



Public Service Commission



2023-24 Annual Report





Acknowledgement of Country

The NSW 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.

Aboriginal Artwork by Nikita Ridgeway

Letter of submission

The Hon Chris Minns MP
Premier of New South Wales
GPO Box 5341
Sydney NSW 2001

Dear Premier

It is my pleasure to submit the NSW Public Service Commission Annual Report 2023-24 to you for presentation to the NSW Parliament.

This report is an account of the operations and performance of the former Public Service Commission for the period 1 July 2023 to 30 June 2024. While I am exempted from the requirement to prepare final financial statements and final annual reporting information for 2023-24 for the former Public Service Commission by *Treasurer's Direction TD24-22 Financial and Annual Reporting by former reporting GSF agencies*, such statements and information are included in this report as a matter of transparency and accountability. The report constitutes the Commission's final report.

The report also gives an account of my work and activities as Public Service Commissioner, and of workforce diversity across government sector agencies, for 2023-24, as required by section 15(1) and 63(4) respectively of the Government Sector Employment Act 2013.

Yours sincerely



Kathrina Lo
Public Service Commissioner
Date: 27 September 2024

About this report

Welcome to the NSW Public Service Commission's annual report for the final reporting period 1 July 2023-30 June 2024.

This report summarises our activities and performance against the goals and measures set out in the Public Service Commission's Strategic Plan 2022-25.

The report also shows our financial results for 2023-24. The financial statements have been audited by the Audit Office of New South Wales.

As at the date of this report, this and earlier reports are available on our website: www.psc.nsw.gov.au.

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Message from the Chair



Sandra McPhee AM, PSC Advisory Board Chair

As Chair of the Public Service Commission Advisory Board for the past 4 years, I have been heartened by the continued commitment of NSW public sector employees to improve the lives of NSW citizens as they deliver services to local communities.

Since its establishment over 10 years ago, the Public Service Commission (PSC) has consistently focused on making a positive contribution to the workplace experiences of over 450,000 NSW public sector employees. By fostering initiatives to stimulate workplace innovation and inclusion, delivering enhanced high-quality workforce data and encouraging cross-agency collaboration, the PSC has supported the sector to create better outcomes for the people of NSW.

Supporting sector employees to deliver trusted services

The dedication of sector employees in delivering services to communities across NSW was especially evident in 2020 and subsequent years as they worked through the global pandemic and natural disasters. The mobility programs and workforce data, provided by the PSC, supported the sector ensuring the right people were in communities when and where they were most needed.

When employees are supported to do their best work, they are actively building community trust with government services. The [NSW State of the Customer Report](#) shows that 73% of customers trust NSW Government services are working in their best interest and 75% are satisfied with their experience.

The NSW public sector continues to be recognised as an employer of choice, with over 10% of the state's population working for NSW government. Our Graduate Program, which creates a crucial pipeline of high-performing talent, has been recognised over many years as the 'Most Popular Government and Defence Graduate Program' by the *Australian Financial Review*.

Connecting and supporting the sector

The PSC has always been uniquely positioned to connect the sector, identifying and sharing information and best practice approaches to enable the delivery of high-quality services. This year we have led collaboratively across the sector to deliver better outcomes for employees and citizens.

Initiatives included a co-design approach to developing and implementing programs and services and increased collaboration supporting agencies to make workforce decisions for the future. I was pleased to see this approach used to develop the first all-of-sector Strategic Workforce Plan to identify gaps and opportunities in preparing our workforce to meet the workplace challenges of the next 5 years.

Driving meaningful change in disability inclusion

In my time on the PSC Advisory Board, I have been proud of the positive changes made to disability inclusion across the sector. The work of the PSC in enabling diversity, belonging and inclusion is essential in creating workplaces that reflect the communities we serve.

This year the PSC progressed a workplace adjustment policy, which all NSW public sector agencies will be encouraged to adopt. This policy signals to the community that our workforce has a unique understanding of their needs and the barriers they may face when engaging with government services.

The establishment of the PSC Board Observership Program in November 2022 is significant. This important initiative supports the careers of sector employees with disability, providing them with opportunities to learn from senior leaders within and outside of government. I would like to thank our observers Dalia Spiers and Melanie Jones for their insights and perspectives which greatly contributed to PSC Board deliberations. I encourage other organisations to consider similar programs in support of disability inclusion.

My thanks

It has been a pleasure and privilege to serve as a member of the PSC Advisory Board for the past 8 years, with the last 4 as Chair. Having a front row seat to the important work of the PSC and the NSW public sector in supporting communities across NSW has been a unique experience which I will always treasure.

I have greatly appreciated the wisdom and dedication of fellow Board members Jordan O'Reilly, Geoff Stalley, Michael Coutts-Trotter and Simon Draper who have made outstanding contributions to our deliberations. I also extend my thanks to past Board members for their contributions to the work of the PSC since 2014.

I would like to express my gratitude to Commissioner Kathrina Lo and her PSC team. Kathrina has demonstrated outstanding leadership and commitment to the Commission and the sector.

To PSC staff moving onwards to new roles, I wish you every success. I am sure you will continue to build on the great work of the PSC and achieve even greater outcomes in the future.

Sandra McPhee AM

Chair
NSW Public Service Commission Advisory Board

Message from the Commissioner



Kathrina Lo, Public Service Commissioner

Due to machinery of government changes, from 1 July 2024 the Public Service Commission (PSC) is no longer a Public Service agency and this will be our last annual report. These structural changes, together with amendments to the Government Sector Employment Act 2013, mean most work of the PSC will be split between a new Office of the Public Service Commissioner within the Premier's Department, a new People and Workforce group in the Premier's Department, and Corporate Services in the Premier's Department and The Cabinet Office.

As our team navigates this change, it is important to reflect on the year that was and the achievements of the PSC over my 4 years as Commissioner – there is a lot to be proud of.

Making progress against our strategic plan

This year we developed a sector Strategic Workforce Plan to help NSW public sector agencies identify workforce trends, address challenges and leverage opportunities. We will provide the plan to the Premier's Department to support the workforce planning priorities of the sector.

Earlier this year, we launched a Cultural Capability Guide, giving practical guidance, insights and resources to support agencies in providing an inclusive employee experience for Aboriginal and Torres Strait Islander people. The guide is a key initiative in the Aboriginal Employment Strategy 2019-25 and also supports the Closing the Gap priority reform area of transforming government organisations. The guide covers the whole employee lifecycle from role design, recruitment and onboarding to career development and progression, retention and recognition.

Our NSW Leadership Academy programs for high-performing sector senior executives were refreshed this year to support leaders as stewards of the sector to make a positive impact for their teams and the people of NSW. The Executive Excellence, Aboriginal Career and Leadership Development and Executive Essentials programs use a shared leadership framework to build capability, capacity and connection. Over 280 leaders are taking part in our 2024 programs.

To support PSC initiatives, we have continued to invest in the capability uplift of HR professionals across the sector. As our core customers, HR professionals play a key role in implementing PSC programs and shaping their workplaces, enabling staff to deliver high-quality services to communities. Our

HR capability uplift program continues to be successful, with participants noting the impact participation has on their development. Over 290 HR professionals attended our HR masterclass series and a further 67 were selected for our second HR mentoring program.

A key focus of my work and that of my team has been continuing to support the sector to embed a pro-integrity culture in our workplaces. This year, we completed an in-depth review of the Code of Ethics and Conduct for NSW Government Sector Employees. The review aimed to ensure the sector has a code that is fit for purpose and consistent with best practice. The review involved extensive consultation, including with integrity agencies. A new, enhanced Code will take effect from 1 November 2024 and its implementation will be supported by a suite of resources, including mandatory training.

Reflections over the past 4 years

I am particularly proud of the work the PSC has done over the past 4 years in the following areas:

- Increasing the number of Aboriginal senior executives in the sector. The number has tripled over the past decade, with 60% of that growth occurring in the past 3 years.
- Expanding the NSW Government Graduate program by adding specialist streams in digital, engineering, and social work. Our graduate program is consistently ranked the #1 Government Graduate program in Australia. In 2021, NSW Government was ranked #1 on the *Australian Financial Review's* Top 100 Graduate Employers list, competing against private sector employers.
- Reforming paid parental leave for the sector in 2022 to offer 14 weeks paid leave to all new parents, regardless of gender or caring role. These changes play a major role in supporting women's economic opportunity and career progression.
- An increase in sector employees identifying as having disability through the People Matter Employee Survey (PMES) from 4% in 2020 to almost 7% in 2023. Key PSC initiatives included developing online training for people managers, implementing a Board Observership program, championing inclusive recruitment practices, and current work on sector-wide workplace adjustment initiatives.
- Addressing workplace sexual harassment, including a statutory direction issued by me to government sector agencies to implement a sexual harassment policy that meets certain minimum standards, a model sexual harassment prevention and response policy, and an online interactive information tool on sexual harassment.
- Working with the Aboriginal community, including Stolen Generations survivors, to develop the Everyone's Business cultural capability training package to uplift sector knowledge of Aboriginal and Torres Strait Islander culture and how past policies and practices continue to affect Aboriginal people and communities.
- Mobilising hundreds of public servants across the sector during the COVID-19 pandemic to areas where they were most needed in order to support the community.
- Measuring employee burnout for the first time through the PMES, undertaking research into burnout, and developing guidance for agencies to prevent and respond to burnout.

- Delivering a new and innovative culturally and linguistically diverse (CALD) strategy, aimed at increasing the number of CALD senior leaders in the sector. Our Elevate & Advocate Sponsorship Program for high potential CALD staff is highly regarded by the sector, with 1 in 5 sponsees being promoted during the program and other sponsees reporting improved career trajectories. The program was nominated for a NSW Premier's Award for Public Service in 2023.
- Uplifting sector capability through various programs and initiatives, including the NSW Leadership Academy, Human Resources Community of Practice, and various mentoring programs.

Looking ahead

Operating as the Office of the Public Service Commissioner (OPSC), my team will continue its focus on embedding a pro-integrity culture across the sector. This will include establishing a new Community of Practice for Ethical Behaviour, and developing a strategy to guide our work on promoting the core government sector values and the Code of Conduct and Ethics.

In coming months, I will issue a statutory direction to the heads of government sector agencies to implement a workplace adjustment policy that meets certain minimum standards, and will provide a model policy that can be adopted by agencies. This will support the sector's drive to increase the employment of people with disability.

The OPSC will also undertake work to ensure merit principles and associated processes are being complied with in public sector recruitment.

My thanks

It has been an immense privilege to lead an agency that aims to enable the NSW public sector to be world class. I want to express my gratitude to all staff of the PSC who have worked with me during my time leading this agency. Their commitment to delivering for the sector is inspiring.

I thank the PSC's Senior Leadership Team, who have led and empowered their people to deliver impactful work for our sector customers.

The PSC has in recent years achieved some of the highest employee engagement scores in the sector, reflecting the contributions of all staff to building a positive and inclusive organisational culture.

My thanks also goes to the PSC Advisory Board for their guidance and support.

Kathrina Lo

NSW Public Service Commissioner



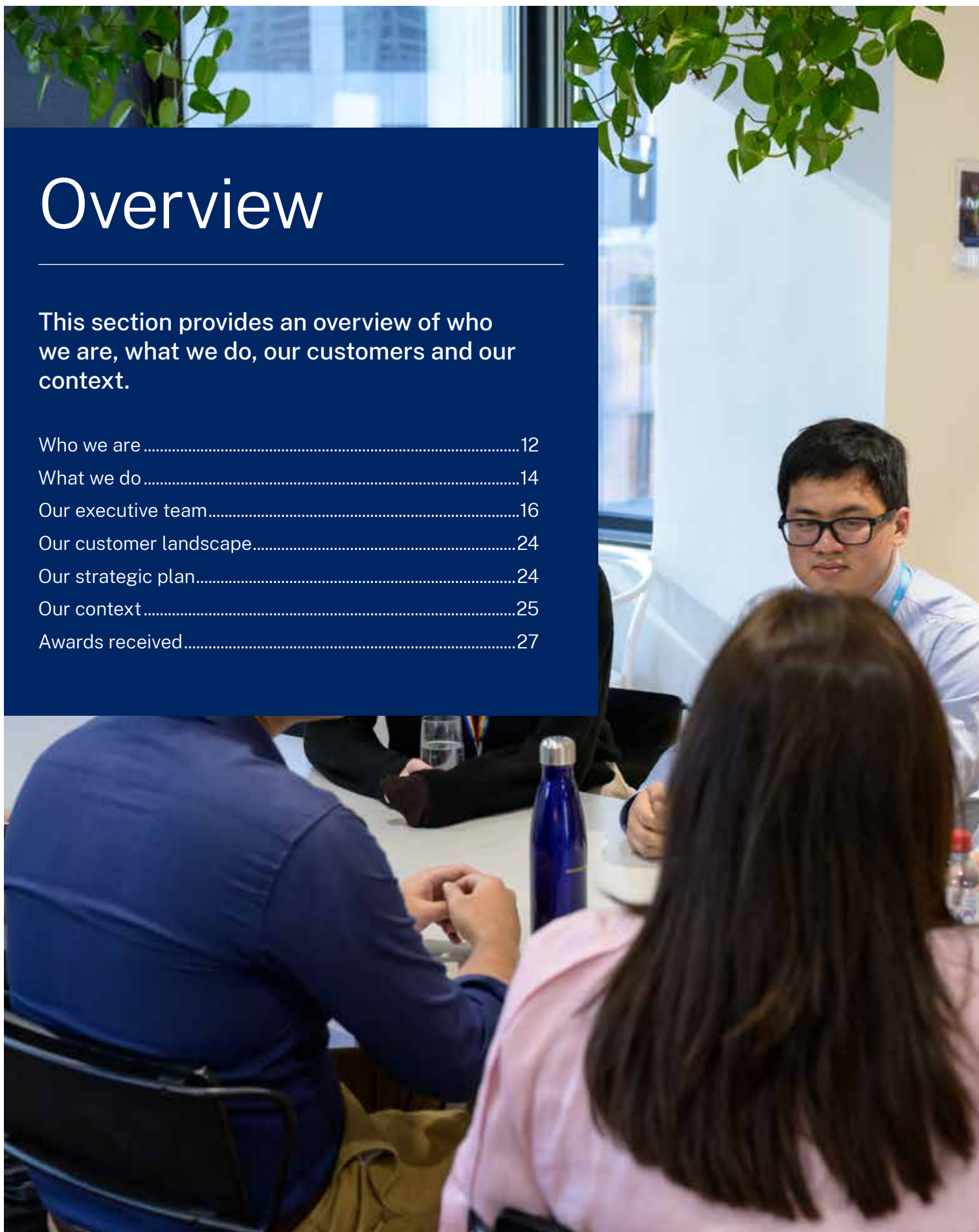
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Overview

This section provides an overview of who we are, what we do, our customers and our context.

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Who we are

The NSW Public Service Commissioner (the Commissioner) is an independent statutory office holder appointed under the *Government Sector Employment Act 2013* (NSW) (GSE Act).

The NSW Public Service Commission (PSC) supported the Commissioner in the exercise of her functions throughout 2023-24. During the reporting period, the PSC was a separate Public Service agency under the GSE Act and formed part of the Premier's Department portfolio of agencies.

The Commissioner reports to the Premier in connection with the exercise of the Commissioner's functions but is not subject to the control and direction of the Premier in the exercise of those functions. The Commissioner is to exercise her functions in accordance with the general policies and strategic directions determined by the PSC Advisory Board.

Our governance structure included the PSC Advisory Board, Management Board and Senior Leadership Team. Information on our Governance Framework is detailed in the Management and accountability section of this report on page 62.

The exercise of the Commissioner's functions under the GSE Act is subject to an accountability mechanism through the [Committee on the Ombudsman, the Law Enforcement Conduct Commission and the Crime Commission](#) (Joint Committee), as detailed in the Legal change section on page 68.

Legislative and Machinery of Government changes since 30 June 2024

The GSE Act was amended by the Government Sector Employment and Other Legislation Amendment Act 2024 to remove certain principal objectives and functions of the Public Service Commissioner with effect on 1 July 2024.

In addition, the PSC was abolished on 1 July 2024 by Machinery of Government (MoG) changes under the *Administrative Arrangements (Administrative Changes – Miscellaneous) Order (No 2) 2024*. PSC employees were transferred to the Premier's Department on that date, and references to the PSC must now be read as a reference to the Premier's Department.

At the time of this report, the Office of the Public Service Commissioner (OPSC) has been established within the Premier's Department to enable the Commissioner to exercise her functions from 1 July 2024. Former functions of the Commissioner and work of the PSC which is now the responsibility of the Secretary, Premier's Department are transitioning in a staged approach which is expected to be completed by 1 October 2024.

Structural, performance and financial reporting for the PSC for the year ending 30 June 2024 is included in this annual report.

This report describes the PSC's work to support the Commissioner's functions as they were during the reporting period, prior to the legislative and MoG changes which took effect on 1 July 2024.

What we do

The PSC's work supports the Commissioner's strategic leadership and development of the NSW government sector workforce.

Statutory functions under the GSE Act as in force during 2023-24

The Commissioner's principal objectives, as set out in the GSE Act, 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 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 Government in achieving positive budget outcomes through strengthening the capability of the government sector workforce.

The Commissioner's primary functions under the GSE Act include to:

- promote and maintain the government sector core values
- adopt a code of ethics and conduct with which government sector employees must comply
- identify reform opportunities for the government sector workforce and advise the Government on policy innovations and strategy in those areas of reform
- lead the strategic development and management of the government sector workforce on various matters
- advise the Government on matters such as leadership structure for the government sector, appropriate strategies, policies and practices in relation to the structure of the government sector workforce, and service delivery strategies and models for the government sector, and
- 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 GSE Act establishes and regulates the organisation and leadership of the NSW Public Service, the employment of Public Service senior executives and non-executives and establishes an ethical framework for the government sector. The GSE Act also regulates matters such as workforce diversity, mobility and performance management in relation to the government sector.

The GSE Act is supported by the following statutory instruments:

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.

Statutory functions under other legislation as in force during 2023-24

The Commissioner has the function of being consulted in relation to remuneration and conditions of appointment to certain government sector statutory corporations, boards and advisory committees, and the remuneration and conditions of employment for staff of certain government sector services.

Under the *Statutory and Other Offices Remuneration Act 1975*, the Commissioner may notify the Statutory and Other Offices Tribunal (SOORT) of matters which the SOORT should take into consideration when making determinations of the remuneration packages for senior executives. The PSC provides secretariat services for the SOORT.

The Commissioner is represented on the Public Interest Disclosures Steering Committee established by the *Public Interest Disclosures Act 2022*.

Our executive team



Chris Lamb, Kathrina Lo, Brooke Wilson, Joy Milag

Management Board

The PSC Management Board is the most senior governance and decision-making body within the PSC. It provides executive leadership, strategic oversight, risk management and assurance for the planning and delivery of our programs of work.

- Kathrina Lo, NSW Public Service Commissioner (Chair)
- Chris Lamb, Deputy Commissioner
- Joy Milag, Chief Financial Officer and Director, Governance and Risk (from 13 November 2023)
- Brooke Wilson, Associate Director, People and Engagement
- Sarah Bradshaw, Executive Officer to the Commissioner (observer)
- Joyce Low Chief Financial Officer and Director, Governance and Risk (to 31 August 2023)
- Kylie Beazley, Acting Chief Financial Officer and Director, Governance and Risk (from 1 September 2023 – November 2023)

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.

Movements within the reporting year included the:

- departure of Joyce Low from the role of Chief Financial Officer and Director, Governance and Risk 31 August 2023
- appointment of Joy Milag to the role of Chief Financial Officer and Director, Governance and Risk 13 November 2023
- departure of Jennifer Black from the role of Associate Director, Strategic Communication 29 May 2024
- departure of Brooke Wilson from the role of Associate Director, People and Engagement 28 June 2024.





Kathrina Lo

Commissioner

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

Kathrina joined the PSC 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, NSW Audit Office and NSW Information and Privacy Commission. Kathrina is on the board of the Australia and New Zealand School of Government and is a member of Chief Executive Women. She is passionate about working in the public interest and is a champion for diversity and inclusion.



Chris Lamb

Deputy Commissioner

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

Chris joined the PSC in October 2020 after previous senior leadership roles in people and culture, talent and organisation development for Lendlease, American Express and Westpac. He is committed to achieving outcomes related to diversity and inclusion and has overseen award winning 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.



Tianna Jaeschke

Director, Workforce Strategy and Capability

Bachelor of Commerce (Human Resource Management)

Tianna joined the PSC in January 2022. As well as experience in the private sector, Tianna has 10 years' experience in the public sector with the NSW Department of Premier and Cabinet, TAFE NSW and the NSW State Emergency Service. With experience in specialist and generalist human resources roles, Tianna has supported and implemented a range of people initiatives and strategies across workforce strategy, talent management and change.



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.



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.



Anita Hawtin PSM

Director, Leadership and Talent

Anita joined the Public Service Commission in 2011 and her experience includes the design and delivery of whole of government talent acquisition programs including the award-winning NSW Government Graduate program, Public Service Talent Pools and Internship Programs. She has a strong commitment to building on NSW Government's reputation as an employer of choice by applying leading practice recruitment, tailored sourcing and candidate-centric approaches to specific talent cohorts.



Joy Milag

Chief Financial Officer and Director, Governance and Risk (from November 2023)

Bachelor of Business, Member of the Institute of Chartered Accountants in Australia and New Zealand

Joy commenced her role at the PSC in November 2023. Before joining the PSC, Joy held the role of Director Financial Controlling, NSW Department of Education, Director Financial Management and Reporting, NSW Department of Communities and Justice and its predecessor NSW Department of Justice. Joy has been in the public sector since 2019, having previously fulfilled roles at KPMG in the areas of audit, tax and advisory throughout a range of industries include the public sector. Some of those roles had Joy working around Australia, North America and Europe.



Sarah Sandstad

General Counsel

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

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



Brooke Wilson

Associate Director, People and Engagement

Certificate IV Human Resources

Brooke joined the PSC in August 2022 from the Department Planning & Environment (DPE) and has over 15 years' experience working in People & Engagement and Diversity & Inclusion. Brooke was involved in leading the COVID -19 response team and developing a new way of working for DPE. Brooke is passionate about people and ensuring they have the right tools and support to enable them to be successful in their role.



Chris Mace

Associate Director, ICT and Business Services

Bachelor of Arts, GAICD

Appointed in November 2017, Chris is responsible for ICT, Business Services and Cyber Security. Chris has held 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 (until May 2024)

Bachelor of Commerce, Bachelor of Arts

Jen joined the PSC at the beginning of 2020 and was in the role until her departure in May 2024. She is an award-winning communication professional with more than 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.



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. She 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.



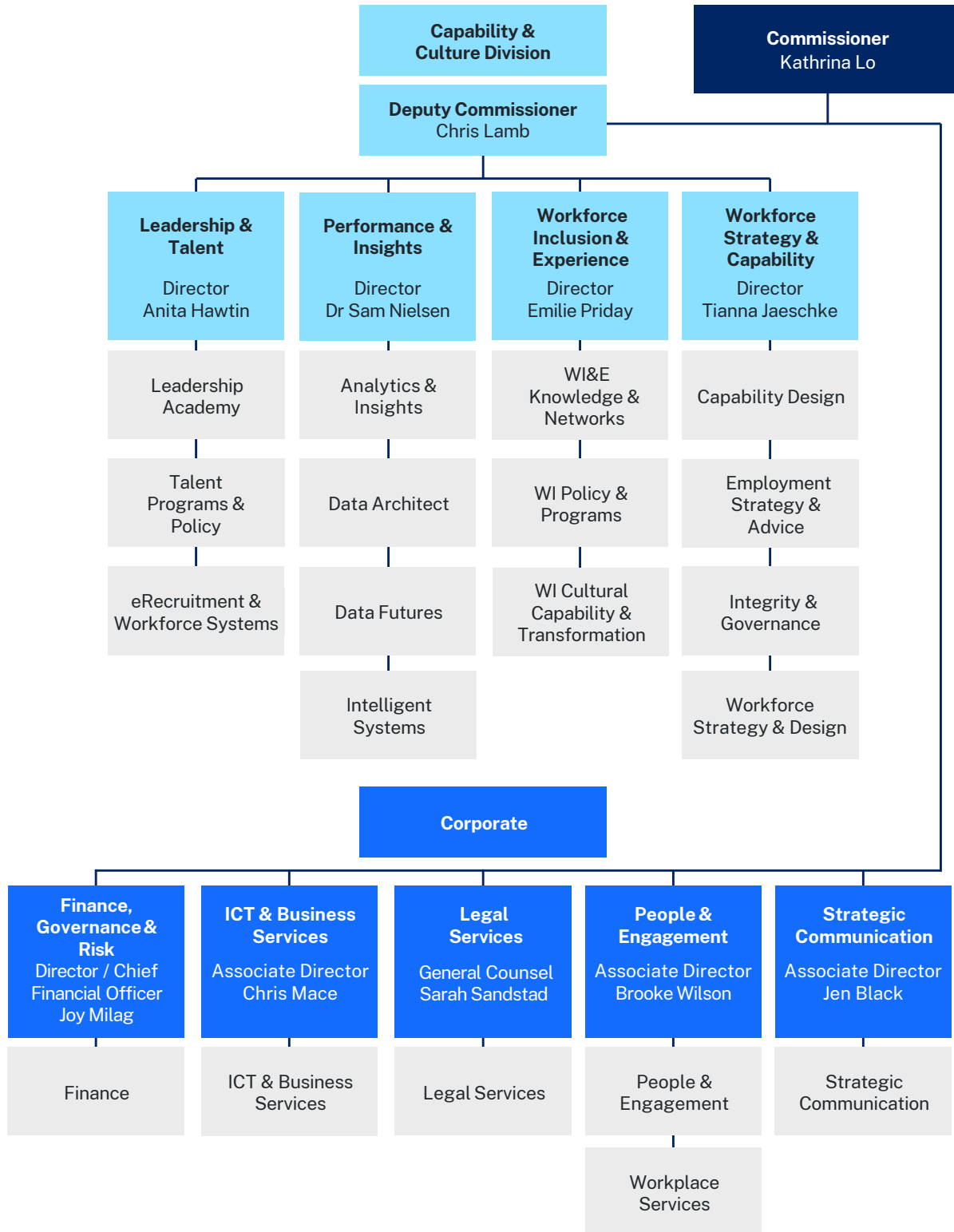
Organisational structure

The PSC is comprised of 2 divisions – Capability and Culture and Corporate Services.

The Capability and Culture division has 4 operational branches: Leadership and Talent, Performance and Insights, Workforce Inclusion and Experience, and Workforce Strategy and Capability.

The Corporate Services division has 5 branches: Finance, Governance and Risk, ICT and Business Services, Legal Services, People and Engagement, and Strategic Communication.

Figure 1: Organisation structure





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 bring our **values** of integrity, trust, service and accountability to life through our leadership commitments of being:

- **accountable** – we take responsibility for our actions, communicate transparently and promote personal accountability
- **inclusive** – we use self-awareness and empathy to support others, encourage diversity and build trust
- **empowering** – we engage in two-way dialogue to support and grow ourselves and each other
- **connected** – we foster connection and purposefully collaborate to leverage combined strengths.

Our customer landscape

Our core customers are NSW public sector HR professionals at all levels. This includes professionals with a range of generalist expertise and those who specialise in talent acquisition, employee experience, diversity and inclusion, organisational design, and learning and development.

Secretaries, Agency Heads and the Chief People Officers of public sector portfolios are also important customers. They share their insights and knowledge and set the 'tone from the top' for the changes we want to see across the workforce.

These people lead and drive change in our strategic focus areas. Together we create better outcomes for the people of NSW.



Our strategic plan

All the work we do comes under the focus areas of our Strategic Plan 2022-25.



Smarter ways of working

A mobile public sector workforce where talent is responsive to areas of need and focused on the delivery of customer-centric services.



Inclusive, ethical public sector

Workplace cultures that foster diversity, belonging and respect, enabled by the government sector ethical framework and core values.



Capability for high performance

Public sector workforce focuses on evolving capabilities for high performance.



Measuring up to world class

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

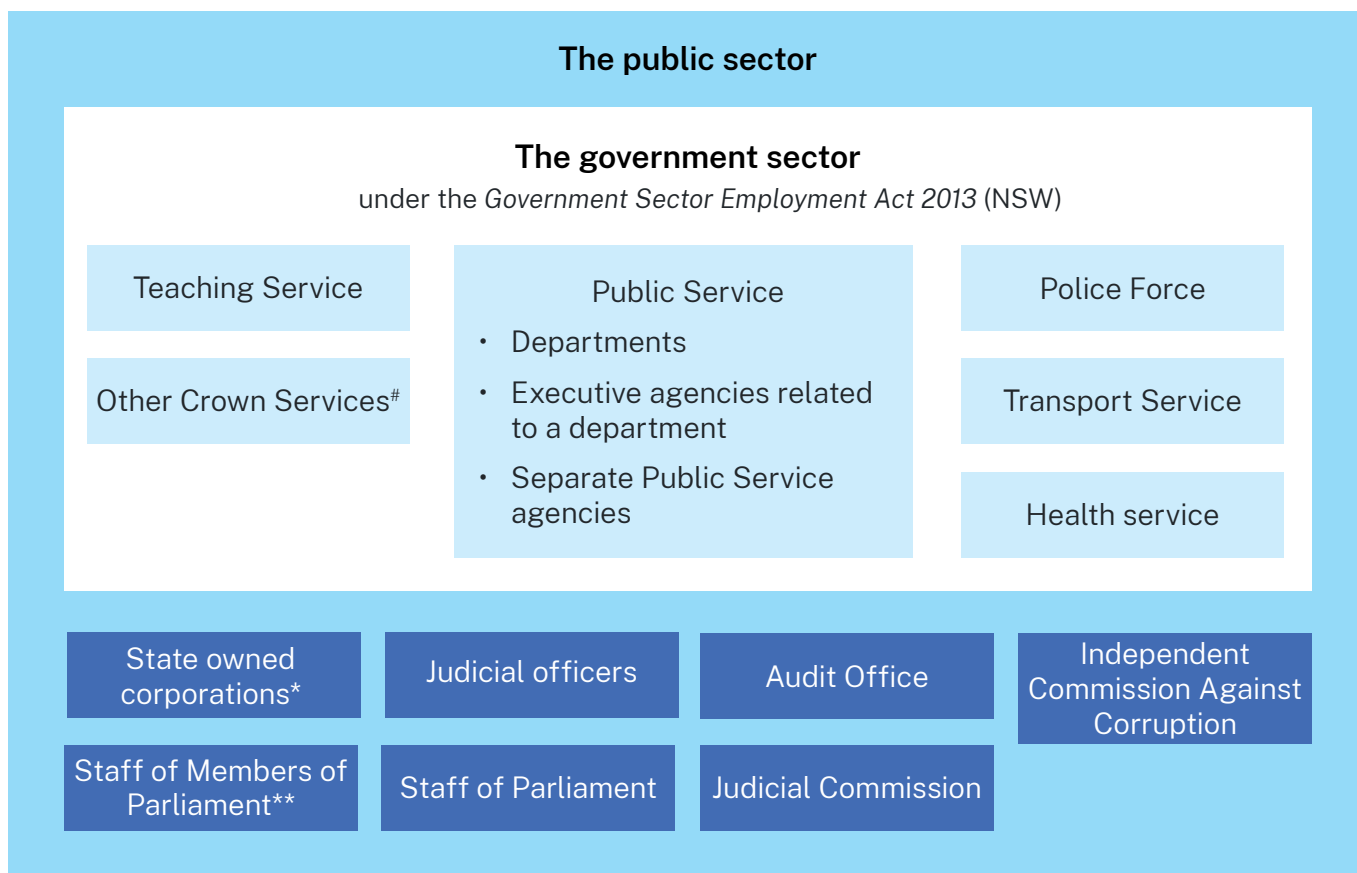


Our context

The over 450,000 public sector employees delivering a vast range of services and regulatory functions to the NSW community are the beneficiaries of our programs and initiatives. Our core customers drive implementation and engagement with our programs at a department and agency level to help ensure our programs are deep and impactful across the workforce.

Most NSW Government services are delivered by Departments, agencies or services that are part of the government sector, including the Public Service, Teaching Service, NSW Police Force, NSW Health Service, Transport Service of New South Wales, and other Crown services. The broader public sector incorporates the government sector and certain other public bodies, including staff of the Independent Commission Against Corruption, the Audit Office of New South Wales, NSW Parliament, the Judicial Commission of New South Wales, and State-owned corporations, as shown in figure 2.

Figure 2: Structure of the NSW public sector



Examples of other Crown services include the staff of the Technical and Further Education (TAFE) Commission, School Administrative and Support Staff, and the staff of Sydney Trains.

* Under the GSE Act, State owned corporations are included in the government sector for certain specified purposes only.

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

Under the GSE Act, NSW universities are part of the government sector for certain specified purposes. The PSC collects data on the employees of NSW universities. They are not considered part of the public sector or government sector in this report.

Awards received

This year we were proud of the efforts of individuals and teams across the PSC, who were recognised for their service and high-quality work.



Libi Vandy, Principal Analyst, was awarded a **Public Service Medal** in the 2024 Australia Day Honours List. Libi was recognised for her ongoing and exceptional commitment to leading sector-wide workforce, productivity, and related data by producing consistently high-quality analysis and insights.

Our Strategic Communication team were the recipients of **Gold Quill Award** of Merit for Communications Research for our customer engagement project. The Gold Quill Awards recognise international best practice from communications professionals across the world.



Our 2022-23 annual report was awarded a **Gold Award** by the Australasian Reporting Association, our second gold award in 2 years.

The NSW Government Graduate Program won several awards including the **Most Popular Government & Defence Employer** in the *Australian Financial Review's* Top 100 Graduate Employer Awards.



Strategy

This section shows progress under our strategic focus areas, challenges and what's next.

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Smarter ways of working

Strategic outcome

A mobile workforce where talent is responsive to areas of need and focused on the delivery of customer-centric services.

Action

Our work supports the sector to deliver world-class talent attraction, mobility and recruitment experiences. We facilitate strategic workforce planning so that the right people are in the right roles at the right time and produce employment frameworks and structures to enhance sector performance.

Impact

Agencies are increasingly hiring through our NSW Government Graduate Program and most graduates are continuing their careers in the sector. We refreshed the sector's Employee Value Proposition to be contemporary and relevant, attracting high-quality talent to the sector. We developed a sector Strategic Workforce Plan to give agencies the information they need to have the workforce needed to deliver government priorities over the next 5 years and into the future.

Key achievements

- Developed a sector-wide strategic workforce plan.
- Revitalised the sector's employee value proposition.
- Supported exposure to working in the NSW public sector through internship programs.
- Welcomed 185 new graduates in the 2024 intake of the NSW Government Graduate Program. 1,476 graduates have joined the program since it commenced in 2016.
- Delivered a 'choosing the right assessment' e-Learning bites to assist the sector with assessing and selecting talent.
- Managed 24,653 enquiries from job seekers through the I work for NSW website.
- Introduced the sector-wide senior executive mobility program.

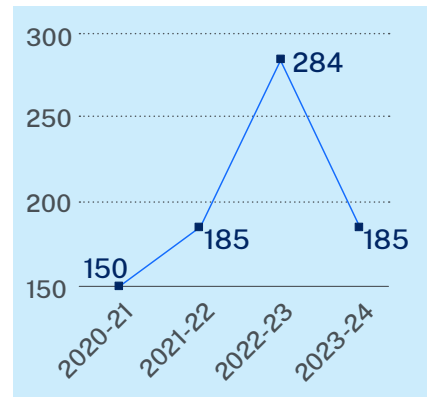
What's next

This strategic outcome will no longer be under the remit of the new Office of the Public Service Commissioner due to the recent legislative and MoG changes.

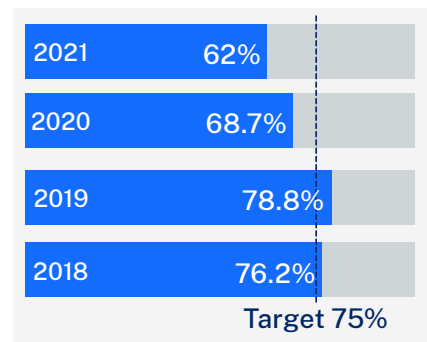
For detailed information about our operations under Smarter ways of working see pages 36-39.

Measures of success

Consistently high number of candidates hired by agencies through the Graduate Program



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



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

This target was reviewed due to a shift in priority from individual agency plans to a sector-wide 5-year plan. The NSW government strategic workforce plan was drafted and will be delivered to the Premier's Department.

Capability for high performance

Strategic outcome

Public sector workforce focuses on evolving capabilities for high performance.

Action

Our work prioritises developing the capability of HR professionals, supports the growth of customer-centric service design and delivery, and helps ensure leaders have the mindsets, capabilities and behaviours to lead high-performing, outcomes-focused workplaces.

Impact

There is a high satisfaction with our capability building initiatives across the public sector senior leadership, HR professional and people manager cohorts.

Key achievements

- Engaged and consulted with stakeholders to evolve the Executive Excellence and Aboriginal Career and Leadership Development Leadership Academy programs.
- Hosted 2 Executive Connection events for over 696 senior executives with thought leaders from across private and public sectors. Topics covered included Artificial Intelligence (AI) and burnout.
- Delivered the Executive Leadership Essentials course for 82 new senior executives.
- Delivered group mentoring for 217 people managers, 2 virtual masterclasses and 2 toolkit sessions to uplift people manager capability.
- Delivered a HR mentoring program for 119 HR practitioners and 2 virtual HR masterclasses for over 290 HR professionals to uplift HR professional capability.
- Hosted 4 events for the HR Community of Practice.
- Published the asset management occupation specific capability set.

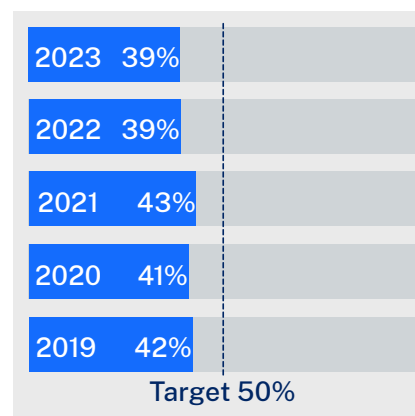
What's next

- Finalise a review of the NSW Public Sector Capability Framework.

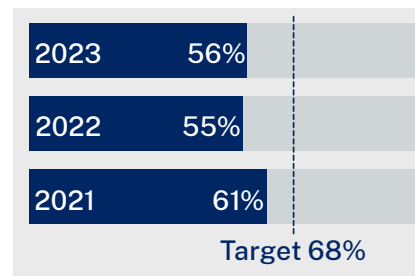
For detailed information about our operations under Capability for high performance see pages 40-49.

Measures of success

Improved positive results for managing change¹, target 50%



Improved positive results for people managers², target 68%



¹ Measured by 'Change is managed well' question, *People Matter Employee Survey*

² Measured by total score Feedback and performance management questions in *People Matter Employee Survey*.

Inclusive, ethical public sector

Strategic outcome

Workplace cultures that foster diversity, belonging and respect, enabled by the government sector ethical framework and core values.

Action

Our work supports leaders to create positive and productive workplaces that are culturally safe and inclusive. This is achieved through designing equitable recruitment and employee experience practices, and developing resources to improve cultural capability and foster ethical behaviour.

Impact

We drove dialogue about fostering anti-racist workplace cultures. We also made significant progress on initiatives under our Aboriginal Employment Strategy 2022–2025 and our Belonging & Inclusion Strategy. Additionally, we initiated conversations with the sector to increase understanding of organisational risk factors and measures to reduce and prevent burnout and promote wellbeing, starting by identifying that 39% of employees have felt burnout.

Key achievements

- Delivered the Cultural Capability Guide to expand knowledge of cultural capability and inclusivity across the employee lifecycle stages for Aboriginal and Torres Strait Islander public sector employees.
- Hosted 3 Listen and Learn events across metropolitan and regional NSW for Aboriginal and Torres Strait Islander employees.
- Convened 3 Aboriginal Senior Leader Forums.
- Delivered a refreshed Code of Ethics and Conduct for NSW Government Sector Employees and accompanying resources, including an e-Learning module and Ethics Hub on the PSC website.
- Coordinated the release of an anti-racism leadership statement from members of the NSW Secretaries Board.
- Published guidance on identifying and preventing workplace burnout.
- Delivered an online interactive information assistant to help employees understand sexual harassment in the workplace.

- Hosted 2 Inclusion Forums on the topics of employees with caring responsibilities and employee wellbeing. Launched the Inclusion Council and held 3 meetings.
- Hosted an in-person International Women’s Day event for over 200 sector employees.
- Hosted an online International Day Against Homophobia, Biphobia and Transphobia event for nearly 500 sector employees.
- Delivered the 2023 Premier’s Awards hybrid event for over 500 sector employees.
- Delivered initiatives in response to recommendations from the NSW Government Disability Review, and continued the PSC Advisory Board Observership Program.

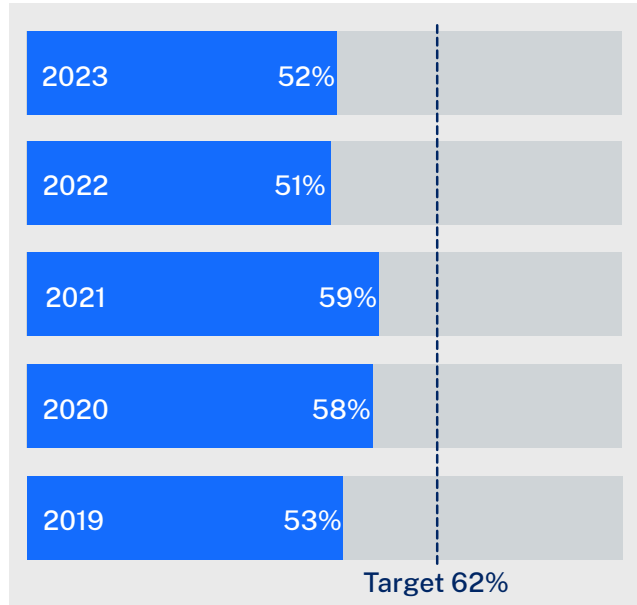
What's next

- Deliver a workplace adjustment statutory direction and model policy to enable greater workplace participation by people with disability.
- Create a Community of Practice to support ethical behaviour across the sector.
- Roll out sexual harassment prevention training for people managers.
- Publish an anti-racism guide for the sector.
- Publish resources to support the careers of Aboriginal and Torres Strait Islander leaders in the sector.

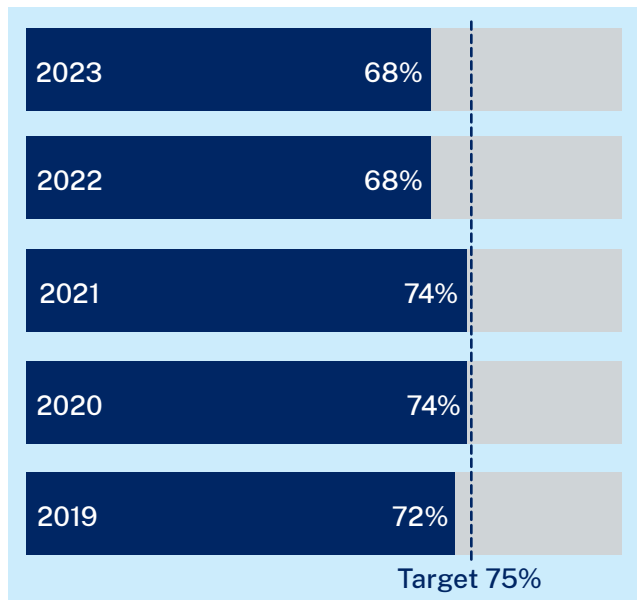
For detailed information about our operations under Inclusive, ethical public sector see pages 46-56.

Measures of success

Increase in positive rating of senior leaders' impact on workplace culture³, target: 62%



Increase in favourable scores on inclusion and diversity measures⁴, target: 75%

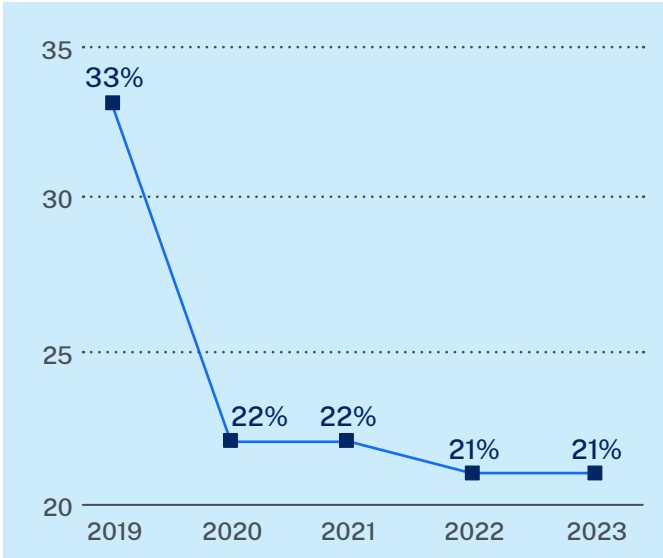


³ Measured by total score Senior Managers' questions in *People Matter Employee Survey*

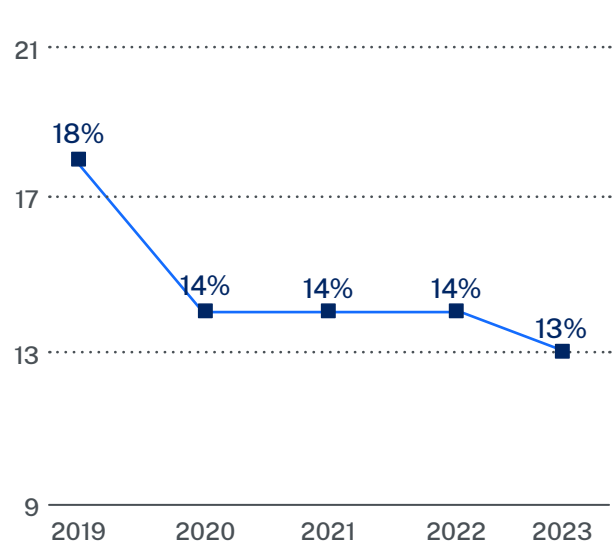
⁴ Measured by *People Matter Employee Survey*

Year-on-year decrease in incidence of bullying, sexual harassment, and harm⁵

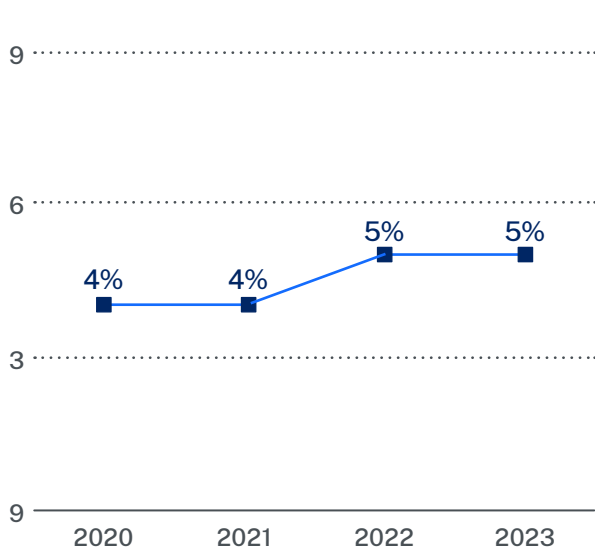
Witnessed bullying



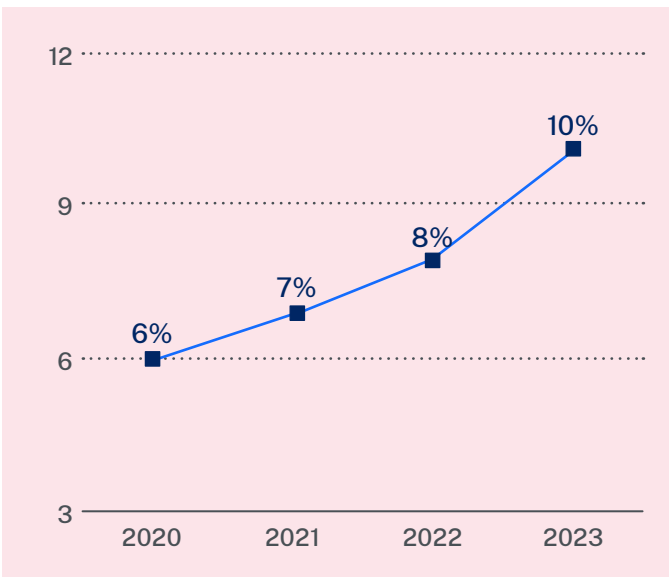
Experienced bullying



Experienced sexual harassment



Threatened with physical harm



⁵ Measured by *People Matter Employee Survey*

Measuring up to world class

Our data on the NSW public sector workforce remains the authoritative source for NSW Government agencies. We provide decision-makers with quality data and insights, across all strategic focus areas, to address sector-wide challenges and priorities. We collect in-depth workforce data and information, measure and report on employee experience and engagement, and deliver integrated analysis and insights.

Key achievements

- Achieved a 53% People Matter Employee Survey response rate, the highest in the history of the survey.
- Managed 154 requests for workforce data analysis.
- Developed and released the Workforce Skills Profile report. This innovative report is the first report of a new annual series focusing on the skills of the NSW public sector workforce.
- Participated in the cross-jurisdictional effort to achieve a common approach to reporting to the Workplace Gender Equality Agency and identified legislation, data, process and stakeholder issues to address.
- Through the Digital Restart Fund scheme, migrated the legacy workforce data system to Microsoft Azure for improved data quality and self-service options.
- Worked closely with the Department of Customer Service to achieve a new model of data collection based on payroll frequency information rather than an annual collection.
- Successfully delivered the 25th annual Workforce Profile Report with information on over 450,000 employees.

What's next

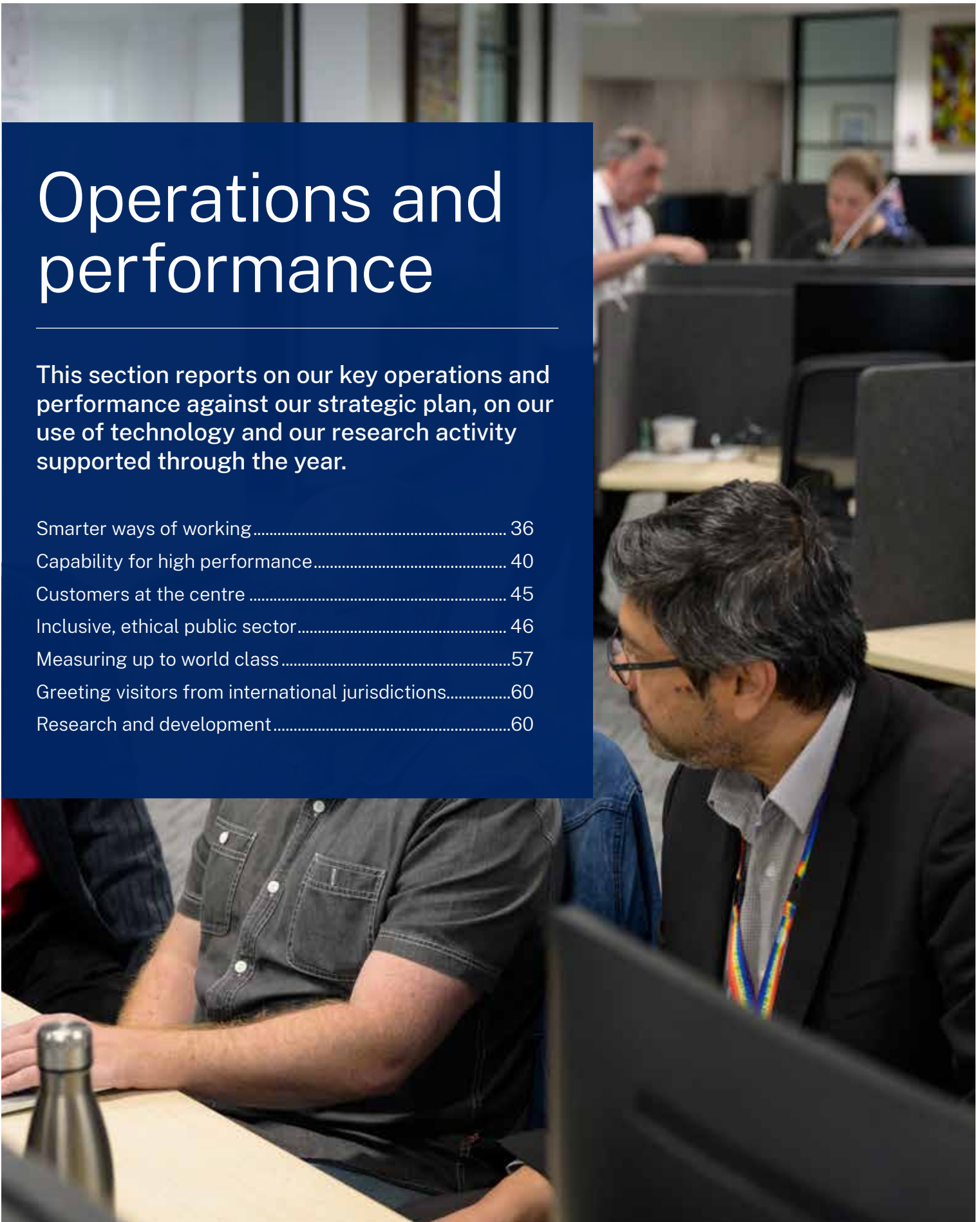
This strategic outcome will no longer be under the remit of the new Office of the Public Service Commissioner due to the recent legislative and MoG changes.

For detailed information about our operations under Measuring up to world class see pages 57-60.

Operations and performance

This section reports on our key operations and performance against our strategic plan, on our use of technology and our research activity supported through the year.

| | |
|---|----|
| Smarter ways of working..... | 36 |
| Capability for high performance..... | 40 |
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| Measuring up to world class | 57 |
| Greeting visitors from international jurisdictions..... | 60 |
| Research and development..... | 60 |



Smarter ways of working

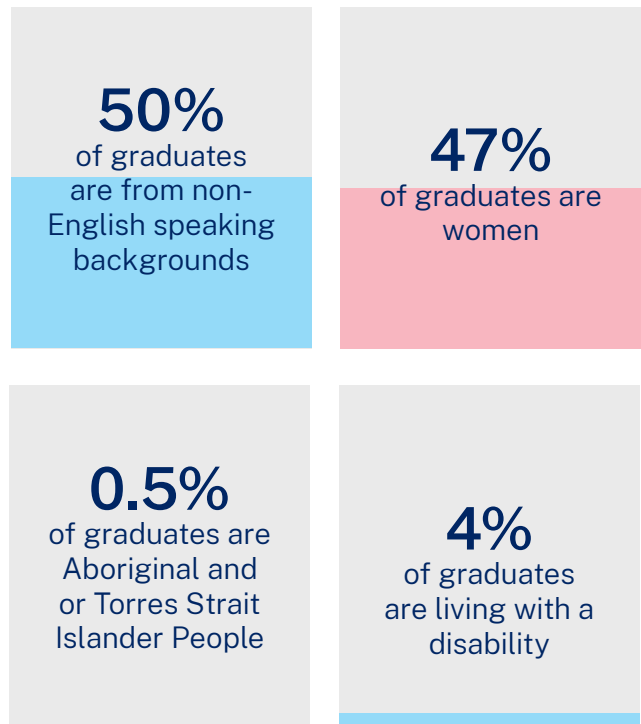
Graduate Program creates a pipeline of future leaders

The NSW Government Graduate Program attracts talented graduates to the sector, building capability and developing a cohort of future diverse leaders. Over 18 months, graduates experience 3 rotations in different government agencies and complete an education or development component. The 2024 Graduate Program received 4,027 applications with 185 graduates hired across all streams.

The NSW Government Graduate Program was again named in the Australian Financial Review's Top 100 Graduate Employers list 2024.

This year, we engaged a university service provider to provide insights on program improvements for the learning and development component of the primary stream. The new, streamlined approach to graduate development puts more focus on building the knowledge and skills graduates need as early career public servants.

2024 Graduate program cohort



The program supported regional graduate talent, with 13 graduates placed across regional NSW, including 2 graduates placed in Illawarra for the first time this year.



Internship programs create valuable career pathways

Our internship programs create valuable career pathways into the NSW public sector. Interns in both the Aboriginal and disability internship programs gain meaningful experience working in the sector while completing their studies and receiving support. The virtual internship program attracts students by showcasing the type of work available in the sector and provides participants with skills to support their Graduate Program application.

Of our 2024 Graduate Program cohort, 24 graduates had completed the virtual internship program and 2 had completed the disability internship program.



11
interns completed the
Aboriginal Internship Program



9
interns completed the
Disability Internship Program



1,889
interns completed a job
simulation in the Virtual
Internship Program



Talent pools facilitate quick recruitment

This year there were 52 hires from the NSW Public Service talent pools for Grade 5/6 and 9/10 roles. Since sector-wide talent pools were first created in 2015, they have facilitated 346 hires.

An improved experience through I work for NSW

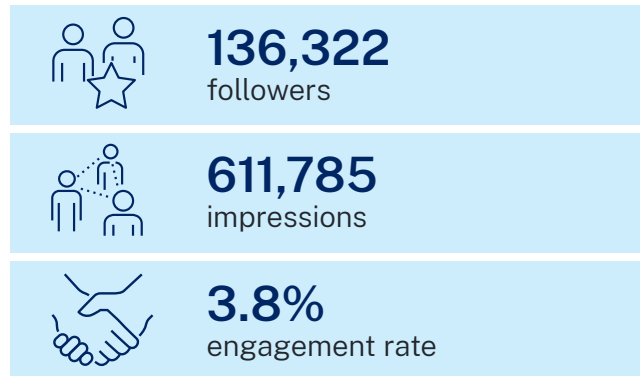
The I work for NSW website is a whole-of-government job board and primary destination for candidates seeking a career with the NSW. We work with recruiters and system administrators across the sector to support efficient and strategic recruitment practices. This year, we enhanced the website, improving job processing, data analytics, and platform responsiveness to ensure a strong foundation for future enhancements.

I work for NSW website 2023-24

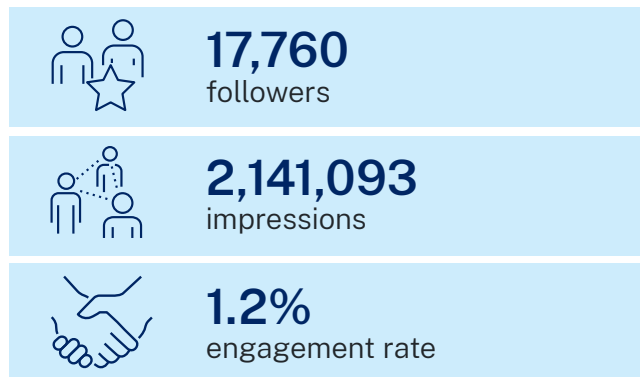


I work for NSW social media 2023-24

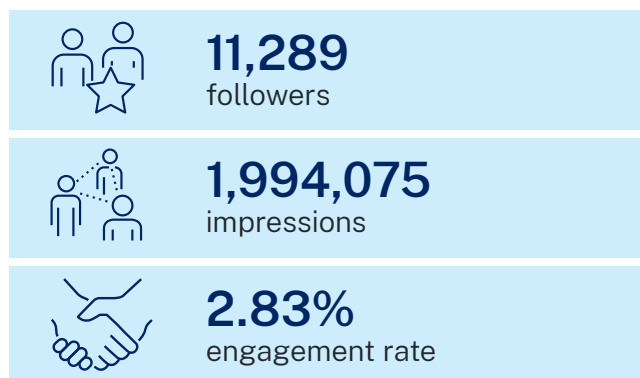
LinkedIn



Facebook



Instagram



A refreshed employee value proposition for the sector

Driven by labour market changes, we refreshed the NSW public sector employee value proposition (EVP) with the new headline statement 'for your future state'. This is underpinned by 4 pillars:

- pride in purpose
- opportunity at scale
- a supportive culture
- real-life ambition.

We consulted within and outside the sector to understand what differentiates the NSW Government from other employers. We used research to develop messaging that resonated with small and larger sector agencies, creating an authentic representation of our modern government workforce.

e-learning bites to help navigate recruitment

E-learning bites provide quick, practical tips to help people make ethical, merit-based decisions. We leveraged our Navigating Recruitment e-learning program to develop e-learning bites on choosing the right assessments for those involved in recruitment.

We consulted 5 agencies in the development of the e-learning bite to ensure the module meets the needs of the sector and equips them with skills and knowledge to confidently attract and select the right candidate.

Connecting senior executive people leaders across the sector

Our Commissioner chairs the Chief People Officers (CPO) Group, an important forum for providing leadership cohesion across the sector. The group meets formally each month and has ad hoc meetings as required.

Priorities for 2023-24 included evolving talent attraction, workforce mobility and retention, employee wellbeing and workplace burnout, disability employment and integrity and ethics.

Building a strategic workforce plan for the sector

Wide stakeholder consultation in 2023 highlighted a need to shift strategic workforce planning from an 'interesting thought exercise' into action. To do this, we embarked on developing a whole-of-sector strategic workforce plan to complement workforce planning activities in the NSW government sector. The plan provides a foundation for agencies to consider their future workforce requirements, leveraging sector-wide workforce initiatives and insights that are relevant to their contexts.

Our consultation led to incorporating diverse views and designing fit for purpose initiatives. Key development activities included using The Cabinet Office's NSW Trend Atlas insights platform, consulting with senior leaders, engaging with our strategic workforce planning learning community and facilitating an ideation session with 50 participants from each government sector portfolio.

The plan will be delivered to the Premier's Department following MoG changes.

Capability for high performance

Capability to manage change and organisation design

To help agencies manage changing operating environments and rethink their organisational design we developed a change framework with clear change duties based on role, so that HR practitioners, people managers, change managers, and executives are well-equipped to manage change.

A new restructure toolkit, which was developed in consultation with sector HR and change practitioners, provides guidance and highlights strategic decision-making and communication about restructures.



Growing HR capability and community

HR professionals are a key contributor in delivering business outcomes for agencies across the sector. This year we launched several initiatives to support HR professionals, each one mapped to the capabilities in the HR Professionals Capability Set and designed in consultation with the HR Advisory Board to ensure they met sector needs.

These included:

- Launching the 2024 NSW Government HR Mentoring Program for 119 participants.
- Co-designing and delivering a HR Masterclass series on psychosocial hazard management, industrial relations, using data, and neurodiversity in the workplace, with 500 registrations and a 91% satisfaction rate.
- Continuing to facilitate and grow the HR Community of Practice (HR ComPrac), with over 1,800 members.
- Piloting the cross-agency HR Community of Practice Coffee Roulette program for 235 employees.
- Growing our HR Community of Practice bi-monthly newsletter as a key channel for communicating new initiatives, sector achievements and learning opportunities, with the newsletter open rate increasing by 28% and click rate increasing by 26%.
- Launching HR insights sessions to provide short and sharp updates on current sector initiatives, including using data sources to inform psychosocial risk assessment, with a 90% satisfaction rating.

People manager capability uplift

Our people manager capability uplift program empowers people managers with the skills to optimise team performance. We used 2023 People Matter Employee Survey results and consulted with learning and development professionals across the sector to identify common capability gaps that exist across the sector to design and deliver capability uplift session for people managers. This led to targeted capability uplift programs such as the people manager resource hub, live masterclasses, essentials toolkit sessions and fundamental sessions.



Group mentoring program:
161 mentees matched with 56 mentors



People managers essentials toolkit series:
489 participants with a satisfaction 93% rate



Live masterclasses segmented by employees' people management experience: **1350 participants**



People manager hub:
5910 users, 15,000 total views



People manager mailing list:
1819 subscribers, up by 891 from last year



People managers fundamentals eLearning module:
adopted by 54 agencies and supported with 3 facilitated sessions for 392 participants



Refreshing our flagship Capability Framework

The NSW Public Sector Capability Framework is a foundational tool that supports the public sector to attract, recruit, develop and retain a responsive and capable workforce. It includes a suite of valuable resources including standardised job design and role descriptions, recruitment practices, and career planning activities. To support usage of the framework we ran a manager session and an employee session, with 348 live attendees and an overall satisfaction rate of 81%. We also commenced a review of the framework to ensure it remains fit for purpose.

A targeted capability set for asset management professionals

We partnered with Infrastructure NSW to develop and launch a sector-wide occupation-specific Asset Management Capability Set. This work responds to key strategic goals in Infrastructure NSW's State Infrastructure Strategy 2022-2042.

Supporting the government's commitment to reducing senior executive numbers

Mobility and sharing of talent across the sector are a cornerstone of building a highly capable and agile workforce that is equipped to deliver government priorities and meet service delivery requirements.

To complement the implementation of the government's election commitment to reduce the number of senior executives, the PSC introduced a sector-wide mobility program. Under the program, executives impacted by organisational change and/or the requirement to reduce executive roles are considered for senior executive vacancies that arise before the roles are advertised. The program leverages the assignment and transfer provisions in the GSE Act.



Kathrina Lo, Kate Boyd and Simon Draper at the Senior Leader's Forum

Fostering connection between the sector's most senior leaders

This year, with endorsement from the NSW Secretaries Board, we commenced new senior leadership forums to foster stewardship, integrity and ethics across the NSW public sector. These events bring together Secretaries, Agency Heads and Deputy Secretaries, providing this cohort a space to present on and discuss issues affecting the sector, share good practice and build leadership cohesion.

The first senior leadership forum was held in April 2024 at the State Library of NSW. The agenda focused on the newly formed Premier's Department and The Cabinet Office. The Secretaries of both departments spoke about the functions of their agencies and how they would work with line agencies to support the delivery of priority programs.

Over 60 senior executives attended the in-person event. In a post event survey, attendees reported finding the content informative and the chance to network with their colleagues extremely valuable.

Advancing the development of our talented leaders

The NSW Leadership Academy year 2023-24 was characterised by consultation, procurement and co-design, leading to a new Leadership Academy vision:

To advance the development of our talented leaders through cross-sector collaboration, supporting them as stewards of our sector to make a positive impact for the people of NSW.

Improving our leadership programs



Executive Excellence program:
162 participants



ACLDP:
41 participants



Executive Essentials program:
82 participants

We implemented changes to the Executive Excellence program and the Aboriginal Career and Leadership Development Program (ACLDP), including consistency with program providers and providing participants with more coaching sessions. For the ACLDP, a ‘by mob, for mob’ program ethos was embraced, and we moved to coaching providers with access to Aboriginal coaches.



Aboriginal Career and Leadership Development Program participants

We are confident that the refreshed programs will continue to have a significant sector impact, building leadership capability, capacity, and connection. A comprehensive evaluation strategy has been developed to ensure KPIs are met and embed lessons learned.

The Executive Essentials program has also been refreshed, giving new leaders key cross-sector context and content about their obligations.

Leaders coming together to grow together

We delivered 3 thought leadership events as part of our ongoing Executive Connections event series, which is open to all senior executives across the sector. Over 1,000 senior executives attended these events and explored important topics including preventing and responding to workplace burnout.

We also held a workshop in partnership with UTS on the future role of NSW public sector leadership and emerging capabilities, with 60 attendees.

Customers at the centre

Progressing our customer action plan

We progressed work under our customer action plan to uplift internal customer service capability and improve overall customer satisfaction.

Our customer action plan has 3 focus areas:

1. External communications – evolving our channels to show the face, role and personality of the PSC.

2. Strengthening internal processes – improving accountability and coordinated communication to customers.

3. Empathy building with our sector customers – helping our people understand and take action based on the needs of sector HR professionals.

An internal customer working group has driven progress against the action plan. The working group has completed 14 out of 15 actions in the plan. The final action to publish our customer strategy on the PSC website did not progress due to the MoG changes abolishing the PSC.

Key deliverables and results of the customer action plan include:

- Implementing a new HR Agency Leads forum to ensure key messages were being shared with the heads of HR functions in all NSW public sector agencies.
- Including a mandatory customer service performance objective in all PSC employee performance and development plans.
- Launching a customer hub on our PSC intranet to support staff capability uplift, giving employees a central place to access all the resources and tools needed to provide quality service to our sector customers.
- Introducing new tools including a centralised customer list management tool and engagement calendar to streamline sector customer interactions.

- Updating the PSC website to include specific information on our role and remit and highlight our priority work.
- Increasing engagement on PSC LinkedIn to ensure customers are aware of our programs and services for the sector.

Our second customer satisfaction survey

We commenced work on a second customer satisfaction survey in May 2024 to evaluate progress against our key performance indicators. The online quantitative survey was completed in June 2024, however, qualitative interviews did not progress due to the MoG changes.

Although our research was not fully completed, the online survey results indicated an 8% increase in customer satisfaction compared to the previous survey result in 2022. Our customer action plan successfully led to increases across all survey KPIs, a direct result of the commitment of PSC staff to improving customer service.

Inclusive, ethical public sector

Leading the way on anti-racism

Our anti-racism program of work complements existing initiatives and addresses knowledge and capability gaps within the sector. The program focuses on leadership, interagency collaboration, awareness and education, data enhancements and policy and process review.

5% of respondents in the 2023 People Matter Employee Survey indicated they had experienced racism in the workplace in the past 12 months. The percentage was higher for Aboriginal and CALD respondents - 17% in the case of Aboriginal respondents and 8.4% for CALD respondents.

As the leaders of the NSW public service, the NSW Secretaries Board issued a joint leadership statement, making anti-racism a clear priority and encouraging the sector to actively address racism in the workplace. The release of the Anti-Racism Leadership Statement coincided with the International Day for the Elimination of Racial Discrimination.

Within our interagency collaboration focus area, we formed an anti-racism working group to facilitate the sharing of best practices, consultations, and co-designing initiatives with agencies.





Equity and respect at work

The 2023 PMES results show that 5% of respondents have experienced sexual harassment, while 3% of respondents have witnessed sexual harassment.

To help address this, the Commissioner issued a Direction to government sector agencies to implement a sexual harassment prevention policy by 1 March 2024. The PSC also developed a model policy that could be used by agencies. To date, over 30 agencies have notified the Commissioner that they have introduced a sexual harassment prevention policy.

Sexual harassment training for managers

It is important that people managers across the sector are equipped to deal with reports of sexual harassment in a trauma-informed, victim-first way. To support this, we developed a sexual harassment prevention e-learning module for people managers and accompanying resources, and will be running face-to-face learning sessions. The training supports participants to build their knowledge on the range of behaviours that can amount to sexual harassment and understand their roles and legal obligations as people leaders in preventing and responding to sexual harassment.

Support Link

This year we launched Support Link, an interactive information resource available on the PSC website for NSW government sector employees seeking information on sexual harassment in the workplace. It provides practical information on workplace sexual harassment in an accessible and confidential manner and complements the Commissioner's Direction requiring all agencies to implement a workplace sexual harassment policy.

By proactively addressing knowledge gaps surrounding negative workplace behaviours through education resources like Support Link, we can continue to improve the employee experience and create safer workplaces for all sector employees.



Brooke Boney, Christina Li, Clare Bezjak and Scott Johnston in a panel discussion at International Women's Day event

International Women's Day

In March 2024, we held our annual International Women's Day (IWD) event, our first in-person IWD event since 2020. The event's theme aligned with the United Nation's theme of 'Count Her In, Invest in Women, Accelerate Progress'. Over 200 attendees heard a keynote address from Danielle Wood, Chair of the Productivity Commission, and from a lived experience panel of sector employees exploring the intersectionality of gender equity.



Elevate & Advocate launch event

‘Elevate & Advocate’ to increase cultural diversity in leadership

Elevate & Advocate is a PSC sponsorship program that aims to increase cultural diversity in senior leadership. This is done through coaching and accountability sessions, specialised program materials and conversation guides, and ongoing assistance from the project team.

In the first annual program, 1 in 5 participants were promoted during the program, and others reported improved career trajectories, better clarity in their career pathway and overcoming barriers. Senior executive sponsors reported increased advocacy and allyship skills,

committing to ongoing support of CALD people in their departments and agencies and in service delivery. Elevate & Advocate was a 2023 Premier’s Awards finalist in the Driving Public Sector Diversity category and was profiled in both the State of the Public Sector and State of the Customer reports.

Given the huge demand with over 500 expressions of interest, we hosted an additional series of workshops, further supporting 300 CALD employees.

We launched the second program cohort in May 2024 and look forward to the success of these participants.

Reducing barriers for employees with disability

We coordinated and supported several initiatives to progress the recommendations made by the 2022 NSW Government Disability Review.

Leading a new steering committee

A Steering Committee was formed to provide oversight implementation of the review recommendations. The Steering Committee is co-chaired by our Commissioner and the Secretary, Department of Education.

Consistent workplace adjustment policies across the sector

We have progressed work to support a forthcoming statutory direction from our Commissioner for all government sector agencies to implement a workplace adjustment policy. We are preparing a model policy to help agencies comply with the direction and create a clear, accessible, inclusive and dignified approach to workplace adjustments. The direction and model policy are expected to be issued in coming months.

PSC Board Observership program

We continued this 12-month development program, which supports disability awareness and confidence within the PSC Advisory Board and increases opportunities for a selected public sector employee with disability to develop their leadership capabilities. The observer attends and participates in board meetings, receives mentoring and shadowing opportunities, and undertakes a leadership training course.

Creating workplaces where everyone belongs

Leveraging lived experiences through the sector-wide Inclusion Council

This year we established an Inclusion Council as an action under our Belonging and Inclusion Strategy. The Inclusion Council is chaired by our Commissioner and has 18 members drawn from across the sector who represent various diversity dimensions. Council members provide their lived experience perspectives as an input into the PSC's policies and programs, including workplace adjustments, anti-racism, the Capability Framework, the Graduate Program and the refreshed Code of Ethics and Conduct for NSW Government Employees.

Improved information sharing through our Inclusion Forums

Our Inclusion Forums provide sector HR and diversity & inclusions professionals with the opportunity to connect, inspire and learn about inclusion practices. We delivered 2 successful hybrid inclusion forums this year, exploring the topics of employees with caring responsibilities and employee wellbeing.

A blend of valuable insights showcasing best practice from speakers and interactive activities saw attendees solidifying their learnings and building connections with each other.

International Day Against Homophobia, Biphobia, Intersex Discrimination and Transphobia

We hosted a sector-wide event for the International Day Against Homophobia, Biphobia, Intersex Discrimination and Transphobia (IDAHOBIT), with nearly 500 attendees tuning in. The event raised awareness of IDAHOBIT day, the impact of LGBTIQ+ discrimination, the barriers and enablers of LGBTIQ+ inclusion and answered questions in a safe and trauma-informed setting. The event demonstrated our commitment to amplifying lived experience and practical actions to reduce discrimination in the workplace.



Growing our Belonging and Inclusion Library

We continued to expand our Belonging and Inclusion Library, a one-stop online repository of diversity, equity, inclusion and belonging resources created by the sector for the sector. These practical resources include toolkits, templates, training resources and guidance on a range of key topics.

This year we raised awareness and increased user engagement with the library by publishing a quarterly newsletter with key resources and insights from the library. We had regular stakeholder meetings with NSW agencies to connect with the sector and encourage cross-agency collaboration through sharing of resources.

To support the NSW Government Disability Review, we built a resource and information hub in the library. This hub contains information and updates about the review's 8 recommendations and provides clear pathways to available resources for each recommendation.



Library membership
up from 266 to 596



Unique visitors
up from 177 to 527



Library resources
up from 98 to 227

LGBTIQA+ inclusion

This year we continued work on a number of initiatives to support the LGBTIQA+ community which has grown in the public sector from 5.6% in 2022 to 6.0% in 2023.

Growing LGBTIQA+ network membership

Pride in NSW facilitates connections and collaboration for the LGBTIQA+ community and practitioners working on LGBTIQA+ inclusion. This year the network grew to over 1,800 members.

Our bi-monthly Pride in NSW newsletter showcases LGBTIQA+ inclusion best practice, important events and inspires collaboration across the sector. We chair regular Rainbow Leads forums, empowering agency Pride network leaders to elevate their networks, share best practice and collaborate with other agencies. We have also developed a suite of useful resources on gender affirmation and allyship, available in the Belonging and Inclusion library.



PSC Inclusion staff with delegates from Japan's Colourful Change Lab

Connecting with Japan's Colourful Change Lab

We welcomed 41 delegates from Japan's Colourful Change Lab, the office of Fukuoka Rainbow Pride, to share insights on LGBTIQA+ inclusion. It was an opportunity to connect with international experts in the space and engage in an insightful panel discussion with sector Rainbow Leads.

Delivering against our Aboriginal Employment Strategy

We have made significant progress on our refreshed Aboriginal Employment Strategy 2022-25 (AES).



Uplifting cultural capability

We launched the Cultural Capability Guide, a key initiative under the AES and the NSW Closing the Gap Implementation Plan. The guide provides practical guidance, insights and resources to nurture Aboriginal and Torres Strait Islander employees and champion cultural inclusivity throughout all stages of the employee lifecycle, enhancing the cultural safety of recruitment processes and standards across the NSW public sector. We ran an information session as part of the launch, attended by 200 sector employees.



Hearing directly from Aboriginal employees

We hosted a series of Listen and Learn events, where we connected with and heard practical suggestions from over 200 Aboriginal and Torres Strait Islander employees across Sydney, Dubbo and Coffs Harbour. These events were an opportunity to share stories, connect with culture and build relationships to support Aboriginal and Torres Strait Islander employee engagement and retention in the sector. The events also include a session on wellbeing through a cultural lens to support Aboriginal and Torres Strait Islander employees.



Supporting Aboriginal senior leaders

The number of Aboriginal senior leaders continued to grow across the sector, increasing from 154 to 170 this year. The number has tripled in the past 10 years, with nearly 60% of this growth occurring in the last 3 years. To support leaders, we hosted quarterly forums attended by over 50 Aboriginal leaders, focusing on key career development opportunities such as public speaking, structured networking and effective advocacy.

The Aboriginal Workforce Inclusion Champions Network provided us valuable perspectives on AES initiatives and was an opportunity for agencies to share information, resources and best practice.

Resources for managing burnout

We are committed to the ongoing improvement of organisational culture and wellbeing of public sector employees. This year we published the Understanding Burnout in the NSW Public Sector report. This was in response to a new People Matter Employee Survey question which found that 39% of respondents felt burnt out at work. The report, accompanied with a supporting guide, outlines the key drivers of workplace burnout and provides practical actions to address and mitigate burnout.

A refreshed Code of Ethics and Conduct

The Commissioner adopted a new Code of Ethics and Conduct for NSW Government Sector Employees (the Code) which will take effect on 1 November 2024. We launched a suite of resources to support implementation of the Code by government sector agencies. These include an Ethics Hub which provides foundational knowledge on concepts core to working in the NSW government sector, an e-learning module, and applied ethics training for Band 3 senior executives across the sector. This work is part of a broader commitment to build trust in the NSW Government and empower government sector agencies to embed the ethical framework and live our core values.

The new Code is easier to understand while at the same time covering a broader range of areas where ethical issues may arise. All NSW government sector employees are required to comply with the Code.

Over the coming year, we will continue collaborating with agencies to implement the Code and uplift ethical practice across the sector through a new Community of Practice for Ethical Behaviour.

Guidance for exiting Government Sector Senior Executives

Section 83B of the GSE Act requires that Government Sector Senior Executives (Band 3 and 4 senior executives) must seek the Commissioner's guidance if they intend to accept an offer of employment in the private sector. This applies to any future employment directly related to the roles and responsibilities of their current role and any role held in the past 2 years.

During the reporting year, the Commissioner received 2 requests for guidance which fell within the mandatory requirements of section 83B of the GSE Act. Guidance was provided on each occasion within 2 business days of receipt of request.

From time to time, the Commissioner and/or PSC receive informal enquiries about the application of section 83B to individuals which have not resulted in formal guidance being requested or provided under section 83B.





NSW Premier's Awards

The NSW Premier's Awards recognise outstanding work in the NSW public sector. Setting the benchmark for exemplary public service and with a workforce of more than 450,000 people, winning a Premier's Award is a special achievement.

The Premier, finalists and honoured guests gathered at the International Convention Centre in Sydney to celebrate finalists and winners. Online attendees tuned in from across NSW to support their colleagues, friends and family members.

Over 265 nominations were received for 8 awards in the following categories:

- Anthea Kerr Award for future public sector leaders
- NSW Public Servant of the Year
- Building a resilient economy
- Connecting communities
- Driving public sector diversity
- Excellence in service delivery
- Highest quality healthcare
- World class education and training



Public servant of the year

The 2023 Public Servant of the Year award was presented to Brad Fisher, Senior Project Manager, NSW Public Works, Regional NSW. Brad was responsible for delivering the Cooler Classrooms Program, undertaking upgrades on 1,200 schools.

Brad's determination, ability under pressure, willingness to go above and beyond and ability to think differently enabled the program to extend to approximately 100 additional schools than originally forecast.

Measuring up to world class

Showcasing the sector's performance

The annual State of the NSW Public Sector Report (SOPSR) is the Commissioner's independent assessment of the performance of the NSW public sector, and the state of the government sector for the purposes of the GSE Act. The report showcases achievements and priorities, plus the challenges faced in delivering positive outcomes for the people of NSW. The report draws on a range of sources, including the People Matter Employee Survey and Workforce Profile Report, to keep the sector accountable for workforce management as well as sharing examples of best practice with the sector.

In the 2023 report, the Commissioner emphasised the importance of ethics and integrity in the NSW public sector. The report featured 9 case studies written in collaboration with agencies. They highlight stories of excellence in collaboration, integrity, and customer service from across the sector with a focus on diversity initiatives and delivering for the community.

Due to legislative and MoG changes, SOPSR 2024 and other regular data analysis reports for 2024 described below will be prepared by the Premier's Department and delivered by the Secretary, Premier's Department.

Reporting on Australia's largest workforce

The Workforce Profile Report is an annual census of the more than 450,000 employees in the NSW public sector that provides insight in the composition of the workforce and changes over time. This central whole-of-sector dataset includes a comprehensive summary of the profile of the sector. Key trends and the data from the report is used extensively in the State of the NSW Public Sector report.

This year we responded to 160 analysis requests from the sector of varying complexity, type, and urgency. Our customers ask for analysis on senior executive reporting, veteran employment, wages policy, usage of parental leave entitlements, gender pay gap and diversity representation.



Profiling sector skills

The Workforce Skills Profile is the first report of a new annual series focusing on the skills of the NSW public sector workforce. Using the Australian Skills Classification from Jobs and Skills Australia the profile provides a snapshot of the level and range of skills of sector employees and the tasks they perform. The skills profile provides agencies with insights into skill sets across the sector and a granular look at their workforce and assists agencies in identifying skills gaps and shortages.

2023 NSW public sector skills snapshot



30 skills families



266 skills clusters



1,545 specialist tasks

Providing agencies with self-service access to workforce data and analysis

Agencies need high quality and consistent workforce data inputs to model scenarios and address their workforce strategy priorities.

Working closely with key agencies, we implemented new automated workflows with self-service data and reporting dashboards to streamline the process of collecting, verifying, and reporting workforce information. This allows agencies to expand their data and trend analyses.

This new automated approach will continue to be rolled out to more sector agencies in the coming year.



Workforce Gender Equality Agency reporting

This year the Workforce Gender Equality Agency (WGEA) required workplaces to provide them with information on gender equity in the workforce. We worked on a collaborative project to develop an approach with other jurisdictions to be able to provide data on the NSW Government.

An options analysis was delivered with a comprehensive set of recommendations including benefits, risks and a high-level plan for implementation to meet future reporting needs.

People Matter Employee Survey

The People Matter Employee Survey (PMES) is a voluntary annual survey open to all employees in the NSW public sector. The survey asks employees about their experiences and opinions on a range of issues and practices at work, including employee engagement, job satisfaction, wellbeing and customer service.

We received our highest response rate ever this year, with 53% of the public sector completing the survey, equivalent to 230,122 responses. This is an increase of 4% from 2022.

Insights and data from the PMES are shared with agencies and used as an important indicator of employee engagement and experience across the sector. The results are used to shape employee experience and workplace strategies for the coming year.

Participation and response rates are a key measure of success for the survey. All government sector agencies participated in 2023.





Kathrina Lo, Anita Hawtin and guests from the Indonesian delegation

Greeting visitors from international jurisdictions

This year we welcomed visiting international delegations from Kenya, Botswana, Indonesia and the United Kingdom. It was wonderful to share knowledge and insights with each other.

Research and development

We represent NSW in the Australia & New Zealand School of Government (ANZSOG) research program. ANZSOG engages with jurisdictions to prioritise public policy research projects and brokers expertise from 21 applied research institutes working on public policy.

Through this work, we partnered with the Premier's Department, which leads a major project investigating enablers and barriers to co-governance arrangements between

communities and Ministers to enhance public trust. The project launched in 2022 and is on track to be completed at the end of 2024 with key deliverables including practice guides and a research report.

The NSW Government benefits from these insights gained through the exchange of knowledge across jurisdictions and academic expertise on key thematic challenges for our sector.

Management and accountability

This section includes information on our governance structure, legislative settings and our risk management activities through the reporting year.

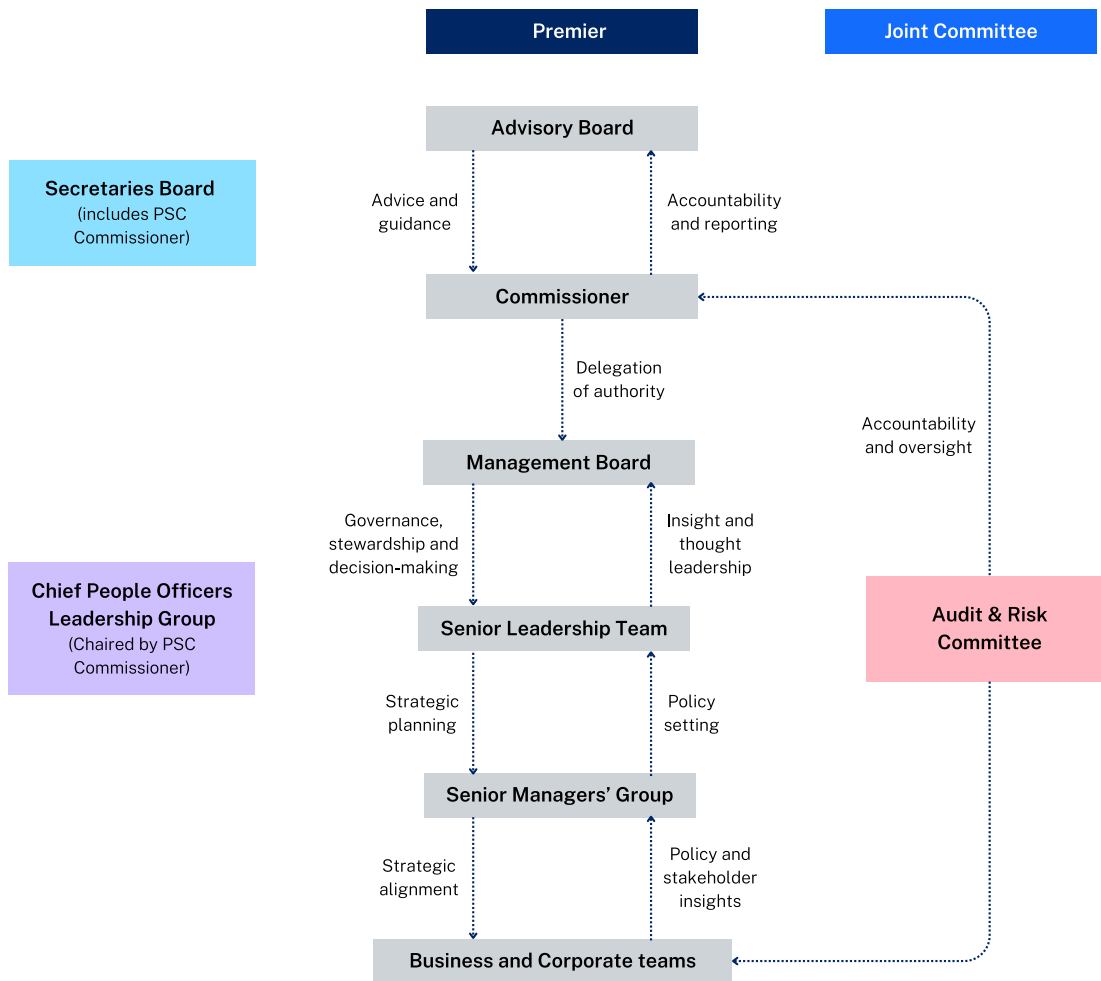
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Governance framework

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.

Figure 3: 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 |



Public Service Commission Advisory Board

The PSC Advisory Board determines general policies and strategic directions in relation to the Commissioner's functions under the GSE Act.



Sandra McPhee AM (Chair)

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. She 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.

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.



Jordan O'Reilly

*Bachelor of Applied Science
(Occupational Therapy)*

Jordan O'Reilly OAM is the co-founder and Executive Director of Hireup, an online platform that gives Australians with disability the power to find, hire and manage their own personal care support team. As the leading support platform for people with disability and their families in Australia, Hireup supports 10,000 clients annually and employs a similar number of support workers. Previously, Jordan co-founded Fighting Chance, an award-winning not-for-profit organisation which creates social enterprise solutions to some of the most pressing challenges in the disability sector. Mr O'Reilly recently served on the Westpac Stakeholder Advisory Council and currently sits on the NSW Skills Board. Jordan has been awarded numerous honours for his service to the disability community, including an Order of Australia Medal (OAM), the Westpac Social Change Fellowship, the EY Young Entrepreneur of the Year award, and the Queen's Young Leaders Medal.



Geoff Stalley

*Masters of Economics, Bachelor
of Business*

Geoff has held senior executive roles for Booktopia and Serco Asia Pacific and has had a long career working for major professional services firms (AT Kearney, Andersen, EY and Deloitte) providing services for global and Australian clients. His expertise spans corporate innovation and growth, business strategy and execution, major transformational change, as well as operational management and people leadership. Geoff has substantial Consumer, Retail, Profession Services and Technology industry experience. Geoff is also a member of the Council for Southern Cross University, Non Executive Director of The Market Ltd (ASX:MKT), a Board member for Maurice Blackburn Lawyers and the Advisory Board Chair for Exent.



Michael Coutts-Trotter

NSW Treasury

Bachelor of Arts in Communications

Michael Coutts-Trotter was first appointed to head a NSW Government department in 2004 and has since led 7 agencies. He is now the Secretary of the NSW Treasury.

Before joining the public service, Michael was chief of staff to a NSW Treasurer for 7 years. Michael is a fellow of the Institute of Public Administration of Australia.



Simon Draper PSM

NSW Premier's Department

Bachelor of Economics (Hons), Master of Business (Finance)

Simon was appointed Secretary of the Premier's Department on 1 September 2023 as part of the Government's changes to create strong central agencies. He has previously been CEO of the NSW Reconstruction Authority, CEO of Infrastructure NSW, Secretary of the NSW Department of Industry, Deputy Secretary, Economic Policy Group at the NSW Department of Premier and Cabinet and as a Tribunal Member at the Independent Pricing and Regulatory Tribunal. Simon has extensive senior executive management experience in infrastructure and utility companies.

In 2022 Simon was awarded the Public Service Medal for outstanding public service for his role leading the NSW Government construction sector response to the COVID19 pandemic.



Kathrina Lo

NSW Public Service Commissioner

See biography in the Senior Leadership Team section on page 17.

Senior executives

At 30 June 2024, 6 (75%) of the 8 senior executive roles at the PSC were held by female staff which is the same as at 30 June 2023.

In 2023-24, 13% of the PSC's employee related expenditure was related to senior executives, compared with 13.62% in 2022-23.

Kathrina Lo was appointed Public Service Commissioner effective from 14 April 2020. The Public Service Commissioner is an independent statutory office holder appointed under the GSE Act and her remuneration is determined by the SOORT. For this reporting period, the Public Service Commissioner's salary was \$560,860.

Senior executive remuneration

Table 1: Average total remuneration package of senior executives in each band at the end of the reporting year, compared with the average at the end of the previous reporting year

| Salary band | 2023-24 range | 2023-24 average | 2022-23 range | 2022-23 average |
|-------------|-----------------|-----------------|-----------------|-----------------|
| Band 4 | N/A | N/A | N/A | N/A |
| Band 3 | 361,301-509,250 | 433,142 | 361,301-509,250 | 415,152 |
| Band 2 | N/A | N/A | N/A | N/A |
| Band 1 | 201,350-287,200 | 250,274 | 242,363-271,330 | 251,286 |

Number of senior executives

Table 2: Total number of senior executives employed at end of reporting year, by band and gender

| Salary band | 2023-24 female | 2023-24 male | 2022-23 female | 2022-23 male |
|-----------------------------|----------------|--------------|----------------|--------------|
| Public Service Commissioner | 1 | 0 | 1 | 0 |
| Band 3 | 0 | 1 | 0 | 1 |
| Band 2 | 0 | 0 | 0 | 0 |
| Band 1 | 5 | 1 | 5 | 1 |
| Total | 6 | 2 | 6 | 2 |

Our employees

As at 30 June 2024, the PSC had a headcount of 126 non-executive employees. Our headcount is the total number of employees working in the PSC in either a full-time or part-time capacity, inclusive of employees externally seconded and on parental or unpaid leave. Our headcount does not include contractors.

Non-executive employees

Table 3: Number of non-executive employees by category, compared to prior year

| Salary band | 2023-24 total | 2022-23 total | 2021-22 total |
|--|---------------|---------------|---------------|
| General Scale | 1 | 1 | 1 |
| Grade 1/2 | 0 | 0 | 0 |
| Grade 3/4 | 10 | 10 | 14 |
| Grade 5/6 | 15 | 14 | 11 |
| Grade 7/8 | 33 | 28 | 31 |
| Grade 9/10 | 46 | 45 | 45 |
| Grade 11/12 & below Senior Executives | 21 | 20 | 24 |
| Total census headcount | 126 | 118 | 126 |

Legal change

Legislation providing for the office of Commissioner and establishing the PSC

Government Sector Employment Act 2013 (GSE Act)

The GSE Act is allocated to the Premier. It relates to employment in the government sector and provides for the statutory office of Public Service Commissioner.

The PSC was a separate Public Service agency listed in the GSE Act for the duration of the reporting period.

Legislative activities

Changes in the GSE Act during the reporting year

Government Sector Employment Amendment Act 2022 (remaining amendments to GSE Act commenced 1 July 2023)

Public Interest Disclosures Act 2022 (amendments to GSE Act commenced 1 October 2023)

Government Sector Employment and Other Legislation Amendment Act 2024 (amendments commenced 1 July 2024)

The Statute Law (Miscellaneous Provisions) Act (No 2) 2023, *Museums of History NSW Amendment (Chief Executive Officer) Act 2024* and various Administrative Arrangements Orders under the Constitution Act 1902 amended the GSE Act to establish, merge or abolish certain Public Service agencies (including staff agencies) to implement machinery of government changes made by the Premier. They also made consequential changes to the names of agency heads and Related Departments for agencies.

Legislative and machinery of government changes impacting the Commissioner and PSC

As noted elsewhere in this report, significant amendments were made to the Commissioner's principal objectives, general functions and other functions under the GSE Act by the *Government Sector Employment and Other Legislation Amendment Act 2024* which took effect on 1 July 2024.

The PSC was abolished on 1 July 2024 by the *Administrative Arrangements (Administrative Changes – Miscellaneous Order (No 2) 2024* (AAO No 2 2024). On 1 July 2024, staff employed in the PSC were transferred to the Premier's Department.

Changes in subordinate legislation

Amendments to Government Sector Employment Amendment Regulation 2014

*Government Sector Employment Amendment
Regulation 2023*

*Statute Law (Miscellaneous Provisions) Act (No
2) 2023*

*Government Sector Employment Amendment
Regulation 2024 (commenced 1 July 2024)*

Amendments to Government Sector Employment (General) Rules 2014

*Statute Law (Miscellaneous Provisions) Act (No
2) 2023*

*Government Sector Employment (General) Rules
(Amendment No 12- Appointment Reports) 2023*

Significant judicial decisions affecting agency or users of its services

No significant judicial decisions on the GSE
Act were handed down in the annual reporting
period.



Internal audit and risk management

Risk Management Framework

Our Risk Management Framework was reviewed in early 2024 to ensure alignment with ISO 31000:2018 and NSW Treasury's Internal Audit and Risk Management Policy for the General Government Sector (TPP 20-08). The framework was updated to incorporate organisational changes since its last review.

We previously completed an internal audit of risk management in March 2023 that considered and assessed the operationalisation of our Risk Management Framework (RMF), specifically:

- governance structures
- regular review of the RMF
- consideration of risk appetite
- identification of emerging strategic, operational and project risks
- analysis and assessment of risks to identify risk management priorities
- monitoring and reporting on risks and risk mitigation strategies.

This internal audit found that considerable work has occurred to improve operational risk practices and support a positive risk culture at the PSC. It did not identify any significant or high rated risks.

All recommendations have been addressed.

Promoting a best practice risk culture

Risk management was included as a mandatory performance objective in all individual performance plans for PSC staff this year.

All branch Directors in the Capability and Culture division presented to the Audit and Risk Committee on their business plans and risks.

To further promote a best practice risk culture, our Chief Financial Officer and the Chief Risk Officer collaborated on improving processes for monitoring and reporting risks to our Management Board and Audit and Risk Committee. New processes and reports were introduced to update and report risks.



Identified strategic risk

We have identified only one strategic risk and that is in relation to cyber security. This is a standing agenda item in the monthly Management Board meeting. The Risks Register and Reports including the register of active risk issues is reported to the Management Board and Audit and Risk Committee on a quarterly basis.

Audit and Risk Committee

Our risks were monitored and assessed by our Audit and Risk Committee to ensure reporting practices align with the requirements of the Internal Audit and Risk Management Policy for the General Government Sector (TPP 20-08) and the Committee's charter.

In 2023-24 the Committee reviewed our approach to maintaining an effective risk management approach, adequacy of internal control processes, legislative compliance and financial management aspects.

Committee members

The members of our Audit and Risk Committee are drawn from the [buy.NSW Prequalification Scheme: Audit and Risk Committee Independent Chairs and Members](#). All appointments of independent chairs and members to Audit and Risk Committees of NSW Government agencies must be made from this scheme.

Our Committee members have extensive skills and expertise in governance, risk management and financial management, knowledge of financial management of government agencies and exemplify the NSW public sector values of integrity, trust, service and accountability.

Carolyn Walsh

Appointed as independent chair 1 February 2022 to 1 February 2025. Independent member 1 December 2017 to 31 January 2022.

Dr Mary Haines

Appointed independent member 1 January 2020 to 1 January 2026.

Jon Isaacs

Appointed independent member 1 February 2022 to 1 February 2025.

Report from the Audit and Risk Committee

Committee meeting dates and attendance in 2023-2024

- July 2023 (Carolyn Walsh, Dr Mary Haines, Jon Isaacs)
- September 2023 (Dr Mary Haines, Jon Isaacs)
- December 2023 (Carolyn Walsh, Dr Mary Haines)
- March 2024 (Carolyn Walsh, Dr Mary Haines, Jon Isaacs)
- April 2024 (Carolyn Walsh, Dr Mary Haines, Jon Isaacs)
- June 2024 (Carolyn Walsh, Dr Mary Haines, Jon Isaacs)

Reporting practices aligned with the requirements of NSW Treasury Policy TPP 20-08 and the Audit and Risk Committee charter.

The Committee reviewed financial statements in September 2024 and recommended their signing by the Commissioner. There were no identified weaknesses in internal controls and all significant risks identified in the risk management process were managed effectively.

Internal audit program

During the financial year, the Committee endorsed the PSC's annual internal audit plan and monitored progress against the plan and internal audit recommendations.

This year, 3 internal audit reports were delivered:

- vendor and contract management internal audit
- records management internal audit
- staff wellbeing and mental health internal audit.

As at 30 June 2024, there were 3 open recommendations being addressed by the PSC:

- 2 against the 2022-2023 strategic and business planning internal audit
- 1 against the 2023-2024 risk management framework internal audit.

All 3 open recommendations are low or moderate risk.

The contract between the PSC and KPMG Australia for the provision of internal audit services ended on 30 June 2023. Prosperity Advisers were contracted as the PSC's internal audit service provider from 1 July 2024 until 30 June 2026 to provide 2 to 3 medium sized operational performance or compliance internal audits per year.

External audit

The Committee noted the Commissioner's Internal Audit and Risk Management Attestation Statement and the Audit Office of New South Wales' opinion that the financial year 2023-24 financial statements were a true and fair view of the PSC's financial position.



Internal audit and risk management policy attestation

2023-2024 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 independent chair and members of the Audit and Risk Committee are:

- Independent Chair, Carolyn Walsh (Independent Member 1 December 2017 to 31 January 2022; Independent Chair 1 February 2022 to 1 Feb 2025)
- Independent Member, Mary Haines: (1 January 2020 to 1 January 2026)
- Independent Member, Jon Isaacs (1 February 2022 to 1 Feb 2025)



Kathrina Lo
Public Service Commissioner



Sam Nielsen
Chief Audit Executive



Insurance

Our insurance cover is provided through PSC's membership of the NSW Government self-insurance scheme, the Treasury Managed Fund. This provides worldwide coverage in accordance with the TMF Statement of Cover for:

- legal liability, including but not limited to public liability, products liability, environmental liability, professional indemnity and directors' and officers' liability, cyber liability, legal expenses and statutory liability
- workers' compensation liabilities arising under NSW legislation
- property (for repair or full replacement, and consequential loss)
- miscellaneous covers including employee dishonesty, personal accident, cancellation of events and domestic and international travel.

Privacy management

Privacy and Personal Information Protection Act 1998

We take seriously our responsibility to comply with the requirements of the Privacy and Personal Information Protection Act 1998 (PIPP Act) and Health Records and Information Privacy Act 2002 (HRIP Act).

In early 2024, all PSC staff undertook a mandatory Privacy Awareness e-learning course which provided an overall awareness of privacy and why it matters to the PSC, privacy laws in NSW and practical implementation of privacy principles. We promoted the Information and Privacy Commission's Privacy Awareness Week 2024 through emails to staff and via our Intranet.

The PSC has a Privacy Code of Practice (made under the PPIP Act), Health Code of Practice (made under the HRIP Act), and Privacy Management Plan, which were reviewed during the reporting year. Our Privacy Management Plan describes how we comply with the PIPP Act and the HRIP Act. The Privacy Codes of Practice modify the application of certain information protection 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.

We also developed a new Data Breach Policy as required by the PPIP Act's Mandatory Notification of Data Breach (MNDB) scheme which came into effect in November 2023.

The PSC's Privacy Codes of Practice, Privacy Management Plan, and Data Breach Policy are all accessible on the PSC website and our intranet.

The PSC did not receive any complaints or requests for review relating to privacy during the reporting year.



Public access to NSW Government information

The *Government Information (Public Access) Act 2009* (GIPA Act) provides the framework for access to government information and encourages the proactive public release of government information.

Proactive release of government information

Section 7 of the GIPA Act requires that agencies must review their programs for the release of government information at least annually to identify the kinds of information that can be made publicly available.

During the reporting year, we regularly proactively released government information where release did not impose unreasonable additional costs on the PSC and the disclosure was not against the public interest. The PSC provides comprehensive information about the Commissioner, the PSC and our responsibilities, policies and programs on the PSC websites at www.psc.nsw.gov.au, www.comprac.nsw.gov.au, www.premiersawards.nsw.gov.au and www.sef.psc.nsw.gov.au.

Our open access information and other government information on our websites included:

- the PSC's agency information guide
- documents concerning the PSC tabled in Parliament (such as our prior annual reports)
- PSC policy documents
- information and guidance for the government sector about workforce management, culture and inclusion, our reports and data
- information for senior executives leaving the public service (section 83B of the GSE Act)

- a disclosure log of access applications received by the PSC
- information about our government contract award notices
- what information may not be made publicly available
- our Code of Conduct
- statutory instruments under the GSE Act including Directions and Determinations issued by the Commissioner
- *Government Advertising Act 2011* compliance certificates; and
- reports of the Statutory and Other Offices, Parliamentary and Local Government Remuneration Tribunals.

We also released the State of the NSW Public Sector Report 2023, People Matter Employee Survey 2023 and the Workforce Profile Report 2023.

We reviewed government information made available by us to the public on our website as part of our compliance with clause 7(3) of the GIPA Act. Our review did not identify any additional kinds of government information suitable for release in the public interest in the 2023-24 financial year.

Access applications

During 2023-24, the PSC received one valid formal access application under Part 4 of the GIPA Act. The application was refused on the basis that it would require an unreasonable and substantial diversion of our resources and that the PSC had already decided a previous application for the information concerned (or information that is substantially the same as that information) made by the applicant and there were no reasonable grounds for believing that the PSC would make a different decision on the application.

The Local Government Remuneration Tribunal, Parliamentary Remuneration Tribunal, Statutory and Other Offices Remuneration Tribunal are declared by Schedule 3 of the *Government Information (Public Access) Regulation 2018* to be part of the PSC for the purposes of the GIPA Act. No access applications were received by those Tribunals during the reporting period.

Statistical information about access applications is shown in the following tables.

Table A: 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 | 0 | 0 | 0 | 0 | 0 |
| Members of Parliament | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| Private sector business | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 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 | 1 | 0 | 1 | 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 such decision. This also applies to Table B.

Table B: 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) | 0 | 0 | 0 | 1 | 0 | 1 | 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 Act) about the applicant (the applicant being an individual).

Table C: Invalid applications

| Reason for invalidity | No of applications |
|---|--------------------|
| Application does not comply with formal requirements (section 41 of the Act) | 1 |
| 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 | 1 |
| Invalid applications that subsequently became valid applications | 0 |

Table D: 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 <i>Electricity Network Assets (Authorised Transactions) Act 2015</i> | 0 |
| Information about authorised transaction under <i>Land and Property Information NSW (Authorised Transaction) Act 2016</i> | 0 |

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

Table E: Other public interest considerations against disclosure: matters listed in table to section 14 of 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 F: Timeliness

| | Number of applications |
|--|------------------------|
| Decided within the statutory timeframe (20 days plus any extensions) | 1 |
| Decided after 35 days (by agreement with applicant) | 0 |
| Not decided within time (deemed refusal) | 0 |
| Total | 1 |

Table G: Number of applications reviewed under Part 5 of the Act (by type of review and outcome)

| | Decision varied | Decision upheld | Total |
|--|-----------------|-----------------|-------|
| Internal review | 1 | 0 | 1 |
| Review by Information Commissioner* | 0 | 0 | 0 |
| Internal review following recommendation under section 93 of Act | 0 | 0 | 0 |
| Review by NCAT | 0 | 0 | 0 |
| Total | 1 | 0 | 1 |

* 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 H: Applications for review under Part 5 of the Act (by type of applicant)

| | Number of applications for review |
|---|-----------------------------------|
| Applications by access applicants | 1 |
| Applications by persons to whom information the subject of access application relates (see section 54 of the Act) | 0 |

Table I: 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 |

Consultants

A consultant in the Public Service Commission is referred to as a person or an organisation that provides expert advice professionally to assist decision-making. The Public Service Commission consultancy expenses for 2023-24 were \$45,000.

Table 4: Consultancy expenses for the 2023-24 financial year

| Consultant | Nature of Consultancy | Amount \$ |
|-------------------------------|-----------------------|-----------|
| Contracts less than \$50,000 | (1 Contract) | 45,000 |
| Total expenditure for 2023-24 | | 45,000 |

Sustainability

This section provides information about how our organisational activities impact economic, social and environmental sustainability matters and provides a summary of our workforce information and management.

| | |
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| Work health and safety..... | 86 |
| Celebrating our internal culture | 87 |
| Reconciliation Action Plan | 89 |
| Disability inclusion action plan..... | 89 |
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| Modern Slavery Act..... | 91 |



Workforce diversity

The Commissioner’s functions include to lead the strategic development and management of the government sector workforce in relation to equity and diversity, and to report on workforce diversity across government sector agencies.

Our work to lead workforce diversity across the sector is outlined throughout this annual report.

During the reporting year, we sought information about workforce diversity across the government sector through the Workforce Profile Collection 2023 and People Matter Employee Survey 2023. We reported on workforce diversity across the government

sector workforce through the Workforce Profile Report 2023, PMES 2023 and State of the Public Sector Report 2023, each of which are published on our website.

Within the PSC, we seek diversity-related data from our employees when they commence employment with us. Providing diversity-related data is voluntary and relies on our employees self-reporting their diversity characteristics.

As at 20 June 2024, the Workforce Profile Collection census date, we had made the following progress on diversity measures.

Table 5: Trends in the representation of workforce diversity groups

| Workforce diversity group | Benchmark | 2024 | 2023 | 2022 | 2021 | 2020 |
|---|-----------|-------|-------|-------|-------|-------|
| Women | 50% | 73.6% | 71.4% | 69.4% | 71.0% | 69.3% |
| Aboriginal and/or Torres Strait Islander people | 3.3% | 4.9% | 4.8% | 2.9% | 1.1% | 2.5% |
| People whose first language spoken as a child was not English | 23.2% | 22.2% | 25.6% | 24.9% | 21.0% | 9.2% |
| People with disability | 5.6% | 13.2% | 12.3% | 13.2% | 12.8% | 8.0% |
| People with disability requiring work-related adjustment | N/A | 4.9% | 4.4% | 4.5% | 5.6% | 3.7% |

Table 6: Trends in the distribution index of workforce diversity groups

| Workforce diversity group | Benchmark | 2024 | 2023 | 2022 | 2021 | 2020 | 2019 |
|---|-----------|------|------|------|------|------|------|
| Women | 100 | 96 | 101 | 100 | 100 | 104 | 107 |
| Aboriginal and/or Torres Strait Islander people | 100 | N/A | N/A | N/A | N/A | N/A | N/A |
| People whose first language spoken as a child was not English | 100 | 100 | 98 | 97 | 98 | N/A | N/A |
| People with a disability | 100 | N/A | N/A | N/A | N/A | N/A | N/A |
| People with a disability requiring work-related adjustment | 100 | N/A | N/A | N/A | N/A | N/A | N/A |

We continue to lead the way in participation of women in our workforce and exceed the current benchmark for women in leadership roles.

We have maintained a high proportion of employees whose first language spoken as a child was not English, making up 22.2% of our workforce.

People with disability make up 13.2% of our employees, which is well above the government commitment target of 5.6%. We have also been accredited as a Disability Confident Recruiter by the Australian Disability Network for 7 years running.

We continue to focus on strategies to employ more people with disability and drive representation upward. We encourage hiring managers to do targeted role advertisements and regularly showcase the benefits and importance of targeting roles.

Due to the Machinery of Government Changes affecting the PSC, our staff now form part of the Premier's Department and will now align to, and contribute to, any future workforce diversity strategies of the Premier's Department.

Work health and safety

Within the PSC, our Work Health and Safety Committee is a consultative forum to address workplace health and safety (WHS) matters and meets at least quarterly. The WHS Committee's functions include:

- helping eliminate or minimise health and safety risks advocating for strategies and activities that create a healthy work environment
- making recommendations on WHS issues referred to the Committee
- communicating relevant health and safety updates to staff.

During 2023-24 the Committee increased in size to meet the changing needs of the PSC. The Committee includes a member of the Senior Leadership Team, our First Aid Officer and Emergency Warden, and members from both our Corporate Services and Capability and Culture branches. The Committee includes subject matter experts on psychosocial risk management and building emergency management.

In 2023-24 we continued WHS Office Tours for staff to strengthen our safety in the office, ensuring staff are aware of what they can do to assist in an emergency and to give them confidence to help others.

This year the Committee purchased additional WHS resources, including a second AED (Automated External Defibrillator) and training for 10 staff, ensuring staff have easy access in case of emergency.

Prioritising employee wellbeing

We remain committed to providing our staff with a healthy work environment both within the office and when working remotely.

Throughout the year we:

- conducted refresher training for our Mental Health First Aiders
- provided access to our employee assistance program for staff and their families
- paid for staff access to the *Headspace for work* mobile app
- promoted health and wellbeing seminars, webinars, and tools for staff
- provided free flu vaccination vouchers
- offered access to Fitness Passport, providing discounted access to over 850 gyms and pools across NSW.

During 2023-24, we had one workers compensation claim under the *Work Health and Safety Act 2011*. This is being managed by the Premier's Department as a result of the MoG change.

Celebrating our internal culture

Internal events

This year, we have continued to recognise and celebrate our internal culture as well as introducing more staff engagement initiatives through our social committee.

Key events throughout the year:



Learn it live sessions led by different PSC staff, covering a variety of topics such as content design, data literacy and unconscious bias.



R U OK? Day event focusing on the theme of 'I'm here to hear'.



In-office end of year celebration.



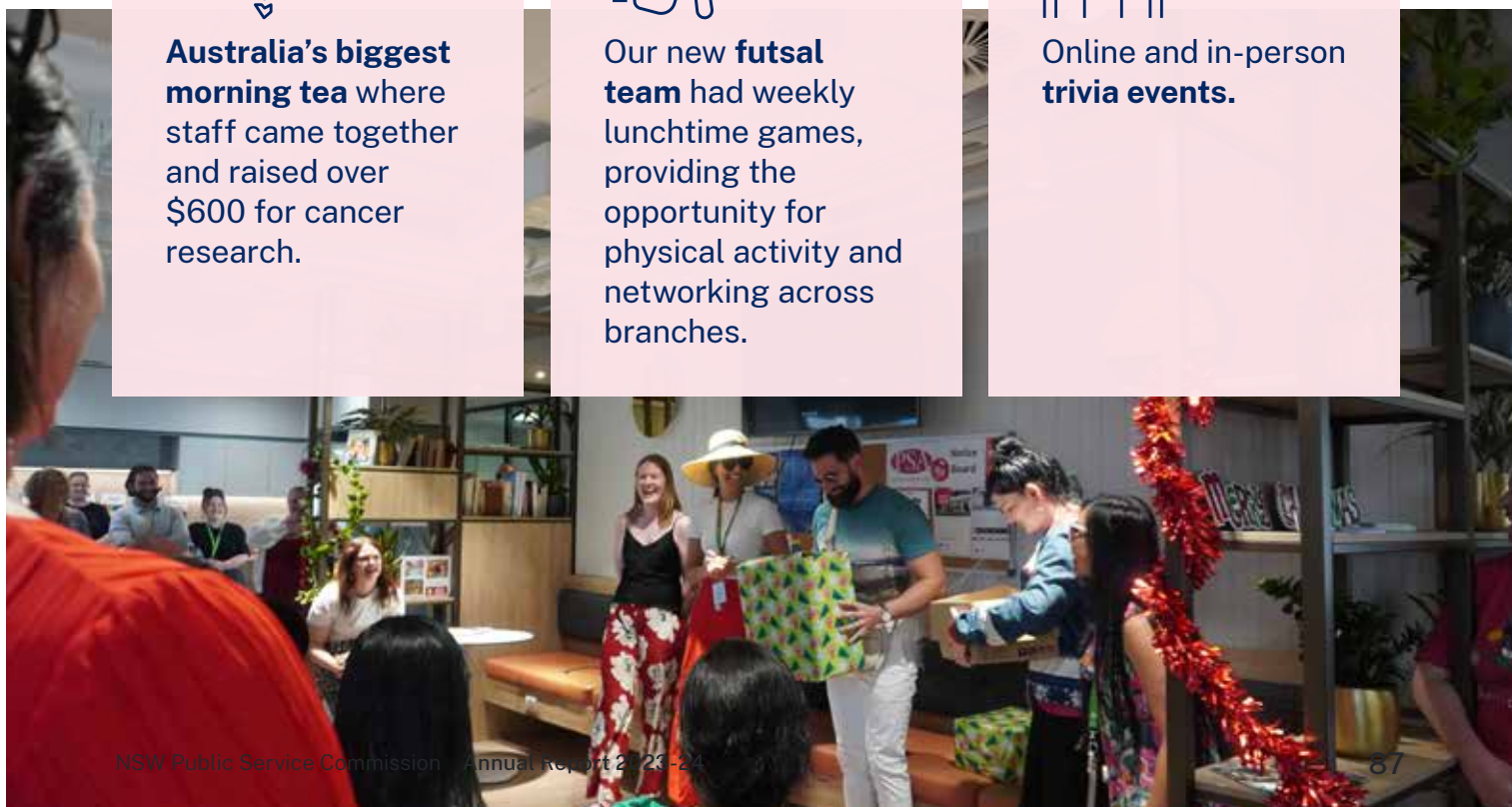
Australia's biggest morning tea where staff came together and raised over \$600 for cancer research.



Our new **futsal team** had weekly lunchtime games, providing the opportunity for physical activity and networking across branches.



Online and in-person **trivia events.**





Acting on our PMES results

In response to PMES 2023 feedback, our PSC PMES action plan during the reporting period had 2 key focus areas: implementing meeting-free Friday afternoons to support wellbeing and introducing career development conversation guides to support career progression. This plan was developed by the Senior Leadership Team and progress against this action plan is reported regularly.

Measuring the impact

Our 2023 PMES results showed continued improvement in areas including learning and development, customer service and performance management. Importantly, our staff rate our customer service and ethics and values at 92% and 86% respectively, well above the sector average of 69% and 79%.



Reconciliation Action Plan

This year, we made significant progress against the actions in our 'Reflect' Reconciliation Action Plan (RAP), completing 28 out of 33 actions in the plan. The remaining actions cannot be completed due to the MoG changes.

Our RAP uses the framework of Relationships, Respect and Opportunities to prioritise our actions. All PSC staff were offered the opportunity to complete the Everyone's Business: Learning about Stolen Generations facilitated training sessions. Over 70 PSC staff completed all 4 modules through face-to-face workshops held at our office.

Other key activities include updating reconciliation information on our staff intranet, participating in external Reconciliation Week activities and hosting our own Reconciliation Week and NAIDOC Week events for PSC staff.

These activities connect with the work we do with our sector partners to improve Aboriginal and Torres Strait Islander outcomes in our workforce, and for our customers and communities. More information on this work can be found in our Aboriginal Employment Strategy section on page 53.

Disability Inclusion Action Plan

In May 2024, we implemented a Disability inclusion Action Plan (DIAP) to further align with the NSW Government's commitment to disability employment.

Due to MoG changes, this project will no longer continue. We will look at opportunities to align and contribute to the Premier's Department DIAP.

Procurement and supply chain

To ensure that government money is spent fairly and efficiently, we comply with all applicable legislative and policy requirements (including the NSW Procurement Policy Framework, NSW Procurement Board Directions, Treasurer's Directions and Premier's Memoranda).

As a NSW Government agency, there are 5 objectives that guide all our procurement decisions:



Value for money – we take a big picture view that compares lifetime benefit to the lifetime cost.



Fair and open competition – promoting fair and open competition leads to more innovation and better results.



Easy to do business – streamlined and accessible processes to attract a broad supply base that includes small to medium and Aboriginal businesses.



Innovation – industry engagement and flexible procurement practices promote innovative services and solutions.



Social outcomes and sustainability – support for small to medium enterprises, Aboriginal-owned businesses, regional businesses and disability employment to enable businesses of all types to grow. Our goods and services are sourced from suppliers on whole of government contracts and prequalification schemes, small and medium enterprises, Aboriginal businesses, and Disability enterprises.

We maintain a Contracts Register and record all contracts entered with the private sector with a contract value over \$30,000 (excluding GST). All contracts we enter with the private sector valued over \$150,000 (including GST) are published on the NSW Government eTendering website within 45 working days of coming into effect.

Modern Slavery Act

NSW Government agencies are required by the *Public Works and Procurement Act 1912* to take reasonable steps to ensure that goods and services procured are not the product of modern slavery within the meaning of the *Modern Slavery Act 2018* (NSW).

The Anti-slavery Commissioner did not identify any significant operational issues to us during the reporting year.

Actions we have taken to ensure our procurement is not the product of modern slavery

We have taken a targeted, risk-based approach to meeting our obligations. Our Modern Slavery working group, comprising staff from our legal, governance, procurement and finance teams, met regularly and reported to our Management Board, Senior Leadership Team and all staff on our obligations.

This year the working group considered the NSW Anti-slavery Commissioner's Guidance on Reasonable Steps (GRS) to Manage Modern Slavery Risks in Operations and Supply-Chains, and developed a Modern Slavery Policy which was approved by PSC Management Board.

Actions we have undertaken this year include:

- conducting an internal risk-based analysis of our procurement spend to identify areas recognised as having a high risk of modern slavery, using the Anti-slavery Commissioner's Inherent Risk Identification Tool (IRIT) to identify the typical procurement categories used by PSC and determine their inherent risk rating
- updating internal processes to require teams to identify and assess modern slavery risks ahead of procurement activities
- engaging with suppliers and potential suppliers in relation to modern slavery risks through our tender and contract procurement processes and undertaking supplier pre-screening to help inform us as to whether proposed suppliers were connected to modern slavery risks, and the steps being taken to mitigate those risks, before making procurement decisions (unless modern slavery risks are assessed as low or non-existent),
- updating the modern slavery clauses in our tender and contract procurement documentation to include the latest model clauses issued by the Anti-Slavery Commissioner, which included notification requirements as well as requirements to work with the PSC to address any modern slavery risks that may be identified in their operations and supply chains
- promoted staff awareness of our modern slavery obligations through all staff presentations, briefings and by publishing modern slavery resources on our Procurement Hub and access to appropriate training for all staff.

Financial performance

This section reports on our financial performance

| | |
|--|-----|
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Financial statements

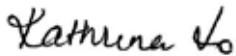
Financial Statements
of the
Public Service Commission
for the year ended 30 June 2024

Public Service Commission
Statement by the Accountable Authority
for the year ended 30 June 2024

Pursuant to section 7.6(4) of the *Government Sector Finance Act 2018* (the Act), we state that these financial statements for the year ended 30 June 2024:

- 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 2024 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, we are 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
26 September 2024

Public Service Commission

Statement of Comprehensive Income for the year ended 30 June 2024

| | Notes | Budget 2024 \$'000 | Actual 2024 \$'000 | Actual 2023 \$'000 |
|--|-------|--------------------------|--------------------------|--------------------------|
| Continuing operations | | | | |
| Expenses excluding losses | | | | |
| Employee-related expenses | 2.1 | 21,473 | 20,661 | 19,724 |
| Operating expenses | 2.2 | 18,222 | 18,790 | 18,639 |
| Depreciation and amortisation expenses | 2.3 | 696 | 441 | 569 |
| Grants and subsidies | 2.4 | ---- | ---- | 15 |
| Total expenses excluding losses | | 40,391 | 39,892 | 38,947 |
| Revenue | | | | |
| Appropriation | 3.1 | 30,644 | 25,834 | 33,099 |
| Sale of goods and services | 3.2 | 3,082 | 3,222 | 3,100 |
| Grants and other contributions | 3.3 | 5,671 | 5,672 | 2,886 |
| Acceptance by the Crown of employee benefits and other liabilities | 3.4 | 501 | 570 | 792 |
| Other income | 3.5 | 212 | ---- | 293 |
| Total revenue | | 40,110 | 35,298 | 40,170 |
| Operating result | | (281) | (4,594) | 1,223 |
| (Loss) / gain on disposal | 4 | ---- | (64) | (7) |
| Other (losses) / gains | 5 | ---- | (855) | 1,012 |
| Net result | | (281) | (5,513) | 2,228 |
| Total comprehensive (loss) / income | | (281) | (5,513) | 2,228 |

The accompanying notes form part of these financial statements.

Public Service Commission
Statement of Financial Position as at 30 June 2024

| | Notes | Budget 2024 \$'000 | Actual 2024 \$'000 | Actual 2023 \$'000 |
|--------------------------------------|-------|--------------------------|--------------------------|--------------------------|
| Assets | | | | |
| Current Assets | | | | |
| Cash and cash equivalents | 7 | 5,436 | 6,064 | 5,789 |
| Receivables | 8 | 1,439 | 1,193 | 1,434 |
| Total Current Assets | | 6,875 | 7,257 | 7,223 |
| Non-Current Assets | | | | |
| Property, plant and equipment | 9 | 1,703 | 711 | 1,829 |
| Total Non-Current Assets | | 1,703 | 711 | 1,829 |
| Total Assets | | 8,578 | 7,968 | 9,052 |
| Liabilities | | | | |
| Current Liabilities | | | | |
| Payables | 10 | 2,899 | 2,257 | 2,900 |
| Provisions | 11 | 2,025 | 2,961 | 2,543 |
| Other current liabilities | | 100 | ----- | ----- |
| Total Current Liabilities | | 5,024 | 5,218 | 5,443 |
| Non-Current Liabilities | | | | |
| Provisions | 11 | 412 | 5,066 | 412 |
| Other non-current liabilities | | 100 | ----- | ----- |
| Total Non-Current Liabilities | | 512 | 5,066 | 412 |
| Total Liabilities | | 5,536 | 10,284 | 5,855 |
| Net Assets | | 3,042 | (2,316) | 3,197 |
| Equity | | | | |
| Accumulated funds | | 3,042 | (2,316) | 3,197 |
| Total Equity | | 3,042 | (2,316) | 3,197 |

The accompanying notes form part of these financial statements.

Public Service Commission
Statement of Cash Flows for the year ended 30 June 2024

| | Notes | Budget 2024 \$'000 | Actual 2024 \$'000 | Actual 2023 \$'000 |
|--|-------|--------------------------|--------------------------|--------------------------|
| Cash flows from operating activities | | | | |
| Payments | | | | |
| Employee-related | | (20,972) | (20,192) | (18,901) |
| Grants and subsidies | | ----- | ----- | (15) |
| Other | | (18,524) | (15,188) | (19,308) |
| Total payments | | (39,496) | (35,380) | (38,224) |
| Receipts | | | | |
| Appropriations | | 30,644 | 25,834 | 33,099 |
| Reimbursements from the Crown | | ----- | 236 | 149 |
| Sale of goods and services | | 3,082 | 4,155 | 3,873 |
| Grants and other contributions | | 5,671 | 5,672 | 2,978 |
| Other | | 412 | ----- | 201 |
| Total receipts | | 39,809 | 35,897 | 40,300 |
| Net cash flows from operating activities | | 313 | 517 | 2,076 |
| Cash flows from investing activities | | | | |
| Purchase of plant and equipment | | (666) | (242) | (384) |
| Net cash flows from investing activities | | (666) | (242) | (384) |
| Cash flows from financing activities | | | | |
| Net cash flows from financing activities | | ----- | ----- | ----- |
| Net increase/(decrease) in cash and cash equivalents | | (353) | 275 | 1,692 |
| Opening cash and cash equivalents | | 5,789 | 5,789 | 4,097 |
| Closing cash and cash equivalents | | 5,436 | 6,064 | 5,789 |

The accompanying notes form part of these financial statements.

Public Service Commission

Statement of Changes in Equity for the year ended 30 June 2024

| | Accumulated Funds \$'000 | Total \$'000 |
|---|--------------------------------|-----------------|
| Balance as at 1 July 2023 | 3,197 | 3,197 |
| Net result for the year ended 30 June 2024 | (5,513) | (5,513) |
| Total other comprehensive income | ----- | ----- |
| Total comprehensive income for the year ended 30 June 2024 | (5,513) | (5,513) |
| Balance as at 30 June 2024 | (2,316) | (2,316) |
| Balance as at 1 July 2022 | 969 | 969 |
| Net result for the year | 2,228 | 2,228 |
| Total other comprehensive income | ----- | ----- |
| Total comprehensive income for year | 2,228 | 2,228 |
| Balance as at 30 June 2023 | 3,197 | 3,197 |

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 2024

1 Statement of Material Accounting Policy Information

1.1 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 year ended 30 June 2024 have been authorised for issue by the Public Service Commissioner on 26 September 2024.

1.2 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.

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.

1.3 Administrative restructures

In accordance with the *Administrative Arrangements (Administrative Changes – Miscellaneous) Order (No 2) 2024* dated 28 June 2024, the Commission was abolished on 1 July 2024. On abolition, the Commission's employees were transferred to the Premier's Department. References to the Public Service Commission in any document are construed as a reference to the Premier's Department from 1 July 2024. Consequently, any assets, rights and liabilities held by the Crown in right of the State of NSW (acting through the Public Service Commission) are now held by the Crown acting through the Premier's Department and will be used, recovered, or settled in the normal course of business by the Premier's Department. Therefore, the Commission has prepared its financial statements for the year ended 30 June 2024 on a going concern basis.

1.4 Equity transfers

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

Transfers arising from an administrative restructure involving not-for-profit and for-profit government entities are recognised at the amount at which the assets and liabilities were recognised by the transferor immediately prior to the restructure. Subject to below, in most instances this will approximate fair value.

All other equity transfers are recognised at fair value, except for intangibles. Where an intangible has been recognised at (amortised) cost by the transferor because there is no active market, the Commission recognises the asset at the transferor's carrying amount. Where the transferor is prohibited from recognising internally generated intangibles, the Commission does not recognise that asset.

Public Service Commission

Notes to and forming part of the financial statements
for the year ended 30 June 2024

1 Statement of Material Accounting Policy Information (cont.)

1.5 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 and
- Receivables and payables are stated with the amount of GST included.

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

1.6 Changes in accounting policies, including new or revised Australian Accounting Standards

(i) Issued for the first time in the financial year ended 30 June 2024

The accounting policies applied for the year ended 30 June 2024 are consistent with those of the previous financial year except as a result of new or revised AAS. The following amendments and interpretations materially apply for the first time to the Commission.

- AASB 2021-2 *Amendments to Australian Accounting Standards – Disclosure of Accounting Policies and Definition of Accounting Estimates*. This AAS amends AASB 101 *Presentation of Financial Statements* to require entities to disclose their material accounting policy information rather than their significant accounting policies.

The amendment has led to a reduction of accounting policy information being disclosed by the Commission.

(ii) Issued but not yet effective

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

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

2 Expenses excluding losses

| | 2024 | 2023 |
|---|---------------|---------------|
| | \$'000 | \$'000 |
| 2.1 Employee-related expenses | | |
| Salaries and wages (including annual leave) | 17,191 | 16,300 |
| Superannuation - defined benefit plans | 13 | 48 |
| Superannuation - defined contribution plans | 1,695 | 1,516 |
| Long service leave | 628 | 792 |
| Workers' compensation insurance | 53 | 55 |
| Payroll tax and fringe benefits tax | 1,081 | 1,014 |
| | 20,661 | 19,725 |

2.1.1 Key management personnel remuneration

We have determined that the Commissioner, Deputy Commissioner and Director Governance and Risk / CFO are key management personnel of the Commission. We believe they have the authority and responsibility for planning, directing and controlling the activities of the Commission.

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

| | 2024 | 2023 |
|-----------------------------------|--------------|--------------|
| | \$'000 | \$'000 |
| Salaries | 1,241 | 1,247 |
| Other monetary allowances | ----- | ----- |
| Non-monetary benefits | ----- | ----- |
| Other long-term employee benefits | ----- | ----- |
| Post-employment benefits | 67 | 59 |
| Termination benefits | 93 | ----- |
| Total remuneration | 1,401 | 1,306 |

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.

Public Service Commission

Notes to and forming part of the financial statements
for the year ended 30 June 2024

2 Expenses excluding losses (cont.)

| | 2024 | 2023 |
|--|---------------|---------------|
| | \$'000 | \$'000 |
| 2.2 Operating expenses include the following: | | |
| Auditor's remuneration | | |
| audit of the financial statements | 57 | 55 |
| Boards and committees | 254 | 275 |
| Computer expenses | 1,264 | 1,758 |
| Consultants | 45 | 111 |
| Corporate services | 928 | 817 |
| Fees for services - ICT | 1,592 | 4,273 |
| Fees for services - management | 5,598 | 7,027 |
| Insurance | 65 | 56 |
| Occupancy costs * | 6,380 | 1,662 |
| Other contractors | 413 | 881 |
| Other expenses | 2,194 | 1,724 |
| | 18,790 | 18,639 |

* Includes onerous contractual provision expense of \$5,568,091 (2023: nil) in relation to office accommodation as result of the Administrative Arrangements Order, refer to Note 11.

| | 2024 | 2023 |
|---|------------|------------|
| | \$'000 | \$'000 |
| 2.3 Depreciation and amortisation expenses | | |
| Depreciation | | |
| Leasehold improvements | 271 | 309 |
| Plant and equipment | 170 | 242 |
| Amortisation | | |
| Intangible assets | ----- | 18 |
| | 441 | 569 |

Refer to Note 9 for recognition and measurement policies on depreciation and amortisation.

Intangible assets were disposed in 2023. The carrying amount at 30 June 2023 was nil.

| | 2024 | 2023 |
|---------------------------------|--------------|-----------|
| | \$'000 | \$'000 |
| 2.4 Grants and subsidies | | |
| NSW Government | ----- | 15 |
| | ----- | 15 |

Public Service Commission

Notes to and forming part of the financial statements
for the year ended 30 June 2024

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.

3.1 Appropriation

| Summary of compliance | 2024 | 2023 |
|---|---------------|---------------|
| | \$'000 | \$'000 |
| Amount appropriated per <i>Appropriation Act</i> | 30,644 | 33,124 |
| Total spending authority from parliamentary appropriations, other than deemed appropriations | 30,644 | 33,124 |
| Add: | | |
| The spending authority from deemed appropriations during the current year | 10,063 | 7,201 |
| The unutilised spending authority from deemed appropriations in prior years | 11,724 | 10,007 |
| Total | 52,431 | 50,332 |
| Less: | | |
| Total expenditure out of Consolidated Fund | (35,622) | (38,608) |
| Variance | 16,809 | 11,724 |
| Less: | | |
| The spending authority from appropriations lapsed at 30 June | 4,810 | ---- |
| Deemed appropriations balance carried forward to following years | 11,999 | 11,724 |

Notes:

1. The summary of compliance includes deemed appropriations. It is based on the assumption that the annual appropriations monies are spent first (except where otherwise identified or prescribed).
2. Expenditure refers to cash payments. The term 'expenditure' has been used for payments for consistency with AASB 1058 *Income of Not-for-Profit Entities*.
3. 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.

| | 2024 | 2023 |
|---------------------------------------|--------------|--------------|
| | \$'000 | \$'000 |
| 3.2 Sale of goods and services | | |
| Rendering of services | 3,222 | 3,100 |
| | 3,222 | 3,100 |

Recognition and measurement

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, Taleo and executive search recoveries.

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

| | 2024 | 2023 |
|--|--------------|--------------|
| | \$'000 | \$'000 |
| 3.3 Grants and other contributions | | |
| Grants without sufficiently specific performance obligations | 5,672 | 2,886 |
| | 5,672 | 2,886 |

Recognition and measurement

Revenue from these grants is recognised based on the grant amount specified in the funding agreement/funding approval, and revenue is only recognised to the extent that it is highly probable that a significant reversal will not occur.

No element of financing is deemed present as funding payments are usually received in advance or shortly after the relevant obligation is satisfied.

Income from grants without sufficiently specific performance obligations are recognised when the entity obtains control over the granted assets (e.g. cash).

Public Service Commission

Notes to and forming part of the financial statements
for the year ended 30 June 2024

3 Revenue (cont.)

| | 2024 | 2023 |
|---|------------|------------|
| | \$'000 | \$'000 |
| 3.4 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 | 7 | 45 |
| Long service leave provision | 562 | 746 |
| Payroll tax on superannuation | 1 | 1 |
| | 570 | 792 |

| | 2024 | 2023 |
|-------------------------|--------|------------|
| | \$'000 | \$'000 |
| 3.5 Other income | | |
| Payroll recoveries | ---- | 201 |
| Lease incentive | ---- | 92 |
| | ---- | 293 |

4 (Loss) / gain on disposal

| | 2024 | 2023 |
|--|-------------|------------|
| | \$'000 | \$'000 |
| Net loss on disposal of plant and equipment | (64) | ---- |
| Derecognition of right-of-use assets and lease liabilities with Property NSW | ---- | (7) |
| | (64) | (7) |

5 Other (losses) / gains

| | 2024 | 2023 |
|--------------------------------|--------------|--------------|
| | \$'000 | \$'000 |
| Plant and equipment fair value | (855) | 1,012 |
| | (855) | 1,012 |

The Commission's office accommodation term expires on 30 June 2028. As at 30 June 2024 the useful life of the leasehold improvements was re-assessed to be 12 months due to the Administrative Arrangements Order.

6 Disaggregated disclosure statement

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

Purpose:

The activity 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

| | 2024 | 2023 |
|--------------|--------------|--------------|
| | \$'000 | \$'000 |
| Cash at bank | 6,064 | 5,789 |
| | 6,064 | 5,789 |

For the purposes of the Statement of cash flows, cash and cash equivalents only includes cash at bank. The Commission does not hold cash on hand.

The Commission has a credit card facility of \$250,000 (2023: \$250,000) with CitiBank with the balance cleared monthly. Aside from the credit card facility, the Commission has no other credit facilities.

Financial risk - Interest rate risk

The Commission does not hold any interest bearing financial assets or liabilities.

Financial risk - Credit risk

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.

Public Service Commission

Notes to and forming part of the financial statements
for the year ended 30 June 2024

7 Current Assets - Cash and cash equivalents (cont.)

Financial risk - 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 its liquidity risk through monitoring future cash flows, timely invoicing for services rendered and regular follow up of outstanding receivables. The cash position throughout the year has been consistently adequate, similar to the previous year, to meet all liquidity requirements.

7.1 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.

| | 2024 | 2023 |
|---|----------------|--------------|
| | \$'000 | \$'000 |
| Net cash used on operating activities | 517 | 2,076 |
| Depreciation and amortisation expense | (441) | (569) |
| Net loss on disposal | (64) | (7) |
| Other (losses)/gains | (855) | 1,012 |
| (Increase)/decrease in provisions | (5,072) | 213 |
| (Decrease)/increase in prepayments and other assets | (59) | 213 |
| (Decrease)/increase in receivables | (182) | (308) |
| Decrease/(increase) in payables | 643 | (494) |
| Decrease/(increase) in other current liabilities | ---- | 92 |
| Net result | (5,513) | 2,228 |

8 Current Assets - Receivables

| | 2024 | 2023 |
|--|--------------|--------------|
| | \$'000 | \$'000 |
| Sale of goods and services | 450 | 347 |
| Less: Allowance for expected credit losses | (29) | ---- |
| GST recoverable from ATO | 214 | 342 |
| Accrued income | 87 | 202 |
| Other receivables | ---- | 14 |
| Prepayments | 471 | 529 |
| | 1,193 | 1,434 |

Recognition and measurement

Receivables are initially recognised at fair value based on the original invoice amount. Receivables are due for settlement within 30 days from the date of issuing the invoice.

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. Since the receivables are also short-term in nature, the invoice amount is considered to be the amortised cost as the effect of discounting is immaterial.

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.

Financial risk - 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).

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

Public Service Commission

Notes to and forming part of the financial statements
for the year ended 30 June 2024

8 Current Assets - Receivables (cont.)

The ageing analysis of trade receivables is as follows:

| | 2024 \$'000 | 2023 \$'000 |
|--|----------------|----------------|
| Neither past due nor impaired | 269 | 151 |
| Past due but not impaired | | |
| < 3 months overdue | 81 | ---- |
| 3 months - 6 months overdue | ---- | 15 |
| > 6 months overdue | 101 | 182 |
| | 451 | 348 |
| Impaired | | |
| < 3 months overdue | ---- | ---- |
| 3 months - 6 months overdue | ---- | ---- |
| > 6 months overdue | 29 | ---- |
| Total receivables - gross of allowance for impairment | 29 | ---- |

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 recognised in the Statement of financial position.

9 Property, plant and equipment

| | Plant & Equipment \$'000 | Leasehold Improvements \$'000 | Total \$'000 |
|---|--------------------------------|-------------------------------------|-----------------|
| As at 1 July 2023 - fair value | | | |
| Gross carrying amount | 1,289 | 2,892 | 4,181 |
| Accumulated depreciation and impairment | (785) | (1,567) | (2,352) |
| Net carrying amount | 504 | 1,325 | 1,829 |
| As at 30 June 2024 - fair value | | | |
| Gross carrying amount | 985 | 2,675 | 3,660 |
| Accumulated depreciation and impairment | (559) | (2,390) | (2,949) |
| Net carrying amount | 426 | 285 | 711 |

Reconciliation

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

| | Plant & Equipment \$'000 | Leasehold Improvements \$'000 | Total \$'000 |
|---|--------------------------------|-------------------------------------|-----------------|
| Year ended 30 June 2024 | | | |
| Net carrying amount at start of year | 504 | 1,325 | 1,829 |
| Purchases of assets | 157 | 85 | 242 |
| Fair value adjustment | ---- | (855) | (855) |
| Disposals | (64) | ---- | (64) |
| Depreciation expense | (171) | (270) | (441) |
| Net carrying amount at end of year | 426 | 285 | 711 |

Public Service Commission

Notes to and forming part of the financial statements
for the year ended 30 June 2024

9 Property, plant and equipment (cont.)

| | Plant & Equipment \$'000 | Leasehold Improvements \$'000 | Total \$'000 |
|---|--------------------------------|-------------------------------------|-----------------|
| As at 1 July 2022 - fair value | | | |
| Gross carrying amount | 1,397 | 2,832 | 4,229 |
| Accumulated depreciation and impairment | (967) | (2,271) | (3,238) |
| Net carrying amount | 430 | 561 | 991 |
| As at 30 June 2023 - fair value | | | |
| Gross carrying amount | 1,289 | 2,892 | 4,181 |
| Accumulated depreciation and impairment | (785) | (1,567) | (2,352) |
| Net carrying amount | 504 | 1,325 | 1,829 |

Reconciliation

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

| | Plant & Equipment \$'000 | Leasehold Improvements \$'000 | Total \$'000 |
|---|--------------------------------|-------------------------------------|-----------------|
| Year ended 30 June 2023 | | | |
| Net carrying amount at start of year | 430 | 561 | 991 |
| Purchases of assets | 323 | 61 | 384 |
| Transfer between asset classes | (7) | ----- | (7) |
| Increment relating to the adjustment in accumulated depreciation (refer Note 5) | ----- | 1,012 | 1,012 |
| Depreciation expense | (242) | (309) | (551) |
| Net carrying amount at end of year | 504 | 1,325 | 1,829 |

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 to sell an asset in an orderly transaction between market participants at measurement date.

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

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

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.

Public Service Commission

Notes to and forming part of the financial statements
for the year ended 30 June 2024

9 Property, plant and equipment (cont.)

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

| Category of Assets | Depreciation | Depreciation |
|-------------------------------|--------------|--------------|
| | Rates | Rates |
| | 2024 | 2023 |
| Office furniture and fittings | 10 - 50% | 10 - 50% |
| Computer equipment | 25% | 25% |
| General plant and equipment | 20 - 25% | 20 - 25% |

Amortisation

Leasehold improvements (over the period of the lease).

Revaluation of property, plant and equipment

Physical non-current assets are valued in accordance with the Treasury Policy and Guidelines Paper 'Valuation of Physical Non Current Assets at Fair Value' (TPP21-09) and Treasurers Direction 'Valuation of Physical Non-Current Assets at Fair Value' (TD21-05). TD21-05 and TPP21-09 adopt fair value in accordance AASB 13 *Fair Value Measurement* and AASB 116 *Property Plant and Equipment*.

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.

10 Current Liabilities - Payables

| | 30 June 2024 | 2023 |
|--------------------------------------|--------------|--------------|
| | \$'000 | \$'000 |
| Accrued salaries, wages and on-costs | 491 | 424 |
| Creditors | 1,137 | 607 |
| Other accruals | 616 | 1,865 |
| Other payables | 13 | 4 |
| | 2,257 | 2,900 |

Recognition and measurement

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

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

Financial risk - Liquidity risk

The liquidity risk is continuously managed through monitoring future cash flows to ensure adequate holding of liquid assets.

Public Service Commission

Notes to and forming part of the financial statements
for the year ended 30 June 2024

10 Current Liabilities - Payables (cont.)

Maturity Profile

All of the Commission's payables and accruals are non-interest bearing and have a maturity of less than 12 months (2023: less than 12 months).

Financial risk - 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 a small exposure to foreign currency risk and does not enter into commodity contracts. The Commission does purchase software licenses in USD. These purchases are below the threshold in TPP21-14 'NSW Government Financial Risk Management Policy' and therefore are not hedged.

11 Current / Non-Current Liabilities - Provisions

| | 30 June 2024 | 2023 |
|---|--------------|--------------|
| | \$'000 | \$'000 |
| Current provisions | | |
| Annual leave including on-costs | 1,888 | 1,802 |
| Long service leave on-costs | 606 | 525 |
| Parental leave including on-costs | 107 | 216 |
| Current employee benefits and related on-costs | 2,601 | 2,543 |
| Restoration costs | 360 | ----- |
| Total current provisions | 2,961 | 2,543 |
| Non-current provisions | | |
| Long service leave on-costs | 67 | 52 |
| Non-current employee benefits and related on-costs | 67 | 52 |
| Onerous contractual provision * | 4,999 | ----- |
| Restoration costs | ----- | 360 |
| Total non-current provisions | 5,066 | 412 |
| Employee benefits and related on-costs | 2,668 | 2,595 |
| Onerous contractual provision | 4,999 | ----- |
| Restoration costs | 360 | 360 |
| Total provisions | 8,027 | 2,955 |
| | 30 June 2024 | 2023 |
| | \$'000 | \$'000 |
| Aggregate employee benefits and related on-costs | | |
| Provisions - current | 2,961 | 2,543 |
| Provisions - non-current | 67 | 52 |
| Accrued salaries, wages and on-costs (Note 10) | 491 | 424 |
| Total provisions | 3,519 | 3,019 |

* The onerous contractual provision relates to the Commission's office accommodation term to 30 June 2028. The Commission has an obligation to pay notwithstanding that the office accommodation will be used for 12 months to June 2025 as a result of the Administrative Arrangements Order.

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 in right of the State of New South Wales (the Crown). However the Commission has an obligation to meet the long service leave related on-cost.

Based on statistics showing 13% (2023: 16%) of employees with greater than 30 days annual leave at 30 June 2024, it is estimated that \$68k (2023: \$80k) of accrued annual leave with associated on-costs would be settled after 12 months.

Public Service Commission

Notes to and forming part of the financial statements
for the year ended 30 June 2024

11 Current / Non-Current Liabilities - Provisions (cont.)

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:

| | 30 June 2024 | 2023 |
|---|--------------|--------------|
| | \$'000 | \$'000 |
| Provision for restoration costs | | |
| Carrying amount at the beginning of financial year | 360 | 662 |
| Unused amount reserved | ----- | (302) |
| Carrying amount at the end of financial year | 360 | 360 |
| | | |
| | 30 June 2024 | 2023 |
| | \$'000 | \$'000 |
| Onerous contractual provision | | |
| Carrying amount at the beginning of financial year | ----- | ----- |
| Provision recognised | 4,999 | ----- |
| Carrying amount at the end of financial year | 4,999 | ----- |

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% 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.

Superannuation on leave loading

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

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

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.

Public Service Commission

Notes to and forming part of the financial statements
for the year ended 30 June 2024

11 Current / Non-Current Liabilities - Provisions (cont.)

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 expense relating to a provision is presented net of any reimbursement in the Statement of comprehensive income. 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.

An onerous contractual provision is recognised when the unavoidable costs of meeting the obligations under the contract exceed the economic benefits expected to be received under it.

12 Contingent assets and contingent liabilities

There were no contingent assets or contingent liabilities as at 30 June 2024 (2023: Nil).

13 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 loss of \$6.201 million was \$5.920 million higher than budget net loss of \$0.281 million. The major variations to the budgets are:

Total expenses of \$39.892 million was \$0.499 million lower than budget amount of \$40.391 million, mainly due to recognition of onerous contractual obligation for office accommodation of \$4.999 million due to the Administrative Arrangements Order, offset by lower operating expenditure including program delivery expenses of \$3.932 million, employee related expenses of \$0.812 million and depreciation expenses of \$0.255 million.

Total revenue of \$35.298 million was \$4.812 million lower than budget amount of \$40.110 million, mainly due to lapsed appropriation revenue of \$4.810 million as a result of lower operating expenditure, including program delivery expenses.

Assets and liabilities

Net liabilities of \$2.316 million was \$5.358 million lower than budget net assets amount of \$3.042 million. The major variances arising on the Statement of Financial Position are noted below:

Total assets of \$7.968 million was \$0.610 million lower than budget amount of \$8.578 million, mainly due to higher cash balance offset by lower property, plant and equipment.

Total liabilities of \$10.284 million was \$4.748 million higher than budget amount of \$5.536 million, mainly due to higher provisions including an onerous contractual provision of \$4.999 million offset by lower payables.

Cash flows

The net increase in cash of \$0.275 million was \$0.628 million higher than budget amount of (\$0.353) million, mainly due to higher net cash from operating activities and lower than budgeted purchases of plant & equipment.

Public Service Commission

Notes to and forming part of the financial statements
for the year ended 30 June 2024

14 Financial instruments

The Commission's principal financial instruments are cash (Note 7), receivables (Note 8) and payables (Note 10). These financial instruments arise directly from the Commission's operations. The Commission does not enter into or trade financial instruments for speculative purposes.

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.

14.1 De-recognition of financial assets and 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.

14.2 Fair value measurement

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.

14.3 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. This only applies to GST receivable/payable to the ATO.

15 Related party disclosures

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.

Public Service Commission

Notes to and forming part of the financial statements
for the year ended 30 June 2024

16 Events after the reporting period

In accordance with the *Administrative Arrangements (Administrative Changes – Miscellaneous) Order (No 2) 2024* dated 28 June 2024, the Commission was abolished on 1 July 2024. On abolition, the Commission's employees were transferred to the Premier's Department. References to the Public Service Commission in any document are construed as a reference to the Premier's Department from 1 July 2024. Consequently, any assets, rights and liabilities held by the Crown in right of the State of NSW (acting through the Public Service Commission) are now held by the Crown acting through the Premier's Department and will be used, recovered, or settled in the normal course of business by the Premier's Department.

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

Refer to Note 1.4 for 'equity transfers' material accounting policy.

The financial impacts arising from the administrative restructure is shown below:

| | Public Service Commission 01/07/24 (Transfer Out) \$'000 | Total \$'000 |
|--------------------------------------|--|-----------------|
| Assets | | |
| Current Assets | | |
| Cash and cash equivalents | (6,064) | (6,064) |
| Receivables | (1,193) | (1,193) |
| Total Current Assets | (7,257) | (7,257) |
| Non-Current Assets | | |
| Property, plant and equipment | (711) | (711) |
| Total Non-Current Assets | (711) | (711) |
| Total Assets | (7,968) | (7,968) |
| Liabilities | | |
| Current Liabilities | | |
| Payables | 2,257 | 2,257 |
| Provisions | 2,961 | 2,961 |
| Total Current Liabilities | 5,218 | 5,218 |
| Non-Current Liabilities | | |
| Provisions | 5,066 | 5,066 |
| Total Non-Current Liabilities | 5,066 | 5,066 |
| Total Liabilities | 10,284 | 10,284 |
| Net Liabilities | 2,316 | 2,316 |

Other than as disclosed above, no matters or circumstances have arisen since the end of the financial year which significantly affected the operations of the Commission or the results of the operations.

End of audited financial statements



INDEPENDENT AUDITOR'S REPORT

Public Service Commission

To Members of the New South Wales Parliament

Opinion

I have audited the accompanying financial statements of the Public Service Commission (the Commission), which comprise the Statement by the Commissioner, the Statement of Comprehensive Income for the year ended 30 June 2024, the Statement of Financial Position as at 30 June 2024, the Statement of Cash Flows and the Statement of Changes in Equity for the year then ended, and notes to the financial statements, including a Statement of Material Accounting Policy Information, and other explanatory information.

In my opinion, the financial statements:

- have been prepared in accordance with Australian Accounting Standards and the applicable financial reporting requirements of the *Government Sector Finance Act 2018* (GSF Act), the *Government Sector Finance Regulation 2024* (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).

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

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

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

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

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 Regulation 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.



Cassie Malone
Director, Financial Audit

Delegate of the Auditor-General for New South Wales

27 September 2024
SYDNEY



Investment and liability management performance

The PSC does not have approval to invest with TCorp and has no financial liabilities to report.

Machinery of Government change costs and benefits

The PSC was not impacted by Machinery of Government changes this year and has no costs or benefits to report.

However, as noted earlier, *Administrative Arrangements (Administrative Changes-Miscellaneous) Order (No 2) 2024* commenced on 1 July 2024 which abolished the PSC and employees were transferred to the Premier's Department. The costs and benefits will be reported by the Premier's Department in the next financial year.

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Public Service Commission

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