

Consequential on-costs

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

Other Provisions

Provisions are recognised when: the Commission has a present legal or constructive obligation as a result of a past event; it is probable that an outflow of resources will be required to settle the obligation; and a reliable estimate can be made of the amount of the obligation. The Commission has assessed the time value of money on the restoration provision to be immaterial and as such has not discounted the provision.

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

Public Service Commission

Notes to and forming part of the financial statements
for the year ended 30 June 2021

15 Commitments

	2021 \$000	2020 \$000
Capital commitments		
Aggregate capital expenditure for the acquisition of office equipment contracted for at balance date and not provided for:		
Within one year	----	101
Later than one year and not later than five years	----	----
Later than five years	----	----
Total (including GST)	----	101

The expenditure above includes input tax credits of nil (2020: \$9,000) that are expected to be recoverable from the ATO.

16 Contingent liabilities and contingent assets

Contingent liabilities

The Commission is not aware of any contingent liabilities associated with its operations.

Contingent assets

The Commission is not aware of any contingent assets associated with its operations.

17 Budget review

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

Net result

The actual net result of \$0.319 million was \$2.233 million higher than budget net result of (\$1.914) million. The major variations to the budgets are:

Total expenses of \$38.638 million was \$2.981 million lower than budget amount of \$41.619 million, mainly due to expenditure carried forward to FY2022.

Total revenue of \$39.563 million was \$0.142 million lower than budget amount of \$39.705 million, mainly due to additional grant revenue of \$1.637m; offset by lower Appropriation drawdowns \$1.381m and lower acceptance by the Crown of \$0.925m.

Assets and liabilities

Net assets of \$3.640 million was \$2.170 million higher than budget amount of \$1.470 million. The major variances arising on the Statement of Financial Position are noted below:

Total assets of \$11.837 million were \$1.427 million higher than budget amount of \$10.410 million, mainly due to higher closing receivables balance due to the e-Recruitment program.

Total liabilities of \$8.197 million was \$0.743 million lower than budget amount of \$8.940 million, mainly due to a reduction in employee provisions of \$0.487m and lower payables at year end of \$0.205m.

Cash flows

The net decrease in cash of (\$0.449) million was \$0.695 million lower than budget amount of (\$1.114) million, mainly due to higher net cash from operating activities.

Public Service Commission

Notes to and forming part of the financial statements
for the year ended 30 June 2021

18 Reconciliation of cash flows from operating activities to net result

Reconciliation of cash flows from operating activities to the net result as reported in the Statement of Comprehensive Income is as follows:

	2021	2020
	\$000	\$000
Net cash used on operating activities	888	2,041
Depreciation and amortisation expense	(1,955)	(2,036)
Impairment expense on right of use asset	(606)	----
Decrease/(increase) in provisions	486	(949)
Increase/(decrease) in receivables	1,302	607
Decrease/(increase) in payables	204	1,344
Net gain/(loss) on sale of property, plant and equipment	----	4
Net result	319	1,011

20 Financial instruments

The Commission's principal financial instruments are outlined below. These financial instruments arise directly from the Commission's operations or are required to finance the Commission's operations. The Commission does not enter into or trade financial instruments, including derivative financial instruments, for speculative purposes.

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

The Commissioner has overall responsibility for the establishment and oversight of risk management and reviews and agrees policies for managing each of these risks. Risk management policies are established to identify and analyse the risks faced by the Commission, to set risk limits and controls and to monitor risks. Compliance with policies is reviewed by the Audit and Risk Committee on a regular basis.

(a) Financial instrument categories

Class	Note	Category	Carrying Amount	
			2021	2020
			\$000	\$000
Cash and cash equivalents	7	Amortised cost	5,511	5,960
Receivables ¹	8	Amortised cost	2,286	579
Financial Liabilities				
Payables ²	12	Financial liabilities measured at amortised cost	2,717	2,923
Borrowings	13	Financial liabilities measured at amortised cost	2,486	3,570

1. Excludes statutory receivables and prepayments (i.e. not within scope of AASB 7)

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

The Commission determines the classification of its financial assets and liabilities after initial recognition and, when allowed and appropriate, re-evaluates this at each financial year end.

Public Service Commission

Notes to and forming part of the financial statements
for the year ended 30 June 2021

20 Financial instruments

(b) Derecognition of financial assets and financial liabilities

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

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

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

(c) Offsetting financial instruments

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

(d) Financial risks

i. Credit risk

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

Credit risk arises from the financial assets of the Commission, including cash, receivables and authority deposits. No collateral is held by the Commission. The Commission has not granted any financial guarantees.

Cash and cash equivalents

Cash comprises cash on hand and bank balances within the NSW Treasury Banking System.

Receivables - trade debtors

Collectability of trade debtors is reviewed on an ongoing basis. Procedures as established in the Treasurer's Directions are followed to recover outstanding amounts, including letters of demand. Debtors which are known to be uncollectable are written off when there is no reasonable expectation of recovery. An allowance for impairment is raised when there is objective evidence that the Commission will not be able to collect all amounts due. This evidence includes past experience, and current and expected changes in economic conditions and debtor credit ratings. No interest is earned on trade debtors. Sales are made on 30 day terms.

The ageing analysis of trade debtors is as follows:

	2021 \$000	2020 \$000
Neither past due nor impaired	278	160
Past due but not impaired		
< 3 months overdue	1,457	104
3 months - 6 months overdue	441	165
> 6 months overdue	52	79
	2,228	508
Impaired		
< 3 months overdue	----	----
3 months - 6 months overdue	----	----
> 6 months overdue	----	----
Total receivables - gross of allowance for impairment	2,228	508

Note: The ageing analysis excludes statutory receivables and prepayments, as these are not within the scope of AASB 7. Therefore the 'total' will not reconcile to the receivables total in Note 8.

Public Service Commission

Notes to and forming part of the financial statements
for the year ended 30 June 2021

20 Financial instruments

(d) Financial risks

ii. Liquidity risk

Liquidity risk is the risk that the Commission will be unable to meet its payment obligations when they fall due. The Commission continuously manages risk through monitoring future cash flows and maturities planning to ensure adequate holding of high quality liquid assets. The objective is to maintain a balance between continuity of funding and flexibility through the use of overdrafts, loans and other advances. During the current and prior year, there were no defaults of borrowings. The Commission's exposure to liquidity risk is deemed insignificant based on prior period's data and current assessment of risks.

Liabilities are recognised for amounts due to be paid in the future for goods or services received, whether or not invoiced. Amounts owing to suppliers (which are unsecured) are settled in accordance with the policy set out in TC11/12 Payment of Accounts. For small business suppliers, where terms are not specified, payment is made not later than 30 days from date of receipt of a correctly rendered invoice. For other suppliers, if trade terms are not specified, payment is made no later than the end of the month following the month in which an invoice or a statement is received. For small business suppliers, where payment is not made within the specified time period, simple interest must be paid automatically unless an existing contract specifies otherwise. For payments to other suppliers, the Commissioner (or a person appointed by the Commissioner) may automatically pay the supplier simple interest. There was no interest for late payments applied during the period (2020: Nil). The Commission had a credit card facility for \$250,000 (2020: \$250,000) with CitiBank with the balance cleared monthly.

The table below summarises the maturity profile of the Commission's financial liabilities, together with the interest rate exposure.

Maturity Analysis and interest rate exposure of financial liabilities

	\$000						
	Nominal Amount	Interest rate exposure			Maturity dates		
		Fixed Interest Rate	Variable Interest Rate	Non-interest bearing	< 1 yr	1-5 yrs	> 5 yrs
2021							
Payables	2,717	----	----	2,717	2,717	----	----
Borrowings							
Lease liabilities	2,486	2,486	----	----	1,205	1,281	----
Total	5,203	2,486	----	2,717	3,922	1,281	----
2020							
Payables	2,923	----	----	2,923	2,923	----	----
Borrowings							
Lease liabilities	3,570	3,570	----	----	1,136	2,434	----
Total	6,493	3,570	----	2,923	4,059	2,434	----

iii. Market risk

Market risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices. The Commission has no exposure to foreign currency risk and does not enter into commodity contracts.

Interest rate risk

Interest rates risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Commission has no interest bearing assets or liabilities, therefore the Commission does not account for any fixed rate financial instruments at fair value through profit or loss or as fair value through other comprehensive income.

(e) Fair value measurement

(i) Fair value compared to carrying amount

The amortised cost of financial instruments recognised in the Statement of Financial Position approximates the fair value because of the short term nature of all of the financial instruments. There are no financial instruments where the fair value differs from the carrying amount.

Public Service Commission

Notes to and forming part of the financial statements
for the year ended 30 June 2021

21 Related party disclosures

The Commission's key management personnel compensation are as follows:

	2021	2020
	\$000	\$000
Salaries	1,500	1,430
Other monetary allowances	-----	-----
Non-monetary benefits	-----	-----
Other long-term employee benefits	-----	-----
Post-employment benefits	51	26
Termination benefits	225	-----
Total remuneration	1,776	1,456

During the year, the Commission did not enter into any transactions with key management personnel, their close family members and controlled or jointly controlled entities thereof.

During the year, the Commission entered into transactions with NSW Government related entities that are controlled, jointly controlled or significantly influenced by NSW Government. These are all at arm's length transactions in the ordinary course of the business of the Commission.

22 Events after the reporting period

No events have occurred subsequent to balance date which will materially affect the financial statements.

End of unaudited financial statements

Appendices

Appendix A Workforce information and diversity

Number of senior executives and remuneration

At 30 June 2021, 6 (75%) of the 8 senior executive roles at the PSC were held by female employees. This compares to 9 (90%) of the 10 senior executive roles at 30 June 2020.

Table 1: The number of senior executives employed at the end of the reporting year, broken down by band and gender

	2021 Female	2021 Male	2020 Female	2020 Male	2019 Female	2019 Male
Public Service Commissioner	1	0	1	0	1	0
Band 3 (equivalent)	0	1	0	0	0	0
Band 2 (equivalent)	0	0	2	0	1	1
Band 1 (equivalent)	5	1	6	1	6	1
Totals	6	2	9	1	8	2

Kathrina Lo was appointed Public Service Commissioner effective from 14 April 2020. As a holder of an independent public office, the Public Service Commissioner is responsible to Parliament in the performance of the functions of their respective offices. The Public Service Commissioner remuneration is determined by the Statutory and Other Office Holders Remuneration Tribunal. For this reporting period the Public Service Commissioner's salary was \$541,365.

The remaining senior executive remuneration details are listed in [table 2](#).

Table 2: The average remuneration level of senior executives in each band at the end of the reporting year

	2021 Range	2021 Average	2020 Range	2020 Average	2019 Range	2019 Average
Band 4 (equivalent)	N/A	N/A	N/A	N/A	N/A	N/A
Band 3 (equivalent)	\$345,551 – \$487,050	\$375,380	N/A	N/A	N/A	N/A
Band 2 (equivalent)	N/A	N/A	\$274,701 – \$345,550	\$295,689	\$268,001 – \$337,100	\$302,062
Band 1 (equivalent)	\$192,600 – \$274,700	\$241,022	\$192,600 – \$274,700	\$241,022	\$187,900 – \$268,000	\$231,017

In 2020-2021, 11.74% of the PSC’s employee related expenditure was related to senior executives, compared with 2019-2020, 15.13%. These figures include the Public Service Commissioner as part of the senior executive.

Number of non-executive employees

Table 3: Number of non-executive employees* by category — classification level

Includes employees on Secondment, Parental or Unpaid leave.

Grade	2021 Total	2021 Male	2021 Female	2020 Total	2020 Male	2020 Female	2019 Total	2019 Male	2019 Female
G/S	1	0	1	1	0	1	1	0	1
1/2	0	0	0	0	0	0	0	0	0
3/4	19	7	12	18	9	9	20	12	8
5/6	14	5	9	19	8	11	19	5	14
7/8	37	9	28	37	9	28	34	12	22
9/10	44	12	32	50	15	35	53	16	37
11/12	22	8	14	32	8	24	27	9	18
Totals	137	41	96	157	49	108	154	54	100

Workforce diversity

Table 4: Trends in the representation of workforce diversity groups

	Benchmark	2021	2020	2019
Women in the workforce	50%	69.7%	69.3%	65.2%
Aboriginal People and Torres Strait Islander	3.3%	3.4%	2.5%	2.5%
People whose first language spoken as a child was not English	23.2%	13.8%	9.3%	8.1%
People with a disability	5.6%	9.0%	8.0%	5.0%
People with a disability requiring work-related adjustment	N/A	3.4%	3.1%	3.7%

Source: Adapted from PSC, Diversity Report: Public Service Commission, PSC, NSW Government, unpublished, accessed 28 October 2020.

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

Note 2: The NSW Public Sector Aboriginal Employment Strategy 2019 – 2025 introduced a target of 3% by 2025 for each of the sector’s non -executive salary bands. This is in addition to the NSW Premier’s Priority target to double the number of Aboriginal senior executive leaders by 2025.

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

Note 4: In December 2017 the NSW Government announced the target of doubling the representation of people with disability in the NSW public sector from an estimated 2.7% to 5.6% by 2025. The benchmark for people with disability requiring work-related adjustment was not updated.

Table 5: Trends in the distribution of workforce diversity groups – this data is yet to be received

	Benchmark	2021	2020	2019
Women in the workforce	100		104	107
Aboriginal People and Torres Strait Islander	100	N/A	N/A	N/A
People whose first language spoken as a child was not English	100	N/A	N/A	N/A
People with a disability	100	N/A	N/A	N/A
People with a disability requiring work-related adjustment	100	N/A	N/A	N/A

Source: Adapted from PSC, Diversity Report: Public Service Commission.

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

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

Appendix B Workforce management

People and Engagement strategy

The below outlines the areas of focus across People and Engagement during 2020-2021:

Table 6: PSC People and Engagement strategic focus areas 2020–2021

Strategy and Reporting	Operations and Development	GovConnect (Outsourced)
<ul style="list-style-type: none"> • Organisational Redesign • Organisational culture – monitoring and building employee engagement • HR policy and program management • Workforce planning • HR Reporting and analytics • Human capital management • Talent management • Mobility management • Joint Consultative Committee support • Designing a reward and recognition approach • Inclusion Strategy 	<ul style="list-style-type: none"> • Transformational Leadership Program • Linking purpose with performance • PSC orientation, onboarding and offboarding • PSC recruitment • GovConnect contract management and liaison • Employee relations advice and support • HR correspondence • Learning and development • e-learning • Health and wellbeing including mentally healthy workplace benchmarking 	<ul style="list-style-type: none"> • Contact centre support • Transactional payroll production • Off-cycle payroll • Onboarding • Payroll estimates • Defined reporting • Exits • SAP org management changes, restructures, allocations • Employee data management • Personnel file management • Workers’ compensation administration

The PSC continues to review and update all internal policies and procedures to ensure best practice and current legislative requirements are incorporated.

Our outsourced transactional payroll and organisation management activity continues to be supported by GovConnect. PSC representatives work closely with the Service Management Office (SMO) and GovConnect management to monitor performance and service delivery.

We completed further work to enable a best practice approach to performance management. An internal audit was conducted to provide a holistic view of how the performance management process can be enhanced. PSC has now implemented improved processes for performance management, including updated policies and process guidelines, which will be implemented during 2021-2022.

The HR unit continues to utilise and enhance dashboard reporting on workforce metrics and measures for the monthly Executive report. The accompanying data and analytics assists to shape operational and strategic workforce related conversations to drive areas of focus for managers and the HR unit.

Industrial relations

The employment practices of the PSC are compliant with industrial relations requirements, including those contained in *Government Sector Employment Act 2013* (GSE Act), and *Crown Employees (Public Service Conditions of Employment) Award 2009*. They are also compliant with the policies and practices published on the PSC's website and internal policies listed on the PSC intranet.

Consultation mechanisms

Regular meetings between the PSC and PSA continued during 2020-2021. The impacts of organisational restructure were discussed, and all policies developed during the year were shared for consultation.

Overseas visits

There were no overseas visits by PSC staff during 2020-21.

Appendix C: Advisory Board member biographies

Biographies of the external members of the Advisory Board are as follows:

Sandra McPhee AM

Diploma in Education

Sandra has extensive experience as a non-executive director and senior executive in a range of consumer-related public, private and not-for-profit organisations in the utilities, retail, tourism and aviation industries.

Sandra is Chancellor of Southern Cross University and a Non-Executive Director of St Vincent's Health Australia. She is a member of the Advisory Council of JP Morgan, Chief Executive Women, Women Corporate Directors and The Australian Institute of Company Directors.

Sandra recently Chaired the Commonwealth Government Employment Services Expert Advisory Panel. The resultant "I Want to Work: Employment Services 2020 Report" was accepted and recommendations are in the process of implementation by Government.

In 2013 Sandra was awarded a Member of the Order of Australia for significant service to business and the community through leadership and advisory roles.

Susan Lloyd-Hurwitz

Master of Business Administration, Bachelor of Arts (Honours)

Susan was appointed Chief Executive Officer & Managing Director in August 2012 and a Director of Mirvac Board in November 2012.

Prior to this appointment, Susan was Managing Director at LaSalle Investment Management. Susan has also held senior executive positions at MGPA, Macquarie Group and Lend Lease Corporation, working in Australia, the US and Europe.

Susan is the Chair of the Green Building Council of Australia, a Director of the Business Council of Australia, member of the NSW Public Service Commission Advisory Board, President of INSEAD Australasian Council and a member of the INSEAD Global Board.

Jordan O'Reilly

Bachelor of Applied Science (Occupational Therapy)

Jordan is the CEO and co-founder of Hireup; an online platform connecting Australians with disability with support workers who fit their needs and share their interests.

Jordan has dedicated his adult life to building organisations and enterprises that empower people with disabilities and their families to live life to its fullest potential.

Jordan has been the recipient of a number of awards including Sydney University's Young Alumni Achievement Award 2015 and NSW State Finalist, Young Australian of the Year Award 2015. More recently he's been recognised as EY's 2018 Emerging Entrepreneur of the Year.

Vince Graham AM

Bachelor of Engineering (Civil), Graduate Diploma in Management

Vince has over 30 years' experience in senior and chief executive roles in infrastructure and public transport across the public sector. He is the former CEO of Networks NSW, Endeavour Energy, RailCorp, National Rail Corporation and the Grain Handling Authority, having led those organisations through times of major change, including mergers, privatisations and state significant capital acquisition programs.

Vince is a Director of the Australian Rail Track Corporation Board, Western Sydney Airport Corporation, Western City Parklands Authority and Catholic Schools NSW Ltd.

In 2017 Vince was awarded a Member of the Order of Australia for his significant contribution to the rail and electricity sectors.

Appendix D: Payment of accounts

Table 7: Aged analysis at the end of the quarter

Quarter	Current (i.e. within due date)	Less than 30 days overdue	Between 30 and 60 days overdue	Between 60 and 90 days overdue	More than 90 days overdue
	(\$'000)	(\$'000)	(\$'000)	(\$'000)	(\$'000)
September	-	-	-	-	-
December	9	31	-	67	0
March	150	-	9	1	13
June	42	-	10	-	-1

Table 8: Accounts due or paid within each quarter for all suppliers

Measure	September	December	March	June
Number of accounts due for payment	229	165	167	303
Number of accounts paid on time	144	106	85	189
Actual percentage of accounts paid on time (based on number of accounts)	63%	64%	51%	62%
Dollar amount of accounts due for payment (\$'000)	4,362	4,138	3,413	6,755
Dollar amount of accounts paid on time (\$'000)	2,577	2,370	1,570	4,692
Actual percentage of accounts paid on time (based on \$)	59%	57%	46%	69%
Number of payments for interest on overdue accounts	0	0	0	0
Interest paid on overdue accounts	0	0	0	0

Table 9: Accounts due or paid within each quarter for small suppliers

Measure	September	December	March	June
Number of accounts due for payment	2	12	6	11
Number of accounts paid on time	0	0	0	0
Actual percentage of accounts paid on time (based on number of accounts)	0%	0%	0%	0%
Dollar amount of accounts due for payment (\$'000)	30	129	16	67
Dollar amount of accounts paid on time (\$'000)	0	0	0	0
Actual percentage of accounts paid on time (based on \$)	0%	0%	0%	0%
Number of payments for interest on overdue accounts	0	0	0	0
Interest paid on overdue accounts (\$'000)	0	0	0	0

Appendix E: Consultants

The NSW Procurement Board Direction 2019-01 defines “consultant” for the purposes of reporting of consultant expenditure as “a person or an organisation engaged under a contract on a temporary basis to provide recommendations or professional advice to assist decision-making by management. Generally, it is the advisory nature of the work that differentiates a consultant from other contractors.”

The Public Service Commission’s consultant expenditure for 2020-21 was \$16,800. The consultancy services were provided for management services.

Consultant	Nature of service	Amount \$
Contracts \$50,000 or more		
0	0	0
Total	(0 Contracts)	0
Contracts less than \$30,000 (total)		
Total	(1 Contract)	16,800
Total expenditure for 2020-21		16,800

Appendix F: Digital security policy attestation

Reference: A5448108

Date: 24 August 2021

Cyber Security Annual Attestation Statement for the 2020-2021 Financial Year for the Public Service Commission.

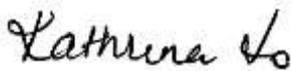
I, Kathrina Lo, am of the opinion that the Public Service Commission has managed cyber security risks in a manner consistent with the Mandatory Requirements set out in the NSW Government Cyber Security Policy.

Risks to the information and systems of the Public Service Commission have been assessed and are managed.

Governance is in place to manage the cyber-security maturity and initiatives of the Public Service Commission.

There exists a current cyber incident response plan for the Public Service Commission which has been tested during the reporting period.

An independent review of the Agency's Information Security Management System (ISMS) and the effectiveness of controls and reporting against the mandatory requirements of the NSW Cyber Security Policy was undertaken and found to be adequate or being properly addressed in a timely manner.



Kathrina Lo
Public Service Commissioner

Appendix G: GIPA application information

The following 9 tables show details of the formal applications received and decisions made by PSC during the 2020-2021 financial year in accordance with the GIPA Act and the Government Information (Public Access) Regulation 2018.

Table 10: Number of applications by type of applicant and outcome*

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

*More than one decision can be made in respect of a particular access application. If so, a recording must be made in relation to each decision. This also applies to Table 10 (on the following page).

Table 11: Number of applications by type of application and outcome

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

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

Table 12: Invalid applications

Reason for invalidity	No of applications
Application does not comply with formal requirements (section 41 of the Act)	0
Application is for excluded information of the agency (section 43 of the Act)	0
Application contravenes restraint order (section 110 of the Act)	0
Total number of invalid applications received	0
Invalid applications that subsequently became valid applications	0

Table 13: Conclusive presumption of overriding public interest against disclosure: matters listed in Schedule 1 to Act

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

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

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

Table 15: Timelines

	Number of applications
Decided within the statutory timeframe (20 days plus any extensions)	2
Decided after 35 days (by agreement with applicant)	0
Not decided within time (deemed refusal)	0
Total	2

Table 16: Number of applications reviewed under Part 5 of the Act (by type of review and outcome)

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

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

Table 17: Applications for review under Part 5 of the Act (by type of applicant)

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

Table 18: Applications transferred to other agencies under Division 2 of Part 4 of the Act (by type of transfer)

	Number of applications transferred
Agency-initiated transfers	0
Applicant-initiated transfers	0

Appendix H: Public interest disclosures information

Under the *Public Interest Disclosures Act 1994* (PIDA), the PSC is required to report information about public interest disclosures (PIDs) made between 1 July 2020 and 30 June 2021, internal reporting policies in place, and actions taken to meet the Public Service Commissioner's staff awareness obligations. Between 1 July 2020 and 30 June 2021, no PIDs were made to the PSC.

Table 19: Statistical information on Public Interest Disclosures
1 July 2020 – 30 June 2021

		Category 1 PIDs made in performance of day to day functions	Category 2 PIDs made under a statutory or other legal obligation	Category 3 All other PIDs
Number of public officials who made a PID	0	0	0	0
Number of PIDs received	0	0	0	0
Of PIDs received, number primarily about:		-		
Corrupt conduct	0	0	0	0
Maladministration	0	0	0	0
Serious and substantial waste	0	0	0	0
Government information contravention	0	0	0	0
Local Government pecuniary interest contravention	0	0	0	0
Number of PIDs finalised	0	0	0	0

Glossary

Term	Meaning
AEDP	Aboriginal Employment Development Program
Aboriginal	Aboriginal, when used in this document, is inclusive of Aboriginal and/or Torres Strait Islander people.
AM	Member of the Order of Australia
Capability	Transferable knowledge (theoretical or practical understanding of a subject), skills (proficiencies developed through training, experience or practice) and abilities (qualities of being able to do something)
Cisgender	A term that means whatever gender you are now is the same as what was presumed for you at birth.
CSP	Cyber Security policy
DCP	Digital Career Pathways tool
DENconnect	Disability Employment Network connect
DPC	Department of Premier and Cabinet
EAP	Employee Assistance Program
Employee Value Proposition (EVP)	An overarching Employee Value Proposition to position the NSW Government as an employer of choice. That is, what the NSW Government offers and what it expects in turn from its employees such as rewards, opportunity, organisation, work and people.
Essential 8	A cyber security threat mitigation strategy developed by the Australian Cyber Security Centre.
Flexible working	<p>Flexible working means re-thinking the way we plan and arrange work – when it takes place, where it takes place and how we arrange it.</p> <p>A note on agile/activity-based working: agile work in the government context generally means activity-based working (or hot-desking) and refers to the physical workplace environment. While some concepts may overlap e.g. remote working – agile work is not the same as flexible working.</p>

Fulltime equivalent (FTE)	<p>A standardised way of describing the size of a workforce based on the total number of ordinary time paid hours worked (excluding overtime and unpaid work). The unit can be calculated to compare employees with different employment arrangements, such as fulltime, part-time or casual.</p> <p>FTE is calculated by dividing an employee's scheduled hours by the number of hours in an employer's workweek. For example, an employee scheduled to work 21 hours per week would be 0.6 FTE in a 35-hour workweek.</p> <p>FTE is not a count of the total number of employees. For example, two employees who both work half the standard number of fulltime hours will together be counted as one FTE employee.</p>
FY21	The financial year from July 1 2020 to June 30 2021
GEN	Government Employee Number
GIPA	<i>Government Information (Public Access) Act 2009</i>
Government sector	The government sector is defined in section 3 of the GSE Act. It includes the Public Service, the Teaching Service, the NSW Police Force, the NSW Health Service, the Transport Service of New South Wales, any other service of the Crown (including the service of any NSW government agency) and the service of any other person or body constituted by or under an Act or exercising public functions (such as a State owned corporation), being a person or body that is prescribed by the regulations for the purposes of this definition.
GSE Act	<p>The <i>Government Sector Employment Act 2013</i> (GSE Act) and related instruments are the legal framework for NSW Government sector employment and workforce management.</p> <p>The GSE Act applies to workforce management in the Public Service. The GSE Act commenced on 24 February 2014 and repeals the Public Sector Employment and Management Act 2002 (PSEM Act).</p>
GSE Regulation	The <i>Government Sector Employment Regulation 2014</i> (GSE Regulation) support the GSE Act.
GSE Rules	The <i>Government Sector Employment (General) Rules 2014</i> (GSE Rules) support the GSE Act.

Headcount	The total number of employees working for the PSC in either a full-time or part-time capacity, including employees externally seconded and on parental or unpaid leave. Our headcount does not include contractors.
HR	Human resources
HCD	Human-centred design
ICT	Information and communications technology
INSPIRE Collaborative	A sector-driven online community for HR and workforce planners to share experiences
ISMS	Information Security Management System
I work for NSW	<p>I work for NSW has been the brand promoting the NSW Government employee value proposition since 2016.</p> <p>The I work for NSW website is the primary jobs board for vacancies in the NSW government sector. Advertising on I work for NSW satisfies the requirement for external advertising.</p>
LGBTIQA+	The acronym representing the Lesbian, Gay, Bisexual, Trans, Intersex, and Queer community
LXP	Learning experience platform used by staff to self-manage their online learning and training
Merit	<p>The GSE Rules set out the merit based employment principles that apply to roles in the NSW Public Service, including comparative assessment and suitability assessment.</p> <p>The GSE Act enhances the application of merit principles as all employment decisions are to be based on a holistic assessment of an applicant's capabilities against the requirements of a role.</p>
Mobility	Mobility is the movement of a government sector employee through assignment, transfer or secondment, including secondments and temporary assignments at a higher or (with the exception of temporary assignment) lower grade or band than the employee's ongoing employment.

MP	Member of Parliament
NAIDOC	National Aboriginal and Islander Day Observance Committee
NSW	New South Wales
OCHRE	Opportunity, Choice, Healing, Responsibility, Empowerment, the NSW Government's strategic plan for Aboriginal Affairs.
PID	Public Interest Disclosure
PIDA	Public Interest Disclosure Act 1994
PiPs	Pride in PSC
PMES	People Matter, Public Sector Employee Survey
PP14	Premier's Priority 14: World class public service
PPIPA	<i>Privacy and Personal Information Protection Act 1998</i>
PSC	NSW Public Service Commission
PSSE	Public Sector senior executive
Public sector	The term public sector usually refers to the government sector, State owned corporations and a range of other quasi-government entities, although as a term of general usage it is not defined in the GSE legislative framework.
Public Service	The Public Service is defined in section 3 of the GSE Act and is included as part of the government sector. It includes departments, executive agencies and separate agencies.
Role	A role is the duties and responsibilities of an employee.
SEB	Senior Executive Band.
SEF	Senior Executive Fundamentals
SLT	Senior Leadership Team
SOPSR	<i>State of the NSW Public Sector Report</i>

SWP	Strategic workforce planning
Talent pool	A pool of applicants assessed through comparative assessment as having the capabilities required for a type of role. Formerly known as a 'recruitment pool'.
<i>Unfinished Business</i>	The report of the NSW Legislative Council's General-Purpose Standing Committee No. 3 into reparations for the Stolen Generations in NSW
WFP	Workforce Profile
WHS	Workplace Health and Safety
Workforce diversity	Workforce diversity encompasses initiatives to: build positive workplaces and provide support for all employees; strengthen workforce planning capability to integrate workforce diversity strategies; build a workforce which reflects the diversity of the wider community; achieve the Government's broader social responsibility objectives.
Workforce planning	Workforce planning is a strategic ongoing process, which aligns organisation's workforce requirements to its business objectives. The process involves considering the future business environment and identifying the expected future demand for workforce skills and capabilities.
World class public service	Premier's Priority 14: world class public service seeks to implement best-practice productivity and digital capability in the NSW public sector, as well as drive public sector diversity by 2025

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