

PREMIER, AND MINISTER FOR CITIZENSHIP

OVERVIEW

<i>Agency</i>	<i>2007-08 Budget \$m</i>	<i>2008-09 Budget \$m</i>	<i>Variation %</i>
Department of Premier and Cabinet			
Total Expenses	180.8	226.0	25.0
Capital Expenditure	1.3	2.3	79.1
Independent Commission Against Corruption			
Total Expenses	17.9	18.4	2.9
Capital Expenditure	1.2	1.3	14.8
Ombudsman's Office			
Total Expenses	22.2	21.9	-2.0
Capital Expenditure	0.3	0.6	84.5
New South Wales Electoral Commission			
Total Expenses	29.6	36.7	24.0
Capital Expenditure	2.4	1.8	-25.0
Independent Pricing and Regulatory Tribunal			
Total Expenses	18.0	18.1	0.3
Capital Expenditure	0.2	0.2	...
Natural Resources Commission			
Total Expenses	4.8	4.8	...
Capital Expenditure .....	...	...	...
Community Relations Commission of New South Wales			
Total Expenses	16.4	17.1	4.2
Capital Expenditure	0.1	0.1	...
Audit Office of New South Wales			
Total Expenses	34.7	33.8	-2.6
Capital Expenditure	0.7	1.1	65.4
Events New South Wales Pty Limited			
Total Expenses .....	...	29.8	n.a.
Capital Expenditure .....	...	1.2	n.a.
Total, Premier, and Minister for Citizenship			
Total Expenses	324.5	406.6	25.3
Capital Expenditure	6.2	8.6	38.7

DEPARTMENT OF PREMIER AND CABINET

The Department of Premier and Cabinet supports the Premier and the Cabinet with the development, coordination and implementation of Government policy and by coordinating intergovernmental relations.

The Department also includes the Parliamentary Counsel's Office, which provides comprehensive legislative drafting and publishing services for the Government and Members of Parliament.

The Department supports the Premier, the Minister for Finance (Section 3), the Minister for Women (Section 6), the Minister for Volunteering (Section 10), the Minister for Regulatory Reform (Section 21) and four regional Ministers (the Minister for the Central Coast, the Minister for the Hunter, the Minister for the Illawarra and the Minister for Western Sydney – Sections 8, 22, 18 and 14 respectively) with strategic advice; project and issues management; a whole-of-government approach to policy development; and service provision within the public sector, especially in regional and rural areas.

RESULTS AND SERVICES

The Department of Premier and Cabinet provides leadership, coordination and oversight of the State Plan. The Department has lead agency responsibility for the following State Plan priorities:

- ◆ R4: Increased participation and integration in community activities.
- ◆ F4: Embedding prevention and early intervention into Government services.
- ◆ P3: Cutting red tape.
- ◆ S8: Increased customer satisfaction with Government services.

The Department of Premier and Cabinet contributes to the implementation of major Government policy by working towards the following results:

- ◆ There is effective sector-wide implementation and coordination of major Government initiatives and policies.
- ◆ Economic and regional issues including resolution of complex business, community, transport and infrastructure issues across New South Wales are soundly managed.
- ◆ Service delivery by the public sector is improved.
- ◆ Government decision-making through policy advice and support to the Premier, Cabinet and its Committees is effective.

Key services provided by the Department of Premier and Cabinet to contribute to these results are:

- ◆ providing support and coordination for the delivery of Government priorities identified in the State Plan
- ◆ coordinating implementation of significant infrastructure and investment projects, including facilitating the interface with the private sector, and rural, regional and metropolitan initiatives
- ◆ reviewing and improving public sector operations and services, including improving public sector employment, workforce strategy and policy, workforce capability, equity and diversity
- ◆ developing, advising and implementing policy (including cross-portfolio issues, Commonwealth/State relations and the Office for Women); providing support to the Premier and the Cabinet through the Cabinet process; and drafting Bills, statutory instruments and environmental planning instruments and providing legislative information and
- ◆ providing the Governor, Premier and Ministers with protocol, ministerial and parliamentary support services.

The key services provided by the Department and the way in which they are expected to contribute to results are set out in the following table:

Service Groups	2008-09 Budget Expenses \$m	Results			
		Effective sector-wide implementation of the State Plan	Sound management of economic and regional issues	Improved government services	Effective government decision making processes
State Plan Leadership and Support	5.7	✓		✓	
Economic and Regional Coordination	37.0		✓		
Services and Capabilities Improvement	32.5			✓	
Policy Support	46.4				✓
Administrative Support for Government	104.4				✓
Total Expenses Excluding Losses	226.0				

RECENT ACHIEVEMENTS

The Department of Premier and Cabinet has established systems for assisting with the implementation and monitoring of State Plan priorities, including the production of performance reports summarising progress against targets over a ten year plan. Where the Department is lead agency, achievements include:

- ◆ developed tools to measure, report and improve satisfaction with Government services
- ◆ established a Volunteering Unit, completed a review of NSW Government agency volunteering programs and activities, and commenced work on a sector-wide policy and related web portal
- ◆ established a new Violence Prevention Coordination Unit in the Office for Women which will develop a strategic framework for addressing violence against women in New South Wales and will administer a new grants program of over \$2 million
- ◆ developed a draft Prevention and Early Intervention policy framework to be trialled over the next 12-18 months and
- ◆ established the Better Regulation Office to implement an effective and transparent gate keeping process and for cutting red tape.

Other achievements in priority areas include:

- ◆ established Crime Prevention Partnerships in Local Area Commands
- ◆ worked with regional coordination management groups to promote growth in regional and rural New South Wales
- ◆ streamlined the public sector employment process to reduce recruitment times
- ◆ provided policy support and leadership in Commonwealth/State relations including support for the Council of Australian Government processes and the National Reform Agenda
- ◆ provided grants to local community war memorials and
- ◆ continued reimbursement of monies owed to Aboriginal people through the Aboriginal Trust Fund Repayment Scheme.

STRATEGIC DIRECTIONS

The Department of Premier and Cabinet's strategic framework is a *Statement of Strategic Intent*. This is used to inform business planning across the Department. The *Statement of Strategic Intent* focuses on a number of strategic imperatives which drive the business of the Department. These include infrastructure, transport, prevention and early intervention, customer service, service delivery improvement, resource reallocation, workforce and core business delivery.

2008-09 BUDGET INITIATIVES

Total Expenses

The Department of Premier and Cabinet has estimated total expenses of \$226 million, which includes:

- ◆ \$9 million for continuing the Aboriginal Trust Fund Repayment Scheme to pay back money owed to Aboriginal people whose money was put into Trust Funds between 1900 and 1969 and not repaid
- ◆ \$4 million for e-recruitment
- ◆ \$2.9 million for domestic violence funding transferred from the Department of Health
- ◆ \$2.1 million for the Better Regulation Office and
- ◆ \$1.4 million for resourcing of the National Reform Agenda.

Capital Expenditure

In 2008-09, the Department's capital program is \$2.3 million.

The capital program is necessary for:

- ◆ regular staged upgrades to that portion of the Department's computer, telecommunications and office equipment requiring replacement or reaching obsolescence during the financial year
- ◆ set-up and customisation of a whole-of government e-recruitment system
- ◆ emerging office accommodation requirements and
- ◆ adopting the use of the Government Broadband System and updating infrastructure.

AGENCY RESULT INDICATORS

Effective sector-wide implementation of the State Plan

Result Indicator	Units	2005-06 Actual	2006-07 Actual	2007-08 Budget	2008-09 Forecast
i) Lead and partner agencies that have linked State Plan actions into their Results and Services Plan and Corporate Plan (State Plan chapter 7)*	%	...	...	...	80
ii) Lead and partner agencies with performance targets for embedding prevention and early intervention	%	...	...	...	Human Services and Justice agencies
iii) Leadership activities that promote community awareness and/or support participation in volunteering activities	no.	...	...	5	5
Notes:					
i) This indicator shows agency alignment of planning and resources towards achievement of their State Plan priorities.					
ii) This indicator quantifies agency effectiveness of implementing prevention and early intervention strategies.					
iii) This is a proxy measure of promotion of community participation in volunteering.					
* Where no data is shown indicates the State Plan strategy or indicator was not developed or measured previously					

Sound management of economic and regional issues

Result Indicator	Units	2005-06 Actual	2006-07 Actual	2007-08 Budget	2008-09 Forecast
i) State significant infrastructure projects completed consistent with project milestones	%	100
ii) Satisfaction of stakeholders with regional and rural coordination of local multi-agency issues	%	100
Notes:					
i) The indicator shows the percentage of State significant infrastructure projects completed to plan.					
ii) This indicator shows the level of satisfaction of stakeholders with regional and rural coordination of local multi-agency issues.					

Improved Government services

Result Indicator	Units	2005-06 Actual	2006-07 Actual	2007-08 Budget	2008-09 Forecast
i) Agencies compliant with Government wages policy	%	100	100
ii) Reduction in average sector recruitment time	%	n.a.	n.a.
iii) Lead CEO performance agreements reviewed to align with State Plan priorities	%	100	100
iv) Implementation of recommendations of sector-wide reviews and reforms	%	90	95
Notes:					
i) This indicator addresses workforce issues by showing agency efficiency of aligning resources towards the achievement of their State Plan priorities.					
ii) This indicator is currently under development.					
iii) This indicator demonstrates CEO performance agreements reviewed for alignment with State Plan priorities.					
iv) This indicator shows service delivery improvement as a result of adopting the recommendations of sector-wide reviews and reforms.					

Effective Government decision making processes

Result Indicator	Units	2005-06 Actual	2006-07 Actual	2007-08 Budget	2008-09 Forecast
i) Community satisfaction with State-managed significant public events	%	90	90	90	90
ii) Government legislation program delivered	%	100	100	100	100
Notes:					
i) This indicator shows the level of community satisfaction with State-managed significant public events. Results presented are from a sample survey by the Office of Protocol and Special Events.					
ii) This indicator reflects the percentage of the Government's legislation program delivered.					

INDEPENDENT COMMISSION AGAINST CORRUPTION

The Independent Commission Against Corruption is responsible for promoting and enhancing integrity in public administration throughout New South Wales by investigating, exposing and minimising corruption through the application of its special powers. The Commission's governing legislation is the *Independent Commission Against Corruption Act 1988*.

RESULTS AND SERVICES

The Commission contributes to an improved culture of honesty, integrity and ethical behaviour within the NSW public sector by working towards the following results:

- ◆ Potential offenders are deterred from committing corrupt conduct through the exposure of corruption activities and corruption risks.
- ◆ The community and public sector employees have confidence that corruption matters reported are being properly investigated.
- ◆ The community and public sector employees have an increased awareness and understanding of corrupt conduct and corruption risks across the public sector.
- ◆ A comprehensive range of corruption prevention strategies operates across the public sector.

Key services provided by the Commission that contribute to these results include:

- ◆ Corruption complaints are assessed and investigated. In addition, the Commission conducts compulsory examinations (private hearings) and public inquiries, reports on corruption investigations and recommends corruption prevention improvements.
- ◆ Corruption prevention training programs and education materials are provided to promote corruption awareness across public sector agencies. In addition, the Commission conducts research to support the development of effective corruption prevention resources.

The services provided by the Commission and the way in which they are expected to contribute to these results are set out in the following table:

Service Groups	2008-09 Budget Expenses \$m	Results			
		Deterrence of corrupt conduct	Confidence that reported corruption matters are investigated	Increased awareness of corrupt conduct and corruption risks	Corruption prevention strategies across the public sector
Corruption Investigation	14.0	✓	✓		
Corruption Prevention, Research and Education	4.4			✓	✓
Total Expenses Excluding Losses	18.4				

RECENT ACHIEVEMENTS

During 2007-08, the Commission commenced the development of a new complaint handling and case management system. This followed a review of its complaint management processes and the acquisition of new complaint handling and case management computer software.

The Commission also hosted the inaugural Australian Public Sector Anti-corruption Conference in conjunction with the Queensland Crime and Misconduct Commission and the Western Australia Crime and Corruption Commission. This conference, which addressed contemporary public sector corruption issues, attracted international and Australian delegates.

STRATEGIC DIRECTIONS

The Commission will maintain its focus on enhancing its capacity to identify systemic and individual corruption risks, the effective management of corruption complaints and the continued improvement and development of its investigative capacity.

Implementation of the Commission's new complaint handling and case management system will continue. This will enhance the management and performance tracking of cases, providing improved analysis of complaint data and profiling of corruption risks. The Commission will also continue to undertake strategic research and develop education and corruption prevention initiatives targeted at key sectors including local government, government agencies in regional areas and the general public sector.

2008-09 BUDGET INITIATIVES

Total Expenses

The Commission's total expenses are estimated at \$18.4 million in 2008-09, an increase of 2.8 per cent on 2007-08.

Capital Expenditure

The Commission's capital allocation in 2008-09 is \$1.3 million, including:

- ◆ \$350,000 to complete the new complaint handling and case management system
- ◆ \$750,000 to replace outdated computer equipment and systems and
- ◆ \$200,000 to update intelligence-based data analysis and technical equipment.

AGENCY RESULT INDICATORS

Deterrence of corrupt conduct

Result Indicator	Units	2005-06 Actual	2006-07 Actual	2007-08 Budget	2008-09 Forecast
i) Compulsory examinations and public inquiries	no.	36	53	30	30
ii) Investigation reports published	no.	7	6	5	5

Notes:

- i) This indicator shows the level of public exposure of corrupt conduct and corruption activities. Examinations include all persons called to appear for interviews to present information, give statements on the matters and generate further leads. This may lead to public inquiries which are major investigations and include multiple examinations.
- ii) This indicator shows the level of exposure of corrupt conduct and systemic corruption issues. Investigation reports are produced following public inquiries.

Confidence that reported corruption matters are investigated

Result Indicator	Units	2005-06 Actual	2006-07 Actual	2007-08 Budget	2008-09 Forecast
i) Corruption matters received by ICAC from the general public, through protected disclosures and from principal officers	no.	1,520	1,396	1,450	1,450
ii) Corruption matters received referred for further ICAC inquiry, action or investigation	%	23	26	25	25
iii) Investigations completed within 12 months	%	82	92	90	85
Notes:					
i) This indicator is a proxy for the level of confidence the community has in reporting matters that may involve corrupt conduct.					
ii) This indicator shows the level of serious matters being referred to ICAC requiring further action. This may include legal advice, request for agency response, investigation by examination or advice given on corruption prevention.					
iii) This indicator is a proxy for investigations being conducted in a thorough and timely manner.					

Increased awareness of corrupt conduct and corruption risks

Result Indicator	Units	2005-06 Actual	2006-07 Actual	2007-08 Budget	2008-09 Forecast
i) Corruption publications and guidelines released	no.	5	7	6	6
ii) Respondents to community survey who knew about ICAC and believed it was successful in exposing corruption (3 year community survey 2006)	%	n.a.	72	n.a.	n.a.
Notes:					
i) This indicator is a proxy for awareness of public sector employees of corruption issues and corruption risks through release of new publications and education on corruption prevention strategies.					
ii) This indicator shows the effectiveness of ICAC's communication projects to raise awareness of the role of ICAC and the community's understanding of corrupt conduct and corruption risks.					

Corruption prevention strategies across the public sector

Result Indicator	Units	2005-06 Actual	2006-07 Actual	2007-08 Budget	2008-09 Forecast
i) Reform recommendations arising from investigation reports that are implemented	%	85	91	90	90
ii) Responses to requests from Government agencies for corruption prevention advice	no.	324	325	335	335

Notes:

i) This indicator shows the effectiveness of ICAC in identifying corruption prevention strategies to improve public sector integrity.

ii) This indicator is a proxy for public sector agencies identifying corruption issues and seeking ICAC's advice in effectively managing corruption risks.

OMBUDSMAN'S OFFICE

The Ombudsman's Office is an independent and impartial review body. Its objective is to ensure that the public and private sector bodies and employees overseen fulfil their functions properly. The Office helps organisations and individuals within its jurisdiction to be aware of their responsibilities to the public, to act reasonably and to comply with the law and best practice in administration.

The Ombudsman's Office is independent of the government of the day and accountable to the public through the NSW Parliament.

The Ombudsman's Office is governed by a range of legislation including the *Ombudsman Act 1974*, the *Community Services (Complaints, Reviews and Monitoring) Act 1993* and the *Police Act 1990*.

RESULTS AND SERVICES

The Ombudsman's Office works with both private and public sector agencies towards the following overall and intermediate results for the community:

- ◆ Administrative practice and service delivery are fair, accountable and responsive.
- ◆ Decision making in agencies is fair, reasonable and transparent.

- ◆ Public and private sector agencies and employees are fulfilling their functions properly.
- ◆ Public administration, provision of community services and protection of children are improved.
- ◆ Agencies establish and implement effective complaint handling systems.
- ◆ Customers are satisfied with the provision of public and community services.

Key services provided by the Office to contribute to these results are:

- ◆ complaint advice, referral, resolution or investigation
- ◆ oversight of agency investigation of complaints
- ◆ scrutiny of complaint handling and other systems and
- ◆ review of implementation of legislation.

The key services provided by the Office, and the way in which they are expected to contribute to results are set out in the following table:

Service Groups	2008-09 Budget Expenses	Results
	\$m	Fair, accountable and responsive administrative practice and service delivery
Complaint Advice, Referral, Resolution or Investigation	9.6	✓
Oversight of Agency Investigation of Complaints	4.3	✓
Scrutiny of Complaint Handling and Other Systems	7.7	✓
Review of Implementation of Legislation	0.3	✓
Total Expenses Excluding Losses	21.9	

RECENT ACHIEVEMENTS

The Ombudsman's Office has surveyed public sector agencies and local councils about their complaint handling systems and is assisting agencies to improve their complaint handling and customer service.

In 2007-08, the Ombudsman's Office undertook 25 direct investigations of serious police complaints and 20 community services related matters. The Office also conducted 40 individual reviews of people in care and 20 community services complaint handling systems.

STRATEGIC DIRECTIONS

The Ombudsman's Office is adopting a number of strategies to improve service delivery:

- ◆ The Office is exploring proactive strategies to stabilise complaint numbers and to ensure continuous improvement in the delivery of services to the public.
- ◆ The Office has established a new team, on a trial basis, to handle multi-agency matters that fall within two or more of the Ombudsman's business areas. The new team is capable of responding to emerging issues, coordinating multi-jurisdictional matters and providing expert advice to staff about whole-of-government projects and initiatives.
- ◆ The Office has created specialised positions to deal with a number of projects where it is working with agencies in reviewing the delivery of their services to community groups. For example, there is a team of four officers in the Aboriginal Complaints Unit who liaise with both communities and agencies to improve service delivery.

2008-09 BUDGET INITIATIVES

Total Expenses

Total expenses of the Ombudsman's Office are projected to be \$21.9 million in 2008-09, of which 80 per cent will be employee related. Included in the Office expenses are the expenses of official community visitors, who travel throughout New South Wales visiting residential services for children and young people and in care and accommodation services for people with a disability.

Capital Expenditure

In 2008-09, the Ombudsman's Office will be undertaking capital expenditure totalling \$559,000. The Office will replace IT equipment, purchase other minor items and update the office fitout during the year.

AGENCY RESULT INDICATORS

Fair, accountable and responsive administrative practice and service delivery

Result Indicator	Units	2005-06 Actual	2006-07 Actual	2007-08 Budget	2008-09 Forecast
i) Recommendations made in general jurisdiction that have been implemented by agency	%	97	89	90	90
ii) Recommendations made in police jurisdiction that have been implemented by agency	%	89	89	80	80
iii) Recommendations made in child protection jurisdiction that have been implemented by agency	%	100	80	80	80
iv) Reports to Parliament on public interest issues	no.	3	2	2	4
v) Agencies subject to Mystery Shopper audit	no.	...	1	1	1
Notes:					
i) This indicator shows the percentage of recommendations made by the Office in general jurisdiction that are adopted by agencies.					
ii) This indicator shows the percentage of recommendations made by the Office in police jurisdiction that are adopted by the NSW Police Force.					
iii) This indicator shows the percentage of recommendations made by the Office in child protection jurisdiction that are adopted by agencies.					
iv) This indicator reports the number of special reports that the Office makes to Parliament each year. These reports usually follow a formal investigation by the Office but can also be prepared to highlight deficiencies or public interest issues.					
v) The Office conducts audits of the customer service practices and policies of agencies. These audits, known as Mystery Shopper Audits, are undertaken without the knowledge of the agency. The Office provides a comprehensive report to the relevant Department Head at the conclusion of the audit.					

NEW SOUTH WALES ELECTORAL COMMISSION

The New South Wales Electoral Commission (NSWEC) is responsible for the:

- ◆ management and administration of parliamentary elections, by-elections and referendums
- ◆ administrative support to the Election Funding Authority (EFA), which is responsible for public funding of election campaigns and management and administration of the Political Education Fund and
- ◆ on a full cost recovery basis and in accordance with appropriate legislation, elections for local government, trade unions, statutory boards, registered clubs and ballots for enterprise agreements.

Key legislation governing operations of the Commission is:

- ◆ *Parliamentary Electorates and Elections Act 1912* and
- ◆ *Election Funding Act 1981*.

RESULTS AND SERVICES

The following results will be targeted:

- ◆ Elections will be conducted impartially and in accordance with the law.
- ◆ Voter participation will be maximised and informal votes minimised.
- ◆ Public funding will be unbiased and campaign donations will be disclosed.

Key services provided by the Commission to contribute to these results include:

- ◆ provision of reports to the NSW Parliament and the public on the conduct of elections and by-elections
- ◆ electoral roll management
- ◆ strategies to inform those enrolled and those eligible to enrol of their rights and responsibilities under the NSW electoral system and
- ◆ strategies to inform candidates, groups and registered political parties of their entitlements and responsibilities.

The key services provided by the Commission and the way in which they are expected to contribute to these results are set out in the following table:

Service Groups	2008-09 Budget Expenses \$m	Results		
		Impartial elections	Maximise voter participation	Election funding and disclosure
Conduct and Management of Elections	36.7	✓	✓	✓
Total Expenses Excluding Losses	36.7			

RECENT ACHIEVEMENTS

The Commission's recent achievements include:

- ◆ preparation of the *Report on the 2007 State Election* provided to the NSW Parliament in late 2007
- ◆ commencement of the preparation of benchmark surveys to assess the satisfaction of stakeholders with its provision of electoral services and
- ◆ continuation of its program of improving its management and monitoring systems for a range of programs including electoral roll management.

STRATEGIC DIRECTIONS

Investment in the centralised Election Management Application continues with work programmed for 2008 through 2009. This will position the Commission for the next State Government election in 2011. Workflow processes continue to be reviewed with a view to risk minimisation. Services in the areas of electoral education and election funding continue.

2008-09 BUDGET INITIATIVES

Total Expenses

The Commission has estimated total expenses of \$36.7 million in 2008-09. This principally comprises:

- ◆ \$20 million for the Local Government elections (this amount will be recovered from local governments after the elections)
- ◆ \$2.1 million (on behalf of the Election Funding Authority) for payments to candidates, groups and parties and political education and
- ◆ \$4 million for payments to the Commonwealth for the joint Electoral Roll Agreement.

Capital Expenditure

Capital expenditure for 2008-09 totals \$1.8 million. This consists of software development of \$1.7 million and office equipment of \$100,000.

AGENCY RESULT INDICATORS

To ensure that elections are impartial and delivered in accordance with the law

Result Indicator	Units	2005-06 Actual	2006-07 Actual	2007-08 Budget	2008-09 Forecast
i) Successful court challenges	no.	0	0	0	0
ii) Recounts required	no.	n.a.	2	n.a.	n.a.
Note: i) The nil result shown indicates a high quality service.					

To maximise voter participation

Result Indicator	Units	2005-06 Actual	2006-07 Actual	2007-08 Budget	2008-09 Forecast
i) Population enrolled	%	90.6	92.7	95.0	95.0
ii) Minimisation of informal votes	% - LA % - LC	n.a. n.a.	2.7 6.1	n.a. n.a.	n.a. n.a.
iii) Reduction in non-voters	% of roll	n.a.	3.4	n.a.	<5

Note:
These indicators are measures of the contribution the NSWEC makes by undertaking such activities as electoral roll management, elector information campaigns and a range of information technology services.

To deliver unbiased public funding and open disclosure of campaign donations

Result Indicator	Units	2005-06 Actual	2006-07 Actual	2007-08 Budget	2008-09 Forecast
i) Prosecutions	no.	0	4	0	0
ii) Declarations lodged on time	%	n.a.	89	n.a.	n.a.

Note:
These indicators are a measure of the contribution made by the EFA to the understanding by candidates, groups, parties and donors of their obligations.

INDEPENDENT PRICING AND REGULATORY TRIBUNAL

The Independent Pricing and Regulatory Tribunal (IPART) provides advice, recommendations and determinations on prices for monopoly services provided by major New South Wales Government utilities.

Its objectives are aligned with the overall Government priority of encouraging utilities and regulated industries to provide efficient, quality services, while protecting consumers' interests and encouraging commercially and environmentally sustainable outcomes. The organisation works very closely with its stakeholders to demonstrate a fair and open process, and to achieve a balanced outcome for the industry sector as well as the consumer.

RESULTS AND SERVICES

IPART contributes to the promotion of a competitive business environment and delivery of better services by working towards the following results:

- ◆ IPART decisions prevent abuse of monopoly power and promote efficiency, sustainability and community welfare.
- ◆ Healthy and sustainable energy and water supplies are promoted.

It provides the following services to support these results:

- ◆ monitoring of water and energy licences
- ◆ administration, monitoring and enforcement of the Greenhouse Gas Abatement Scheme
- ◆ making recommendations on pricing of water, transport and energy services and
- ◆ undertaking reviews referred to it.

The key services provided by the Tribunal and the way in which they are expected to contribute to results are set out in the following table:

Service Groups	2008-09 Budget Expenses \$m	Results	
		IPART decisions promote efficiency, sustainability and community welfare	Promote healthy and sustainable energy and water supplies
Energy/Transport/Water Pricing and Analysis and Policy Work	11.8	✓	
Licensing and Greenhouse Gas Reduction Scheme Administration	6.3		✓
Total Expenses Excluding Losses	18.1		

RECENT ACHIEVEMENTS

IPART's work in recent years has expanded beyond setting maximum prices for government utilities and transport services. Additional activities now undertaken include advice on competitive neutrality, setting gas tariffs, regulating gas networks and conducting arbitration proceedings between market participants.

IPART assumed the role of Administrator for the Greenhouse Gas Abatement Scheme, one of the world's first carbon dioxide-denominated emissions trading schemes, from 1 January 2003. The program involves the creation of abatement certificates through accredited abatement projects and the purchase and surrender of certificates by energy companies to meet their greenhouse gas emissions targets. In 2007 IPART accredited an additional 48 abatement projects. As at 31 December 2007 there were 203 projects accredited with the Scheme. Over 27 million additional abatement certificates were created in the 2007 calendar year. This will bring the total certificate creation between Scheme commencement and the end of 2007 to 59 million – equivalent to the abatement of an equal number of tonnes of carbon dioxide. Total certificates surrendered by energy companies for the 2006 calendar year was equivalent to 13.8 million tonnes of carbon dioxide abated.

The approach to price regulation is constantly evolving and the Tribunal maintains an interest in overseas developments as well as continuing membership of the Australian Utilities Regulators' Forum.

STRATEGIC DIRECTIONS

IPART's strategic directions for 2008-09 include:

- ◆ encouraging government businesses to make efficiency gains and reduce their overall cost to the community
- ◆ promoting continuity of supply, in particular through ensuring that incentives are adequate to stimulate ongoing investment in infrastructure to meet growth and replace ageing assets
- ◆ ensuring businesses have the resources to meet increasingly higher community expectations of service levels and environmental performance and
- ◆ ensuring that regulatory outcomes support the ongoing availability of low cost private capital necessary to fund new infrastructure.

2008-09 BUDGET INITIATIVES

IPART anticipates that the new licensing regime introduced by the *Water Industry Competition Act* will commence in 2008-09. This legislation provides for third party access to water supply, the creation of a licensing regime for service providers and the extension of IPART's pricing powers to the private sector, where the private sector provides a monopoly water supply to small retail customers. IPART will have the principal role to administer third party access, administer and audit licences, make a pricing order for a licensee, arbitrate disputes and monitor licence compliance.

Total Expenses

Total expenses for 2008-09 are estimated at \$18.1 million.

Capital Expenditure

IPART's capital expenditure in 2007-08 is projected to be \$2.5 million due to relocation and fitout of new premises. In 2008-09 capital expenditure will revert to \$180,000 for the replacement and upgrading of equipment.

AGENCY RESULT INDICATORS

Pricing decisions prevent abuse of monopoly power, promote efficiency, sustainability and community welfare

Result Indicator	Units	2005-06 Actual	2006-07 Actual	2007-08 Budget	2008-09 Forecast
i) Index of household charges (nominal, including GST)					
- Change since 1992-93	%	41	48	n.a.	n.a.
- Annual change	%	4.4	5.0	n.a.	n.a.
ii) Index of non-residential water prices (nominal)					
- Change since 1992-93	%	-32	-27	n.a.	n.a.
- Annual change	%	7.7	7.2	n.a.	n.a.

Pricing decisions prevent abuse of monopoly power, promote efficiency, sustainability and community welfare (cont)

Result Indicator	Units	2005-06 Actual	2006-07 Actual	2007-08 Budget	2008-09 Forecast
iii) Index of regulated electricity prices for a small business customer (nominal, excluding GST)					
- Change since 1996-97	%	7	21	n.a.	n.a.
- Annual change	%	8	13	n.a.	n.a.
Notes					
i) This indicator shows the impact of IPART's decisions on composite household charges comprising residential electricity and gas prices, residential water charges and public transport prices. The change in the CPI since 1992-93 was 40 per cent in 2005-06 and 44 per cent in 2006-07.					
ii) Index of real revenue per kilolitre of water used, including water, wastewater and trade waste charges. Average of Sydney Water and Hunter Water prices, weighted by volume of sales to non-residential customers. The change in the CPI since 1992-93 was 40 per cent in 2005-06 and 44 per cent in 2006-07.					
iii) Calculated for a business customer of EnergyAustralia on a general supply tariff using 30 MWh of electricity per year. Reference period is 1996-97 because comparable prices for 1993 are not available. Prices exclude GST because GST is a pass-through cost for businesses. The change in the CPI since 1996-97 was 23 per cent in 2005-06 and 26 per cent in 2006-07.					

Promoting healthy and sustainable energy and water supplies

Result Indicator	Units	2005-06 Actual	2006-07 Actual	2007-08 Budget	2008-09 Forecast
i) Acceptance by Ministers of annual water and energy audit reports	no.	5	5	6	6
ii) Net tonnes per capita CO ₂ emissions in NSW from electricity usage (allowing for offset credits)	tonnes	7.60	7.27	7.27	7.27
Notes:					
i) This is a check on the effectiveness of licence compliance based on detailed audits.					
ii) This measure is based on the targets set under the Kyoto protocol.					

NATURAL RESOURCES COMMISSION

The Natural Resources Commission (NRC) provides the Government with independent advice on natural resource management issues.

RESULTS AND SERVICES

The Government has adopted the NRC's recommended Standard for Quality Natural Resource Management and State-wide targets for natural resource management in New South Wales.

The NRC contributes to healthy functional landscapes and communities by working with Catchment Management Authorities (CMAs), Government agencies and landholders to help ensure that natural resource management decisions are based on sound science and best practice management and are made in the economic, social and environmental interests of the State.

The NRC works towards the following results:

- ◆ The Government has credible evidence on whether the State-wide targets for natural resource management are being met.
- ◆ The Government has credible evidence on whether CMAs and other natural resource management programs are contributing to the State-wide targets through implementation of better adaptive management.
- ◆ Natural resource management policy settings are based on sound science and are improving the condition of natural resources.
- ◆ The natural resource management framework has a sound scientific basis to ensure properly informed management of natural resources, achievement of the Government's priorities and integration of economic, social and environmental outcomes.
- ◆ The Government receives high quality independent advice and recommendations on a variety of natural resource management issues.

Key services provided by the NRC to contribute to these results include:

- ◆ reporting on progress towards the State-wide targets and developing recommendations to resolve issues that are restricting progress
- ◆ auditing the implementation of CMAs' Catchment Action Plans against the Standard and State-wide targets

- ◆ reviewing technical issues to provide a sound scientific basis for decisions on specific natural resource management issues
- ◆ developing and revising the Standard and State-wide targets and facilitating their adoption by the State's natural resource managers and
- ◆ solving complex natural resource problems and providing a range of audits, reports and recommendations to the Government.

As a small agency, the NRC has only one Service Group. The key services provided by the NRC and the way in which they are expected to contribute to results are set out in the following table:

Service Group	2008-09 Budget Expenses \$m	Results				
		Credible evidence of progress to State-wide targets	Credible evidence on whether CMAs are contributing to state targets	Natural resource management policy settings based on sound science	Maintenance of the natural resource management framework for quality management of natural resources	Sound, independent advice on complex natural resource management issues
Natural Resources Commission	4.80	✓	✓	✓	✓	✓
Total Expenses Excluding Losses	4.80					

RECENT ACHIEVEMENTS

The Standard and State-wide targets provide the statutory quality assurance framework and goals to ensure that CMAs are cost-effective and that they protect and improve natural resource assets and maximise integrated natural resource management outcomes. The Standard and State-wide targets support flexible and innovative regional decision-making and ensure consistency, rigour and accountability for natural resource management.

Other recent achievements include:

- ◆ The Government's approval of 12 CMAs' Catchment Action Plans in line with the NRC's recommendations. The Catchment Action Plans set region-specific catchment targets to implement State-wide targets.

- ◆ Development of the NRC's Audit Framework for auditing CMAs' implementation of their Catchment Action Plans. The audit assesses whether Catchment Action Plans are achieving on-ground improvements in the condition of natural resources.
- ◆ Providing recommendations on enhancing the management and regulation of native vegetation in New South Wales and modelling the allocation of future natural resource funding amongst CMAs.
- ◆ Reviewing the scientific basis for aspects of water sharing plans and providing the Government with advice on recovering water for the environment.

STRATEGIC DIRECTIONS

The NRC will seek to provide the Government with comprehensive credible evidence on progress towards achievement of the State-wide targets and recommendations for the resolution of issues impeding progress. The NRC will audit CMAs to provide Government with independent evidence on whether CMAs are contributing effectively to the State-wide targets.

The achievement of the State-wide targets requires whole-of-government support. Through the adoption of the Standard, New South Wales will progress towards the State-wide targets by continuously improving the quality of its natural resources management. The Standard will achieve a better alignment of policy, legislation and institutional arrangements, particularly in regional planning in coastal and urban areas. The NRC will seek terms of reference to audit and review strategic natural resource management plans across Government against the Standard and State-wide targets and make recommendations to the Government.

An emerging strategic issue is the need to adapt CMAs' governance and reporting arrangements now that the Australian Government has indicated it will move to a contestable funding approach under its Caring for our Country program.

The NRC will also continue working with agencies to access, evaluate and publish meaningful information on baselines and trends in the condition of our natural resources. Credible information on the condition of resources is needed by policy makers, CMAs and other natural resource managers to inform planning and investment decisions and for the NRC to provide independent reports on progress towards Government priorities.

2008-09 BUDGET INITIATIVES

Total Expenses

Total expenses for the NRC in 2008-09 are projected to be \$4.8 million, which mainly relate to employee and other operating expenses.

AGENCY RESULT INDICATORS

Credible evidence of progress towards State-wide targets

Result Indicator	Units	2005-06 Actual	2006-07 Actual	2007-08 Budget	2008-09 Forecast
i) Reports to the Government on progress towards achieving the State-wide targets	no.	...	...	1	2

Note:

- i) The NRC is responsible for providing independent reports evidencing whether the State-wide targets are being achieved. It is not responsible for the actual achievement of the State-wide targets.

Credible evidence on whether CMAs are contributing effectively to State-wide targets

Result Indicator	Units	2005-06 Actual	2006-07 Actual	2007-08 Budget	2008-09 Forecast
i) NRC public reports on CMAs' compliance with the Standard and contribution to the State-wide targets	no.	...	6	4	2

Note:

- i) The NRC is responsible for independently auditing the effectiveness of CMAs' implementation of their Catchment Action Plans and whether implementation is contributing to the State-wide targets. It is not responsible for CMAs' performance.

Natural resource management policy settings based on sound science

Result Indicator	Units	2005-06 Actual	2006-07 Actual	2007-08 Budget	2008-09 Forecast
i) Formal reviews completed	no.	111	69	14	19
<p>Note:</p> <p>i) The formal reviews include reviews of the Snowy Mountains Cloud Seeding Trial, Environmental Outcomes Assessment Methodology, SEPP 71 requests and other technical scientific reviews. The NRC and the Department of Planning have streamlined the need for advice on SEPP 71 applications resulting in efficiency gains which are reflected in the reduced need for formal reviews.</p>					

Maintenance of natural resource management framework

Result Indicator	Units	2005-06 Actual	2006-07 Actual	2007-08 Budget	2008-09 Forecast
i) Reports to Government recommending/revising the Standard, targets, facilitating their adoption or recommending wider adoption	no.	1	2	1	1
<p>Note:</p> <p>i) The NRC is responsible for reviewing and promoting the Standard, and supporting its adoption by CMAs and others across the State.</p>					

Sound, independent advice on complex natural resource management issues

Result Indicator	Units	2005-06 Actual	2006-07 Actual	2007-08 Budget	2008-09 Forecast
i) Independent reports to Government on requested natural resource management policy reviews	no.	1	4	3	3
ii) Proportion of stakeholders satisfied with NRC review process	%	...	...	...	80
<p>Notes:</p> <p>i) This result indicator is a measure of the number of referrals on complex issues which the NRC receives from the Premier.</p> <p>ii) NRC will commence surveying its stakeholders on their satisfaction with NRC engagement across all of its services.</p>					

COMMUNITY RELATIONS COMMISSION OF NEW SOUTH WALES

The Commission promotes more harmonious and equitable communities through community support services and provision of language services.

The Commission's governing legislation is the *Community Relations Commission and Principles of Multiculturalism Act 2000*.

RESULTS AND SERVICES

The Commission contributes to achieving more harmonious communities by working towards the following results:

- ◆ Social justice and benefits of cultural diversity are recognised and maximised.
- ◆ The Principles of Multiculturalism are observed by public authorities.
- ◆ Access to government and community services is equitable.

Key services provided by the Commission to contribute to these results include:

- ◆ providing interpreting and translation services
- ◆ administering grants to communities and organisations
- ◆ engaging the community through projects and partnerships and
- ◆ measuring and reporting on the observation of the Principles of Multiculturalism by public authorities.

The key services provided by the Commission and the way in which they are expected to contribute to results are set out in the following table:

Service Groups	2008-09 Budget Expenses \$m	Results		
		Observation of the Principles of Multiculturalism	Equitable access	Promotion of social justice and benefits of cultural diversity
Community Support Services	9.0	✓	✓	✓
Language Services	8.1		✓	
Total Expenses Excluding Losses	17.1			

RECENT ACHIEVEMENTS

The Commission plays a leadership role in community relations in New South Wales. Recent and ongoing achievements include:

- ◆ the Community Relations Symposium held in August 2007
- ◆ a “Did You Know” exhibition conducted in Cronulla on the Australia Day weekend and at the Royal Easter Show and
- ◆ chairing the NSW Government Immigration and Settlement Planning Committee.

STRATEGIC DIRECTIONS

The Commission strives to be the leader and facilitator of community relations in achieving a harmonious and cohesive multicultural New South Wales.

The Commission will continue to engage the community, public and private sectors in providing direct services and advice to enable equal participation. It will also continue to promote community harmony and the benefits of multiculturalism in New South Wales.

2008-09 BUDGET INITIATIVES

Total Expenses

Total expenses for the Commission for 2008-09 are budgeted at \$17.1 million, compared with projected expenses of \$16.8 million in 2007-08.

Capital Expenditure

The Commission has a minor works allocation of \$75,000 for 2008-09.

AGENCY RESULT INDICATORS

Observation of the Principles of Multiculturalism by public authorities

Result Indicator	Units	2005-06 Actual	2006-07 Actual	2007-08 Budget	2008-09 Forecast
i) Agencies compliant with EAPS	%	95	97	97	97
Note:					
i) This indicator shows the level of compliance with the Ethnic Affairs Priority Statement program among NSW Public Institutions.					

Equitable access to government and community services

Result Indicator	Units	2005-06 Actual	2006-07 Actual	2007-08 Budget	2008-09 Forecast
i) Languages provided	no.	67	73	75	78
Note:					
i) This indicator demonstrates the diverse range of languages provided by the Commission.					

Promotion of social justice and benefits of cultural diversity

Result Indicator	Units	2005-06 Actual	2006-07 Actual	2007-08 Budget	2008-09 Forecast
i) Community grants	no.	118	107	110	110
ii) Community grants satisfaction survey result	%	85	87	89	90
Notes:					
i) This indicator shows the number of community organisations that were financially supported by the Commission.					
ii) This indicator shows the proportion of community organisations that were satisfied with how the Commission administered the community grants program.					

AUDIT OFFICE OF NEW SOUTH WALES

The Audit Office of New South Wales, on behalf of the New South Wales Auditor-General, conducts audits of New South Wales Government activity and reporting. These audits are reported to Parliament and assist it to hold government accountable for its use of community resources and its legislative powers.

The Audit Office is a statutory authority established under the *Public Finance and Audit Act 1983*.

RESULTS AND SERVICES

The Audit Office contributes to improving the State's financial performance and accountability by reporting to the New South Wales Parliament on its audits of NSW Government agencies.

The results the Office is working towards are:

- ◆ NSW Government financial reporting is sound.
- ◆ Government activities are effective, efficient, economic, and comply with laws and government directions.
- ◆ Parliament and the public can rely on the accuracy of State Plan performance reporting.
- ◆ Parliament uses Audit Office reports to assist it in holding government accountable for its use of public resources.

The key services provided by the Office are:

- ◆ audits of Government agencies' financial statements
- ◆ performance audits to determine whether agencies are effective, efficient and economic
- ◆ Auditor-General's reports to Parliament
- ◆ audits of State Plan performance indicators (planned to commence in 2008-09) and
- ◆ investigations into any allegations of serious and substantial waste of public money.

The key services provided by the Office and the way in which they are expected to contribute to results are set out in the following table

Service Groups	2008-09 Budget Expenses \$m	Results			
		NSW Government financial reporting is sound	Government activities are more effective, efficient, economic and comply to laws and government directions	Parliament uses our reports to assist it in holding government accountable for its use of public resources	Parliament/ Public can rely on accuracy of State Plan performance reporting
Financial Audit Services	27.7	✓			
Performance Audit Services	4.1		✓		
Auditor-General's Reports to Parliament	1.5			✓	
State Plan Performance Indicator audits	0.5				✓
Total Expenses Excluding Losses	33.8				

RECENT ACHIEVEMENTS

In 2006-07, the Audit Office completed 513 financial audits of NSW Government agencies. Of these, the Office only issued 48 qualified audit opinions, meaning that these agencies' financial reports did not fully comply with accounting standards or contained material errors. Most of these were very small entities.

Of the 749 recommendations the Office made to its top 50 financial audit clients, 92 per cent were accepted.

The Office completed 14 major reviews of government agencies' performance in 2006-07. Of the 136 recommendations made, 93 per cent were accepted by agencies.

The Office published five reports to Parliament on the outcomes of financial audits. Fourteen reports were published on the outcomes of reviews of government agencies' performance.

STRATEGIC DIRECTIONS

Through its audits of NSW Government agencies, the Audit Office will continue to assist Parliament in improving government's accountability and performance.

The Office is committed to being recognised as a centre of excellence in auditing by:

- ◆ being seen by other auditors as a benchmark for best practice in auditing
- ◆ being valued by Parliament as a contributor to improving the State's financial performance and accountability and
- ◆ ensuring agencies derive value from the information the Office provides.

2008-09 BUDGET INITIATIVES

Total Revenue

Revenue is forecast to increase from \$33.3 million in 2007-08 to \$34.5 million in 2008-09. This is principally derived from audit fees paid by Government agencies. The increase includes revenue from additional work expectations.

Total Expenses

Expenses are estimated to increase from \$31.4 million in 2007-08 to \$33.8 million in 2008-09. This increase includes the cost of undertaking the additional work.

Capital Expenditure

Capital expenditure is estimated at about \$1.1 million in 2008-09. This will be spent on information technology and enhancements to our information systems.

EVENTS NEW SOUTH WALES PTY LIMITED

Events New South Wales Pty Ltd (Events NSW) is a wholly Government-owned company that identifies, attracts and nurtures events that will provide significant economic and/or community benefits to Sydney and other regions of New South Wales.

RECENT ACHIEVEMENTS

Events NSW was created during 2007-08 following the Government's consideration of the report *Review into a possible Events Corporation for New South Wales* commissioned by the Premier and prepared by Mr John O'Neill.

The Premier has announced Events NSW will have a budget of \$85 million over the three years from 2007-08 to 2009-10.

STRATEGIC DIRECTIONS

Events NSW will implement the following strategies to achieve its objectives:

- ◆ Event Development Strategy – to identify the nature of anchor and other events that should be attracted to the State.
- ◆ Business Events Strategy – to work closely with the Sydney Convention and Visitors Bureau to attract business events in priority industry sectors.
- ◆ Event Leveraging Strategy – to determine ways to maximise the return to New South Wales from events being held, including increasing visitor nights and investment opportunities into the State.
- ◆ Strategic Partnerships – to build key relationships and networks with business, academic, sporting and cultural organisations and work with these partners to promote Sydney and New South Wales as event destinations.
- ◆ Regional Strategy – to work with regional bodies to support the development, growth and attraction of events to regional New South Wales.

2008-09 BUDGET INITIATIVES

Total Expenses

Total expenses for Events NSW in 2008-09 are estimated at \$29.8 million.

Capital Expenditure

Total capital expenditure for Events NSW in 2008-09 is estimated at \$1.2 million, including \$735,000 for office fit-out.