


TAFE NSW

ANNUAL REPORT

2017-18



Notes on the data presented in this report

The annual report uses TAFE NSW corporate data based on the Australian Vocational Education and Training Management Information and Statistical Standard business rules to ensure consistency with both national and New South Wales (NSW) reporting.

VET enrolment data is collected by calendar year. The enrolment, completion and student outcomes data provided in the 2017–18 annual report are for the 2017 calendar year. Enrolments for the 2018 calendar year will not be available until 2019.

The data covers all vocational education and training and higher education courses and qualifications delivered by TAFE NSW. These include courses and qualifications that are government funded, fee-for-service, delivered offshore and delivered on behalf of other Registered Training Organisations.

Some previous annual report data may not be comparable, due to the use of different business rules in prior years. For example, the data presented in the 2015–16 annual report excluded TAFE NSW Higher Education data, whereas in the 2016–17 report, Higher Education data is included within TAFE NSW corporate data.

Where data is not TAFE NSW corporate data (for example student job or study outcomes), it is identified as 'TAFE NSW local administrative data'.

LETTER TO THE MINISTER

The Hon. Adam John Marshall, MP
Assistant Minister for Skills
52 Martin Place
SYDNEY NSW 2000

Dear Minister

On behalf of the Technical and Further Education Commission, I am pleased to submit the TAFE NSW 2017–18 Annual Report to you for presentation to Parliament in your capacity as Assistant Minister for Skills.

The annual report and the accompanying financial statements have been prepared in accordance with the Annual Reports (Statutory Bodies) Act 1984 and the Public Finance and Audit Act 1983.

Following its tabling in Parliament, the annual report will be available to the public on the TAFE NSW website at www.tafensw.edu.au/about-tafensw/annual-report.

Yours sincerely



Dr Caralee McLiesh
Acting Managing Director
TAFE NSW
31 October 2018

MANAGING DIRECTOR'S MESSAGE

I am pleased to report on the financial and operational performance of TAFE NSW in 2017–18.

As Australia's leading training provider, TAFE NSW has a lot to be proud of, including:

- Nearly half a million enrolments each year, from commercial trainees to people experiencing disadvantage
- More than 25,000 employer connections, from sole enterprises to ASX20
- Over 1,200 courses, from short 'skill sets' to certificates and degrees.



Our people are proud, passionate and committed to achieving real outcomes for students, employers and their local communities.

In 2017–18, we built our organisational capability to meet the changing demands of customers by:

- Standing up nine industry-aligned SkillsPoints to collaborate with business and industry to design training consistent with industry need
- Establishing the Digital Lab in Armidale to explore the application of emerging technologies in education and industry such as virtual reality, and determine how to incorporate into online and face-to-face teaching
- Investing in facilities that are adaptable, industry-standard and digitally enabled; opening our first four Connected Learning Centres and commencing construction on another four
- Launching the TAFE Academy at Kurri Kurri to develop, challenge and inspire our leaders and build internal capability
- Working in a contestable market, we've launched TAFE Enterprise to aggressively target the national corporate training market and diversify operations into the business-to-business sector
- Commencing operation of additional business units in the One TAFE model including Finance, Communication and Marketing, Strategy & Policy, Governance, Legal & Risk, Property & Logistics, Business Development, Regions, Education and Training Group, and TAFE Digital.

Our nine industry-aligned SkillsPoints are now established, and reflect a complete overhaul of the way we develop, teach, and maintain course curriculum, embedding industry collaboration in course design.

We have also made progress on our separation from the Department of Education, a significant machinery of Government change. We have extracted and migrated over 300 applications from the Department of Education to an upgraded environment on an industry-leading private cloud we established in September.

In June 2018, TAFE NSW implemented Australia's largest tertiary education sector Customer Relationship Management system along with a new knowledge base and course search function. These innovations are already redefining the customer experience.

Back office efficiencies derived through the implementation of the One TAFE operating model are enabling reinvestment into frontline teaching and learning. We commenced a twelve month recruitment drive of 253 new frontline teachers and educators in March.

I would like to acknowledge the remarkable organisation-wide effort this year as we continue our mission to bring One TAFE to life, designed to transform our organisation into a contemporary, commercial and sustainable business that delivers great outcomes for our students, employers and the TAFE NSW team.

While our reform task is only partly complete, the strong foundations we have built mean that TAFE NSW is well-placed to remain the number one provider in Australia, both now and in the years to come.



Dr Caralee McLiesh
Acting Managing Director
TAFE NSW
31 October 2018

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1. ABOUT TAFE NSW

Our Legislation

TAFE NSW is the NSW Government's public provider of Vocational Education and Training (VET).

The New South Wales Technical and Further Education Commission (trading as TAFE NSW), was established as a statutory agency by the *Technical and Further Education Commission Act 1990* (NSW).

Under this legislation, TAFE NSW performs a number of functions, including:

- Providing technical and further education services to meet the skills needs of individuals and the workforce, in ways that recognise the changing nature of workplaces and the need for new skills and re-training
- Consulting with industry and the community to ensure technical and further education services are relevant to industry, business, students and other groups
- Providing educationally or vocationally disadvantaged groups with access to technical and further education and other specialised services
- Providing students with the maximum opportunity to progress to further education and training by linking their studies to further TAFE NSW courses or those of other education and training providers.

Our Footprint

TAFE NSW delivers high-quality VET and higher education in metropolitan, regional and remote areas of NSW, interstate and overseas, including online by distance education and in the workplace.

In 2017–18, TAFE NSW delivered education and training at the following locations across NSW, excluding the Sydney metropolitan area.



*These locations are not TAFE NSW sites.

In 2017–18, TAFE NSW delivered education and training at the following locations in the Sydney metropolitan area.



*These locations are not TAFE NSW sites.

Our Students

TAFE NSW is committed to our students and the role we play in changing lives and opening up opportunities through learning.

TAFE NSW caters to diverse types of students from school students starting a VET course whilst still at school to career upgraders or mature learners, who want to update their skills or change careers.

TAFE NSW also delivers enterprise solutions for customised training for employers, seeking to upskill their workforce at times and places that suit their business needs.

Our Commitment to Industry

TAFE NSW has a future-focused and customer-centric plan designed to contribute to the NSW economy and supporting industry through:

- Creating jobs
- Building infrastructure
- Boosting apprenticeships
- Delivering strong budgets
- Protecting the vulnerable.

TAFE NSW is committed to skilling the workforce of the future by providing quality, job-ready graduates to business and industry throughout NSW, Australia and internationally.

We collaborate with over 25,000 employers to help grow a productive NSW economy and ensure our students get jobs.

TAFE NSW designs courses in consultation with industry to ensure they are current, relevant and respond to emerging trends and technological advancements.

Our Products

TAFE NSW products, services and delivery methods are continually evolving to meet the changing needs of students, industry and the community.

In 2017, TAFE NSW enrolled students in more than 1,200 nationally recognised VET qualifications and customised courses and 26 Higher Education accredited courses and enrolled students in a further 22 university programs delivered on behalf of partner universities.¹

We offer products ranging from short courses and skill sets through to Australian Qualifications Framework Certificate I, to Graduate Diploma level qualifications, including apprenticeships, traineeships and higher education programs.

We offer the best of campus-based delivery as well as flexible, online and work-based learning, increasingly using advanced digital courseware such as virtual reality, animation, simulations and augmented reality. Courses are available full-time or part-time, or students can access flexible learning to progress at their own pace.

This year, TAFE NSW offered qualifications and courses in the following fields of education:

- Agriculture, environmental and related studies
- Architecture and building
- Creative arts
- Education
- Engineering and related technologies
- Food, hospitality and personal services

¹ TAFE NSW corporate data.

- Health
- Information technology
- Management and commerce
- Natural and physical sciences
- Society and culture.²

TAFE NSW Vocational Education Training (VET) courses are generally but not exclusively based on nationally recognised training packages. Training packages are developed to meet the identified training needs of specific industry sectors.

We support our students through personalised learning solutions, flexible training options, and also through a range of student support services. Those include career counselling, disability services, library services, Aboriginal support services, International Student support, Student Associations, Children's Centres, language, literacy and numeracy services and many more, to help students engage successfully with education and training. We are committed to supporting our students through to course completion and or achieving their goals.

TAFE NSW St Leonards open million dollar Early Childhood Education facility

Facilities at TAFE NSW St Leonards have been refurbished to support the training delivery of early childhood education and care.

The facility accommodates new and continuing students who have been relocated from facilities at TAFE NSW Crows Nest. The delivery profile at TAFE NSW St Leonards includes:

- Certificate III Early Childhood Education and Care
- Diploma Early Childhood Education and Care
- Statement of Attainment in First Aid & WHS in Early Childhood Settings.

In consultation with TAFE NSW Early Childhood teachers across the state, the facilities have been designed to simulate a workplace environment for students to gain hands-on experience in the development of nursery, toddler and preschool children and boasts a stunning outdoor play scape as well as an abundance of indoor activity spaces.

Some of the highlights of the new facility include:

- Dedicated early learning spaces for children of each age group
- Dedicated nursery spaces including sleeping cot rooms
- Outdoor environment including a number of dedicated areas aimed at providing many opportunities for children to engage in vigorous exercises e.g. running, kicking and throwing balls, climbing, balancing and digging (and also unique facilities designed for children with special needs)
- Dedicated sensory play rooms which include musical instruments and arts and craft
- One-way observation rooms
- Advanced technology rooms designed for digital learning and video conferencing
- Specially designed toilets for children.

The centre is open to the community and facilitates play sessions for students to interact with children and parents, to gain hands-on experience.

2. OUR BUSINESS ENVIRONMENT

² TAFE NSW corporate data

A Vision for TAFE NSW

On 13 July 2016, the Minister for Skills, the Hon. John Barilaro, MP, released *A Vision for TAFE NSW*. It outlined the NSW Government's Vision for TAFE NSW to be "strong, innovative, flexible and responsive to the community and industry as the State's publicly-owned vocational education and training provider."³

The Vision confirmed the leading role of TAFE NSW in setting the benchmark for training quality, training the workforce for the jobs of the future and in areas of high demand, and supporting disadvantaged or disengaged groups to take up vocational training.

The Vision also made it clear that TAFE NSW needs to make significant changes to how it operates to remain competitive in a changing environment, and specified key reform directions and accountabilities.

TAFE NSW Strategic Plan and ONE TAFE NSW

Strategic Plan

In 2017-18 TAFE NSW continued its transition to One TAFE and its efforts to realise the NSW Government's Vision for TAFE NSW and the goals outlined in the TAFE NSW Strategic Plan 2016-22. The Strategic Plan focuses on four goals:

1. training to build a job ready workforce
2. being a successful training institution
3. strengthening our communities
4. recognising, rewarding and developing our people.

The TAFE NSW Strategic Plan 2016-22 provides a series of milestones for the purpose of tracking progress against the Strategic Plan goals.

TAFE NSW's progress towards these milestones is set out under the heading titled "Achievements against the Strategic Plan 2016-22 milestones".

One TAFE

Under the One TAFE operating model, TAFE NSW is implementing steps to transition to a single Registered Training Organisation (RTO) in 2019. This will be supported by the streamlined and coordinated corporate functions and a single digital delivery arm, TAFE Digital. Industry-dedicated SkillsPoints across nine areas have been established for the development and maintenance of quality and innovative learning products, as well as industry engagement and collaboration. In line with the Strategic Plan, TAFE NSW aims to be the provider of choice for students offering enhanced customer experience across the state and to be partners with industry in the provision of consistent and quality-assured training services.

To establish TAFE NSW as a contemporary and sustainable organisation, the Strategic Plan identifies priority initiatives which are underway, including efforts to:

- Introduce real-time, integrated enterprise-wide business systems to support standardised and efficient operations, effective decision making and improved customer experience
- Implement a consistent and coordinated approach for marketing and communications across TAFE NSW with the creation of a single brand identity
- Align the asset portfolio to customer needs with first phase of Connected Learning Centres to enable greater reach across our regional and rural communities.

Strategies are also in place to build a productive, skilled and agile workforce, operating in a service-oriented culture aligned to a common set of values.

Smart and Skilled

³ NSW Government, *A Vision for TAFE NSW* (2016)

The NSW Government implemented its reform of the state's VET system, Smart and Skilled, in full from January 2015.

Smart and Skilled, was designed to increase choice and make the NSW VET system more responsive to the needs of industry and students. It provides government subsidies for entitlement qualifications up to Certificate III level plus selected higher-level qualifications, to support people to gain the skills they need to get a job, advance their career or continue on to further study.

TAFE NSW competes with private and community training providers for contestable government training funds, delivering qualifications on the NSW Skills List and targeting delivery to meet the needs of students and the priorities of industry and the NSW economy.

The NSW Government pays a fixed price for each qualification on the NSW Skills List and students pay the same fee for government-subsidised training, regardless of whether they study at TAFE NSW or another approved training provider.

Becoming More Efficient and Commercial

The NSW Government's Vision challenged TAFE NSW to build greater commercial capability and develop an agile, responsive culture to meet the changing needs of students and a rapidly changing job landscape. This transformation is required to enable TAFE NSW to operate effectively in a contestable VET environment, transitioning to a competitive, financially sustainable government-owned education business.

The TAFE NSW Strategic Plan 2016–22 includes a target that by 2019, TAFE NSW will be a versatile publicly-owned educational institution, maximising the advantages of scale, reach and expertise.

Goal two of the Strategic Plan states that TAFE NSW will establish a new business operating structure supported by increased digital capability, state-of-the-art learning technologies and flexible delivery models. The organisation will compete with other VET providers and grow our business sustainably by being commercially astute.

3. OUR PERFORMANCE

Achievements against the Strategic Plan 2016-22 Milestones

In 2017-18, TAFE NSW made significant progress towards the milestones outlined in the Strategic Plan. These included:

- Consolidating processes under the One TAFE operating model, with a more consistent and collaborative approach across the corporate and delivery arm of the business, including aligning marketing efforts under a single TAFE NSW brand
- Introducing a single digital delivery entity, TAFE Digital, in 2017 to provide innovative fully online training across NSW and Australia
- Establishing nine SkillsPoints across the state as industry-dedicated points of contact responsible for the development of high quality and innovative learning products
- Establishing the first phase of Connected Learning Centres across the state to enable greater access to training for rural and regional communities via industry standard and digitally enabled spaces
- Launching TAFE Enterprise in 2018 to provide business-to-business (B2B) customers with the highest quality corporate training
- Delivering improved customer services with the release of the Customer Relationship Management System, which has improved customer experience for TAFE NSW students and employers.

These significant achievements are contributing to positioning TAFE NSW as a contemporary, commercial and sustainable business in line with the strategic plan goals.

Our Performance reports against key areas of the TAFE NSW Strategic Plan 2016–22.

Area	Outcome
Course enrolments	474,000+
Course completions	184,000+
Online enrolments	111,000+
VET graduates satisfied with training	88.6%
VET graduates employed in further study	85.1%
NSW apprentice commencements	80%
NSW apprentice completions	7,700
Higher Education course enrolments	1,600+
Higher education graduate satisfied	85.4%

Skilling the Workforce of the Future

Planning Delivery to Meet Skill Needs

Planning Mechanisms in 2017-18

TAFE NSW targets delivery to meet skill needs and emerging skill shortages, to grow the NSW economy and ensure our graduates are job ready. We forecast the future demand for skills, based on industry advice and our analysis of economic, demographic and labour market research and trends. This analysis helps us to plan which courses and qualifications we will deliver, in which locations.

In 2017-18, TAFE NSW introduced a consistent and coordinated approach to determining the Annual Training Requirements (ATR) as the organisation consolidates processes under the One TAFE operating model. The full process will be embedded across the business from 2019-20.

As part of the planning process, TAFE NSW consults with industry bodies to ensure the latest skill requirements are reflected in our planning. We also work closely with community organisations and groups to

support disadvantaged students to take up Vocational Education and Training and move into jobs and higher-level training.

TAFE NSW has a Planning and Reporting Framework (Framework) in place which provides the planning context for the business and shows how the strategic goals of the organisation are aligned to functional units and how different parts of the business come together to achieve goals. The TAFE NSW Strategic Plan 2016–2022 outlines our goals, priorities and performance expectations over six years. The ATR is a critical element of this Framework ensuring that our planning process, as well as training delivery, is aligned the skill needs of the NSW economy and supports greater community participation and engagement with lifelong learning during ones career.

The TAFE NSW Annual Business Plan sets the key business objectives and budget directions, consistent with our strategic goals and priorities and includes financial forecasts for the next ten years.

These strategic directions and objectives then flow into the plans of different business functions, which set key operational directions, performance targets and individual performance plans.

TAFE NSW reports against planned objectives to monitor progress and identify if any modifications to strategies are required.

Diploma of travel tourism and management takes student places

Meg Yates' is a student with a dream of pursuing a career in the tourism industry. While completing a TAFE NSW Diploma of Travel and Tourism Management online, at TAFE NSW Meg was also a full-time university student (Bachelor of Commerce), working part-time and also having completed a year's study tour abroad in Munich. Meg was able to apply the practical learnings from studying her course with TAFE NSW to her university assignments and to her part-time employment enabling her to provide creative and relevant solutions to business problems. Meg credits her studies with TAFE NSW as equipping her to think more critically and logically.

Excited by the tourism industry Meg plans to do a Masters degree to further research the effects of global tourism trends, what the future industry may offer and whether tourism products and services are keeping up with current trends and consumer needs enabling travellers to enjoy the best experience possible.

"I know this valuable education journey would not have been possible without the practical skills, industry-specific knowledge and support received during my time studying with TAFE NSW," she said.

TAFE Digital Head Teacher Tourism and Hospitality, Allison Ford, said: "From the time Meg Yates originally enrolled as a Year 11 TVET Tourism student she expressed a strong desire to pursue the tourism industry as part of her future and achieved first place in the Tourism Higher School Certificate examination in NSW confirming her determination, outstanding knowledge of the subjects, practical skills and professionalism.

One TAFE Education and Training Strategy

The TAFE NSW Education and Training Strategy 2018-22 is our strategy for how TAFE NSW will deliver education and training over the next five years. It clearly explains the direction and goals for the provision of Vocational Education and Training and Higher Education and will guide the actions of our business as we transition to a modern, innovative organisation that realises commercial success.

The Education and Training Strategy:

- Sets the education and training direction and priorities for the whole of TAFE NSW for the next five years
- Supports all four goals of our Strategic Plan and provide direction for the Corporate, Regional and Digital Delivery teams
- Enhances the customer journey wherever and whenever a customer interacts with us
- Identifies significant changes ahead for the way we design and deliver education and training to ensure quality teaching and learning and good job outcomes.

Industry Liaison Units

In 2016–17, TAFE NSW Industry Liaison Units engaged with industry and employers regarding training package qualifications and industry training requirements. Specialists from each industry stream were based in different locations across the State, covering the following sectors:

- Energy
- Manufacturing
- Transport and logistics
- Community services and health
- Service skills
- Automotive and forest works
- Construction and property services
- Media and business skills
- Agrifood and resources and infrastructure
- Information and communications technology and government skills.

In 2017–18, TAFE NSW realigned the functions of Industry Liaison Units under the new One TAFE operating model through the establishment of SkillsPoints.

SkillsPoints – Resources and engagement to meet industry needs

The nine SkillsPoint Headquarters (HQs) are becoming fully operational to provide dedicated, industry specific point of contact for employers.

Working with TAFE Digital, the nine SkillsPoint teams are developing high-quality training products for specific industry sectors. When developed, these products will be stored in the recently released Learning Bank where they will be available to staff across TAFE NSW.

SkillsPoints will ensure compliance in learning product design, development and assessment. Nationally recognised qualifications will adhere to national Training Package specifications and satisfy regulatory and licensing requirements. SkillsPoints will also ensure consistency across training products so that students may have the same learning experience regardless of the mode of delivery or their location.

Ongoing market analysis and industry consultation will ensure TAFE NSW adapts its education and training offerings to meet new and emerging industry and employer needs. SkillsPoints will also develop higher education courses, commercial and non-accredited courses to meet specific customer needs.

Creative and Design Ideation	
Manage relationships across the following industries:	Emerging skills covered by this SkillsPoint:
<ul style="list-style-type: none">• Creative and cultural art• 3D art• Design• Digital media• Fashion• Animation	<ul style="list-style-type: none">• Digital technology• Entrepreneurialism• Critical analysis• Intellectual property and content creation• Marketing and business• Communication and relationship building

<ul style="list-style-type: none"> • Textiles • Music • Graphic art • Interior decorating 	<ul style="list-style-type: none"> • Customer service • Technical practice
Technology and Business Services	
Manage relationships across the following industries: <ul style="list-style-type: none"> • Finance and banking • Information technology • Professional services • Communications • Real estate • Legal • Training and education • Cross sector • Public sector • Local government • Administration 	Emerging skills covered by this SkillsPoint: <ul style="list-style-type: none"> • Digital, cloud, data • Communication • Digitisation • Cyber security and networks • Innovation • Leadership • Social governance • Business performance • Audit and compliance • Analytical and strategic skills
Innovative Manufacturing, Robotics and Science	
Manage relationships across the following industries: <ul style="list-style-type: none"> • Engineering • Science • Manufacturing • Sustainability • Mining (processing) 	Emerging skills covered by this SkillsPoint: <ul style="list-style-type: none"> • Research and development • Advanced techniques • Science, technology, engineering and mathematics capabilities • Diagnostics and fault-finding • Innovation • Adaptability
Agribusiness	
Manage relationships across the following industries: <ul style="list-style-type: none"> • Agriculture • Horticulture • Livestock and crop farming • Shearing • Equipment operations • Gardening and nursery processes • Conservation and land management • Food and meat processing • Seafood • Racing • Forestry 	Emerging skills covered by this SkillsPoint: <ul style="list-style-type: none"> • Business finance and risk management • Safety • Export readiness • Product development and brand management • Environmental and scientific • Sustainable practices
Career Pathways, Aboriginal Languages and Employability Skills	
Manage relationships across the following industries: <ul style="list-style-type: none"> • High education providers • Employment agencies • Job active providers • Various government bodies including: • Defence force recruiting • NSW Police Force Aboriginal Employment and Programs Unit 	Emerging skills covered by this SkillsPoint: <ul style="list-style-type: none"> • Employment and study preparation • Foundation skills • General education • Vocational and community engagement • English for speakers of other languages (ESOL) • Aboriginal languages • Interpreting • Language proficiency
Health, Wellbeing and Community Services	

Manage relationships across the following industries: <ul style="list-style-type: none"> • Children’s and youth services • Community services • Client services and care • Aged care • First aid • Nursing • Population health • Indigenous health • Technicians and health support • Well-being, fitness, sport and recreation • Community pharmacy • Complementary and alternative health 	Emerging skills covered by this SkillsPoint : <ul style="list-style-type: none"> • Client-centred care and support services • Service and care coordination • Health administration • Health consultancy • Risk management
Supply Chain and eCommerce	
Manage relationships across the following industries: <ul style="list-style-type: none"> • Retail, vehicle service and repair • Road, rail and maritime transport, distribution and logistics • Aviation • Floristry • Digital and online business 	Emerging skills covered by this SkillsPoint: <ul style="list-style-type: none"> • Front-line service • Merchandise management • Logistics and supply chain skills • Customer service • Trade logistics and negotiation • Electronic transactions
Infrastructure, Energy and Construction	
Manage relationships across the following industries: <ul style="list-style-type: none"> • Construction and building • Mining • Shop-fitting • Civil engineering • Refrigeration and air-conditioning • Infrastructure and resources • Energy • Electro-technology • Gas, plumbing and water • Property • Corrections • Defence • Public safety 	Emerging skills covered by this SkillsPoint: <ul style="list-style-type: none"> • Applied technical and specialist skills • Efficiency and sustainability • Photovoltaic installation • Battery installation and maintenance • Air-conditioning and refrigeration mechanics • Installation of smart devices
Tourism and Experience Services	
Manage relationships across the following industries: <ul style="list-style-type: none"> • Hospitality • Food preparation and food service • Hairdressing • Beauty • Tourism • Funeral services • Visitor economy • Travel 	Emerging skills covered by this SkillsPoint: <ul style="list-style-type: none"> • Provision of services to customers • Cultural awareness • Marketing and promotions • Specific software knowledge • Management of social media

In 2017-18, eight SkillsPoint HQs were launched.

The Premier of NSW, the Hon. Gladys Berejiklian, MP, officially launched the Infrastructure, Energy and Construction SkillsPoint HQs in Mount Druitt with the Assistant Minister for Skills, the Hon. Adam Marshall, MP.

The Assistant Minister for Skills, the Hon. Adam Marshall, MP, officially launched the following SkillsPoint HQs:

- Creative and Design Ideation SkillsPoint in Parramatta
- Technology and Business Services SkillsPoint in Ultimo
- Innovative Manufacturing, Robotics and Science SkillsPoint in Hamilton
- Agribusiness SkillsPoint in Griffith
- Career Pathways, Aboriginal Languages and Employability Skills SkillsPoint in Tamworth
- Health, Wellbeing and Community services SkillsPoint in Queanbeyan
- Supply Chain and eCommerce SkillsPoint in Dubbo.

The Hon. Adam Marshall MP officially launched the Tourism and Experience Services SkillsPoint in Coffs Harbour in July 2018.

TAFE NSW launched the TAFE Digital HQ in Armidale in 2017. TAFE Digital will partner with SkillsPoints in the development of digital learning materials to support face-to-face, blended and fully online learning.

SkillsPoint initiative drives consistent state-wide delivery

TAFE NSW has raised the bar on the standard of training design and delivery through its SkillsPoint initiative – an Australian first.

SkillsPoints serve as an intersection point where TAFE NSW comes together with business and industry to design training that looks to the future and responds to emerging trends.

This is a complete overhaul of the way TAFE NSW develops, teaches, and maintains course content and ensures Australians have the skills they need for the jobs of today and the careers of the future.

Now with One TAFE students can start and finish courses at different locations across the state.

Nine SkillsPoint Headquarters are up and running across the state, providing continuous curriculum development, industry-relevant qualifications and standardised, nationally-recognised training packages to deliver consistency across all TAFE NSW campuses state-wide and online via TAFE Digital.

The first project of the Infrastructure, Energy and Construction SkillsPoint which opened in Mount Druitt in November, 2017 developing a consistent delivery model for Plumbing apprenticeship.

Consistent, High-Quality Training Products across NSW

SkillsPoints and TAFE Digital are working together to develop training products that meet new and emerging skill needs in a more efficient way.

Over time, state-of-the-art digital learning materials will be embedded into SkillsPoint product development and shared across all TAFE NSW training delivery points, including the use of advanced simulation, virtual and augmented reality.

TAFE Digital will ensure that online course content is consistent across all locations, meets industry expectations and requirements and can be delivered across the State.

Training that Leads to Jobs

Enrolments

TAFE NSW had 474,562 enrolments in 2017.⁴

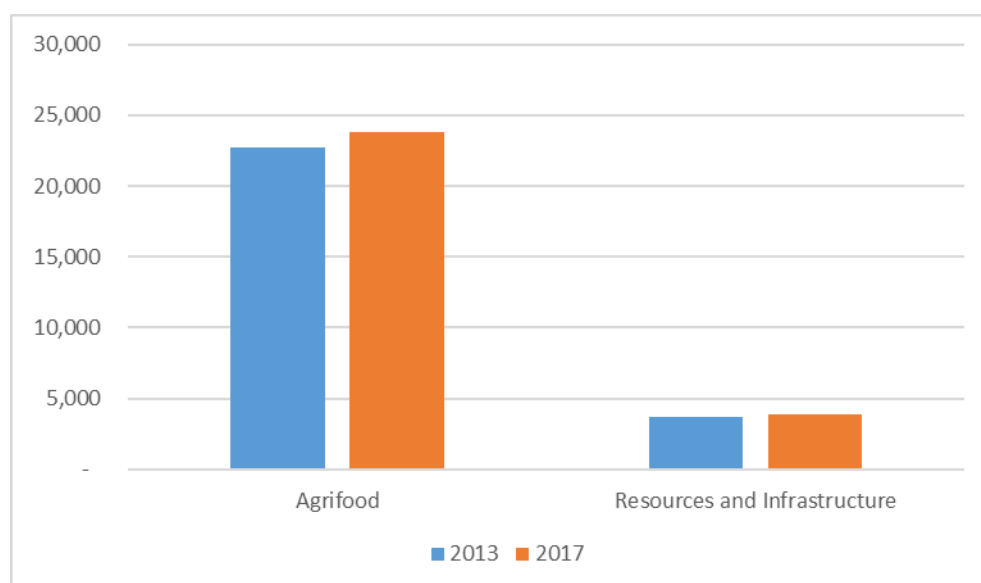
Industry Priority Enrolments

TAFE NSW Australian Qualifications Framework enrolments in industry priority VET qualifications were 243,000 in 2017.⁵

These enrolments were in the following industry priority skill areas:

- Agriculture, environmental and related studies
- Architecture and building
- Creative arts
- Education
- Engineering and related technologies
- Food, hospitality and personal services
- Health
- Information technology
- Management and commerce
- Natural and physical sciences
- Society and culture.⁶

Figure 1: Largest growth in enrolments in industry priority training packages (2013–2017)



Source: TAFE NSW corporate data

Figure 1 shows that between 2013 and 2017, enrolments grew in Agrifood by 1,111 enrolments and in Resources and Infrastructure by 141 enrolments.

Emerging Industry Needs

⁴ TAFE NSW corporate data.

⁵ TAFE NSW corporate data.

⁶ TAFE NSW corporate data.

The economic landscape is changing rapidly. Technology is having a profound impact on the nature of work and workforce requirements. The economy needs new skills to support the jobs of tomorrow. TAFE NSW is modernising to meet these challenges and prepare the people of NSW for the future.

National Disability Insurance Scheme

In 2017, TAFE NSW had 11,743 enrolments in qualifications that contribute to the National Disability Insurance Scheme workforce, including:

- Certificate III in Individual Support
- Certificate IV in Disability
- Diploma of Community Services
- Advanced Diploma of Community Sector Management
- Graduate Certificate in Client Assessment and Case Management
- Certificate IV in Allied Health Assistance.⁷

Pre-employment Programs

Prevocational and Part Qualifications

TAFE NSW delivers prevocational and part qualifications to help students develop early foundation and vocational skills, so that they can transition successfully into full qualifications or employment. Students include school leavers, the unemployed and other people facing disadvantage.

In 2017 there were 178,275 enrolments in part qualifications (Australian Qualifications Framework (AQF) Statements of Attainment or non-AQF level courses), the majority of which were government subsidised. Part qualifications include national training package and Registered Training Organisation skill sets.

TAFE NSW also delivers pre-apprenticeship and pre-employment programs in partnership with government and non-government agencies, including delivery of workplace-based training.

There were also over 9,000 enrolments in AQF foundation skills qualifications in 2017.⁸ Foundation skills include learning, reading, writing, numeracy, oral communication, study skills and employability skills such as communication, teamwork and problem solving.

Apprenticeship Commencements

In 2017, TAFE NSW had more than 17,666 apprenticeship approvals, 80 per cent of the total for NSW.⁹

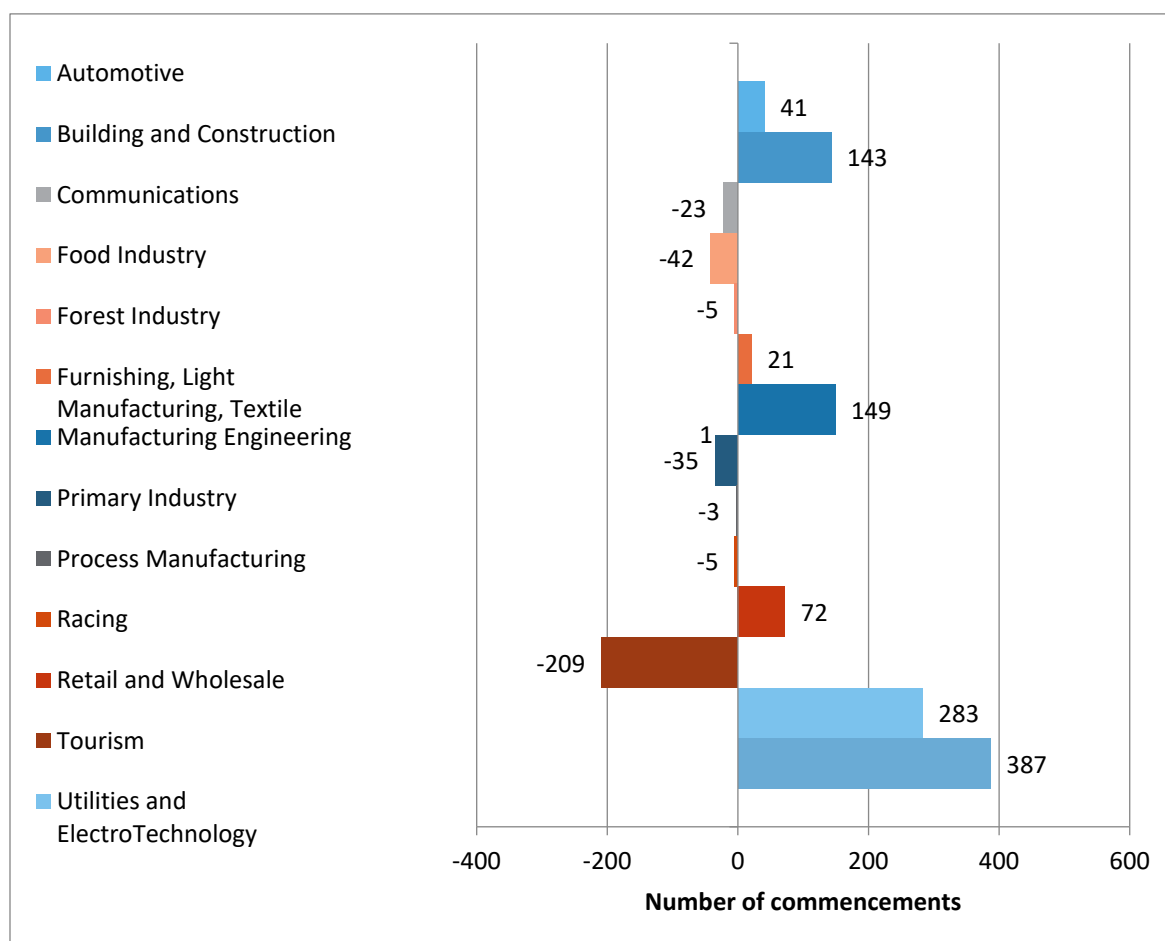
There was large growth in apprenticeship commencements between 2016 and 2017 in the utilities and electrotechnology manufacturing and engineering and building and construction industries.

⁷ TAFE NSW corporate data.

⁸ TAFE NSW corporate data.

⁹ Training Services NSW (December 2017).

Figure 2: TAFE NSW change in the number of apprenticeship commencements by industry 2016 to 2017



Source: TAFE NSW, based on Training Services NSW figures (December 2017)

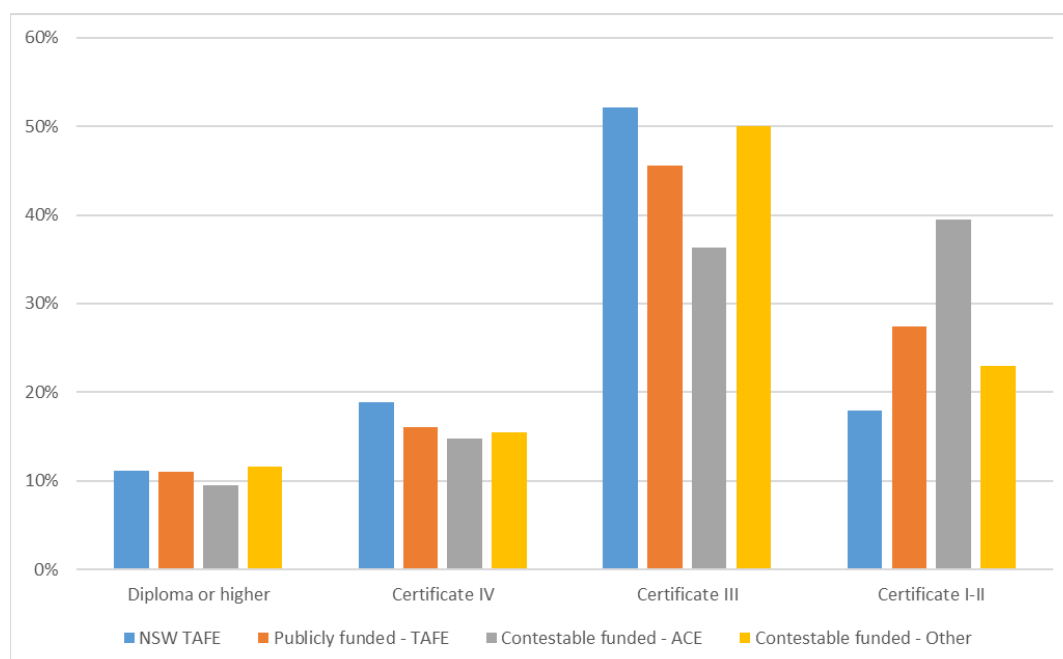
Higher-level Enrolments

In 2017, there were 130,758 enrolments in qualifications at Certificate IV level and above. These figures includes qualifications that were subsidised under Smart and Skilled, supported by the Commonwealth VET FEE-HELP student loan scheme or delivered as fee-for-service commercial enrolments to domestic and international students.

Enrolments at Diploma level and above constituted 11 per cent of TAFE NSW total enrolments¹⁰, the same as the TAFE sector nationally.

¹⁰ TAFE NSW corporate data.

Figure 3: Percentage of Australian Qualifications Framework government-funded enrolments by award level 2017



Source: National Centre for Vocational Education Research (NCVER) VOCSTATS

VET Student Loans

The Commonwealth Government implemented the VET Student Loans program from 1 January 2017, replacing the existing VET FEE-HELP scheme for new students.

Like its predecessor, VET Student Loans allows eligible students to use an income-contingent loan to pay their tuition fees for VET qualifications at the diploma level and above. Students are only required to repay a loan when their income exceeds a minimum threshold.

While the Commonwealth's loan programs continued to facilitate students' access to higher-level training, fewer TAFE NSW students in 2017 were supported by VET Student Loans in 2017 when compared with the number supported by VET FEE-HELP in 2016.

There were 7,465 unique TAFE NSW students who accessed a loan through VET Student Loans to pay for their studies. Of the students, 6,295 used the loan to pay the student fee for a course subsidised by the NSW Government and 1,197 for a commercial course.¹¹

A drop in student demand occurred, in part, as a result of new Commonwealth policy measures that more tightly control what assistance a student can receive and the processes to secure assistance. Notably, the VET Student Loans program reduced the number of courses eligible for a loan and placed caps on the loan amounts available to finance courses.

VET Student Loans predominantly supported students in the following courses:

- Diploma of Community Services
- Diploma of Nursing
- Diploma of Early Childhood Education and Care
- Diploma of Beauty Therapy
- Diploma of Building Design

¹¹ TAFE NSW corporate data.

- Diploma of Visual Arts
- Diploma of Accounting
- Diploma of Screen and Media
- Diploma of Event Management
- Diploma of Business Administration

VET FEE-HELP

The number of unique TAFE NSW students who accessed a loan through the VET FEE-HELP scheme was 6,444 students in 2017.

The number of students will continue to decline until the VET FEE-HELP scheme ceases operation. After the implementation of VET Student Loans from 1 January 2017, new students could not access a loan through VET FEE-HELP. However, existing students were able to continue to access VET FEE-HELP assistance until 31 December 2017 if the:

- Commonwealth approved the student's loan prior to 1 January 2017
- Student had a census date prior to 1 January 2017
- Student completed an online 'opt in' process by 31 March 2017.

Students who could not reasonably complete their training in 2017 were able to apply to the Commonwealth Government to continue to receive VET FEE-HELP assistance in 2018.

Completions

Completions for all TAFE NSW students in Certificate IV and above qualifications were 28,765 in 2017.

These qualification completions included 13,493 at Diploma level and above in 2017.¹²

Completions measure where students have met all the requirements for the completion of the qualification, course or skill set, including on-the-job requirements. Completions for Australian Qualifications Framework qualifications and courses are achieved when the student becomes eligible for the award to be conferred.

Apprenticeship Completions

Apprenticeship qualifications, which are mostly at the Certificate III level, are critical in developing the technical base of the economy.

Work with Group Training Organisations to Increase Completions

TAFE NSW works with employers and Group Training Organisations to increase the proportion of students completing apprenticeships and traineeships to meet the overall NSW target of 65 per cent by 2019, in line with the State priority, 'Boosting Apprenticeships'.

Group Training Organisations employ apprentices and trainees and place them with host employers. Group Training Organisations undertake the responsibilities of an employer, including recruitment, payment of wages and benefits, arranging both on and off the job training components and providing pastoral care to ensure students successfully complete their apprenticeship or traineeship.

TAFE NSW works with Group Training Organisations to offer prevocational training to give students experience in a specific industry sector, particularly the trades, before they sign up to a full apprenticeship or traineeship. Prevocational training helps students develop the early foundation and vocational skills needed before they enter the workplace.

¹² TAFE NSW corporate data.

Higher Education

Industry needs

TAFE NSW started delivering higher education programs in 2011. TAFE NSW responds to demand for higher-level skills within the labour market by developing higher education courses that meet industry needs, have a strong vocational emphasis, combine practical and theoretical education and are delivered by industry experts.

TAFE NSW designs its degree programs to align to industry workforce standards and requirements and respond to industry needs and identified gaps in training. This ensures that TAFE NSW Higher Education produces graduates that are competent and industry-ready.

All TAFE NSW Higher Education programs focus on applied teaching and learning and include work integrated learning and blended learning delivery methods.

Since 2016, TAFE NSW Higher Education students conducted applied research projects in partnership with industry. These projects are designed to complement formal studies, helping students to develop problem-solving skills by working on practical industry problems. The projects help both students and TAFE NSW Higher Education teachers to build their research skills and knowledge of their particular industry.

For example, students enrolled in the Associate Degree of Applied Engineering (Renewable Energy Technologies) are conducting a range of research projects focused on the sustainable use of air-conditioning systems, the feasibility of biogas energy storage, and the development of a low voltage hydro agriculture pump. All of these projects are being conducted in conjunction with various industry partners, all designed to meet their needs.

Enrolments

During 2017, TAFE NSW delivered seven Higher Education Qualifications. TAFE NSW Higher Education combined domestic and international enrolments were 1,619 in 2017.¹³ Tuition fee revenue growth increased by 14 per cent in 2017 from 2016. This continued growth was due in part to additional delivery locations, a new Business degree and the significant increase in international students enrolling in the Bachelor of Information Technology (Network Security) and the Bachelor of Early Childhood Education and Care (Birth–5).

Enrolments in higher education qualifications by international students numbered 552 in 2017, forming 34% of the overall cohort of higher education students.¹⁴

Completions

The number of TAFE NSW Higher Education completions was 243 in 2017.¹⁵

Growth

TEQSA accredited three new TAFE NSW Higher Education programs in the first half of 2018. A single condition was applied to one of the courses which requires copies of the annual course reports to be submitted to TEQSA after approval from the TAFE NSW Academic Board.

These additional courses bring the number of TEQSA accredited TAFE NSW Higher Education programs to 28. TAFE NSW Higher Education is now being delivered in every region of TAFE NSW.

In addition to the 28 TAFE NSW developed and accredited degree programs, TAFE NSW is delivering 22 other higher education programs on behalf of university partners.

¹³ TAFE NSW – Commonwealth Higher Education Information Management System. Please note that the higher education data presented in this section is a subset of all TAFE NSW corporate data.

¹⁴ Australian Education International.

¹⁵ TAFE NSW – Commonwealth Higher Education Information Management System. Please note that the higher education data presented in this section is a subset of all TAFE NSW corporate data.

Quality Assurance

TAFE NSW Higher Education employed quality assurance practices and mechanisms to improve the quality, relevance and delivery of TAFE NSW Higher Education courses.

Governance Model

The TAFE NSW Higher Education Governing Council and Academic Board ensures TAFE NSW Higher Education fulfils its responsibilities and meets its obligations as a higher education institution.

The Academic Board oversees curriculum development and quality assurance processes to ensure TAFE NSW Higher Education achieves its educational objectives.

The Dean's Committee monitors the quality assurance processes for teaching and learning across TAFE NSW Higher Education courses and campuses.

Review and Benchmarking

The TAFE NSW Higher Education review and improvement process, incorporates course advisory committees, teaching and learning committees, moderation and external benchmarking.

TAFE NSW convenes advisory committees for each higher education course on an annual basis. These committees have a majority of external members including employers. The Committees review the content, curriculum, learning outcomes and structure of courses.

TAFE NSW convenes teaching and learning committees every six months to monitor and report on the quality of teaching and learning of higher education courses to ensure consistency in delivery and assessment across different classes and campuses.

TAFE NSW also conducted many benchmarking exercises with external academic partners to improve aspects of course delivery such as student support and assessment design.

Quality Measures

Student transitions to employment or further study

Transitions from Vocational Training

The NCVER Student Outcomes Survey¹⁶ states that 67.9 per cent of TAFE NSW and other government provider vocational graduates in NSW were employed after completing training in 2016. The Survey also states that 37.5 per cent of 2016 TAFE NSW and other government provider vocational graduates were enrolled in further study.

TAFE NSW Higher Education provides a streamlined and supportive pathway for vocational students to continue on to higher education in their chosen field.

Students may enter a TAFE NSW Higher Education degree directly, or they may choose to transition into one from either a vocational or a higher education qualification such as Diplomas.

Transitions from TAFE NSW Higher Education

The Quality Indicators of Learning and Teaching (QILT) Graduate Destination Survey indicated that in 2016-2017, TAFE NSW Higher Education students' rate of transition to employment after completing their course was 78.5 per cent of 2017 graduates.

Of the students who graduated in 2017, 65.9 per cent were working full- or part-time by the time they were surveyed in May 2017. 8.1 per cent of TAFE NSW Higher Education graduates also went on to further study.¹⁷

¹⁶ Conducted in mid-2017 on 2016 completions.

¹⁷ The QILT Graduate Destination Survey (GDS) for 2015 and the Graduate Outcomes Survey (GOS) for 2016 and 2017.

Customer Satisfaction

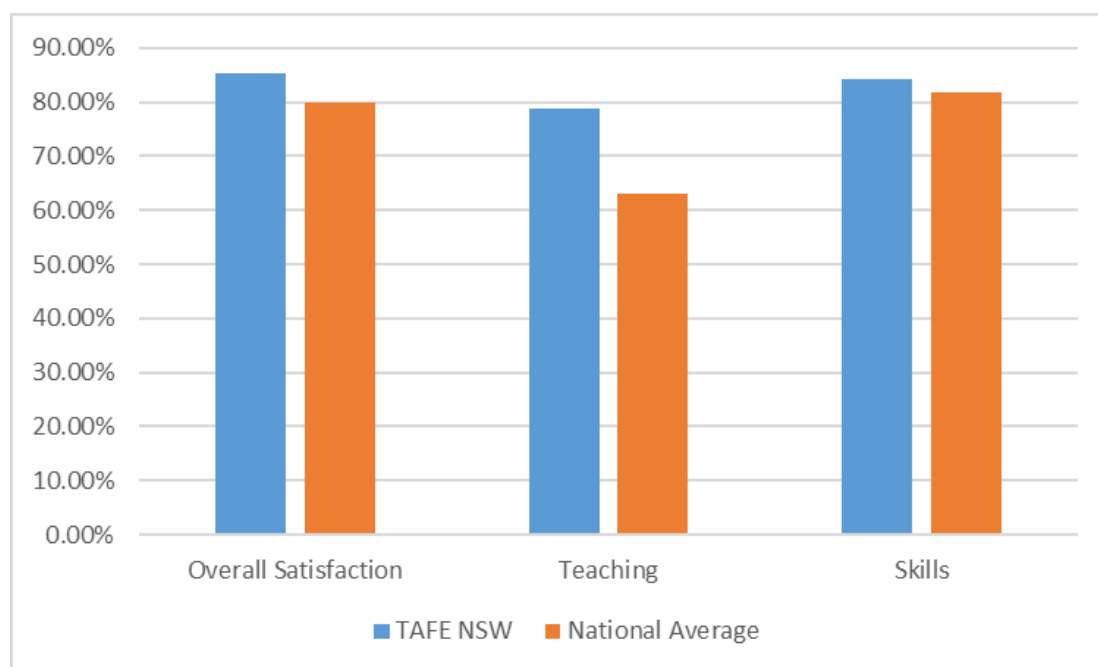
The satisfaction rate of TAFE NSW VET graduates was higher than the averages for NSW and national VET providers.

The NCVER Student Outcomes Survey¹⁸ states that 89.4 per cent of 2017 TAFE NSW and other government VET graduates in NSW were satisfied with the overall quality of training. The TAFE NSW and other government graduate satisfaction rate was higher in NSW than the national average for all TAFE NSW Institutes in Australia (88.4 per cent) and higher than the rate for government-funded VET providers across Australia (87.8 per cent).

The 2017 NCVER survey of employers' use and views of the VET system¹⁹ found that 85.9 per cent of employers were satisfied with the overall quality of TAFE NSW nationally recognised training. The TAFE NSW employer satisfaction rate was close to the national average for all TAFE Institutes in Australia 85.6 per cent.

The QILT Graduate Destination Survey of 2017 graduates conducted by the Commonwealth Government found that TAFE NSW Higher Education graduate satisfaction was above the national average on all three satisfaction measures:

Figure 4: 2017 TAFE NSW Higher Education graduate satisfaction



Source: QILT Graduate Destination Survey of 2017 graduates (May 2017)

Awards

TAFE NSW graduates are recognised for their job-ready skills and knowledge that employers require. Our students receive recognition on the national and world stage for their skills. TAFE NSW was also recognised as a leading training provider.

NSW Training Awards

The NSW Training Awards held in September, 2017 are the peak awards for VET, recognising and celebrating achievement, excellence and innovation in the nation's largest training sector.

¹⁸ Conducted in mid-2017 on 2016 completions.

¹⁹ NCVER, *Employers' use and views of the VET system 2017*.

TAFE NSW students and staff dominated the finalist nominations, appearing in almost every individual and organisational category and winning 10 of the 17 award categories. TAFE NSW winners went on to compete with their peers from all states and territories at the Australian Training Awards.

The TAFE NSW winners of the NSW Training Awards are set out below.

Individual Awards

Category	Name
Apprentice of the Year	Jordan Cahill
Trainee of the Year	Madison Coelli
Vocational Student of the Year	Liam Muldoon
Aboriginal and Torres Strait Islander Student of the Year	Donald Dundas
School Based Apprentice/Trainee of the Year	Mark Doughty
Top Apprentice in Vehicle Trades	Joshua Terras
Special Award for a Woman in a Non-Traditional Trade or Vocation	Helene Mortlock
VET Trainer/Teacher of the Year	Darek Figa

Industry Excellence Awards

Category	Name
Vocational Student of the Year	Bradley Ingham
Top Apprentice in Vehicle Trades	Joshua Terras

Industry Collaboration Award

Name
Skills4Trade and Pledge250 formed by Skill Set and TAFE NSW

Australian Training Awards

Winners of the 2017 NSW Training Awards progressed to the 2017 Australian Training Awards event. Three TAFE NSW students received awards at this event (set out below).

Category	Name
Aboriginal and Torres Strait Islander of the Year – Winner	Donald Dundas
Apprentice of the Year – Runner up	Jordan Cahill
Vocational Student of the Year – Runner up	Liam Muldoon

44th WorldSkills International Competition, Abu Dhabi

The 44th International WorldSkills Competition was held in Abu Dhabi from 14-19 October 2017. Nine TAFE NSW students and alumni competed as part of the 'Skillaroos' Team, representing Australia, TAFE NSW and their hometowns. 19 TAFE NSW staff travelled to the competition to support the Skillaroos and held various official duties such as international judges, industry experts and competitor mentors.

Seven TAFE NSW students received awards at the competition as set out below.

Category and Award	Name
Industrial Mechanics Millwright – Silver Medal	Bradley Ingham
Beauty Therapy – Bronze Medal	Lily Campbell
Hairdressing – Medallion of Excellence	Gaby Ware
Welding – Medallion of Excellence	Dylan Bolch
Construction Metal Work – Medallion of Excellence	Brett McPaul
Heavy Vehicle Mechanics – Medallion of Excellence	Louise Azzopardi
Joinery – Medallion of Excellence	Joshua Morrissey

Rising star in Aboriginal health care

George Johnson, a young Ballina man wanted to become an Aboriginal health care worker. George completed a Certificate II in Community Pharmacy at TAFE NSW, Lismore as a school-based trainee, with host employer Blooms the Chemist, while completing his high school certificate in Ballina.

In 2017, his dedication was recognised when he won the Monty Aboriginal and Torres Strait Islander Student of the Year Award at the TAFE NSW Lismore Student Awards with the backing of his TAFE NSW Pharmacy teacher. George is now studying a Certificate III in Aboriginal and Torres Strait Islander Primary Health Care with the Aboriginal Pathways in Primary Health Centre of Excellence in TAFE NSW Port Macquarie, while gaining his clinical hours working full-time at Bullinah Aboriginal Medical Service in Ballina.

He hopes to continue with a Certificate IV in Aboriginal and Torres Strait Islander Primary Health Care while he continues working at Bullinah. He hopes to become a registered Aboriginal health practitioner with his own Medicare number and eventually go on to do Nursing at university. He has found that the skills he has developed through the Community Pharmacy course are also very helpful in general life and he realises that the community needs Aboriginal people to work in health care.

In 2010, TAFE NSW partnered with Area Health and Connect Northern Rivers and developed traineeships to target Aboriginal Year 10 students and has been successful in putting 45 students through traineeships since 2010 with a 85% success rate of students either going on to full-time employment, to university or are doing further studies in say allied health.

4. SERVING OUR STUDENTS AND LOCAL COMMUNITIES

39,000+ enrolments by Aboriginal Students	109,200 enrolments by unemployed students
91,400 enrolments by students from a language background other than English	150,600+ enrolments by students in regional and remote areas
185,000+ enrolments by students aged 15-24 years old	52,700+ enrolments by students with a disability
95,100+ enrolments by mature aged students	247,300+ enrolments by women students

Source: TAFE NSW corporate data (2017). Note: 'Mature aged' is defined as being 45 years and older.

In 2017, there were 150,607 enrolments by students living in regional or remote areas, comprising 32 per cent of total enrolments.²⁰

TAFE NSW is also expanding regional and remote access to education and training by establishing Connected Learning Centres (CLCs) across regional NSW. These centres provide multi-purpose, digitally enabled learning spaces in accessible locations to provide regional areas with skills critical to the NSW economy.

The CLCs work with mobile education units to bring equipment and tools to the students to provide hands-on, practical training. This will help TAFE NSW to expand the range of courses offered in regional areas.

CLCs have opened in Quirindi, Tenterfield, Glen Innes, Coonabarabran, Deniliquin, Narrandera and Corowa.

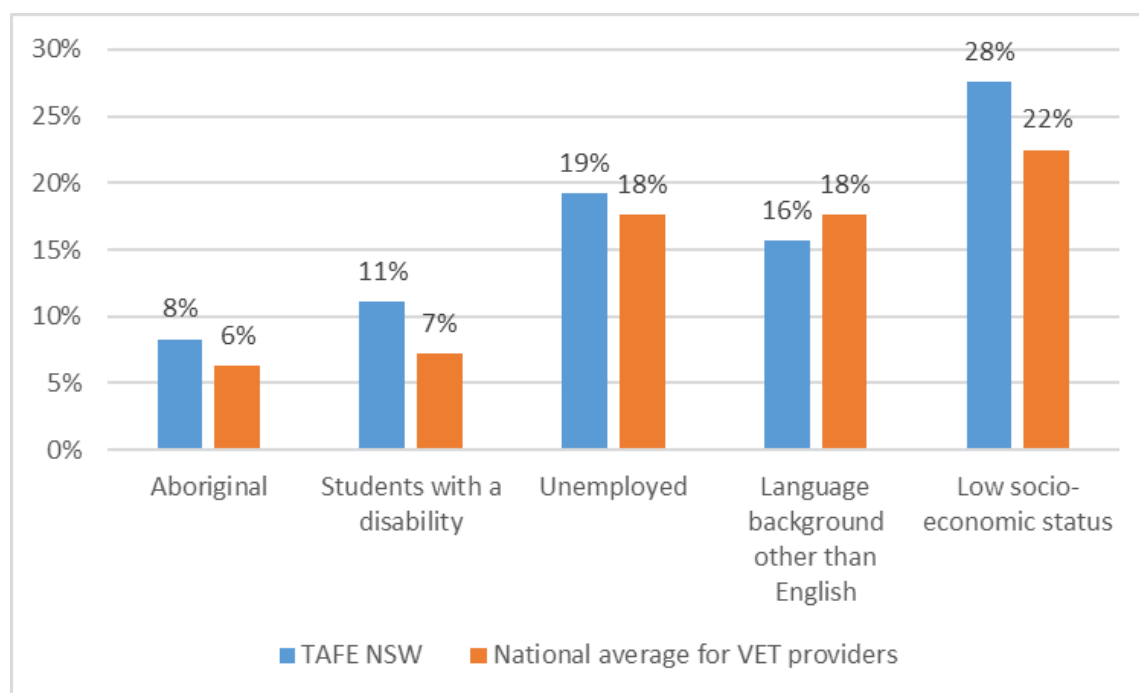
Vocational Enrolments by Disadvantaged Students

TAFE NSW, as the NSW public VET provider, helps people experiencing disadvantage to access the education and skill development services they need to transition to higher-level qualifications and secure employment outcomes.

In 2017, TAFE NSW recorded higher proportions of VET enrolments by students from disadvantaged groups than the national average for VET providers (except in the area of "Language Background other than English").

²⁰ TAFE NSW corporate data.

Figure 5: Percentage of government-funded enrolments by students from disadvantaged groups in 2017



Source: NCVER VOCSTATS

In 2017–18, TAFE NSW also employed a range of staff that reflects the diversity of NSW communities and the TAFE NSW student population.

Community Service Obligation

Purpose

TAFE NSW plays a critical role in promoting equity and access to education in NSW. As a public VET provider TAFE NSW has an obligation to the NSW Government to serve the people and communities of NSW, including those who face significant barriers to education and employment.

TAFE NSW provides additional support to Aboriginal and Torres Strait Islander students, students with disability and other learners experiencing disadvantage, and services all areas of New South Wales, to ensure the benefits of VET are available to all.

Community Service Obligation (CSO) funding is provided to TAFE NSW in recognition of the organisation's legislated obligations to provide those experiencing disadvantage with access to "technical and further education services, including a range of appropriate specialised services" as outlined in the *Technical and Further Education Commission Act 1990* (NSW).

Types of People Supported

TAFE NSW uses CSO funding to support individuals facing disadvantage including:

- Aboriginal and Torres Strait Islander people
- People with disability
- People who are unemployed
- People living in a regional or remote area
- People from Language Backgrounds Other Than English
- Welfare recipients
- People with lower language, literacy and numeracy ability
- People with a lower socio-economic status

- Young people at risk of not making a successful transition to higher-level qualifications or employment
- People who have not completed Year 12 or post-school qualifications
- People facing other barriers to learning.

The table below shows TAFE NSW enrolments in some of the most common categories of disadvantage:

Disadvantaged student category	2017 course enrolments
Aboriginal students ²¹	39,243
Students with disability ²²	52,730
Unemployed students ²³	109,200
Regional / remote students ²⁴	150,607
Students from Language Backgrounds other than English ²⁵	91,400

Source: TAFE NSW corporate data. Note: Students may meet the criteria for multiple categories of disadvantage.

²¹ Aboriginal students are students who self-identified on their enrolment form as Aboriginal, Torres Strait Islander or both.

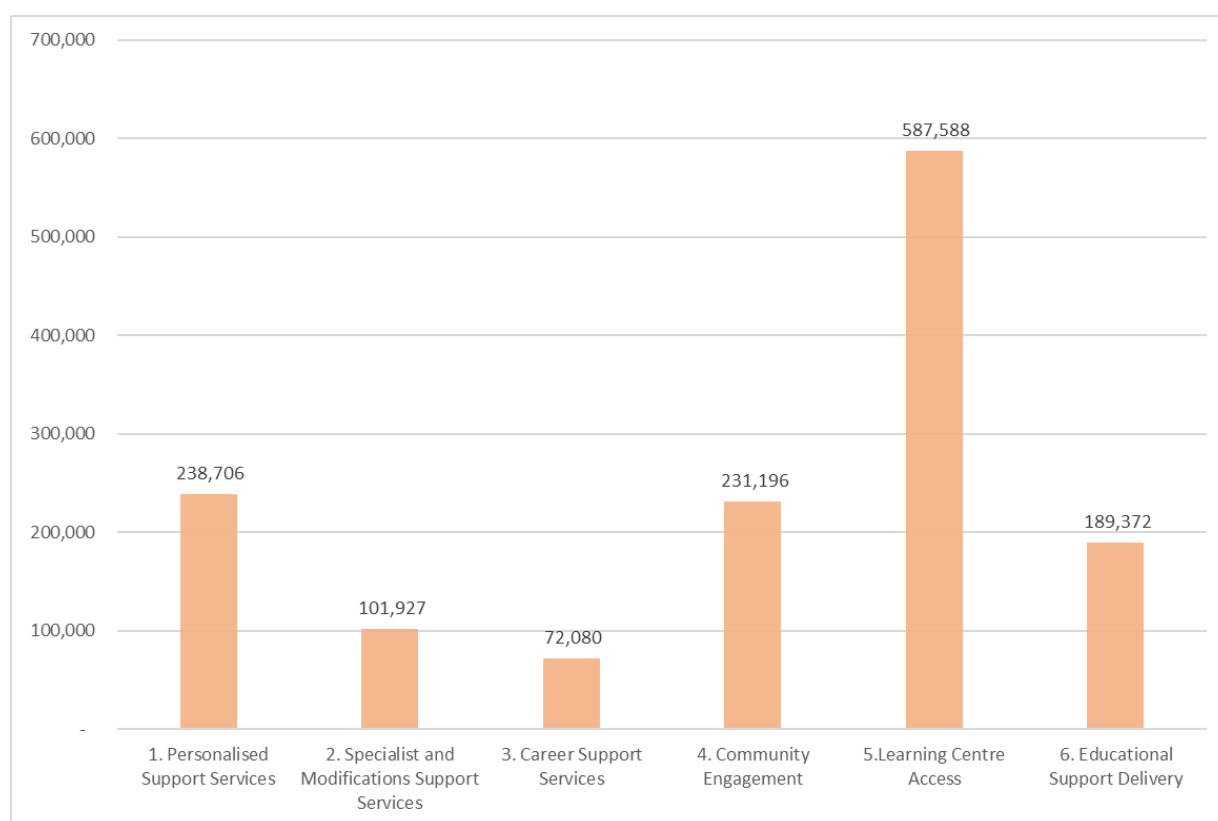
²² Students with disability are students who asked for help with their disability or who specified a type of disability on their enrolment form.

²³ Unemployed students are students who self-identified on their enrolment form as being unemployed and seeking part-time or full-time work.

²⁴ Regional / Remote students are based on Accessibility/Remoteness Index of Australia (ARIA), 2011.

²⁵ Language Background other than English students stated on their enrolment form that the main language they speak at home is not English.

Figure 6: Estimated instances of CSO support across TAFE NSW in 2017



Source: TAFE NSW administrative data

Types of Support Provided

In 2017, TAFE NSW continued to provide support services to learners facing barriers to education and employment under CSO funding. This included:

- Helping students overcome barriers to learning through: foundation skills development, language, literacy and numeracy support and learning materials tailored to the individual's needs. This includes the delivery of group training to develop foundational skills
- Providing personal supports such as counselling, mentoring and pre-training assistance
- Specialist support services, including support and services for people with disability such as note taking, interpreters and adjustment of learning and assessment materials
- Career services to facilitate pathways to employment through practical supports, such as interview preparation, and linking students to job providers
- Services that support transitions from school to TAFE NSW, and from TAFE NSW to further education
- Access to study facilities and services such as computers with specific software packages at library and learning resource centres
- Engagement with low socioeconomic status communities and with youth at risk of disengaging from school, to promote greater engagement in education and employment.

During 2017, TAFE NSW changed its methodology for recording its CSO activity, moving from instances of support to hours of support.

Table 6 below shows the instances of support delivered between January 2017 and June 2017. An instance of support is defined as a discrete event where a type of support was provided to an individual. Table 7 below illustrates the estimated number of hours accessed by students during the period July to December 2017

across major categories of support services. Please note that individuals may access multiple instances of support, or access more than one category of support.

Table 6: Estimated number of instances of support, January 2017 – June 2017, by CSO Support Category

CSO Support Category	Total, instances of support (January – June 2017)
1. Personalised Support Services	208,065
2. Specialist and Modification Support Services	17,926
3. Career Support Services	37,882
4. Community Engagement	177,876
5. Learning Centre Access	329,861
6. Educational Support Delivery	17,275
TOTAL INSTANCES	788,885

Table 7: Estimated hours of support, July 2017 – December 2017, by CSO Support Category

CSO Category	Total hours of support (July – December 2017).
1. Support for Aboriginal students	30,641
2. Support for Students with a Disability	84,001
3. Counselling	34,198
4. Community Development and Engagement Activities	53,320
5. Libraries and Learning Centre Access	257,727
6. Educational Support Delivery	172,097
7. Support Services – Non-teaching	11,771
TOTAL	643,755

Aboriginal Students

Enrolments by Aboriginal students

TAFE NSW is committed to improving the educational and employment outcomes of Aboriginal students.

TAFE NSW operates on the principle that valuing Aboriginal Culture and promoting Aboriginal Peoples' rights and interests are integral to our business. Aboriginal education leadership and empowerment are front and centre in the strategic priorities of our organisation. It is essential that we ensure Aboriginal Peoples distinct needs and rights are mirrored, strongly evident and an integral part of NSW TAFE business.

In 2017, there were 39,243 enrolments by Aboriginal students.²⁶

TAFE NSW develops customised programs for Aboriginal students to support their participation in tertiary education and training and to help them get jobs.

Over the past five years, enrolments by Aboriginal students have increased, particularly in higher-level qualifications:

- Certificate IV level and above:
 - 6,126 Aboriginal students in 2013 to 9,042 Aboriginal students in 2017, an increase of 48 per cent
 - 16 per cent of Aboriginal student enrolments in 2013 to 23 per cent of Aboriginal student enrolments in 2017.
- Diploma level and above:
 - 2,423 Aboriginal students in 2013 to 4,405 Aboriginal students in 2017, an increase of 82 per cent
 - An increase from six per cent of Aboriginal student enrolments in 2013 to 11 per cent per cent in 2017.

The trend towards enrolling in higher-level qualifications was particularly evident in the 15 to 24-year student age group. Over the five-year period to 2017, TAFE NSW enrolments by Aboriginal students in the 15 to 24 year age group increased in:

- Certificate IV and above from 1,918 Aboriginal students in 2013 to 2,865 in 2017, an increase of 49 per cent
- Diploma and above from 649 in 2013 to 1,246 in 2017 an increase of 92 per cent.²⁷

Foundation Skills to Transition to Employment or Further Training

Foundation skills include learning, reading, writing, numeracy, oral communication, study skills and employability skills such as communication, teamwork and problem solving. Enrolments by Aboriginal students in Australian Qualifications Framework (AQF) level foundation skills courses increased by three per cent, from 3,900 enrolments in 2015 to over 4,000 in 2016.

In 2017, there were 14,076 enrolments by Aboriginal students in part qualifications (Statements of Attainment or non-AQF level courses) an increase of 1.2% from the previous year (13,915).

TAFE NSW also delivered over 400 enrolments by Aboriginal students in courses for learner drivers.²⁸

Completions by Aboriginal Students

Course completions by Aboriginal students at TAFE NSW increased by 26 per cent from 2013 to 2017, particularly in higher-level qualifications. Completions in qualifications at Diploma level and above increased from 425 in 2013 to 661 in 2017 (57 per cent).

²⁶ TAFE NSW corporate data.

²⁷ TAFE NSW corporate data.

²⁸ TAFE NSW corporate data.

Completions measure where a student has met all requirements for the completion of the qualification, course or skill set (including on-the-job requirements). Completions for AQF qualifications and courses measure the number of clients eligible for the award to be conferred.

Aboriginal Languages and Studies

TAFE NSW delivers qualifications in Aboriginal languages to support the NSW Government's *Opportunity, Choice, Healing, Responsibility, Empowerment* (OCHRE) plan. Courses are developed and delivered in collaboration with local community groups and Aboriginal language speakers.

In 2017, there were 479 enrolments in the Certificate I, II and III in Aboriginal Languages²⁹ including:

- Certificate I in Dhurga
- Certificate I and II in Gathang
- Certificate I in Dharawal
- Certificates I and II in Gumbaynggirr
- Certificates I and II in Bundjalung
- Certificates I, II and III in Gamilaraay
- Certificates II and III in Wiradjuri.³⁰

TAFE NSW also offered recognition of prior learning program to speakers of the Bundjalung language with the Bundjalung Language and Culture Nest in Lismore on the North Coast.

Aboriginal language and culture nests are local community networks connected by a language. These nests help communities to revitalise, reclaim and maintain their languages in partnership with TAFE NSW, schools, universities and other community language programs. Each language and culture nest also includes a keeping place where language resources and other materials are accessible to the community.

The Yarradamarra Centre at TAFE NSW Dubbo in the Central West and Orana region houses the North West Wiradjuri Aboriginal Language and Culture Nest as a keeping place. Since 2011, Yarradamarra has offered Certificates I, II and III in Aboriginal Languages to local Aboriginal people to give them the skills to work as tutors in schools.

TAFE NSW also delivers nationally recognised qualifications in Aboriginal Studies, Aboriginal and Torres Strait Islander Primary Health Care, and Aboriginal or Torres Strait Islander Cultural Arts.

TAFE NSW delivered Aboriginal language training in the following locations in 2017:

Area	Language
Dubbo	Wiradjuri/Gamilaraay
Dubbo Juvenile Justice	Wiradjuri
Dubbo	Wiradjuri
Orange	Wiradjuri
Wellington	Wiradjuri
Wellington Correctional Centre	Wiradjuri

²⁹ TAFE NSW corporate data.

³⁰ TAFE NSW local administrative data.

Area	Language
Cowra	Wiradjuri
Bathurst	Wiradjuri
Sydney	Wiradjuri
Newcastle	Wiradjuri/Gamilaraay
Goulburn	Wiradjuri
Ballina	Bundjalung
Tweed Heads	Bundjalung
Walgett	Gamilaraay
Goodooga	Gamilaraay
Lightning Ridge	Gamilaraay
Moree	Gamilaraay
Narrabri	Gamilaraay
Tamworth	Gamilaraay
Tenterfield	Gamilaraay
Coonabarabran	Gamilaraay
Coonamble	Gamilaraay
Boggabilla	Gamilaraay
Toomelah	Gamilaraay
Glen Innes	Gamilaraay
Gunnedah	Gamilaraay
Quirindi	Gamilaraay
Armidale	Gamilaraay
MOODLE-Online	Wiradjuri/Gamilaraay/Yuwaalaraay

Students with Disability

TAFE NSW is a key provider of educational outcomes and qualifications to help people with disability gain skills and employment.

There were 52,730 enrolments by students with disability in 2017.³¹

TAFE NSW provides students with disability with their own individual learning plan, which identifies the support services they can access. Community Service Obligation funding provides access to specialist support services such as a note-taking or interpreting services, personalised support services such as individual learning support, adaptive technologies, revised teaching materials and flexible learning centres.

Students who are Unemployed or from a Low Socio-Economic Background

TAFE NSW offers diverse job training pathways for unemployed people and people from a low socio-economic background.

TAFE NSW regularly liaises with external organisations, such as jobactive providers and non-government community organisations, to deliver effective training and services to these students.

In 2017, there were 109,200 enrolments by unemployed people.³²

In 2017, there were 126,614 enrolments by students from a low socio-economic background in 2017, being 27 percent of the total of NSW enrolments.³³

Students without Year 12 or Equivalent

Enrolments

In 2017 there were 221,412 enrolments by students without Year 12 or equivalent (Certificate III).

TAFE NSW delivered the Certificate IV in Tertiary Preparation with 1,541 enrolments in 2017,³⁴ providing an alternative pathway for students to obtain an Australian Tertiary Admission Rank in an adult learning environment.

School students are able to undertake nationally recognised skill sets or qualifications as part of their HSC through VET delivered by TAFE NSW. Most gained both AQF and HSC credentials.

TAFE NSW also delivers training to support school-based apprenticeships and traineeships, which allow students to complete a year of an apprenticeship or traineeship while still at school. In 2017, TAFE NSW trained 336 school-based apprentices and 481 school-based trainees.³⁵

Pathway Programs for School Leavers and Youth at Risk

In 2017, TAFE NSW had over 16,200 enrolments by students aged 15–19 years old in foundation skills qualifications and Certificate II level vocational qualifications. There were also over 27,000 enrolments by 15–19 year-olds in part qualifications (Statements of Attainment) and non-AQF level qualifications.³⁶

Disengaged Students on the way to a Meaningful Career

The TAFE NSW Youth Engagement Strategy (YES) program aims to inspire and re-engage students by providing an opportunity to undertake supported training that lays the foundations for a meaningful career.

³¹ TAFE NSW corporate data.

³² TAFE NSW corporate data.

³³ TAFE NSW corporate data, based on the Australian Bureau of Statistics' Socio-Economic Indexes for Areas Index of Relative Socio-economic Disadvantage (index 1 and 2).

³⁴ TAFE NSW corporate data.

³⁵ Training Services NSW.

³⁶ TAFE NSW corporate data.

In 2017, in its first year of operation, 5,941 at risk students were enrolled in the YES program. These students, were from over 250 schools and six juvenile justice centre education and training units, attended 77 TAFE NSW metropolitan, regional or remote locations.

Students who participated in short vocational courses where they developed real skills and expanded their knowledge of specific occupational areas. They also received mentoring support and an individual learning plan to help them reach their education and career goals.

The YES program continued in Semester 1, 2018 with 2,477 enrolments.

Students from Language Backgrounds Other Than English

TAFE NSW offers people from Language Backgrounds Other Than English (LBOTE) access to education and skills development services to help them join the workforce and participate fully in the community and the economy.

In 2017, 91,400 LBOTE students enrolled in TAFE NSW courses being 19.3 percent of all enrolments.³⁷

TAFE NSW supports LBOTE students by:

- Planning, promoting and delivering flexible, high-quality courses that allow students to Transition to higher-level qualifications and improve their employment prospects job outcomes
- Providing inclusive and accessible support services that improve students' engagement with their learning and help them to complete their studies
- Working closely with communities, businesses and external organisations so that training is integrated, targeted and relevant for students and local industries
- Recognising and promoting the value of cultural diversity and social inclusion
- Countering racism, intolerance and discrimination
- Enhancing staff and leader capacity to meet the needs of LBOTE students.

Further details of how TAFE NSW supports LBOTE students can be found in the Multicultural Policies and Services Program section of the appendices.

Women

TAFE NSW supports women returning to the workforce or undertaking training in non-traditional trades through specific programs.

In 2017, TAFE NSW had over 247,300 enrolments by women accounting for 52 per cent of total enrolments.³⁸

³⁷ TAFE NSW corporate data.

³⁸ TAFE NSW corporate data.

5. BECOMING CONTEMPORARY, COMMERCIAL AND SUSTAINABLE

TAFE NSW is modernising how we do business so we can continue to compete successfully as a government-owned education and training provider that delivers sustainable public value for the people and enterprises of NSW.

TAFE NSW delivered a series of initiatives in 2017-18 to modernise the organisation and transform it into a contemporary and commercial government-owned business:

- Restructured and consolidated support and management services to drive more resources to the frontline with a significant improvement in frontline to support ratios.
- Opened four Connected Learning Centres at Quirindi, Tenterfield, Coonabarabran and Glen Innes, with another four under construction at Narrandera, Deniliquin, Corowa, Singleton.
- Launched TAFE Enterprise to aggressively target \$9.2 billion contestable national corporate training market and diversify into the business-to-business sector.
- Launched our online delivery arm and brand for TAFE Digital and opened the Digital Learning Lab and TAFE Digital HQ in Armidale in April 2018.
- Released new TAFE Digital offerings in areas such as Cybersecurity.
- Established nine industry-aligned SkillsPoints – six of which are located in regional areas, to better foster industry relationships and create State-wide consistent and industry relevant courses.
- We are well on the way to creating a SkillsPoint Product Catalogue and the collection of over 9,000 course artefacts for Priority Courses.

TAFE Digital

During the reporting period, TAFE NSW offered high-quality online and distance education services and qualifications across Australia and overseas, through the newly formed TAFE Digital operations which is a consolidation of TAFE NSW's three online businesses (Open Training and Education Network (OTEN), TAFE NSW Online and TAFE*now*).

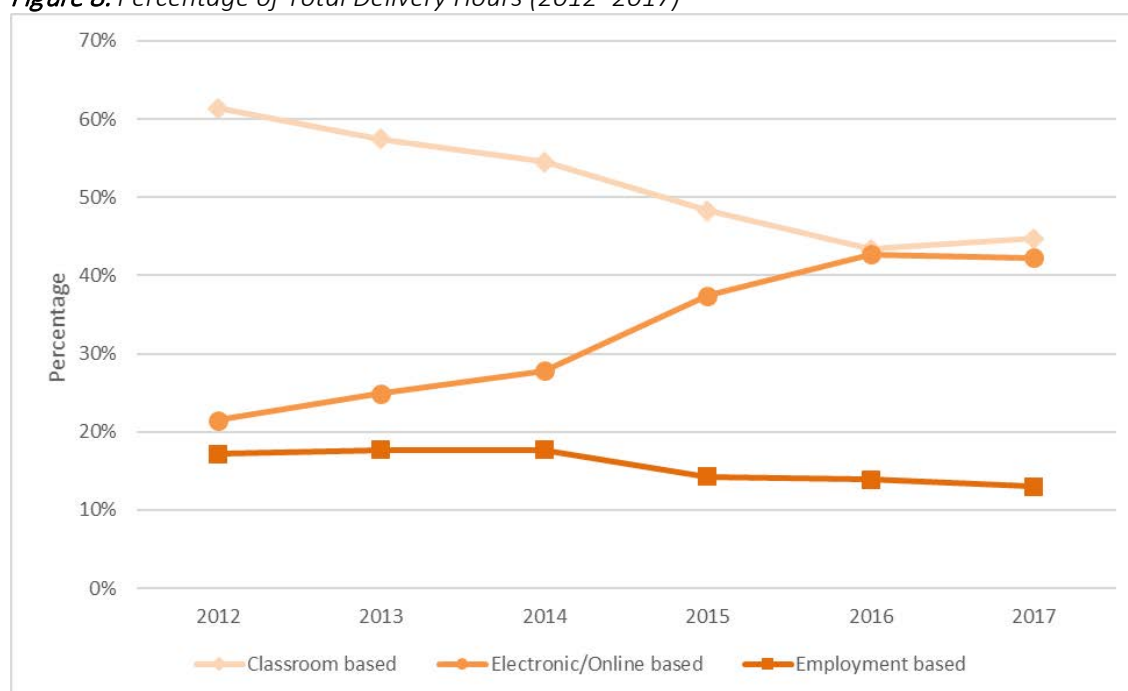
In 2017, TAFE NSW had 73,430 online enrolments, accounting for 16 per cent of our total enrolments³⁹ in over 400 online courses.

The TAFE NSW delivery profile has continued to shift from traditional classroom delivery to include more flexible and blended learning models, including online courses.

³⁹ TAFE NSW corporate data.

Figure 8 shows the proportion of classroom and electronic/online delivery.

Figure 8: *Percentage of Total Delivery Hours (2012–2017)*



Source: TAFE NSW corporate data

TAFE Digital was established to provide a consistent and unified approach to the development and delivery of online educational services in order to compete in a market space that is growing rapidly both in size and sophistication.

A key component of this launch included the opening of the TAFE Digital Lab, also in Armidale, which houses a team of learning analytics, innovative technology and immersive media specialists. The first of its kind in TAFE NSW, the team works closely with our ICT colleagues and our educational specialists to test and trial new technologies that will enhance and support our students in their learning journeys. In particular, the Lab will focus on technologies that can better support students with special learning needs and those living in regional or remote areas.

TAFE Digital has the following key objectives:

1. Research and identify emerging technologies that will support and enrich the online learning experience for students;
2. Design and develop high quality online courses, in conjunction with SkillsPoints, which meet the needs of our students, industry and the community;
3. Deliver a quality online educational experience, supporting our diverse cohort of students through their learning journey.

TAFE Digital has staff resources based around the State organised into the following five functional areas:

- Digital Product Management
- Digital Design
- Digital Learning Lab
- Digital Delivery
- Educational Quality and Operational Support.

Both the Digital Product Management and the Digital Delivery functions have structures aligned with the nine SkillsPoints areas to ensure industry requirements are at the forefront in the design of our online, blended and face to face educational materials, as well as the delivery of our fully online courses.

A critical part of our efforts this year has been to consolidate our online operations across TAFE NSW into the one business unit and offering under TAFE Digital. This work is continuing with the consolidation of many of our courses, the joining together of our educational teams, and the launch of the Digital Campus which is scheduled for the second quarter of 2018-19 for selected students. The Digital Campus is being developed with the customer experience central to the design philosophy. Over time, existing online courses will be transitioned to the Digital Campus to ensure our students have a consistent and fruitful learning experience.

Throughout 2017-18 TAFE Digital worked closely with the established CLCs to successfully deliver online learning experiences to rural and remote areas across the State. An effective collaboration model has been developed which will be replicated across the new CLCs as they are launched.

TAFE Digital has also successfully launched six new prototype courses in future skill-sets including Cybersecurity, Marketing Analytics and Digital Literacy. Many of these courses introduced students to new technologies including augmented and virtual reality to enhance their learning experience.

The Skills for Business program, a NSW Government initiative to support SMEs with online education in the areas of financial and digital literacy, was also successfully launched and continues to be delivered through our TAFE Digital educational unit.

A large part of our effort this year saw TAFE Digital partner with Customer Experience and Student Services to identify ways we can better retain our students, to ensure they receive the support they need to fully complete their studies. A pilot Retention and Completion Study Coach Program, student nurturing campaigns, a refreshed Educational Service Charter, and a newly consolidated student services team were established as part of this initiative.

Despite the focus on staffing and establishing TAFE Digital, and developing a new operating model under One TAFE, new enrolments in online courses still grew in excess of 10% over the prior year. With student demand for online courses continuing to grow significantly, TAFE Digital's consistent contribution to the organisation has been significant, despite our recent organisational change.

TAFE Digital Lab

In its first year of operation, the TAFE NSW Digital Lab has been testing and assessing the latest Immersive Technology that will allow TAFE NSW to develop curriculum with embedded Augmented and Virtual Reality (AR/VR) components in the future. This includes the customisation of a selected platform that will deploy numerous AR and VR experiences across the TAFE NSW network to a range of student devices; from mobile to dedicated AR VR headsets.

Within the Innovative Technologies team, our mandate remains to test and trial new technologies and ensuring they can be utilised with consistent, measurable, and valuable outcomes for our students.

This includes the reviewing and testing of various hardware interface devices to improve learning, from Augmented Reality and Virtual Reality headsets (both standalone units and PC driven high-end devices) to interface devices such as new keyboards and haptic devices.

In addition, the team has been exploring the benefit of voice assistants such as Amazon Alexa, Google Assistant and Apple's Siri as new methods to deliver selected learning content.

Within the Learning Analytics team, sophisticated analytics are being used that will allow us to study macro-trends that will improve the student experience; bringing together individual learning styles, Machine Learning (M/L) and Artificial intelligence datasets.

TAFE Digital Design Team

The TAFE Digital Design Unit is responsible for the design and production of all digital learning assets for TAFE NSW and its clients.

The Unit is a consolidation of many of TAFE NSW's regional Learning Designers, Project Managers, Universal Design and Accessibility Specialists, combined with newly appointed Graphic Designers, Virtual and Augmented Reality Experts, Videographers, Digital Courseware Authors and Programmers.

These specialists apply leading learning design approaches, technologies and tools to our courseware so as to meet our students and commercial clients' educational outcomes.

In its first year of operation as a consolidated unit, the team has built an operating model, processes and systems that will allow TAFE NSW to produce educational materials at scale and in an efficient, rapid manner, using state of the art learning design principles.

TAFE Digital Product Management

The Digital Product Management Unit is a newly established team that works in partnership with the Education and Training Group and the nine SkillsPoints team to ensure that our educational materials are built and designed with innovation, new tools and a 'digital first' approach.

Within this unit, there are nine Digital Product Leads that partner and are co-located with each of the SkillsPoints teams as part of the new, One TAFE business model. The Digital Product Leads are responsible for managing all product development requests from the SkillsPoint teams and ensure that these product and courseware updates are met and delivered within agreed timelines and budgets. They are supported by TAFE Digital product managers, researchers, data specialist and quality managers.

Commercial revenue through national and international activities is one of the priorities.

TAFE Digital Delivery

The TAFE Digital Delivery Unit, consists of our online teaching and educational experts based in Strathfield and Coffs Harbour.

This team brings together in the one, consolidated team, all of TAFE NSW's online educators and support teams. In the new structure, these educational teams are now aligned with Skills Teams which line up to the nine SkillsPoints to ensure consistency in educational approaches across all of our Delivery Teams.

Unlike many online providers, these education experts are actively communicating, guiding and providing feedback to our students to ensure active participation, engagement and progression. They use new teaching and learning tools, including virtual classroom technology, to conduct online webinars with students, and provide assessment feedback, as well as being available to students should they need additional educational guidance and support.

Future delivery will be conducted through a new, enhanced online learning platform which is currently under development. This platform will include new collaboration features to enable students and teachers to better connect, new web streaming technology (Skype for Business), and an easy teacher booking system that will support these efforts.

Commercial Delivery

TAFE NSW is seeking opportunities to grow commercial revenue, focusing on areas that deliver economic and social value to NSW communities. This includes:

- National and international commercial partnerships, consultancies or licensing arrangements
- Growing education export opportunities in Australia and offshore
- Increasing the international student market
- Expanding higher education opportunities
- Increasing fee-for-service offerings to individuals and industries not eligible for government-subsidised training.

Domestic Commercial Delivery

Domestic commercial enrolments in TAFE NSW qualifications were 126,737 in 2017.⁴⁰

TAFE NSW implemented a number of strategies to counter the impact of this decline on domestic commercial revenue. TAFE Enterprise is working on improving the Commonwealth CSL loan scheme. These include the State-wide *Be Ambitious* marketing campaign, clear communication to students, establishing in-house sales capability and setting consistent commercial pricing across the State, commenced roll out in 2017-18 and will continue in 2018-19.

TAFE NSW worked with various government, business and community stakeholders to deliver training on a commercial basis. In the first half of 2017, TAFE NSW secured a six-year contract with the Commonwealth Government to deliver the Adult Migrant English Program (AMEP). TAFE NSW was awarded 11 of the 14 AMEP Commonwealth regions in NSW, including the greater Sydney metropolitan area and the AMEP distance learning program nationally. The contract also includes delivery of the Skills for Education and Employment program in five Commonwealth regions in NSW.

International Education

The number of international students enrolled in TAFE NSW:

- In Higher Education qualifications was 549 in 2017⁴¹
- In VET qualifications was 3,295 in 2017
- In English Language Intensive Courses for Overseas Students (ELICOS) were 838 in 2017.

The international education sector is subject to significant external influences, including changes in Commonwealth government policy regarding visas and skilled migration.

In 2017–18, TAFE NSW promoted its educational offerings to new international students by attending education exhibitions in Sydney, Nepal, China, the Philippines, Thailand, Vietnam, Colombia, Brazil and Indonesia.

Some of the most popular courses for international students include Nursing, Information Technology, Hospitality, Children's Services, Business, Accounting and Building and Construction.

Offshore Education Projects

TAFE NSW works with foreign governments, industry or educational partners to deliver programs overseas. Programs include accredited courses and non-accredited programs.

Countries of Delivery focus on Asia.

TAFE NSW maintained the following partnerships in 2017–18:

Overseas Partner Organisation	Location
Sawan Al Thaqafi Dental Health Centre	Bahrain
Anshan Vocational Education College (Unistar)	China
Beijing Business School	China
Beijing College of Politics and Law	China
Beijing Union University	China

⁴⁰ TAFE NSW corporate data.

⁴¹ Australian Education International (December 2017) is the source of all data in this section.

Overseas Partner Organisation	Location
Caretek (China)Medical PLC	China
Chengdu Industrial Vocational Technical College	China
Guangdong Industry and Technical College	China
Guangdong Mechanical and Engineering College	China
Heilongjiang Nursing	China
Kunming Metallurgy College	China
Ningbo City College	China
Ningbo Foreign Affairs School	China
Renji Hospital	China
Shanghai AXGZ Education Training Co. Limited	China
Shanghai Business School	China
Shanghai Commercial School	China
Shanghai Nanhu Vocational College	China
Shenzhen Polytechnic	China
Shunde Polytechnic	China
Tianjin First Commercial School	China
DFAT Dili	East Timor
Korea University of Technology and Education	Korea
Jeju High School	Korea
Zhangjiagang Vocational Education Centre	China
ADVETI	UAE
Fiji National University	Fiji
Hong Kong YMCA College of Continuing Education	Hong Kong
McKkr's TAFE Training	India
Korea Polytechnics	Korea

Overseas Partner Organisation	Location
INTI International College Penang	Malaysia
Global Academy of Tourism and Hospitality Education	Nepal
Maritime New Zealand	New Zealand
Centre for Disability Services-	Singapore
The Kingdom of Tonga / Sustainably Pty Ltd	Tonga

Coordinated and Consistent Marketing

In early 2017, TAFE NSW launched the new unified brand identity with the rollout of State-wide marketing campaigns, brand assets, websites, social media channels, corporate collateral and stationery.

In late 2017, the new Communications and Marketing Branch structure came into effect, bringing a team of experts to the organisation. With specialists in events, campaigns, digital marketing, research and insights and corporate communications now on board, the foundations needed to be rebuilt and new processes developed.

Even though TAFE NSW already enjoys a strong reputation for delivering careers for students, business success for employers and support for community, we are also a brand with enormous growth potential.

To that end, TAFE NSW continued to deliver the *Be Ambitious* multi-media campaign for a second year, resulting in increased public awareness and a positive shift in perception and competitive position. With diversification a priority, TAFE NSW launched two new products:

- TAFE Digital launched in November 2017, delivering over 250 online courses to more than 100,000 students. TAFE Digital provides innovative programs using the latest emerging technologies, including augmented, virtual, and mixed reality simulation exercises.
- TAFE Enterprise launched in March 2018, providing business to business (B2B) customers with quality corporate and industry training.

New system integrations saw an introduction of a revamped Customer Relationship Management (CRM) in September 2017, providing the organisation the ability to distribute advanced email and nurturing campaigns, while managing a single-source of data and organisation-wide reporting in a way not previously possible.

In January 2018, the Student Ambassador Program expanded, with 80 enthusiastic, TAFE NSW trained recent graduates joining the Program. These Ambassadors shared their TAFE NSW experiences with prospective students by attending career expos, demonstrating their skills and delivering presentations.

Also in January 2018, the events team coordinated the first state-wide enrolment weeks, with the distribution of unified event branding and toolkits to every campus. Many other events followed, such as information sessions and Excellence Awards, and each time TAFE NSW was represented consistently and professionally, State-wide.

A refreshed TAFE NSW website was launched in May 2018, featuring consolidated content from the existing ten RTO websites. Our customers will now be able to find courses, facilities, support and services for every single TAFE NSW delivery point on the one site. Over time, the tafensw.edu.au website will replace all existing RTO sites.

Our first TAFE NSW newsletter was launched in June 2018, providing an active subscription database of one million people with latest news, events and graduate success stories.

In June 2018, TAFE NSW finalised development of the new Aboriginal brand visual identity. Developed in close consultation with the organisation's Aboriginal stakeholders, the brand is due to launch across the State in August 2018.

Assets

TAFE NSW is transforming the way it delivers training with next generation learning environments that are adaptable, industry-standard and digitally enabled. These facilities will make it possible for students to access training when, where and how it suits them.

The TAFE NSW Strategic Asset Management Plan 2018/19 – 2027/28 details asset management objectives to ensure changes to the asset portfolio align to future learning needs and existing assets are safe and efficiently managed to support the effective and efficient delivery of teaching and learning for students across NSW.

TAFE NSW has committed to align to the International Asset Management Standard ISO 55000 in the TAFE NSW Asset Management Policy and has a Strategic Asset Management Framework to support implementation.

TAFE NSW will be developing a 20 Year Infrastructure Strategy in line with Infrastructure NSW's recommendation in the *State Infrastructure Strategy 2018-2038: Building Momentum*. The 20 Year Infrastructure Strategy, will be completed by end 2019, will detail how TAFE NSW will leverage government and industry investment to place customers at the centre of outcomes-based infrastructure planning ensuring:

- Students, community, employers and industry partners are at the centre of our service delivery planning
- TAFE NSW is aligned to land use priorities identified in the NSW Governments' Regional and District Plans and Priority Precincts
- The Interconnected Training Network supports future service delivery
- Improved utilisation and asset management
- The funding requirement to support the future state is quantified.

In 2017–18, TAFE NSW developed its network of facilities across NSW by investing in:

- Campus facilities in areas of high demand and in accessible locations
- Dedicated specialist training facilities, developed in consultation with industry
- Student centred, digitally enabled Connected Learning Centres
- Dedicated, purpose built Mobile Training Units to bring equipment and tools to students to provide hands-on, practical training
- Digital and mobile platforms to improve connectivity and accessibility.

In 2018–19, TAFE NSW will continue to expand the types of courses available across regional and rural NSW through digitally enabled facilities including Connected Learning Centres.

Connected Learning Centres

In July 2016, the Minister for Skills, the Hon. John Barilaro, MP announced a commitment to establish Connected Learning Centres across regional NSW.

The centres aim to:

- Improve access to a wider range of TAFE NSW courses and services in rural and regional NSW, allowing students to learn in a method and at a pace that suits their needs
- Enhance access to teachers both on and off site
- Provide multi-purpose, digitally enabled learning spaces in accessible locations, integrated with Mobile Training Units.

In June 2017, the Assistant Minister for Skills, the Hon. Adam Marshall MP, announced that construction had started on the first four centres in Coonabarabran, Glen Innes, Quirindi and Tenterfield. Additional Connected Learning Centres were delivered in Corowa, Deniliquin and Narrandera in July 2018, with a further seven Connected Learning Centres to follow in Bega, Bourke, Grenfell, Murwillumbah, Scone, Singleton, and Yamba in 2018-19.

Business Systems

The TAFE NSW 2014–15 financial statements were qualified by the NSW Auditor-General due to weaknesses in the ability of the Student Administration and Learning Management (SALM) system (known as *ebs*) to accurately recognise revenue and accommodate policy and regulatory changes within business processes.

TAFE NSW undertook a number of projects in 2015–16 to evaluate the efficacy of the *ebs* system and improve data quality where possible, including release of upgraded *ebs* versions and manual adjustments. The Audit Office of NSW lifted the qualification from the TAFE NSW financial statements in 2015–16.

On 16 June 2016, the Minister for Skills, the Hon. John Barilaro MP announced that TAFE NSW would commence market testing to find a more fit-for-purpose student management system to improve student services and the transparency and accuracy of business data and financial reporting.

In 2017-18, TAFE NSW selected a preferred vendor for the new student management system after a detailed implementation planning study. The replacement solution selected by TAFE NSW is a world-class system that will enable students and TAFE NSW to manage recruitment, enrolment, training records and information.

In October 2017, the Student Management System implementation commenced comprising three releases to be delivered over the following 18 to 24 months. Once implemented the new system will significantly improve our customer experience and provide a single view of them while helping us improve the quality and consistency of our student and business data that will help streamline our business planning, internal monitoring systems and external reporting processes. The full implementation is planned to be completed in 2019.

In November, 2017 the first release provided a marketing automation solution for campaign and lead management, including:

- Leads capture through a Course Enquiry Form and General Enquiry form
- Social Media Monitoring
- Email Nurturing
- Lead Management.

In June 2018, the second release was Australia's largest tertiary education sector Customer Relationship Management (CRM) system providing enhanced capability for:

- Self-service and staff-assisted enquiries using the new student TAFE NSW website and staff-facing course search with geo-tagging
- Student and staff-facing FAQ knowledge base
- The ability to manage and track enquiries for customers across TAFE NSW (using a CRM system).

The third release is planned for 2019 and will enable the *ebs* system to be decommissioned.

The transition to a new One TAFE organisational model and the machinery of government change to transfer remaining back office administration back office activities from the Department of Education, was a significant undertaking during the year. The Auditor-General has noted the impacts of these changes during its audit. TAFE NSW is currently implementing a number of enhancements to systems and procedures to ensure effective control of expenditure and purchasing.

Information and Communications Technology (ICT) Services

In 2017-18, TAFE NSW continued the transformation of its technology services to enable TAFE NSW to thrive in an increasingly competitive digital era. Aligned with the Board endorsed TAFE NSW Information and Communication Technology Strategic Business Plan 2016-2022 (ICT Strategy), TAFE NSW has:

- Completed 90% of its transition from the NSW Department of Education with applications being transitioned or decommissioned with minimal disruption to business practices
- Continued enhancement of its cloud-based enterprise architecture to support the OneTAFE model and consistent learning delivery
- Internally developed and delivered a OneTAFE internet site and staff portal to support TAFE NSW's marketing and communication initiatives
- Established a OneTAFE NSW service function to support the student and employee technology experience
- Commenced set up of the technologies required by SkillsPoint headquarters and Connected Learning Centres across NSW to allow a wider range of TAFE NSW courses and services to be accessed in rural and regional NSW.
- Launched the Digital Careers program targeting capability uplift of the ICT workforce and the first 2-year graduate program designed to attract potential future employees in high demand ICT areas.

Importantly, all systems and services have been developed with consideration of the measures required to ensure the highest level of data security, and the ability to utilise contemporary data analytics to enhance productivity and business outcomes.

To enhance future implementation of TAFE NSW's ICT Strategy, the NSW TAFE Commission Board endorsed changes to the TAFE NSW Strategic Business Plan 2017-2023 supporting the business transformation required for complete digital transformation in the near future.

Compliance and Quality Audits

Vocational Education and Training

Registrations

Although TAFE NSW consolidated its ten TAFE NSW Institutes to a single One TAFE operating model in March 2017, it retained its 13 separate Registered Training Organisations (RTOs) during 2017-18 although one, Adult Migrant English Service (NSW) expired mid-June 2017.

Registration allows the RTOs to provide vocational education and training (VET), pursuant to the *National Vocational and Education and Training Regulator Act 2011* (Commonwealth), regulated by the national VET regulator, the Australian Skills Quality Authority (ASQA).

By the end of June 2018, TAFE NSW held 12 active RTO registrations:

- Ten TAFE NSW delivery RTOs (formerly institutes)
- TAFE NSW distance education provider, OTEN
- NSW TAFE Commission.

During 2017-18, 11 RTOs operated as providers of education and training with enrolled students. There were no students enrolled directly in the NSW TAFE Commission RTO. TAFE NSW established this RTO to provide TAFE NSW students with access to the Commonwealth Government VET FEE-HELP/VET Student Loan schemes, allowing students to defer tuition and fees for qualifications at Diploma or Advanced Diploma level.

In the 2018-19, TAFE NSW will work to streamline the 12 RTOs into a single TAFE NSW RTO to support consistency and compliance across the organisation.

Audits

The national VET regulator, ASQA, undertakes two distinct types of audits: registration audits and compliance audits.

Nine TAFE NSW RTOs were due for registration renewal in 2017-18. However, ASQA extended the registration of these RTOs until December 2018, as part of the transition to one RTO and will conduct a renewal audit of Sydney RTO 90003, the new TAFE NSW RTO from 2019, in October-November 2018.

ASQA also conducts compliance audits on a proactive basis to assess an RTO's ongoing compliance with the standards required for registration. No audits of this nature occurred in 2017-18.

Delegation to vary scope

ASQA conducted a delegation audit of Western Institute RTO (90009) from 18–20 April 2017. No other RTO has undergone a Delegation audit. An audit of the Delegated Authority will be a focus of the renewal audit of RTO 90003 (Sydney) in October-November 2018.

Higher Education

The NSW TAFE Commission manages its registration with the Tertiary Education Quality and Standards Agency (TEQSA) as a single legal entity trading as TAFE NSW Higher Education.

In July 2015, TAFE NSW Higher Education successfully re-registered as a higher education provider for another seven years without any conditions.

Delivery to Overseas Students

TAFE NSW is registered as a Commonwealth Register of Institutions and Courses for Overseas Students (CRICOS) provider to deliver education services to students on a student visa in NSW, including English Language Intensive Courses for Overseas Students (ELICOS), VET and higher education programs. TAFE NSW is registered as the Technical and Further Education Commission, trading as TAFE NSW Technical and Further Education Commission and TAFE NSW Higher Education, CRICOS provider code 00591E.

Research and Environmental Scans

TAFE NSW conducted the following research projects to develop new products and/or inform future delivery:

Name of project	Conducted by	Nature and purpose of project	Total cost over life of project (\$ excluding GST)	Completion date
Air Conditioning Refrigeration & Building Services (ARBS) Stand Alone Solar Powered Air-Conditioning System	TAFE NSW Higher Education	In the Associate Degree of Applied Engineering (Renewable Energy Technologies) a research team is conducting an analysis of the feasibility of a prototype standalone solar-powered air conditioning system, funded by an ARBS Education and Research Foundation grant, using equipment donated by industry partners. The research will provide regular reports and final recommendations to ARBS Foundation members regarding load energy storage, usage, monitoring, battery reserve and design needs of the system to ensure maximum use time.	\$20,000	1 May 2018
Investigate the use of raw biogas for electrical power generation	TAFE NSW Higher Education	In the Associate Degree of Applied Engineering (Renewable Energy Technologies) a project will investigate the use of raw biogas for use in the generation of electrical energy. The project will also look at the feasibility of raw biogas energy storage. The industry partner is Earth Power. This is an ongoing applied research project for higher education students enrolled in the Associate Degree of Applied Engineering (Renewable Energy Technologies).	- (reciprocal project with Earth Power)	2017-18
Stand-alone Solar Powered Air-Conditioning System	TAFE NSW Higher Education	In the Associate Degree of Applied Engineering (Renewable Energy Technologies) a project has been developed to investigate 'Stand-alone Solar Powered Air-Conditioning System' and aims to address this problem by analysing the feasibility of running a system with renewable energy and looking at areas of efficiency improvement	- (reciprocal project with the ARBS foundation)	2017-18
Solar Harvest – Pumped Hydro Standalone System	TAFE NSW Higher Education	In the Associate Degree of Applied Engineering (Renewable Energy Technologies) a multiple research stage project has been developed: Stage 1 – Concept Design, Testing and Evaluation to maximise motor shaft 'horse-power' (kW) delivered from Solar PV Panels to a DC Brushless Motor for pumped hydro agriculture solution using an Extra Low Voltage system. Initial focus is for Centrifugal Pump then Positive Displacement Pump. Stage 2 – Prototyping of proposed system Stage 3 – Development of cost effective implementation strategy (e.g. indicative IRR) into the proposed markets.	- (Reciprocal project with Innovative Process Engineering)	2017-18
Optimising battery charge/discharge cycles	TAFE NSW Higher Education	In the Associate Degree of Applied Engineering (Renewable Energy Technologies) a new project looks at prolonging battery life by developing an optimised charge/discharge algorithm.	Reciprocal project with Novecom	2017-2018

Name of project	Conducted by	Nature and purpose of project	Total cost over life of project (\$ excluding GST)	Completion date
Museum and Galleries Entrepreneurship	TAFE NSW	Overseas study trip by a fine arts teacher funded under a 2017 Premier's Teacher Scholarship, to learn about international arts administration qualifications and further TAFE NSW Bachelor of Visual Arts development. Cities visited included London, Berlin, Cologne and Paris. Project outputs included article for Industry Liaison Quarterly Journal, findings to be disseminated via the TAFE Academy.	\$10,000	2017-18
Innovation to Completion and Beyond	TAFE NSW	Overseas study trip by a digital media teacher funded under a 2017 Premier's Teacher Scholarship focusing on STEM partnerships between higher education institutions and business to investigate incorporation of the arts into technology as a tool for problem solving. Cities visited included Austin, Atlanta and San Francisco. Project outputs included report, blog, video and infographics disseminated within SkillsPoint.	\$10,000	2017-18
Digital Literacy for Accessing Government Services Online	TAFE NSW	To develop resources and trial an approach to the myGov portal for use by teachers and students in the Adult Migrant English Program (AMEP). The project's aims are to: (1) encourage new arrivals to understand and use digital government services (2) develop an approach which includes teachers and government services for critical websites and (3) evaluate the resources and lessons.	\$31, 000	June 30 2018
Customer Needs Segmentation Study	TAFE NSW and Fiftyfive5	Research to understand the needs of different TAFE NSW customer segments, their motivations for studying, and what they are looking for from an education provider. This research identified opportunities for TAFE NSW to better connect with customers throughout their customer journey.	\$111,500	May 2018
Business Customer Training Needs	TAFE NSW and The Leading Edge	Research to size the commercial training market, identify areas of high demand and understand business' attitudes and approaches to investing in training.	\$40,000	September 2017
International Students	TAFE NSW and The Leading Edge	Research to understand the needs of TAFE NSW international students, their pathways into TAFE for onshore and offshore students, the role of international agents and to test a new international sub brand.	\$25,000	June 2018
International Agents Research	TAFE NSW and The Leading Edge	Research to understand the needs of different International markets and inform the product needs and Go To Market Strategy for the International business development team.	\$38,600	July 2018

6. DEVELOPING A PROUD AND PRODUCTIVE TEAM

Organisational Redesign

The TAFE NSW operating model was designed to ensure the organisation could realise its strategic goals and deliver new functional accountabilities.

The model provides a new, streamlined and standardised organisational structure:

- Consolidating back-office resources
- Removing competition between RTOs
- Achieving operational efficiencies
- Minimising inconsistencies and duplication
- Allowing the organisation to focus on our core business, providing accessible training in all NSW regions.

TAFE NSW has implemented the model using a staged approach to organisational redesign to minimise disruption to customers and impact on staff.

In 2017-18, eight corporate functions Finance, Communications and Marketing, Governance Legal & Risk, People and Safety, Procurement, Property and Logistics, Strategy and Policy, Business Development, the five delivery regions, Education and Training Group and TAFE Digital completed this process and started operating under the One TAFE model. The remaining functions are expected to commence consultation and placement in late 2019.

Management

The TAFE NSW management structure is determined by sections 11 to 14 of the *Technical and Further Education Commission Act 1990* (NSW) (TAFE Act).

NSW TAFE Commission Board

The functions of the NSW TAFE Commission Board (TAFE NSW Board) are set out in section 12 of the TAFE Act. The TAFE NSW Board reviews and makes recommendations to the Minister on:

- Policies related to the technical and further education services provided by TAFE NSW
- The efficiency and effectiveness of the operation and management of the technical and further education services provided by TAFE NSW
- The corporate plans prepared by TAFE NSW
- The relationship between TAFE NSW and other education sectors, including schools, higher education and adult and community education.

The Minister appoints members of the TAFE NSW Board under section 11 of the TAFE Act. Appointed members hold office for a period (as specified in their respective instrument of appointment) of up to four years and are eligible for re-appointment.

Board Member Qualifications and Terms of Appointment

The following people served as TAFE NSW Board members during the period from 1 July 2017 to 30 June 2018. Details of positions held and qualifications are as at 30 June 2018.

Board member	Current term of appointment	Positions held	Qualifications and professional development
Terry Charlton (Chairperson)	1 June 2018 to 31 May 2022	Chair, Greater Sydney Local Land Services Board Member, NSW Local Land Services Board of Chairs Member, Monaro Early Intervention Service Board	Master of Science (Psych.), University of Newcastle Bachelor of Commerce (Economics and Accounting), University of Newcastle
Jon Black*	N/a Mr Black is an ex officio member of the Board, appointed on 7 December 2015	Managing Director, TAFE NSW Member, TAFE NSW Higher Education Governing Council Member, TAFE NSW Higher Education Academic Board Adjunct Professor, Advanced Water Management Centre, University of Queensland	Masters of Military Studies, Marine Corp University (US) Command and Staff College, Marine Corps University (US) Bachelor of Arts (Economics/Geo), Royal Military College, Duntroon Adjunct Professor, Advanced Centre for Water Management (Faculty of Engineering) Company Directors Course, Australian Institute of Company Directors
Craig Pudig (Deputy Chairperson)	1 January 2018 to 31 December 2021	Senior Advisory Counsel, Macquarie Group Limited Board member, Australian Centre for International Commercial Arbitration	Bachelor of Laws, University of Sydney
Carolyn Burlew	1 January 2018 to 31 December 2020	Deputy Chair, Board, South Western Sydney Local Health District Member, Pharmacy Council of NSW Independent Chair, Audit and Risk Committee, Department of Justice Independent Chair, Audit and Risk Committee, Crown Solicitor's Office Independent Chair, Audit and Risk Committee, Transport for NSW Independent Chair, Audit and Risk Committee, Far West Local Health District Independent Member, Audit and Risk Committee, Western Local Health District	Master of Public Administration, University of Queensland Bachelor of Arts, University of Queensland Diploma of Applied Science, University of Queensland Company Directors Course, Australian Institute of Company Directors
Joan Cooper	1 January 2016 to 31 December 2019	Chair, Academic Board of TAFE NSW Higher Education Chair, Governing Council of Western Sydney Institute of Management (potential HE provider working towards registration) Chair, Academic Board, Study Group Australia Member, Academic Board AIH	Doctor of Philosophy (Mathematics), University of Newcastle Bachelor of Mathematics (Honours), University of Newcastle

Board member	Current term of appointment	Positions held	Qualifications and professional development
Ero Coroneos	1 January 2016 to 31 December 2019	<p>Manager, Community and Social Strategy, Barangaroo South, Lendlease</p> <p>Convenor, Barangaroo South Community Partnership</p> <p>Chair, Social Sustainability Committee, Property Council of Australia</p> <p>Associate Member, Australian Property Institute</p> <p>Associate Member, Governance Institute of Australia</p> <p>Graduate Member, Australian Institute of Company Directors</p> <p>Member, Women on Boards</p>	<p>Master of Arts (Communications and Cultural Studies), University of Western Sydney</p> <p>Bachelor of Laws (Honours), University of Technology Sydney</p> <p>Bachelor of Arts, University of Sydney</p> <p>Bachelor of Commerce (Land Economics), University of Western Sydney</p> <p>Diploma of Applied Corporate Governance, Governance Institute of Australia</p> <p>Company Directors Course, Australian Institute of Company Directors</p>
Annabelle Duncan*	1 January 2016 to 28 July 2017	<p>Vice Chancellor and Chief Executive Officer, University of New England (UNE)</p> <p>Member, UNE Council Standing Committee</p> <p>Director, UNE Foundation Ltd</p> <p>Member, Universities Admissions Centre NSW Vice-Chancellors' Committee</p> <p>Member, Regional Australia Institute Board</p> <p>Director, Australia's Academic and Research Network (AARNet)</p>	<p>Doctor of Philosophy, La Trobe University</p> <p>Master of Science, University of Otago (NZ)</p> <p>Bachelor of Science, University of Otago (NZ)</p> <p>Postgraduate Diploma of Science (with credit), University of Otago (NZ)</p> <p>Doctor of Science (Honoris causa), Murdoch University</p>
Greg Fletcher	1 August 2016 to 31 July 2020	<p>Chair, SMEG Australia Pty Ltd</p> <p>Vice-Chairman and Chair, Audit and Risk Committee, Yancoal Australia Limited</p> <p>Independent Director, Yancoal SCN Limited</p> <p>Independent Director, Chair of the Audit and Risk Committee and Member of the Remuneration Committee, Saunders International Limited</p> <p>Member, Audit and Risk Committee, Sydney Olympic Park Authority</p> <p>Member, Audit and Risk Committee, Railcorp</p> <p>Member, Audit and Risk Committee, NSW State Transit Authority</p> <p>Member, Audit and Risk Committee, NSW Electoral Commission</p>	<p>Bachelor of Commerce, University of New South Wales</p> <p>Chartered Accountant</p> <p>Member, Institute of Chartered Accountants</p>

Board member	Current term of appointment	Positions held	Qualifications and professional development
Morris Iemma	1 January 2016 to 31 December 2019	Commissioner South District, Greater Sydney Commission Chair, NSW Cancer Institute Chair, Southern Expansion Football Club (Bid Group) Chair, Districts Cricket Association (NSW) National Chair, Miracle Babies Foundation President, Kingsgrove Cricket Club Vice President, St George Cricket Association Member, Roberts/Pizzarotti Constructions Advisory Board Member, Riverwood Community Centre Board Committee Member, Campbelltown/Camden Cricket Club Community Manager, Lantern Club (Mingara Leisure Group) Shareholder, Clean Tech Partnerships (C.T.P.)	Bachelor of Economics, University of Sydney Bachelor of Laws, University of Technology, Sydney
Elizabeth McGregor*	1 January 2016 to 31 December 2017	Regional General Manager, TAFE NSW North Region, TAFE NSW Honorary Senior Fellow, LH Martin Institute Director, Coffs Harbour Technology Park	Master of Education (in progress), University of Newcastle Graduate Diploma of Education, University of New South Wales Bachelor of Arts, University of New South Wales Certificate IV in Training and Assessment, TAFE NSW Company Directors Course, Australian Institute of Company Directors
Duncan Taylor	1 January 2016 to 31 December 2019	Chair, Cooma Universities Centre Volunteer, Country Universities Centres (CUCs) Shareholder, Growth Farms Australia Group Funding Partner, Farm Partnerships Australia Director, Bobingah Pty Ltd Director, Fairross Pty Ltd Committee Member, Monaro Early Intervention Service Associate Member, Law Society of NSW	Graduate Diploma of Applied Legal Practice Bachelor of Laws (First Class Honours) Bachelor of Economics
Justine Turnbull	1 January 2018 to 31 December 2020	Chair, Access Programs Australia Limited Director, Board of Catholic Schools NSW Consultant, Q Workplace Solutions	Bachelor of Laws (Honours), University of Sydney Bachelor of Economics, University of Sydney
Todd Williams	1 January 2016 to 31 December 2019	Panel Member, Orica Kooragang Island Community Investment Program Fellow, Australian Institute of Company Directors Adjunct Fellow to the European Union (EU) Centre RMIT University Director, Howard Partners Director, NSW Cyber Security Network Director, TWPartners	Master of Business Administration, University of Newcastle Executive Leadership Program, Harvard Business School Bachelor of Business (Industrial Relations and Human Resources), University of Newcastle Diploma of Project Management (Engineering), Deakin University Blue Ocean Strategy, INSEAD

Board member	Current term of appointment	Positions held	Qualifications and professional development
		Member, Advisory Panel for the analysis of efficiency measures for the Murray-Darling Basin	

* The following Board members resigned or retired during the reporting period and subsequent to the reporting period:

- Mr Black resigned from the role of Managing Director effective 28 September 2018;
- Prof Duncan resigned from the Board effective 28 July 2017; and
- Ms McGregor retired from the Board effective 31 December 2017.

Former Members' Qualifications and Terms of Appointment

During the period from 1 July 2017 to 30 June 2018, the following changes to membership of the TAFE NSW Board occurred:

- Annabelle Duncan resigned effective from 28 July 2017; and
- Elizabeth McGregor's term ended on 31 December 2017.

Subsequent to the reporting period, Jon Black resigned from the role of Managing Director on 28 September 2018.

Meeting Attendance

The TAFE NSW Board convened eight meetings during the period from 1 July 2017 and 30 June 2018. TAFE NSW Board members' attendance for that period is set out in the table below.

Board Member	Eligible to attend	Attended
Terry Charlton (Chairperson)	8	7
Craig Pudig (Deputy Chairperson)	8	6
Jon Black	8	8
Carolyn Burlew	8	6
Joan Cooper	8	5
Ero Coroneos	8	8
Annabelle Duncan	1	1
Greg Fletcher	8	8
Morris Iemma	8	7
Elizabeth McGregor	4	2
Duncan Taylor	8	7
Justine Turnbull	8	5
Todd Williams	8	7

The quorum for a TAFE NSW Board meeting is seven members (clause 11, Schedule 1 of the TAFE Act).

TAFE NSW Commission (Senior Executives) Staff Agency

The TAFE NSW Commission (Senior Executives) Staff Agency (the Staff Agency) is a controlled entity of the NSW Technical and Further Education Commission.

The Staff Agency was established to employ senior executives following the commencement of the *Government Sector Employment Act 2013* (NSW) (GSE Act).

The objectives, activities, operations and performance of the Staff Agency are not distinguishable from those of TAFE NSW as a whole.

Senior Executives

TAFE NSW employed the following senior executives in 2016–17 and 2017-18. These figures include the Managing Director and senior executives reporting directly to the Managing Director.

Number by band (equivalent) and by gender

As at June 2017

Band	Female	Male	Total
Band 4 or equivalent	-	-	-
Band 3 or equivalent	-	3	3
Band 2 or equivalent	7	4	11
Band 1 or equivalent	-	1	1
Total	7	8	15

Source: NSW Public Sector Workforce Profile

As at June 2018

Band	Female	Male	Total
Band 4 or equivalent	-	-	-
Band 3 or equivalent	-	3	3
Band 2 or equivalent	6	3	9
Band 1 or equivalent	-	-	-
Total	6	6	12

Source: NSW Public Sector Workforce Profile

Average remuneration by band

2016–17

Band	GSE Act remuneration range (\$) ⁴²	TAFE NSW average remuneration (\$)
Band 4 or equivalent	452,251–522,500	-
Band 3 or equivalent	320,901–452,250	399,083
Band 2 or equivalent	255,051–320,900	325,072 ⁴³
Band 1 or equivalent	178,850–255,050	216,146

⁴² Remuneration ranges are set by the NSW Remuneration Tribunal.

⁴³ The average remuneration for TAFE NSW senior executives may fall outside the remuneration range for the relevant senior executive service band. Apart from the Managing Director who was appointed under the GSE Act, all TAFE NSW senior executives were employed under the *Technical and Further Education Commission Act 1990* (NSW). For the purposes of reporting in the NSW Public Sector Workforce Profile, all TAFE NSW senior executives were attributed to an equivalent GSE Act band, based on an evaluation of work value points. This attribution was undertaken externally. Remuneration under the GSE Act and the TAFE Commission Act do not directly align.

Source: NSW Public Sector Workforce Profile

2017-18

Band	GSE Act remuneration range (\$)⁴⁴	TAFE NSW average remuneration (\$)
Band 4 or equivalent	463,551–535,550	-
Band 3 or equivalent	328,901–463,550	465,225
Band 2 or equivalent	261,451–328,900	365,363
Band 1 or equivalent	183,300–261,450	-

Source: NSW Public Sector Workforce Profile

In 2017-18, 0.40 per cent of the TAFE NSW employee-related expenditure was related to senior executives. This is the same as 2016-17 and 0.57 per cent in 2015-16.

This percentage includes the Managing Director and employees in substantive, relieving or acting roles who were reporting directly to Managing Director as at 30 June 2018. This treatment is consistent with figures reported in TAFE NSW annual reports in 2016-17 and 2015-16.

Senior Executive Positions and Qualifications

TAFE NSW employed the following senior executives in 2017-18. This includes the Managing Director and senior executives reporting directly to the Managing Director during that time.

Senior executive	Position title	Qualifications and professional development
Jon Black*	Managing Director	Masters of Military Studies (US) Command and Staff College program (US) Bachelor of Arts (Economics/Geo) Adjunct Professor, Advanced Centre for Water Management Company Directors Course, Australian Institute of Company Directors
Lucy Arundell	Chief Education and Training Officer	Bachelor of Arts Graduate Diploma of Information Management
Glen Babington	Chief Operating Officer	Master of Business Administration Bachelor of Arts (Honours) Company Directors Course, Australian Institute of Company Directors
David Backley	Chief Information Officer	Master of Professional Practice (Information Technology)
Mark Easson	Chief Financial Officer	Master of Business Administration Bachelor of Commerce Chartered Accountant Company Directors Course, Australian Institute of Company Directors

⁴⁴ Remuneration ranges are set by the NSW Remuneration Tribunal.

Senior executive	Position title	Qualifications and professional development
Susie George	General Manager, People and Safety (to 29 April 2018) Regional General Manager, North (from 30 April 2018)	Bachelor of Business (Human Resources) Graduate Certificate of Management Company Directors Course, Australian Institute Company Directors
Paul Ingwersen	A/General Manager, People and Safety (from 30 April 2018)	Executive Masters in Public Administration Graduate Certificate in Leadership in Vocational Education Certificate in English Language Teaching to Adults Company Directors Course, Australian Institute of Company Directors
Megan Aitken	General Manager, TAFE Digital	Master of Arts (Communications) Bachelor of Business Board Member, UNELife, University of New England
Catherine Baxter AM	Regional General Manager, West	Master of Professional Practice (Education) Bachelor of Social Work (Honours) Graduate Diploma of Vocational Education & Training Graduate Diploma Counselling Master of Social Administration Company Directors Course, Australian Institute of Company Directors
Michael Cullen (PSM)	Regional General Manager, Western Sydney	Bachelor of Commerce (Economics)
Elizabeth McGregor*	Regional General Manager, North	Master of Education (in progress) Graduate Diploma of Education Bachelor of Arts Certificate IV in Training and Assessment Company Directors Course, Australian Institute of Company Directors
Kerry Penton	Regional General Manager, South	Graduate Certificate in Educational Leadership Bachelor of Education Diploma of Vocational Education and Training Certificate IV in Workplace Training and Assessment Company Directors Course, Australian Institute of Company Directors
Alison Wood	Regional General Manager, Sydney	Master of Arts Graduate Diploma TESOL Bachelor of Science Certificate IV in Training and Assessment Company Directors Course, Australian Institute of Company Directors
Adam Cox*	Executive Director	Bachelor of Arts (Political Science)
Peter Roberts*	Director, South Western Sydney Institute	Master of Education (Adult Education) Bachelor of Arts Diploma of Teaching (Technical)

* Mr Black resigned from the role of Managing Director effective 28 September 2018; Ms McGregor resigned from the role of Regional General Manager North effective 28 February 2018; Mr Cox resigned from the role of Executive Director effective 1 October 2017; Mr Roberts resigned from the role of Director, South Western Sydney Institute effective 7 July 2018.

Functional Responsibilities

Managing Director

It is the statutory responsibility of the Managing Director to manage and control the affairs of TAFE NSW subject to the direction of the Minister responsible for administering the *Technical and Further Education Commission Act 1990* (NSW) (the Minister for Skills).

The Managing Director leads, drives and shapes TAFE NSW strategic direction to ensure the effective delivery of the Government's strategic objectives, including implementation of government policy and strategic agenda on VET in NSW.

The Managing Director leads the TAFE NSW Executive Leadership Team and manages diverse interests and priorities across TAFE NSW and corporate business units. The Managing Director is a member of the TAFE NSW Board and works closely with the Chair of the Board to shape the strategic focus and directions of the Board and its advice to the Minister.

The following senior executive positions reported to the Managing Director for part or all of 2017-18.

Regional General Managers

The Regional General Managers and the TAFE Digital General Manager are accountable for training and education delivery in their respective regions and are members of the TAFE NSW Executive Leadership Team.

Chief Operating Officer

The Chief Operating Officer is responsible for enhancing the organisation's performance across key corporate support areas including: modernisation; governance, legal and risk; communications and marketing; property and logistics; business development; and student services. The Chief Operating Officer leads the unit responsible for modernising TAFE NSW to transition to a new, streamlined and standardised organisational structure.

Chief Financial Officer

The Chief Financial Officer is responsible for the provision of specialist financial services and business development advice to support the TAFE NSW Board, Managing Director, and the Executive Leadership Team in meeting the TAFE NSW Strategic Plan 2016–2022. The role is also responsible for Annual Business Plan outcomes and satisfying its legislative, governance and regulatory requirements and procurement services. The role undertakes policy, strategy and procurement services analysis, performance monitoring, and coordination of the financial input for business planning and change initiatives, with a key focus on implementing best practice financial and associated enterprise resource planning systems within TAFE NSW.

Chief Education and Training Officer

The Chief Education and Training Officer role is responsible for providing a systematic and consistent approach to provision of high-quality teaching and learning outcomes across TAFE NSW at all award levels. The role leads TAFE NSW teaching and learning strategies through SkillsPoints, works with peak industry partners and employers, ensures compliance with training and academic requirements, and advises on customer experience strategy, innovation and future directions for training.

Chief Information Officer

The Chief Information Officer leads the development and implementation of information technology initiatives. The role develops information and communications technology strategies, systems and processes to improve operational effectiveness and efficiency, service quality and maximise returns from investments. The role is also responsible for the development and deployment of innovative and cost effective TAFE NSW digital learning systems and applications.

General Manager TAFE Digital

The General Manager, TAFE Digital leads the establishment of a market leading profitable eLearning centre within the TAFE NSW business structure. The role is responsible for implementing engaging and supportive technology-based learning environments. The eLearning centre develops strategies to support improved learning and teaching in stand-alone digital delivery, and standardised products for all blended course delivery. In conjunction with the Chief Information Officer, the role supports the development and deployment of TAFE NSW digital learning systems and applications to deliver innovative cost effective education programs.

General Manager People and Safety

The General Manager People and Safety leads human resources strategies and initiatives to ensure the effective management and development of TAFE NSW employees. This position provides leadership and resources on workforce planning, organisational development, change management, safety, performance management, procedures, payroll, recruitment and workplace relations matters. The position maintains a culture focused on delivery of high standards of customer service, continuous operational efficiency and improvement, and a safe environment based on prevention, holistic health and wellbeing strategies and injury prevention. This role leads organisational health programs and supports line management to maximise employees' potential. The role is responsible for developing a comprehensive workforce strategy to ensure TAFE NSW is a competitive quality provider in a contestable market.

Institute Director – South Western Sydney

This role reported to the Managing Director until 7 July 2017.

Institute Directors led a separate Registered Training Organisation delivering government subsidised and commercial training and education in their respective regions. Institute Director positions were ceased through 2016-2017 and administratively, the above role carried over for a short period into July 2017.

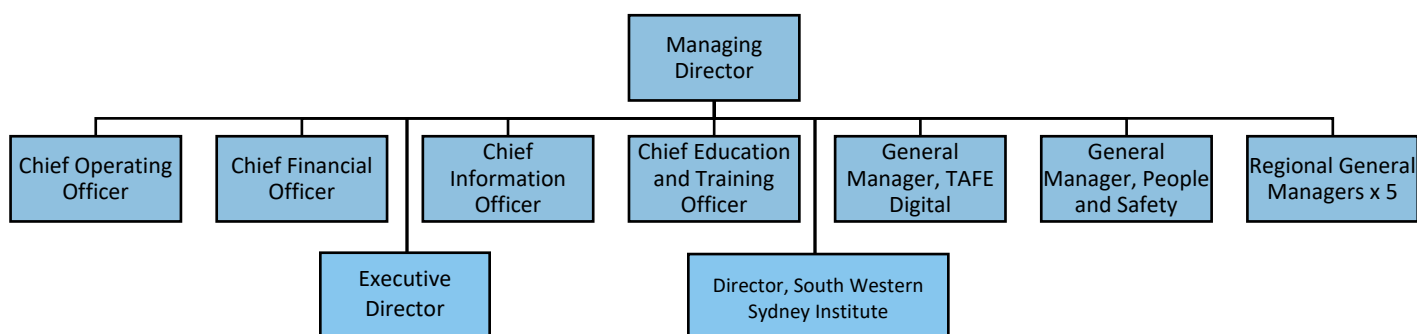
Executive Director

This role reported to the Managing Director until 1 October 2017.

The Executive Director led executive support services, and supported governance arrangements for executive management and TAFE NSW Board decision making. The role led secretariat support to high-level committees and working groups to meet monitoring and reporting requirements effectively. The role oversaw ministerial liaison in relation to community groups, industry stakeholders and relevant agencies.

Organisation Charts

From 1 July 2017 to 30 June 2018, the following senior executive positions reported to the Managing Director.



Human Resources

Number of Employees

TAFE NSW employed the following employees (full-time equivalent):

Service group	June 2015	June 2016	June 2017	June 2018
Teachers	5,876	5,488	5,482	5,458
Support Services including Educational support	4,258	4,254	4,194	4,568
Total	10,134	9,742	9,676	10,026

Source: TAFE NSW Payroll Report (average for June)

Service group categories shown include the following:

- Teachers – Head teachers, teachers, assessors, education support officers, outreach coordinators, disability consultants
- Support Services – specialised disabilities support, class support, librarians, student and customer services, educational compliance, security, project resources for the One TAFE Modernisation Program and support functions such as finance, human resources, IT, legal and marketing.

Notes:

- Full-time equivalent includes all permanent, temporary and casual employees active on census period, which occurs in the last month in the financial year (June month average of hours worked and paid).
- Due to rounding, the figures may not add up to the totals shown.
- The number of full-time equivalent teachers may fluctuate from one year to the next, as part-time and casual teachers may not have been working during the census period, which is typically impacted by 'non-attendance' weeks.
- The total number of employees reported above is different to the NSW Budget papers. The budget figure calculation is based on an average number of employees for the year, whereas the annual report figure is based on workforce data collected during a particular census period (June month average of hours worked and paid).

TAFE NSW recognises that our people are at the heart of One TAFE and critical to our continuing success.

The changes in the training market have been profound. Students and employers have greater choice of VET providers. Technologies are changing how and where training is delivered. Smart and Skilled reforms have introduced more competition and the training sector is now global.

In 2017–18, TAFE NSW continued to progress the development of its own human resources systems and capability after separating from the NSW Department of Education.

One TAFE People and Safety Strategy

The One TAFE People and Safety Strategy 2017–22 (the People Strategy) plays a key role in achieving the TAFE NSW strategic goals of modernisation, and ensuring a sustainable future in an increasingly competitive environment.

The People Strategy contains five priorities to address the TAFE NSW Strategic Plan 2016–22 goal to ‘develop a customer driven, proud and productive TAFE NSW team’:

1. Create a One TAFE values-based culture
2. Operate safely
3. Establish a One TAFE team
4. Develop a quality workforce for the future
5. Deliver operational efficiency.

The People Strategy will capitalise on current strengths and modernise our workforce by introducing more appropriate work classifications and workforce mix and a greater focus on performance as a team. TAFE NSW senior executives approved the People Strategy in June 2017.

Developing a Quality Workforce

TAFE NSW Academy

The TAFE Academy was launched in April 2018, with 78 training and education team leaders commencing a nine month leadership program. The launch was supported by content that focused on strategic direction, wellbeing and collaboration. Feedback from the program was overwhelmingly positive. Participants through the TAFE Academy are supported via face to face and virtual workshops including masterclasses that dwell on emergent and strategic topics to improve leadership capability.

The TAFE Academy is underpinned by the 70:20:10 framework and requires participants to complete an Individual Leadership Action Plan detailing how they will utilise experience, exposure and education to enhance their leadership. Mentoring and coaching is offered as well as the opportunity to participate in a 360 review to gain feedback from all relevant colleagues.

A second program commenced in June 2018 with 47 leaders across support and delivery functions participating. Further programs are planned for 2018-19 for leaders and emerging leaders across the organisation.

Mandatory Training

In January 2018, a consistent approach to mandatory training was introduced by supporting all staff to complete six online modules covering the following topics:

- Workplace Health and Safety
- Code of Conduct
- Harassment and Bullying
- Cybersecurity
- Child Protection
- Public Interest Disclosure

By 30 June 2018, 14,758 employees had participated in the online training. Completion of training has been monitored and regular reports distributed to relevant leaders within each branch of the organisation.

Performance Development and Review Plans (PDRPs)

The TAFE NSW PDRP, is a digital template, available via People@TAFE which provides an opportunity for managers and employees to collaborate and understand what is expected in terms of key work outcomes and priorities, the TAFE NSW values and also an individual plan for capability development and career progression. In 2017 a number of resources to support managers and employees with engaging in the PDRP process were added to the staff learning and development library.

The People@TAFE system was launched in June 2018 and in addition to the PDRP it also provides a platform for capability activities and enrolments, staff qualifications and teacher currency information to be housed in the one place.

Quality Teaching and Learning

During 2017-18, a number of resources were developed to support educational employees improve and refine their skills in delivering quality teaching and e-facilitation as well as managing classrooms and challenging behaviours. Online resources detailing the Student Discipline procedure as well as providing guidance on managing students with a history of violence will be available for staff to access on a 'just in time' basis, when required.

TAFE NSW supported educational employees who currently have Certificate IV Training and Assessment (TAE40110) to complete the two additional units required to ensure they comply with RTO Standards by 30 March 2019. Over 6,500 educational employees registered to participate in the funded program with delivery and assessment of the two units anticipated to be completed within the required timeframe.

Teaching and Learning Standards

During 2017-18, TAFE NSW continued to refine the draft Teaching and Learning Standards and consulted with stakeholders to define improvements. The Teaching and Learning Standards support high-quality education and training delivery and provide teachers with the opportunity to work on clear capability development. TAFE NSW will continue during 2018 to consult on the standards to ensure quality and relevance to the One TAFE NSW strategy and that the standards are meaningful to teachers.

Staff Rewards and Recognition Program

The rewards and Recognition Program was expanded in November 2017 following a successful pilot. Guidelines are available on the intranet including a three-tiered approach for rewards and recognition of individual and team achievements. Line managers and teams continue to utilise the guidelines and recognise staff commitment to the TAFE NSW values and for "going the extra mile" for students and working collaboratively with each other.

Professional Development

TAFE NSW also rolled out a number of staff professional development options locally, face- to- face and virtually across the organisation to build capability. These have included orientations sessions, Crucial Conversations, electronic Personal Education Plan (ePEP), and Driver Awareness.

The TAFE NSW Staff Learning and Development Library has continued to expand throughout 2017-18 and is currently undergoing an update including being renamed Capability Central. It is a curated repository for all capability programs, artefacts and resources. In the library, our employees can browse by theme (for example Safety or Quality Teaching & Learning) or they can navigate alphabetically.

This repository links to our Learning Management System and Central Staff Moodle which can track use and completion of e-learning resources for reporting purposes.

Creating a Values Based Culture and Organisational Health

An online values course was developed by the Organisational Development Unit and added to the Learning and Development Library in early 2018. This included modules on Managing and Collaborating with Dispersed Teams as well as using technology tools to enable communication and collaboration. These resources could be integrated into team alignment workshops or accessed as just in time resources. The focus will be on incorporating the values into the recruitment processes for 2018-19.

Team Alignment workshops were held across the organisation over 2017-18 incorporating interactive sessions on the core values and how they can be integrated into the culture of the organisation. The workshops have been delivered to 40 teams across the organisation and requests for workshops continue. The Organisational

Health Program team conducted 'Train the Trainer' sessions to embed the alignment and as a result there are 33 facilitators continuing to deliver team alignment sessions across TAFE NSW.

TAFE NSW continues to support employees through professional development to ensure all levels of the organisation have a thorough understanding of how the new organisational structure aligns to the TAFE NSW vision.

Survey of Organisational Health

TAFE NSW is committed to improving organisational health through a performance-based and service-orientated culture, including investment in leadership development at all levels.

During 2017-18, TAFE NSW used the 2016 and 2017 survey results to identify strategies to build organisational health. The Organisational Health Program was tasked to address the five key themes identified in the organisational health survey:

1. Shift from a rules-based culture to values based
2. Develop our leaders
3. Instil accountability and performance
4. Recognise performance & behaviours that support One TAFE goals
5. Foster an innovation mindset.

The following was delivered:

Theme	Delivered
Shift to a values based culture	37 Team alignment workshops 33 Business Partners trained for ongoing support
Develop our Leaders	TAFE Academy launched, 5 programs developed 127 participating leaders
Instil accountability and Performance	Performance Development Review Plan system deployed Performance Development Strategy adopted
Recognise Performance & Behaviours that Support One TAFE goals	Reward and Recognition Platform launched 120 employees rewarded & recognised
Foster Innovation	InnoSpace community launched 338 active members Innovation Capability Framework adopted

Delivering Operational Efficiency through Uniform Human Resources Approaches

Clear written direction is essential to the good governance of a business. During 2017-18 People and Safety continued to assess business needs for written directions and in consultation with relevant stakeholders continued to produce written direction to support organisation objectives and employee values. People and Safety produced 25 written directions, primarily procedures and policies. These have created a clear, robust and consistent approach to various human resources processes to employees, managers and People and Safety practitioners across TAFE NSW.

The procedures support employees to perform in their roles, and to understand the organisation and collaborate.

A central library has been established and is maintained for all written directions.

Industrial Relations

TAFE NSW employment practices are in accordance with Commonwealth and NSW legislation and industrial instruments.

Consultation Mechanisms

TAFE NSW and union representatives met during 2017-18 to discuss strategic issues affecting TAFE NSW staff as the TAFE NSW Peak Consultative Group. The main function of the Group is to provide high-level advice and stakeholder input on the implementation of workplace reform and industrial relation matters.

TAFE NSW consulted with union representatives during Modernisation People and Structure change processes, meeting regularly.

Enterprise Agreements

TAFE NSW finalised two employee enterprise agreements in 2017–18 covering the wages and conditions of TAFE NSW managers and teachers employed in TAFE NSW child care centres. Both enterprise agreements simplified language and removed ambiguity within the agreements, and provided employees covered by the agreements with an annual wage increase of 2.5 per cent, consistent with the *NSW Public Sector Wages Policy 2011*.

The Fair Work Commission approved the *TAFE Commission of NSW TAFE Managers Enterprise Agreement 2017* in October 2017. Employees voted to approve the *TAFE Commission of NSW Teachers in TAFE Children's Centres* in June 2018.

The introduction of these enterprise agreements will allow TAFE NSW to compete more effectively in the VET and Higher Education markets by offering improved products and support to learners.

<https://www.tafensw.edu.au/enterprise-bargaining>

Work Health and Safety

TAFE NSW has achieved a reduction in total number of injuries reported since 2013-14 with exception to 2017-18 financial year which experienced a 16.7 per cent increase in claims lodged compared to the 2016-17 financial year.

Despite the increase in claims for 2017-18 the overall claims costs including wages paid to date continues to decrease due to effective claims management with an increased focus on early return to work and provision of suitable duties.

Whilst the actual number of lost time claims has increased from 2016-17 to 2017-18 it should be noted that there is a consistent reduction in the number of claims experiencing lost time in comparison to total claims reported since 2013-14. This can be seen with a 4.9 per cent reduction in claims experiencing lost time in comparison to total claims reported from 2016-17 to 2017-18.

The annual claims data will continue to fluctuate as active ongoing claims continue to grow and develop in each measure listed in the table below across each financial year.

TAFE NSW deposit contribution is the TAFE NSW annual premium which is calculated using its claims experience.

Each year a three and five year adjustment may be payable or refundable to TAFE NSW for the respective deposit contribution year based on actual claims performance. (*For example 2018-19 adjustments will be based on 2015-16 and 2013-14 claims performance*).

	2013–14	2014–15	2015–16	2016–17	2017–18
Total claims	369	328	280	250	300
Total hours paid (time loss wages)	106,820	68,637	64,102	45,683	12,010
Lost time claims	189	165	138	123	133
Total wages paid to date	\$3,528,466	\$2,196,840	\$2,185,853	\$1,841,600	\$499,284
Total cost paid to date (medical & wage payments)	\$7,178,712	\$4,758,394	\$5,392,133	\$3,898,842	\$1,686,465
Average cost per claim	\$19,454	\$14,507	\$19,258	\$15,595	\$5,621
Deposit contributions (excl GST)	\$17,364,772	\$12,572,995	\$9,974,435	\$8,437,525	\$8,894,865
3 year hindsight adjustment	\$2,781,539 (Refund)	-\$1,229,484 (Payable)	\$5,674,467 (Refund)	\$4,537,001 (Refund)	\$3,935,599 (Refund)
5 year hindsight adjustment	\$1,845,469 (Refund)	\$2,542,793 (Refund)	\$4,215,839 (Refund)	\$2,819,085 (Refund)	\$648,809 (Refund)

Source: TMF: Allianz Insurance and iCare.

* Retrospective amendments have been made to the Total Hours Paid and No. Claims with Lost Time for the years 2013–14 to 2016–17, following the processing of a backlog in wage reimbursements and claim closures in 2018.

No prosecution action was taken against TAFE NSW under the *Work Health and Safety Act 2011* (NSW) in 2017–18.

7. FINANCIAL REPORT - STATUTORY REQUIREMENTS

Funds Granted To Non-Government Community Organisations

TAFE NSW did not grant any funds to non-government community organisations in 2017-18.

Credit Card Certification




Corporate Credit Card Certification for the Year ended 30 June 2018

I certify that:

The TAFE NSW Purchasing Card policy and guidelines for the issue, management and use of corporate purchasing cards flow from, and are aligned with, NSW Government policy as set out in relevant Treasury Circulars and Treasurer's Directions.

It is certified that overall the use of corporate purchasing cards within TAFE NSW has been in accordance with NSW Government policy. The internal audit, compliance reporting and usage analysis of PCard data carried out regularly by the Procurement Branch provides ongoing opportunities for continuous improvement.

Name	Caralee McLiesh
Position	Acting Managing Director
Signature	
Date	29 October 2018

External Costs Incurred In Production of the Report

TAFE NSW did not incur any external costs in the production of this annual report.

Timely Payment of Accounts

By dollar amount (inclusive of GST)

All suppliers

Quarter	Due for payment (\$,000)	Paid within the due date (\$,000)	Actual % of accounts paid on time (based on \$ amount of accounts)	Less Than 30 days overdue (\$,000)	Between 30 and 60 days overdue (\$,000)	Between 61 and 90 days overdue (\$,000)	More than 90 days overdue (\$,000)	Interest paid on overdue accounts (\$,000)
Sep 17	167,932	160,365	95%	7,839	313	73	0	0
Dec 17	151,104	129,519	86%	14,082	7,170	568	0	0
Mar 18	152,605	141,542	93%	287	0	0	0	0
Jun 18	183,830	179,385	98%	644	0	0	0	0

Small business suppliers

Quarter	Due for payment (\$,000)	Paid within the due date (\$,000)	Actual % of accounts paid on time (based on \$ amount of accounts)	Less Than 30 days overdue (\$,000)	Between 30 and 60 days overdue (\$,000)	Between 61 and 90 days overdue (\$,000)	More than 90 days overdue (\$,000)	Interest paid on overdue accounts (\$,000)
Sep 17	124	116	94%	8	0	0	0	0
Dec 17	145	115	79%	22	8	0	0	122
Mar 18	162	152	94%	6	3	0	0	54
Jun 18	139	137	99%	1	0	0	0	0

By Number of Accounts

All suppliers

Quarter	Due for payment (No. of accounts)	Paid within the due date (No. of accounts)	Actual % accounts paid on time (based on No. of accounts)	No. of payments for interest on overdue accounts
Sep 17	32,787	30,178	92%	0
Dec 17	45,784	37,420	82%	0
Mar 18	33,308	30,013	90%	0
Jun 18	40,124	37,986	95%	0

Small business suppliers

Quarter	Due for payment (No. of accounts)	Paid within the due date (No. of accounts)	Actual % accounts paid on time (based on No. of accounts)	No. of payments for interest on overdue accounts
Sep 17	74	70	95%	0
Dec 17	89	75	84%	5
Mar 18	77	72	94%	1
Jun 18	97	94	97%	0

8. AUDITED FINANCIAL STATEMENTS

Technical and Further Education Commission



INDEPENDENT AUDITOR'S REPORT

Technical and Further Education Commission

To Members of the New South Wales Parliament

Opinion

I have audited the accompanying financial statements of Technical and Further Education Commission (the Commission), which comprise the Statements of Comprehensive Income for the year ended 30 June 2018, the Statements of Financial Position as at 30 June 2018, the Statements of Changes in Equity and the Statements of Cash Flows for the year then ended, notes comprising a Statement of Significant Accounting Policies and other explanatory information, of the Commission and the consolidated entity. The consolidated entity comprises the Commission and the entities it controlled at the year's end or from time to time during the financial year.

In my opinion, the financial statements:

- give a true and fair view of the financial position of the Commission and the consolidated entity as at 30 June 2018, and of their financial performance and cash flows for the year then ended in accordance with Australian Accounting Standards
- are in accordance with section 41B of *Public Finance and Audit Act 1983* (PF&A Act) and the Public Finance and Audit Regulation 2015.

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 and the consolidated entity 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' (APES 110).

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

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

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

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

Other Information

Other information comprises the information included in the annual report of the Commission and the consolidated entity for the year ended 30 June 2018, other than the financial statements and my Independent Auditor's Report thereon. The Acting Managing Director of the Commission is responsible for the other information. At the date of this Independent Auditor's Report, the other information I have received comprise the PF&A Act Statement by the Acting Managing Director.

My opinion on the financial statements does not cover the other information. Accordingly, I do not express any form of assurance conclusion on the other information.

In connection with my audit of the financial statements, my responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or my knowledge obtained in the audit, or otherwise appears to be materially misstated.

If, based on the work I have performed, I conclude there is a material misstatement of the other information, I must report that fact.

I have nothing to report in this regard.

The Acting Managing Director's Responsibilities for the Financial Statements

The Acting Managing Director is responsible for the preparation and fair presentation of the financial statements in accordance with Australian Accounting Standards and the PF&A Act and for such internal control as the Acting Managing Director determine is necessary to enable the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the Acting Managing Director is responsible for assessing the ability of the Commission and the consolidated entity to continue as a going concern, disclosing as applicable, matters related to going concern and using the going concern basis of accounting except where operations will be dissolved by an Act of Parliament or otherwise cease.

Auditor's Responsibilities for the Audit of the Financial Statements

My objectives are to:

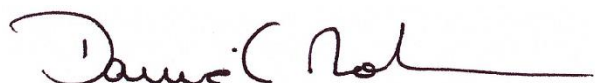
- obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and
- issue an Independent Auditor's Report including my opinion.

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/ar3.pdf. The description forms part of my auditor's report.

My opinion does *not* provide assurance:

- that the Commission or the consolidated entity carried out their 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.

A handwritten signature in dark ink, appearing to read 'David Nolan', with a long horizontal flourish extending to the right.

David Nolan
Director, Financial Audit Services

17 October 2018
SYDNEY



Technical and Further Education Commission

Annual Financial Statements

for the year ended 30 June 2018

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Technical and Further Education Commission
Statement by the Acting Managing Director of the Technical and Further Education
Commission
for the year ended 30 June 2018

Pursuant to section 41C of the *Public Finance and Audit Act 1983*, I state that:

- 1 The accompanying financial statements have been prepared in accordance with the provisions of the *Public Finance and Audit Act 1983*, the *Public Finance and Audit Regulation 2015* and the Treasurer's Directions;
- 2 The financial statements exhibit a true and fair view of the financial position and financial performance of the Commission;
- 3 I am not aware of any circumstances, which would render any particulars included in the financial statements to be misleading or inaccurate.



Caralee McLiesh

Acting Managing Director

Date: 12 October 2018

Technical and Further Education Commission
Statement of Comprehensive Income
for the year ended 30 June 2018

		Consolidated Actual 2018 \$'000	Consolidated Budget 2018 \$'000	Consolidated Actual 2017 \$'000	Parent Actual 2018 \$'000	Parent Actual 2017 \$'000
	Notes					
Expenses excluding losses						
Operating expenses						
Employee related	2(a)	1,221,629	1,130,319	1,107,377	1,220,402	1,103,699
Personnel services	2(b)	509	-	1,166	1,582	4,591
Other operating expenses	2(c)	479,443	445,181	483,494	479,443	483,494
Depreciation and amortisation expense	2(d)	137,675	140,011	148,964	137,675	148,964
Total expenses excluding losses		1,839,256	1,715,511	1,741,001	1,839,102	1,740,748
Revenue						
Sale of goods and services	3(a)	423,061	473,281	526,933	423,061	526,933
Investment revenue	3(b)	4,186	6,266	6,201	4,186	6,201
Grants and contributions	3(c)	1,101,284	1,130,514	1,136,197	1,101,284	1,136,197
Acceptance by the Crown Entity of employee benefits and other liabilities	3(d)	62,595	52,945	47,707	62,441	47,454
Other revenue	3(e)	6,725	-	6,472	6,725	6,472
Total revenue		1,597,851	1,663,006	1,723,510	1,597,697	1,723,257
Gain on disposal	4	4,283	-	1,547	4,283	1,547
Other gain / (losses)	5	(2,524)	-	(35,321)	(2,524)	(35,321)
Net result	18	(239,646)	(52,505)	(51,265)	(239,646)	(51,265)
Other comprehensive income						
<i>Items that will not be reclassified to net result</i>						
Net (decrease) in property, plant and equipment revaluation surplus	9	(531,065)	-	-	(531,065)	-
Total other comprehensive (expense)		(531,065)	-	-	(531,065)	-
TOTAL COMPREHENSIVE (EXPENSE)		(770,711)	(52,505)	(51,265)	(770,711)	(51,265)

The accompanying notes form part of these financial statements.

Technical and Further Education Commission
Statement of Financial Position
as at 30 June 2018

		Consolidated Actual 2018 \$'000	Consolidated Budget 2018 \$'000	Consolidated Actual 2017 \$'000	Parent Actual 2018 \$'000	Parent Actual 2017 \$'000
	Notes					
ASSETS						
Current Assets						
Cash and cash equivalents	7	245,966	684,860	459,015	245,966	459,015
Receivables	8	233,431	210,193	271,415	233,431	271,415
Non-current assets held-for-sale	11	1,873	-	-	1,873	-
Other financial assets	12	134	-	111	134	111
Total Current Assets		481,404	895,053	730,541	481,404	730,541
Non-Current Assets						
Receivables	8	4,765	4,311	4,180	4,765	4,180
Property, plant and equipment						
Land	9	1,168,872	-	687,005	1,168,872	687,005
Buildings	9	2,687,544	4,394,405	3,762,899	2,687,544	3,762,899
Plant and equipment	9	19,710	15,702	26,270	19,710	26,270
Total property, plant and equipment		3,876,126	4,410,107	4,476,174	3,876,126	4,476,174
Intangible assets	10	71,755	53,167	35,189	71,755	35,189
Other financial assets	12	175	446	175	175	175
Total Non-Current Assets		3,952,821	4,468,031	4,515,718	3,952,821	4,515,718
Total Assets		4,434,225	5,363,084	5,246,259	4,434,225	5,246,259
LIABILITIES						
Current Liabilities						
Payables	14	277,127	444,627	284,293	277,127	284,500
Provisions	15	86,818	85,750	86,436	86,818	86,245
Total Current Liabilities		363,945	530,377	370,729	363,945	370,745
Non-Current Liabilities						
Provisions	15	7,549	2,800	7,516	7,549	7,500
Total Non-Current Liabilities		7,549	2,800	7,516	7,549	7,500
Total Liabilities		371,494	533,177	378,245	371,494	378,245
Net Assets		4,062,731	4,829,907	4,868,014	4,062,731	4,868,014
EQUITY						
Reserves		2,434,533	3,002,475	2,992,284	2,434,533	2,992,284
Accumulated funds		1,628,198	1,827,432	1,875,730	1,628,198	1,875,730
Total equity		4,062,731	4,829,907	4,868,014	4,062,731	4,868,014

The accompanying notes form part of these financial statements.

Technical and Further Education Commission
Statement of Changes in Equity
for the year ended 30 June 2018

		Accumulated	Asset	
		Funds	Revaluation	
		\$'000	Surplus	Total
	Notes		\$'000	\$'000
Consolidated and Parent				
Balance at 1 July 2017		1,875,730	2,992,284	4,868,014
Adjustments to opening balance ^a	6	(34,572)	-	(34,572)
Adjusted Balance at 1 July 2017		1,841,158	-	4,833,442
Net impact of current year results		(239,646)	-	(239,646)
Net result for the year		(239,646)	-	(239,646)
Other comprehensive income				
Net decrease in property, plant and equipment revaluation surplus	9	-	(531,065)	(531,065)
Total other comprehensive income		-	(531,065)	(531,065)
Total comprehensive income for the year		(239,646)	(531,065)	(770,711)
Transactions with owners in their capacity as owners				
Asset revaluation reserve balance transferred to accumulated funds on disposal of assets		26,686	(26,686)	-
		26,686	(26,686)	-
Balance at 30 June 2018		1,628,198	2,434,533	4,062,731
Balance at 1 July 2016		1,916,804	3,002,475	4,919,279
Net result for the year		(51,265)	-	(51,265)
Other comprehensive income				
Net Increase in property, plant and equipment revaluation surplus	9	-	-	-
Total other comprehensive income		-	-	-
Total comprehensive income for the year		(51,265)	-	(51,265)
Transactions with owners in their capacity as owners				
Asset revaluation reserve balance transferred to accumulated funds on disposal of assets		10,191	(10,191)	-
		10,191	(10,191)	-
Balance at 30 June 2017		1,875,730	2,992,284	4,868,014

a. Opening balance adjustment for prior period events – refer to Note 6.

The accompanying notes form part of these financial statements.

Technical and Further Education Commission
Statement of Cash Flows
for the year ended 30 June 2018

	Notes	Consolidated Actual 2018 \$'000	Consolidated Budget 2018 \$'000	Consolidated Actual 2017 \$'000	Parent Actual 2018 \$'000	Parent Actual 2017 \$'000
CASH FLOWS FROM OPERATING ACTIVITIES						
Payments						
Employee related		(1,149,600)	(1,073,675)	(1,053,023)	(1,149,600)	(1,052,170)
Other operating expenses		(524,351)	(407,047)	(581,748)	(524,351)	(582,289)
Total Payments		(1,673,951)	(1,480,722)	(1,634,771)	(1,673,951)	(1,634,459)
Receipts						
Sale of goods and services		402,427	462,508	452,567	402,427	452,567
Interest received		7,339	6,266	7,449	7,339	7,449
Grants and contributions		1,117,289	1,130,514	1,028,045	1,117,289	1,028,045
Other operating receipts		41,405	-	50,655	41,405	50,343
Total Receipts		1,568,460	1,599,288	1,538,716	1,568,460	1,538,404
NET CASH FLOWS FROM OPERATING ACTIVITIES	18	(105,491)	118,566	(96,055)	(105,491)	(96,055)
CASH FLOWS FROM INVESTING ACTIVITIES						
Proceeds from sale of land and buildings, and plant and equipment		22,335	-	12,668	22,335	12,668
Purchases of land and buildings, and plant and equipment, and intangible assets		(129,893)	(127,794)	(67,027)	(129,893)	(67,027)
Other purchases of land and buildings, and plant and equipment, and intangible assets		-	-	-	-	-
NET CASH FLOWS FROM INVESTING ACTIVITIES		(107,558)	(127,794)	(54,359)	(107,558)	(54,359)
NET (DECREASE) / INCREASE IN CASH		(213,049)	(9,228)	(150,414)	(213,049)	(150,414)
Opening cash and cash equivalents		459,015	694,088	609,429	459,015	609,429
CLOSING CASH AND CASH EQUIVALENTS	7	245,966	684,860	459,015	245,966	459,015

The accompanying notes form part of these financial statements.

Technical and Further Education Commission
Notes to the Financial Statements
for the year ended 30 June 2018

1. Summary of Significant Accounting Policies

(a) Reporting entity

The Technical and Further Education Commission (the "Commission"), is a NSW government entity responsible for the provision of technical and further education within NSW. The Commission is a not-for-profit entity (as profit is not its principal objective) and it has no cash generating units.

The Public Finance and Audit Amendment (Technical and Further Education Commission) Proclamation 2014 was proclaimed on 28 May 2014. This proclamation provided for the Commission to be a separate statutory body for the purposes of the *Public Finance and Audit Act 1983*, commencing on 1 July 2014. Consequently, from that date the Commission has operated as a separate legal entity which is consolidated as part of the NSW Total State Sector Accounts.

The Commission as a reporting entity, comprises all the entities under its control, namely the TAFE Commission (Senior Executives) Staff Agency ("the Agency"). The Agency commenced operations on 10 December 2014. In the process of preparing the consolidated financial statements for the Commission, which consist of the controlling and controlled entities, all inter-entity transactions and balances have been eliminated and like transactions and other events are accounted for using uniform accounting policies.

The Commission is comprised of a single service group.

These financial statements for the year ended 30 June 2018 have been authorised for issue by the Acting Managing Director on 12 October 2018.

(b) Basis of preparation

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

- applicable Australian Accounting Standards (which include Australian Accounting Interpretations);
- the requirements of the *Public Finance and Audit Act 1983* and *Public Finance and Audit Regulation 2015*; and
- Financial Reporting Directions mandated by the Treasurer.

The financial statements have been prepared on a going concern basis which assumes that payment of liabilities will be met, as and when they fall due, without any intention or necessity to liquidate assets or otherwise wind up operations. The Department of Industry provides an annual letter of support covering cluster entities, which includes the TAFE Commission.

Property, plant and equipment, assets (or disposal groups) held-for-sale and financial assets at 'fair value through profit or loss' are measured at fair value. Other financial statement items are prepared in accordance with the historical cost convention except where specified otherwise.

The following judgments, key assumptions and estimations have been applied by management in preparing these financial statements:

- Note 3(a) Sale of Goods and Services – Duration of student enrolments for the purpose of revenue recognition and the determination of whether funding from other government entities is reciprocal or non-reciprocal in nature for the purpose of revenue recognition.
- Note 8 Current / Non-Current Assets – Receivables – Management have estimated the allowance for impairment in accordance with the accounting policy in Note 1(k)(xi).
- Note 9 Non-Current Assets – Property, Plant and Equipment – A comprehensive revaluation of land and building assets was performed as at 31 March 2018 and rolled forward to 30 June 2018 (refer Note 1(k)(iii)).

1. Summary of Significant Accounting Policies (continued)

(b) Basis of preparation (continued)

- Note 13 Fair Value Measurement of land and buildings assets have been categorised as Level 2 and Level 3 fair value based on the inputs and valuation techniques used (refer Note 1(o)).
- Note 15 Current/Non-Current Liabilities – Provisions – Estimation of the settlement of employee benefits and related on-costs has been made in accordance with *NSW Treasury Circular 18-13 Accounting for Long Service Leave and Annual Leave*.
- Note 17 Contingent Liabilities and Contingent Assets – Management have identified a contingent liability in relation to potential repayment of VET FEE HELP amounts previously recognised as revenue.
- Note 20 Related Party Disclosures – Management have applied judgement in determining the Commissions' Key Management Personnel.

All amounts are rounded to the nearest one thousand dollars and are expressed in Australian currency.

(c) Changes in accounting estimates

i. Student receivables

The Commission has revised the student debt provisioning approach to reference instalment payment dates instead of course commencement dates for ageing purposes. This provides a more accurate representation of the age of the debt. The provisioning methodology is used to provide for debts between 181 and 365 days (2017: 181 and 365 days) and write off debts greater than 365 days (2017: 365 days). This is a change in accounting estimate and recognised prospectively in accordance with *AASB 108: Accounting Policies, Changes in Accounting Estimates and Errors*. The comparatives therefore have not been updated.

ii. Re-componentisation of buildings and change of useful lives

As part of the comprehensive valuation of land and buildings, TAFE NSW has undertaken condition assessments and re-componentised its building assets to better reflect the age profile of the sub-components. These changes are recognised as a change in accounting estimate and are recognised prospectively in accordance with *AASB 108: Accounting Policies, Changes in Accounting Estimates and Errors*.

(d) Basis of consolidation

The consolidated financial statements comprise the financial statements of the Commission and its subsidiaries as at 30 June 2018. Control is achieved when the Commission is exposed, or has rights, to variable returns from its involvement with the investee and has the ability to affect those returns through its power over the investee. Specifically, the Commission controls an investee if, and only if, the Commission has:

- Power over the investee (i.e. existing rights that give it the current ability to direct the relevant activities of the investee)
- Exposure, or rights, to variable returns from its involvement with the investee
- The ability to use its power over the investee to affect its returns

Generally, there is a presumption that a majority of voting rights results in control. To support this presumption and when the Commission has less than a majority of the voting or similar rights of an investee, the Commission considers all relevant facts and circumstances in assessing whether it has power over an investee, including:

- The contractual arrangement(s) with the other vote holders of the investee
- Rights arising from other contractual arrangements

1. Summary of Significant Accounting Policies (continued)

(d) Basic of consolidation (continued)

- The Commission's voting rights and potential voting rights

The Commission re-assesses whether or not it controls an investee if facts and circumstances indicate that there are changes to one or more of the three elements of control. Consolidation of a subsidiary begins when the Commission obtains control over the subsidiary and ceases when the Commission loses control of the subsidiary. Assets, liabilities, income and expenses of a subsidiary acquired or disposed of during the year are included in the consolidated financial statements from the date the Commission gains control until the date the Commission ceases to control the subsidiary.

Profit or loss and each component of Other Comprehensive Income are attributed to the equity holders of the parent of the Commission and to the non-controlling interests, even if this results in the non-controlling interests having a deficit balance. When necessary, adjustments are made to the financial statements of subsidiaries to bring their accounting policies into line with the Commission's accounting policies. All intra-group assets and liabilities, equity, income, expenses and cash flows relating to transactions between members of the Commission are eliminated in full on consolidation.

A change in the ownership interest of a subsidiary, without a loss of control, is accounted for as an equity transaction. If the Commission loses control over a subsidiary, it derecognises the related assets (including goodwill), liabilities, non-controlling interest and other components of equity, while any resultant gain or loss is recognised in profit or loss. Any investment retained is recognised at fair value.

(e) Statement of compliance

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

(f) Insurance

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

(g) Personnel services arrangements

The Commission received personnel services from both:

- TAFE Commission (Senior Executives) Staff Agency (the Agency) from 10 December 2014 to reporting date, and based on these arrangements, liabilities for personnel services at year end are stated as liabilities to the Agency; and
- Department of Education with respect to personnel services provided to the Adult Migrant English School from 1 July 2015. Based on this arrangement, liabilities for personnel services at year end are stated as liabilities to the Department of Education.

(h) Income tax

The Commission is exempt from income tax.

1. Summary of Significant Accounting Policies (continued)

(i) Accounting for the Goods and Services Tax (GST)

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

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

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

(j) Income recognition

Income is measured at the fair value of the consideration or contribution received or receivable. Comments regarding the accounting policies for the recognition of income are discussed below.

i. Grants and contributions

Grants and contributions are provided by the NSW Department of Industry, Skills and Regional Development, the Department of Education, the Commonwealth, other government bodies, and third party entities.

Grants and contributions are recognised as revenue when all of the following criteria are met:

- the Commission obtains control of the grant or contribution, or the right to receive the grant or contribution;
- it is probable that the economic benefits comprising the grant or contribution will flow to the Commission; and
- the amount of the grant or contribution can be measured reliably.

ii. Sale of goods

Revenue from the sale of goods is recognised as revenue when the Commission transfers the significant risks and rewards of ownership of the goods and services.

iii. Rendering of services

Revenue is recognised when the service is provided or by reference to the stage of completion.

iv. Investment revenue

Interest income is recognised using the effective interest method. The effective interest rate is the rate that exactly discounts the estimated future cash receipts over the expected life of the financial instrument or a shorter period, where appropriate, to the net carrying amount of the financial asset.

1. Summary of Significant Accounting Policies (continued)

(k) Assets

i. Acquisition of property, plant and equipment

Property, plant and equipment acquired are initially recognised 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. the deferred payment amount is effectively discounted over the period of credit.

ii. Capitalisation thresholds

Property, plant and equipment costing \$10,000 and above individually (or forming part of a network costing more than \$10,000) are capitalised. The threshold for intangibles is \$50,000. Capitalisation thresholds remain unchanged from prior year.

iii. Revaluation of property, plant and equipment

Physical non-current assets are valued in accordance with NSW Treasury "Valuation of Physical Non-Current Assets at Fair Value" Policy and Guidelines Paper (TPP 14-01). This policy adopts fair value in accordance with *AASB 13 Fair Value Measurement*, *AASB 116 Property, Plant and Equipment* and *AASB 140 Investment Property*.

Property, plant and equipment is measured at the highest and best use by market participants that is physically possible, legally permissible and financially feasible. The highest and best use must be available at a period that is not remote and takes into account the characteristics of the asset being measured, including any socio-political restrictions imposed by government such as zoning and heritage restrictions. In most cases, after taking into account these considerations, the highest and best use is the existing use. In limited circumstances, the highest and best use may be a feasible alternative use, where there are no restrictions on use or where there is feasible higher restricted alternative use.

Fair value of property, plant and equipment is based on a market participants' perspective, using valuation techniques (market approach, cost approach, income approach) that maximise relevant observable inputs and minimise unobservable inputs. Refer Note 13 for further information regarding fair value.

Revaluations are made with sufficient regularity to ensure that the carrying amount of each asset does not differ materially from its fair value at reporting date. A comprehensive revaluation exercise for all land and buildings has been conducted on 31 March 2018 and rolled forward to 30 June 2018 by independent valuation experts Jones Lang La Salle (JLL). There are no known significant changes to the assumptions or inputs into the valuation techniques used by JLL between the valuation date and the reporting date.

1. Summary of Significant Accounting Policies (continued)

(k) Assets (continued)

iii. Revaluation of property, plant and equipment (continued)

Non-specialised assets with short useful lives are measured at depreciated historical cost, as an approximation for fair value. The Commission has assessed that any difference between fair value and depreciated historical cost is unlikely to be material.

For other assets valued using other valuation techniques, any balances of accumulated depreciation at the revaluation date in respect of those assets are credited to the asset accounts to which they relate. The net asset accounts are then adjusted by the revaluation increments or decrements.

As a not-for-profit entity, revaluation increments and decrements are only offset within a class of non-current assets. The Commission has two classes related to the asset revaluation reserves being land and buildings.

When revaluing non-current assets using the cost approach, the gross amount and the related accumulated depreciation are separately restated. Where the income approach or market approach is used, accumulated depreciation is eliminated against the gross carrying amount of the asset and the net amount restated to the revalued amount of the asset.

Revaluation increments are recognised in other comprehensive income and credited to the asset revaluation surplus. However, to the extent that an increment reverses a revaluation decrement in respect of that class of asset previously recognised as an expense in the net result, the increment is recognised immediately as revenue in the net result.

Revaluation decrements are recognised immediately as expenses in the net result, except that, to the extent that a credit balance exists in asset revaluation surplus in respect of the same non-current class of assets, they are debited directly to the asset revaluation surplus.

Where an asset that has previously been revalued is disposed of, any balance remaining in the asset revaluation surplus in respect of that asset is transferred to accumulated funds.

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

1. Summary of Significant Accounting Policies (continued)

(k) Assets (continued)

iv. Impairment of property, plant and equipment

As property, plant and equipment is carried at fair value or an amount that approximates fair value, impairment arises in the 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 asset revaluation surplus for the class of asset.

v. Depreciation of property, plant and equipment

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 by the Commission. Land is not a depreciable asset.

During the comprehensive revaluation in 2018, the Commission undertook condition assessments based on site inspections and re-componentised building assets. As a result, the useful life range within the Buildings and Heritage Buildings sub classes were adjusted to reflect the Commission's expected use. All material identifiable components of assets are depreciated separately over their useful lives.

Asset	Useful life range	
	2018	2017
Buildings	10 to 80 years	20 to 105 years
Leasehold Improvements	Term of the lease	Term of the lease
Heritage Buildings	20 to 200 years	Indefinite
Plant and Equipment	3 to 43 years	3 to 43 years

vi. Maintenance

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

vii. Leased assets

Operating lease payments are recognised as an expense on a straight line basis over the lease term. Lease income from operating leases where the Commission is a lessor is recognised in income on a straight-line basis over the lease term. Finance leases are recognised on balance sheet. The treatment of leases is in accordance with *AASB 16 Leases*.

1. Summary of Significant Accounting Policies (continued)

(k) Assets (continued)

viii. Intangible assets

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

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

The useful lives of intangible assets are assessed to be finite and the expected useful lives for the below categories of intangible assets have not changed since 2017. These are listed below.

Asset	Useful life range
Software	3 to 10 years

The amortisation period and the amortisation method for an intangible asset with a finite useful life are reviewed at least at the end of each reporting period. The Commission's intangible assets are amortised using the straight-line method.

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

ix. Loans and receivables (financial assets)

Trade receivables, loans, and other receivables that have fixed or determinable payments that are not quoted in an active market are classified as loans and receivables. Loans and receivables are measured at amortised cost using the effective interest method, less any impairment. Changes are recognised in the net result for the year when impaired, derecognised or through the amortisation process.

Short-term receivables with no stated interest rate are measured at the original invoice amount unless the effect of discounting is material.

x. De-recognition of financial assets

A financial asset is derecognised when the contractual rights to the cash flows from the financial assets expire or if the Commission transfers the financial asset:

- Where substantially all the risks and rewards have been transferred, or
- Where the Commission has not transferred substantially all the risks and rewards, if the Commission has not retained control.

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.

1. Summary of Significant Accounting Policies (continued)

(k) Assets (continued)

xi. Impairment of financial assets

All financial assets, except those at fair value through profit and loss, are subject to an annual review for impairment. Financial assets are considered to be impaired when there is objective evidence that, as a result of one or more events that occurred after the initial recognition of the financial asset, the estimated future cash flows have been affected.

For financial assets carried at amortised cost, the amount of the allowance is the difference between the asset's carrying amount and the present value of estimated future cash flows, discounted at the original effective interest rate. The amount of the impairment loss is recognised in the net result for the year.

Student receivables outstanding at balance date are assessed for impairment taking into account the age of the amounts and recently observed settlement performance. As explained in Note 1 (c), there was a revision in approach to reference instalment payment date instead of course commencement date for provisioning purposes.

Student receivable balances outstanding for more than 365 days are written off against the provision for impairment as collection is considered remote.

(l) Non-current assets held-for-sale

The Commission classifies non-current assets as held-for-sale, where the carrying amounts will be recovered principally through a sale transaction, not through continuing use. Non-current assets held-for-sale are recognised at the lower of their carrying amount and fair value less costs of disposal. These assets are not depreciated while they are classified as held-for-sale.

(m) Liabilities

i. Payables (financial liabilities)

Financial liabilities are initially measured at fair value, net of transaction costs. The financial liabilities are subsequently measured at amortised cost using the effective interest method, with interest expense recognised on an effective yield basis.

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

ii. De-recognition of financial liabilities

A financial liability is derecognised when the obligation specified in the contract is discharged or cancelled or expires.

1. Summary of Significant Accounting Policies (continued)

(m) Liabilities (continued)

iii. Employee benefits and other provisions

a. 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 services. 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 using the nominal annual leave balance plus the annual leave entitlements accrued while taking annual leave (calculated using 7.9% (2017: 7.9%) of the nominal value of annual leave) can be used to approximate the present value of the annual leave liability. 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.

b. Long service leave and superannuation

The Commission's liabilities for long service leave and defined benefit superannuation are assumed by the Crown Entity. 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 Entity of employee benefits and other liabilities".

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

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.

c. 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.

1. Summary of Significant Accounting Policies (continued)

(m) Liabilities (continued)

iv. Other provisions

Other provisions exist 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.

a. Employee termination benefits

Termination benefits are payable when employment is terminated before the normal retirement date, or when an employee accepts voluntary redundancy in exchange for these benefits. A provision for termination benefits is recognised at the earlier of when the Commission can no longer withdraw the offer of those benefits and when the Commission recognises costs for a restructuring within the scope of *AASB 137 Provisions, Contingent Liabilities and Contingent Assets* involving the payment of termination benefits. In the case of an early redundancy outside of the placement process, the termination benefits are measured based on the number of people who have accepted an early redundancy. Benefits falling due more than 12 months after the end of the reporting period are discounted to present value.

When some or all of the expenditure required to settle an employee termination provision is expected to be reimbursed by another party, the reimbursement is recognised as a separate asset when, and only when, it is virtually certain that the reimbursement will be received if the Commission settles the obligation.

b. Restructuring provisions

A provision for restructuring is 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. No provision nor corresponding receivable has been recognised in 2018 or in the prior year.

(n) Equity and reserves

i. Separate reserve accounts

Separate reserve accounts are recognised in the financial statements only if such accounts are required by specific legislation or Australian Accounting Standards (e.g. asset revaluation surplus).

ii. Accumulated funds

This includes the current period's net result, prior period retained funds and any contributions to and from owners.

iii. Asset revaluation surplus

The asset revaluation surplus is used to record increments and decrements on the revaluation of non-current assets. This accords with the Commission's policy on the revaluation of property, plant and equipment as discussed in Note 1(k)(iii).

1. Summary of Significant Accounting Policies (continued)

(n) Equity and reserves (continued)

iv. Equity transfers

The transfer of net assets between entities as a result of an administrative restructure, transfer of programs/functions and parts thereof between NSW public sector entities and 'equity appropriations' are designated or required by Australian 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*.

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

All 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.

(o) Fair value hierarchy

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

A number of the Commission's accounting policies and disclosures require the measurement of fair values, for both financial and non-financial assets and liabilities. When measuring fair value, the valuation technique used maximises the use of relevant observable inputs and minimises the use of unobservable inputs. These inputs are categorised under *AASB 13 Fair Value Measurement* as follows

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

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

Refer Note 13 for further disclosures regarding fair value measurements of non-financial assets.

1. Summary of Significant Accounting Policies (continued)

(p) Related parties

Key management personnel are those persons having authority and responsibility for planning, directing and controlling the activities of the entity, directly or indirectly, including any director (whether executive or otherwise) of the Commission.

Compensation is aggregated by the following categories:

- short-term employee benefits;
- post-employment benefits;
- other long-term benefits; and
- termination benefits.

Compensation includes:

- Short-term employee benefits including wages, salaries, social security contributions, paid annual leave and paid sick leave, allowances, profit-sharing or bonuses (if payable within twelve months of the end of the financial year) and non-monetary benefits (such as medical care, housing, cars and free or subsidised goods or services);
- Other long-term employee benefits (benefits other than short-term, termination or post-employment benefits), such as long service leave or sabbatical leave, jubilee or other long service benefits, long-term disability benefits and, if not payable wholly within twelve months of the end of the financial year, profit-sharing, bonuses and deferred compensation; and
- Post-employment benefits such as pensions, other retirement benefits, post-employment life insurance, and post-employment medical care.

(q) Budgeted amounts

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 primary financial statements are explained in Note 21.

(r) Comparative information

Except when an Australian Accounting Standard permits or requires otherwise, comparative information is disclosed in respect of the previous period for all amounts reported in the financial statements. The comparative information includes the effect of prior period adjustments included in Note 6.

1. Summary of Significant Accounting Policies (continued)

(s) Changes in accounting policy, including new or revised Australian Accounting Standards

i. Effective for the first time in 2017-18

The accounting policies applied in 2017-2018 are consistent with those of the previous financial year except as a result of the following material new or revised Australian Accounting Standards that have been applied for the first time in 2017-2018. The impact of these standards in the period of initial application includes:

AASB 2016-4 Amendments to Australian Accounting Standards – Recoverable Amount of Non-Cash-Generating Specialised Assets of Not-for-Profit Entities

This Standard amends *AASB 136 Impairment of Assets* (AASB 136) to:

- remove references to depreciated replacement cost as a measure of value in use for not-for-profit entities;
- clarify that the recoverable amount of primarily non-cash-generating assets of not-for-profit entities, which are typically specialised in nature and held for continuing use of their service capacity, is expected to be materially the same as fair value determined under *AASB 13 Fair Value Measurement*. Consequently:
 - o AASB 136 does not apply to such assets that are regularly revalued to fair value under the revaluation model in *AASB 116 Property, Plant and Equipment* and *AASB 138 Intangible Assets*; and
 - o AASB 136 applies to such assets accounted for under the cost model in AASB 116 and AASB 138

AASB 2016-7 Amendments to Australian Accounting Standards – Deferral of AASB 15 for Not-for-Profit Entities

This Standard amends the mandatory effective date (application date) of AASB 15 for not-for-profit entities so that AASB 15 is required to be applied by such entities for annual reporting periods beginning on or after 1 January 2019 instead of 1 January 2018.

Accordingly, NSW not-for-profit public sector entities will apply AASB 15 from 2019-20.

ii. Issued but not yet effective

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

The Commission's assessment of the impact of new standards and interpretations which may have a material impact and have not been early adopted is set out below. The main impact of these standards and interpretations will be on presentation and disclosure except for the following:

• AASB 9 & AASB 2016-8 Financial Instruments

AASB 9 includes revised guidance on the classification and measurement of financial instruments, including a new expected credit loss model for calculating impairment on financial assets, and the new general hedging accounting requirements. It also carries forward the guidance on recognition and de-recognition of financial instruments from AASB 139. AASB 9 is effective for the Commission for annual reporting periods beginning on or after 1 July 2018. The initial application of AASB 9 is not expected to materially affect the recognition of financial instruments in the Commission's consolidated financial statements. The application of the standard is expected to result in changes to the presentation and disclosure of information in the consolidated financial statements.

1. Summary of Significant Accounting Policies (continued)

(s) Changes in accounting policy, including new or revised Australian Accounting Standards (continued)

- *AASB 15, AASB 2014-5, AASB 2015-8, AASB 2016-3, AASB 2016-7 and AASB 2016-8 regarding Revenue from Contracts with Customers*

AASB 15 establishes a comprehensive framework for determining whether, how much and when revenue is recognised. It replaces existing revenue recognition guidance, including AASB 118 Revenue. AASB 15 is effective for annual reporting beginning on or after 1 July 2018. AASB 2016-7 provides a dispensation for not-for-profit entities to begin reporting on or after 1 July 2019. The Commission is currently carrying out an assessment to determine the impact on the full year financial statements.

- *AASB 1058 Income of Not-for-profit Entities*

AASB 1058 clarifies and simplifies the income recognition requirements that apply to not-for-profit (NFP) entities in conjunction with AASB 15. This Standard supersedes or clarifies income recognition requirements relating to public sector NFP entities. AASB 1058 is effective for the Commission for annual reporting periods beginning on or after 1 July 2019. The Commission is currently carrying out an assessment to determine the impact on the full year financial statements.

- *AASB 16 Leases*

Removes the lease classification test for lessees and requires all leases (including operating leases) to be brought onto the balance sheet. The definition of a lease is also amended and is now the new on/off balance sheet test for lessees. Lessor accounting will remain largely unchanged. AASB 16 is effective for the Commission for annual reporting periods beginning on or after 1 July 2019. The Commission is currently carrying out an assessment to determine the impact on the full year financial statements.

- *Interpretation 22 Foreign Currency Transactions and Advance Consideration*

This interpretation applies to a foreign currency transaction (or part of it) and clarifies the date of the transaction for the purpose of determining the exchange rate to use when an entity recognises a non-monetary asset or liability arising from the payment or receipt of advance consideration before the entity recognizes the related asset, expense or income. This interpretation shall apply for reporting periods beginning on or after 1 January 2018. The majority of transactions currently undertaken by the Commission are in Australian dollars.

Technical and Further Education Commission
Notes to the Financial Statements
for the year ended 30 June 2018

2. Expenses Excluding Losses

(a) Employee related expenses

	Consolidated 2018 \$'000	Consolidated 2017 \$'000	Parent 2018 \$'000	Parent 2017 \$'000
Salaries and wages (including annual leave) ^a	962,236	903,365	961,872	900,589
Superannuation - defined benefit plans	12,062	15,066	12,046	14,923
Superannuation - defined contribution plans	79,579	80,522	79,551	80,295
Long service leave	50,535	32,641	50,403	32,531
Workers' compensation insurance	8,992	8,262	8,987	8,234
Payroll tax and fringe benefit tax	60,523	56,173	60,478	56,007
Redundancy / Other	47,702	11,348	47,065	11,120
Total employee related expenses	1,221,629	1,107,377	1,220,402	1,103,699

a. An amount of \$3.4m of employee related expenses were capitalised during the year (2017: \$1.2m), and therefore excluded from the balances above.

(b) Personnel services

	Consolidated 2018 \$'000	Consolidated 2017 \$'000	Parent 2018 \$'000	Parent 2017 \$'000
Salaries and wages (including annual leave)	462	895	1,453	3,671
Superannuation - defined benefit plans	24	-	53	-
Superannuation - defined contribution plans	-	130	-	357
Long service leave	-	-	1	-
Workers' compensation insurance	3	5	8	33
Payroll tax and fringe benefit tax	20	56	67	222
Other	-	80	-	308
Total personnel services	509	1,166	1,582	4,591

Technical and Further Education Commission
Notes to the Financial Statements
for the year ended 30 June 2018

2. Expenses Excluding Losses (continued)

(c) *Other operating expenses include the following:*

	Consolidated 2018 \$'000	Consolidated 2017 \$'000	Parent 2018 \$'000	Parent 2017 \$'000
Auditor's remuneration - audit of the financial statements ^a	1,100	850	1,100	850
Operating lease rental expense - minimum lease payments	4,363	3,581	4,363	3,581
Maintenance ^b	47,084	42,152	47,084	42,152
Insurance	6,094	7,034	6,094	7,034
Consultants	100	733	100	733
Contractors	118,297	87,414	118,297	87,414
Cleaning	38,767	39,531	38,767	39,531
Agents fees	4,382	12,903	4,382	12,903
Shared Services	23,756	62,089	23,756	62,089
Service expenses	84,017	86,093	84,017	86,093
Minor stores, provisions, plant and computing	48,100	49,484	48,100	49,484
Travel and motor vehicle expenses	16,937	15,127	16,937	15,127
Postage and telephone	6,884	7,151	6,884	7,151
Utilities	20,480	19,278	20,480	19,278
Printing	8,566	8,268	8,566	8,268
Advertising	21,763	20,157	21,763	20,157
Other operating expenses	28,753	21,649	28,753	21,649
Total other operating expenses	479,443	483,494	479,443	483,494

a. Total audit fees for the 2017-18 year per the Client Services Plan are \$1.1m (2017: \$0.9m) excluding GST. There were nil non-audit services provided by the NSW Audit Office for 2018 (2017: \$nil).

b. Reconciliation – Total maintenance

	Consolidated 2018 \$'000	Consolidated 2017 \$'000	Parent 2018 \$'000	Parent 2017 \$'000
Maintenance expense - contracted labour and other (non-employee related), as above	47,084	42,152	47,084	42,152
Total maintenance expenses included in Note 2(c)	47,084	42,152	47,084	42,152

Technical and Further Education Commission
Notes to the Financial Statements
for the year ended 30 June 2018

2. Expenses Excluding Losses (continued)

(d) Depreciation and amortisation expense

	Consolidated 2018 \$'000	Consolidated 2017 \$'000	Parent 2018 \$'000	Parent 2017 \$'000
Depreciation				
Buildings and improvements	122,945	125,433	122,945	125,433
Plant and equipment	7,019	7,304	7,019	7,304
	129,964	132,737	129,964	132,737
Amortisation				
Intangibles	7,711	16,227	7,711	16,227
Total depreciation and amortisation expenses	137,675	148,964	137,675	148,964

3. Revenue

(a) Sale of goods and services

	Consolidated 2018 \$'000	Consolidated 2017 \$'000	Parent 2018 \$'000	Parent 2017 \$'000
Student fees	404,304	506,687	404,304	506,687
Course projects and materials	4,088	4,750	4,088	4,750
Other	14,669	15,496	14,669	15,496
Total sale of goods and services	423,061	526,933	423,061	526,933

(b) Investment revenue

	Consolidated 2018 \$'000	Consolidated 2017 \$'000	Parent 2018 \$'000	Parent 2017 \$'000
Interest revenue	4,186	6,201	4,186	6,201
Total investment revenue	4,186	6,201	4,186	6,201

Technical and Further Education Commission
Notes to the Financial Statements
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3. Revenue (continued)

(c) Grants and contributions

	Consolidated	Consolidated	Parent	Parent
	2018	2017	2018	2017
	\$'000	\$'000	\$'000	\$'000
Vocational Education and Training Grants ^a	7,418	11,518	7,418	11,518
Other Public Sector agencies ^b	1,090,263	1,121,937	1,090,263	1,121,937
Commonwealth Government	3,421	2,157	3,421	2,157
Donations and industry contributions	182	585	182	585
Total grants and contributions	1,101,284	1,136,197	1,101,284	1,136,197

a. Under *AASB 1004 Contributions*, The Commission is required to recognise grants and contributions once control has been gained. This results in a timing difference between when revenue is recognised and when expenditure occurs. Contributions of \$7.4m (2017: \$10.8m) with restrictions were received in the year. The Commission spent \$6.1m (2017: \$9.2m) on training in 2018 and anticipates to spend \$20.3m (2017: \$19.0m) from 2019 onwards.

b. In 2017-18 and 2016-17, the Commission received a grant from the NSW Department of Industry, Skills and Regional Development and the Department of Education. \$30.2m of redundancy cost reimbursement was received from NSW Treasury in 2017-18.

(d) Acceptance by the Crown Entity of employee benefits and other liabilities

The following liabilities and / or expenses have been assumed by the Crown Entity or other government entities:

	Consolidated	Consolidated	Parent	Parent
	2018	2017	2018	2017
	\$'000	\$'000	\$'000	\$'000
Superannuation - defined benefit	11,382	12,980	11,366	12,837
Superannuation on annual leave – defined benefit	63	1,398	63	1,398
Long service leave ^a	50,533	32,641	50,395	32,531
Payroll tax - defined benefit	617	688	617	688
Total acceptance by the Crown Entity of employee benefits and other liabilities	62,595	47,707	62,441	47,454

a. The year on year increase is mainly due to a fair value uplift of \$15m provided by the actuarial valuation.

(e) Other revenue

This includes rental income received and insurance related recoveries.

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4. Gain on Disposal

		Consolidated	Consolidated	Parent	Parent
		2018	2017	2018	2017
	Notes	\$'000	\$'000	\$'000	\$'000
Gain / (loss) on disposal of property, plant and equipment					
Proceeds from disposal		22,335	12,668	22,335	12,668
Written down value of assets disposed	9	(18,052)	(11,121)	(18,052)	(11,121)
Net gain on disposal of property, plant and equipment		4,283	1,547	4,283	1,547
Loss on disposal of intangible assets					
Written down value of assets disposed	10	-	-	-	-
Net loss on disposal of intangible assets		-	-	-	-
Total net gain on disposal		4,283	1,547	4,283	1,547

5. Other gain / (loss)

	Consolidated	Consolidated	Parent	Parent
	2018	2017	2018	2017
	\$'000	\$'000	\$'000	\$'000
Impairment of intangibles	(2,548)	(14,921)	(2,548)	(14,921)
Impairment of receivables	24	(19,173)	24	(19,173)
Write-offs of buildings	-	(726)	-	(726)
Write-offs of plant and equipment	-	(501)	-	(501)
Total other gain / (loss)	(2,524)	(35,321)	(2,524)	(35,321)

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6. Prior Period Adjustments

There were 2 prior period adjustments identified and corrected. As it was impracticable to determine the period specific effects of these, TAFE Commission has restated the opening balances for FY 2017-18 of assets, liabilities and equity in accordance with paragraph 44 of AASB 108 *Accounting Policies, Changes in Accounting Estimates and Errors*.

a. Overstatement of student receivables

Part of student receivables and associated revenues were overstated in prior years. The overstatement was identified in the current year following an enhancement of the reconciliation framework for student revenues.

b. Recoveries of VET FEE HELP Loans

The Commonwealth recovered in the current year, VET FEE HELP loans made to the Commission following a review of student data. These loans were recognised as revenue in prior years.

	Notes	Previous Opening Balance for 1 July 2017 \$'000	Correction to Student Revenue \$'000	Correction to VET FEE HELP loans \$'000	Total Restatement to Opening Balance for 1 July 2017 \$'000	Restated Opening Balance for 1 July 2017 \$'000
ASSETS						
Current receivables						
Student receivables	8	108,635	(46,305)	-	(46,305)	62,330
Other Debtors	8	29,273	5,043	-	5,043	34,316
Receivables		271,415	(41,262)	-	(41,262)	230,153
Total current assets		730,540	(41,262)	-	(41,262)	689,278
Total Assets		5,246,259	(41,262)	-	(41,262)	5,204,997
LIABILITIES						
Current liabilities						
Unearned revenue	14	162,152	(13,320)	-	(13,320)	148,832
Creditors	14	92,516	-	6,630	6,630	99,146
Payables		284,293	(13,320)	6,630	(6,690)	277,603
Total current liabilities		370,729	(13,320)	6,630	(6,690)	364,039
Total Liabilities		378,245	(13,320)	6,630	(6,690)	371,555
Net assets		4,868,014	(27,942)	(6,630)	(34,572)	4,833,442
EQUITY						
Accumulated funds		1,875,730	(27,942)	(6,630)	(34,572)	1,841,158
Total equity		4,868,014	(27,942)	(6,630)	(34,572)	4,833,442

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7. Cash and Cash Equivalents

	Consolidated	Consolidated	Parent	Parent
	2018	2017	2018	2017
	\$'000	\$'000	\$'000	\$'000
Cash at bank and on hand	245,966	459,015	245,966	459,015
Total cash and cash equivalents	245,966	459,015	245,966	459,015

For the purposes of the statement of cash flows, cash and cash equivalents include cash at bank and cash on hand.

Cash and cash equivalent assets recognised in the statement of financial position are reconciled at the end of the financial year to the statement of cash flows as follows:

	Consolidated	Consolidated	Parent	Parent
	2018	2017	2018	2017
	\$'000	\$'000	\$'000	\$'000
Cash and cash equivalents (per statement of financial position)	245,966	459,015	245,966	459,015
Closing cash and cash equivalents (per statement of cash flows)	245,966	459,015	245,966	459,015

Details regarding credit risk, liquidity risk and market risk including financial assets are disclosed in Note 22.

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8. Current / Non-Current Assets - Receivables

	Consolidated 2018 \$'000	Consolidated 2017 \$'000	Parent 2018 \$'000	Parent 2017 \$'000
Current:				
Sale of goods and services	9,595	14,143	9,595	14,143
Student receivables	79,367	108,635	79,367	108,635
Other debtors	40,243	29,273	40,243	29,273
Prepayments	9,728	6,703	9,728	6,703
Accrued income	109,200	133,796	109,200	133,796
	248,133	292,550	248,133	292,550
Less: Allowance for impairment	(14,702)	(21,135)	(14,702)	(21,135)
Total current receivables	233,431	271,415	233,431	271,415

	Consolidated 2018 \$'000	Consolidated 2017 \$'000	Parent 2018 \$'000	Parent 2017 \$'000
Movements in the allowance for impairment:				
Balance at 1 July	(21,135)	(23,093)	(21,135)	(23,093)
Amounts written off during the year (Note 1(k)(xi))	6,409	21,131	6,409	21,131
Amounts recovered during the year	-	-	-	-
Decrease / (Increase) in allowance recognised in profit or loss (Note 1(k)(xi))	24	(19,173)	24	(19,173)
Balance at 30 June	(14,702)	(21,135)	(14,702)	(21,135)

	Consolidated 2018 \$'000	Consolidated 2017 \$'000	Parent 2018 \$'000	Parent 2017 \$'000
Non-Current:				
Prepayments	4,765	4,180	4,765	4,180
Total non-current receivables	4,765	4,180	4,765	4,180

Opening balance adjustments for prior period events are disclosed in Note 6.

Details regarding credit risk and market risk including financial assets that are either past due or impaired are disclosed in Note 22.

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

Consolidated and Parent	Land \$'000	Buildings \$'000	Plant and equipment \$'000	Total \$'000
At 1 July 2017 - fair value				
Gross carrying amount	687,005	6,796,387	171,376	7,654,768
Accumulated depreciation and impairment	-	(3,033,488)	(145,106)	(3,178,594)
Net carrying amount	687,005	3,762,899	26,270	4,476,174
At 30 June 2018 - fair value				
Gross carrying amount	1,168,872	6,217,514	171,031	7,557,417
Accumulated depreciation and impairment	-	(3,529,970)	(151,321)	(3,681,291)
Net carrying amount	1,168,872	2,687,544	19,710	3,876,126

Reconciliations

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

Consolidated and Parent Year ended 30 June 2018	Land \$'000	Buildings \$'000	Plant and equipment \$'000	Total \$'000
Net carrying amount at start of year	687,005	3,762,899	26,270	4,476,174
Additions	-	80,438	468	80,906
Disposals	(6,919)	(11,124)	(9)	(18,052)
Net revaluation increments and decrements	490,036	(1,021,101)	-	(531,065)
Transfer to Asset Held For Sale	(1,250)	(623)	-	(1,873)
Depreciation expense	-	(122,945)	(7,019)	(129,964)
Net carrying amount at end of year	1,168,872	2,687,544	19,710	3,876,126

A comprehensive revaluation of land and building assets was performed to 30 June 2018 (refer Note 1(k)(iii)).

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9. Non-Current Assets – Property, Plant and Equipment (continued)

Consolidated and Parent	Land \$'000	Buildings \$'000	Plant and equipment \$'000	Total \$'000
At 1 July 2016 - fair value				
Gross carrying amount	688,347	6,772,836	174,923	7,636,106
Accumulated depreciation and impairment	-	(2,910,976)	(147,260)	(3,058,236)
Net carrying amount	688,347	3,861,860	27,663	4,577,870
At 30 June 2017 - fair value				
Gross carrying amount	687,005	6,796,387	171,376	7,654,768
Accumulated depreciation and impairment	-	(3,033,488)	(145,106)	(3,178,594)
Net carrying amount	687,005	3,762,899	26,270	4,476,174

Reconciliations

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

Consolidated and Parent Year ended 30 June 2017	Land \$'000	Buildings \$'000	Plant and equipment \$'000	Total \$'000
Net carrying amount at start of year	688,347	3,861,860	27,663	4,577,870
Additions	-	40,600	2,856	43,456
Disposals	(1,342)	(9,165)	(614)	(11,121)
Transfer between Buildings and Plant and Equipment	-	(4,170)	4,170	-
Transfer between Buildings and Intangibles	-	(67)	-	(67)
Write-offs	-	(726)	(501)	(1,227)
Depreciation expense	-	(125,433)	(7,304)	(132,737)
Net carrying amount at end of year	687,005	3,762,899	26,270	4,476,174

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10. Intangible Assets

Consolidated and Parent Software	\$'000
At 1 July 2017	
Cost (gross carrying amount)	142,067
Accumulated amortisation and impairment	(106,878)
Net carrying amount	<u><u>35,189</u></u>

Consolidated and Parent Software	
At 30 June 2018	
Cost (gross carrying amount)	173,889
Accumulated amortisation and impairment	(102,134)
Net Carrying amount	<u><u>71,755</u></u>

Consolidated and Parent Software	\$'000
At 1 July 2016	
Cost (gross carrying amount)	118,508
Accumulated amortisation and impairment	(75,809)
Net carrying amount	<u><u>42,699</u></u>

Consolidated and Parent Software	
At 30 June 2017	
Cost (gross carrying amount)	142,067
Accumulated amortisation and impairment	(106,878)
Net Carrying amount	<u><u>35,189</u></u>

	Consolidated and Parent 2018	Consolidated and Parent 2017
	\$'000	\$'000
Net carrying amount		
Net carrying amount at start of year	35,189	42,699
Additions (from internal development)	46,825	23,571
Impairment loss	(2,548)	(14,921)
Transfer from Buildings to Intangibles	-	67
Amortisation (recognised in "depreciation and amortisation")	(7,711)	(16,227)
Net carrying amount at end of year	<u><u>71,755</u></u>	<u><u>35,189</u></u>

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11. Non-Current Assets Held-For-Sale

	Consolidated 2018 \$'000	Consolidated 2017 \$'000	Parent 2018 \$'000	Parent 2017 \$'000
Assets held-for-sale				
Land and buildings	1,873	-	1,873	-
Total assets held-for-sale	1,873	-	1,873	-

12. Other Financial Assets

This includes the investment in Coffs Harbour Technology Park of \$0.175m (2017: \$0.175m) and Restricted Funds totalling \$0.134m (2017: \$0.11m) held in a high interest bank account. The Restricted Funds represent donations held by the Commission for student prize awards with interest earned used to fund awards.

13. Fair Value Measurement of Non-Financial Assets

The fair value measurement for land is \$1,168.9m (2017: \$687.0m). Of this, \$16.5m (2017: Nil) has been categorised as a Level 2 and \$1,152m (2017: \$687m) has been categorised as Level 3 based on the inputs to the valuation technique used. Refer to Note 13(c).

The fair value measurement for the Commission's buildings, demountables and specialised properties of \$2,687.5m (2017: \$3,762.9m) have been categorised as a Level 3 fair value based on the inputs to the valuation technique used. Refer to Note 13(c).

(a) Fair value hierarchy ^a

Consolidated and Parent 30 June 2018	Level 1 Fair Value \$'000	Level 2 Fair Value ^b \$'000	Level 3 Fair Value \$'000	Total Fair Value \$'000
Land and buildings (Note 9)				
Land	-	16,495	1,152,377	1,168,872
Buildings	-	-	2,687,544	2,687,544
Carrying value as at 30 June 2018	-	16,495	3,839,921	3,856,416
Consolidated and Parent 30 June 2017				
Land and buildings (Note 9)				
Land	-	-	687,005	687,005
Buildings	-	-	3,762,899	3,762,899
Carrying value as at 30 June 2017	-	-	4,449,904	4,449,904

a. Refer to Note 1(o) for the Commission's policy for determining when transfers between hierarchy levels are deemed to have occurred.

b. There has been a change in hierarchy for a portion of the Land revalued during the period from Level 3 to Level 2. This change is due to the availability of observable market inputs within local real estate markets.

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13. Fair Value Measurement of Non-Financial Assets (continued)

(b) Reconciliation of recurring Level 3 fair value measurements

The following table shows a reconciliation from the opening balances to the closing balances for Level 3 fair values.

Consolidated and Parent

			Total Recurring Level 3 Fair Value
	Land \$'000	Buildings \$'000	\$'000
Fair value as at 1 July 2017	687,005	3,762,899	4,449,904
Additions	-	80,438	80,438
Disposals	(6,919)	(11,124)	(18,043)
Net revaluation increments and decrements	490,036	(1,021,101)	(531,065)
Transfer to Assets Held-For-Sale	(1,250)	(623)	(1,873)
Depreciation	-	(122,945)	(122,945)
Transfer to Level 2	(16,495)	-	(16,495)
Fair value as at 30 June 2018	1,152,377	2,687,544	3,839,921

Consolidated and Parent

			Total Recurring Level 3 Fair Value
	Land \$'000	Buildings \$'000	\$'000
Fair value as at 1 July 2016	688,347	3,861,860	4,550,207
Additions	-	40,600	40,600
Disposals	(1,342)	(9,165)	(10,507)
Transfer between Buildings and Plant and Equipment	-	(4,170)	(4,170)
Transfer between Buildings and Intangibles	-	(67)	(67)
Write-offs	-	(726)	(726)
Depreciation	-	(125,433)	(125,433)
Fair value as at 30 June 2017	687,005	3,762,899	4,449,904

13. Fair Value Measurement of Non-Financial Assets (continued)

(c) Valuation techniques

i. Land

Land valuations were completed using a Comparative Market Value basis, adjusted for restrictions and applied to each site area. Due consideration has also been given to the inclusion in the valuation or otherwise, of land and buildings that are “shared” (i.e. where the legal title is in another entity’s name but the Commission wholly or partially utilises the asset in the ordinary course of business).

ii. Buildings

All building assets are stated at fair value using the Current Replacement Cost method. In 2018, a comprehensive valuation of building assets was carried out by independent valuation experts. As such JLL conducted full site inspections, condition assessments and building re-componentisation. In contrast, the Commission’s 2017 valuation was estimated using a range of indices and internal costs to determine the fair value. The accounting policy for the revaluation of property, plant and equipment is included in Note 1 (k) iii.

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14. Current Liabilities – Payables

	Consolidated	Consolidated	Parent	Parent
	2018	2017	2018	2017
	\$'000	\$'000	\$'000	\$'000
Accrued salaries, wages and on-costs	21,396	8,839	21,396	8,831
Creditors	112,441	92,516	112,441	92,516
Unearned revenue	125,794	162,152	125,794	162,152
Group, payroll and fringe benefits tax	5,091	7,782	5,091	7,765
Personnel services provider	-	3	-	235
Other	12,405	13,001	12,405	13,001
Total current payables	277,127	284,293	277,127	284,500

Details regarding credit risk, liquidity risk and market risk, including a maturity analysis of the above payables are disclosed in Note 22.

15. Current/Non-Current Liabilities – Provisions

	Consolidated	Consolidated	Parent	Parent
	2018	2017	2018	2017
	\$'000	\$'000	\$'000	\$'000
Employee benefits and related on-costs:				
Annual leave ^a	45,862	46,101	45,862	45,955
On-costs - annual leave	12,582	12,477	12,582	12,416
On-costs - long service leave	35,923	35,374	35,923	35,374
Total provisions	94,367	93,952	94,367	93,745

a. It is estimated that the provision for annual leave and on-costs for annual leave and long service leave of \$94.4m includes an amount of \$86.8m expected to be settled within 12 months (2017: \$86.4m) and an amount of \$7.5m is expected to be settled in more than 12 months (2017: \$7.5m).

	Consolidated	Consolidated	Parent	Parent
	2018	2017	2018	2017
	\$'000	\$'000	\$'000	\$'000
Aggregate employee benefits and related on-costs				
Provisions - current	86,818	86,436	86,818	86,245
Provisions - non-current	7,549	7,516	7,549	7,500
Accrued salaries, wages and on-costs (Note 14)	21,396	8,839	21,396	8,831
Total aggregate employee benefits and related on-costs	115,763	102,791	115,763	102,576

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16. Commitments

	Consolidated 2018 \$'000	Consolidated 2017 \$'000	Parent 2018 \$'000	Parent 2017 \$'000
(a) Capital Commitments				
Aggregate capital expenditure contracted for at balance date and not provided for:				
Within one year	91,613	10,026	91,613	10,026
Later than one year and not later than five years	21	377	21	377
Total capital commitments	91,634	10,403	91,634	10,403

	Consolidated 2018 \$'000	Consolidated 2017 \$'000	Parent 2018 \$'000	Parent 2017 \$'000
(b) Operating Lease Commitments				
As Lessee				
Future non-cancellable operating lease rentals not provided for and payable:				
Within one year	3,603	2,857	3,603	2,857
Later than one year and not later than five years	6,813	3,224	6,813	3,224
Later than five years	5,445	5,813	5,445	5,813
Total operating lease commitments	15,861	11,894	15,861	11,894
Total commitments (including GST)	107,495	22,297	107,495	22,297

The leases mainly relate to leases of motor vehicles and facilities for teaching.

The total of commitments for expenditure include GST of \$9.2m (2017: \$2.0m) that are expected to be recovered from the Australian Tax Office.

As Lessor

Future minimum rentals receivable under non-cancellable operating lease as at 30 June are as follows:

Within one year	3,156	3,903	3,156	3,903
Later than one year and not later than five years	5,460	5,509	5,460	5,509
Later than five years	323	418	323	418
Total operating lease rentals receivable (including GST)	8,939	9,830	8,939	9,830

The leases mainly relate to rental of facilities.

The total of rental receivables include GST of \$0.8m (2017: \$0.9m) that are expected to be payable to the Australian Tax Office.

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17. Contingent Liabilities and Contingent Assets

(a) Contingent liabilities

i. **Legal matters**

There are no known cases where the Commission could be liable for material compensation payments relating to matters, which are the subject of litigation that are not covered by the NSW Treasury Managed Fund and icare TMF.

ii. **Other**

A potential liability exists to refund revenue previously recognised and funded by VET FEE HELP loans.

(b) Contingent assets

The Commission is not aware of any contingent assets

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

	Consolidated 2018 \$'000	Consolidated 2017 \$'000	Parent 2018 \$'000	Parent 2017 \$'000
Net cash used on operating activities	(105,491)	(96,055)	(105,491)	(96,055)
Adjustment to opening balance impact	34,572	-	34,572	-
Depreciation and amortisation	(137,675)	(148,964)	(137,675)	(148,964)
Allowance for impairment and write-offs	(2,524)	(35,321)	(2,524)	(35,321)
Decrease / (Increase) in provisions	(415)	(5,398)	(622)	(5,693)
(Decrease) / Increase in receivables	(37,423)	80,049	(37,423)	80,108
Increase / (Decrease) in other financial assets	23	(160)	23	(160)
(Increase) / Decrease in creditors	5,004	153,037	5,211	153,273
Net gain on sale of property, plant and equipment	4,283	1,547	4,283	1,547
Net result	(239,646)	(51,265)	(239,646)	(51,265)

19. Non-cash Financing and Investing Activities

	Consolidated 2018 \$'000	Consolidated 2017 \$'000	Parent 2018 \$'000	Parent 2017 \$'000
Liabilities and expenses assumed by the Crown Entity	(62,595)	(47,707)	(62,441)	(47,454)
Total non-cash financing and investing activities	(62,595)	(47,707)	(62,441)	(47,454)

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20. Related Party Disclosures

(a) Key Management Personnel

The consolidated entity and parent key management personnel compensation is as follows:

	Consolidated 2018 \$'000	Consolidated 2017 \$'000	Parent 2018 \$'000	Parent 2017 \$'000
Short-term employee benefits	1,682	1,513	1,682	1,463
Post-employment benefits	103	107	103	101
Total remuneration	1,785	1,620	1,785	1,564

In addition, the parent entity ("the Commission") incurred \$nil (2017: \$0.1m) in personnel services expense that was in respect of key management personnel by a separate management entity, the TAFE Commission (Senior Executives) Staff Agency ("the Agency").

The Consolidated entity includes total compensation for key management personnel paid by the Commission and the Agency.

Key management personnel compensation disclosed above excludes the Minister for Skills and the Assistant Minister for Skills. Ministerial compensation is paid by the NSW Legislature, not the NSW TAFE Commission. Key management personnel compensation also excludes long service leave, which is assumed by the Crown.

Other than the key management personnel compensation noted above, there were no material related party transactions with key management personnel.

(b) Transactions with Government Related Entities during the financial year

During the year, the Commission entered into the following individually significant arm's-length transactions with other entities that are controlled by the NSW Government:

- Corporate services fees of \$23.7m (2017: \$62.1m) were incurred to the Department of Education in respect of IT and other services. All of these fees were recognised as accrued expenditure at period end.
- 'TAFE Delivered Vocational Education and Training (TVET)' course fee revenue from the Department of Education, totalling \$33.6m (2017: \$41.6m), of which, \$13.6m (2017: \$15.6m) is accrued revenue at period end.
- Recurrent grant and entitlement revenue of \$1.1bn (2017: \$1.1bn) from the Department of Industry, Skills and Regional Development, of which \$92.7m (2017: \$108.2m) is accrued revenue at period end.

The Commission paid payroll tax to the Office of State Revenue, received personnel services from the Agency, received audit services from the NSW Audit Office, obtained insurance arrangements from NSW Self Insurance Corporation, water from Sydney Water and long service leave by the Crown Entity.

In the comparatives, the Commission also received interest income from the Treasury.

21. Budget Review

The Commission's net result of \$239m loss is a \$186m unfavourable variation over the budgeted loss of \$53m. The major factors contributing to this variation are outlined below:

- Total revenue was \$65m less than budget (or 4%). This was primarily due to the impact of Commonwealth policy changes to move from the VET FEE-HELP (VFH) scheme to the VET Student Loan (VSL) scheme.
- Employee Related Expenses are \$91m (or 7%) higher than budget, primarily due to costs associated with the TAFE modernisation program. These costs have included the costs of transitioning from 10 Independent Institutes to the single One TAFE model, and the costs associated with moving hundreds of systems from the Department of Education to the Commission as a result of machinery of government changes. This transition is complex, and these costs have been incurred in order to ensure this transition is seamless to our students and stakeholders. There were also large actuarial adjustments to employee benefits assumed by the Crown Entity.
- Other Operating Expenses were \$34m (or 8%) higher than budget due primarily to the direct transformation costs incurred to implement the One TAFE modernisation program.

The Commission's total net assets are \$767m (or 16%) lower than the budget. The major factors that have contributed to this movement are a decrease in PP&E due to the \$531m net adjustment to Land & Building assets from the independent revaluation and the Cash and Payables variance to budget due to the impact of the Commonwealth policy changes from the VFH scheme to the VSL scheme, which has impacted both the amount and timing of payments.

The Commission's net forecast cash flows from operating activities is a net outflow of \$105m compared to a budgeted cash inflow of \$119m. This is mainly driven by an increase in one off costs associated with the TAFE modernisation programme and the impact of the change in Commonwealth policy changes from the VFH scheme to the VSL scheme.

Technical and Further Education Commission
Notes to the Financial Statements
for the year ended 30 June 2018

22. Financial Instruments

The Commission's main risks arising from financial instruments are outlined below, together with the Commission's objectives, policies and processes for measuring and managing risk. Further quantitative and qualitative disclosures are included throughout these financial statements. These financial instruments arise directly from the Commission's operations or are required to finance the Commission's operations. The Commission does not enter into or trade financial instruments, including derivative financial instruments, for speculative purposes. The Commission does not use financial derivatives.

The Managing Director 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 and internal auditors on a regular basis.

(a) Financial instrument categories

Consolidated			Carrying Amount 2018 \$'000	Carrying Amount 2017 \$'000
Financial Assets	Note	Category		
Class:				
Cash and cash equivalents	7	N/A	245,966	459,015
Receivables ^a	8	Loans and receivables (at amortised cost)	212,206	253,452
Other financial assets		Loans and receivables (at amortised cost)	309	286
Financial Liabilities				
Class:				
Payables ^b	14	Financial liabilities measured at amortised cost	124,304	104,901
Parent			Carrying Amount 2018 \$'000	Carrying Amount 2017 \$'000
Financial Assets	Note	Category		
Class:				
Cash and cash equivalents	7	N/A	245,966	459,015
Receivables ^a	8	Loans and receivables (at amortised cost)	212,206	253,452
Other financial assets		Loans and receivables (at amortised cost)	309	286
Financial Liabilities				
Class:				
Payables ^b	14	Financial liabilities measured at amortised cost	124,304	104,901

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

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

22. Financial Instruments (continued)

(b) Credit risk

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

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

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

i. Cash

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

ii. Receivables – trade debtors

All trade debtors are recognised as amounts receivable at balance date. Collectability of trade debtors is reviewed on an ongoing basis. Procedures as established in the Treasurer's Directions are followed to recover outstanding amounts, including letters of demand. Debts which are known to be uncollectible are written off. 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 was earned on trade debtors. Sales are made on 30-60 day terms.

The Commission is not materially exposed to concentrations of credit risk to a single trade debtor or group of debtors. Receivables that are not past due and less than six months past due of \$110.8m (2017 restated: \$86.4 m) have not been impaired and represent 88% (2017 restated: 80%) of the total receivables. With the exception of the receivables that are impaired per Note 22(b), most of the Commission's receivables have a good credit rating.

Technical and Further Education Commission
Notes to the Financial Statements
for the year ended 30 June 2018

22. Financial Instruments (continued)

(b) Credit Risk (continued)

The only financial assets that are past due or impaired are 'sales of goods and services', 'student receivables' and 'other debtors' in the 'receivables' category of the statement of financial position.

	Total ^{a,b,c}	Past due but not impaired	Considered impaired
	\$'000	^{a,b,c} \$'000	^{a,b,c} \$'000
Consolidated			
2018			
< 3 months overdue	9,511	9,089	422
3 months - 6 months overdue	21,656	20,399	1,257
> 6 months overdue	13,505	482	13,023
2017			
< 3 months overdue	4,878	4,866	12
3 months - 6 months overdue	9,577	6,778	2,799
> 6 months overdue	18,450	126	18,324

	Total ^{a,b,c}	Past due but not impaired	Considered impaired
	\$'000	^{a,b,c} \$'000	^{a,b,c} \$'000
Parent			
2018			
< 3 months overdue	9,511	9,089	422
3 months - 6 months overdue	21,656	20,399	1,257
> 6 months overdue	13,505	482	13,023
2017			
< 3 months overdue	4,878	4,866	12
3 months - 6 months overdue	9,577	6,778	2,799
> 6 months overdue	18,450	126	18,324

- a. The ageing analysis excludes statutory receivables and prepayments as these are not within scope of AASB 7, and also excludes receivables that are not past due and not impaired. Therefore, the "total" will not reconcile to the receivables total recognised in the statement of financial position.
- b. In 2018, the total balance considered impaired of \$14.7m is reflected in Note 8.
- c. The 2017 credit table is restated due to prior period adjustments.

(c) Liquidity risk

Liquidity risk is the risk that the Commission will be unable to meet its payment obligations when they fall due. The Commission continuously manages risk through monitoring future cash flows and maturities planning to ensure adequate holding of high quality liquid assets. The objective is to maintain a balance between continuity of funding and flexibility through the use of an operating bank account and a credit card facility. The Commission is bound by NSW Treasury banking requirements.

Technical and Further Education Commission
Notes to the Financial Statements
for the year ended 30 June 2018

22. Financial Instruments (continued)

(c) Liquidity risk (continued)

The liabilities are recognised for amounts due to be paid in the future for goods or services received, whether or not invoiced. Amounts owing to suppliers (which are unsecured) are settled in accordance with the policy set out in NSW TC 11/12. For small business suppliers, where terms are not specified, payment is made not later than 30 days from date of receipt of a correctly rendered invoice. For other suppliers, if trade terms are not specified, payment is made no later than the end of the month following the month in which an invoice or a statement is received. For small business suppliers, where payment is not made within the specified time period, simple interest is paid automatically unless an existing contract specifies otherwise. For payments to other suppliers, the Managing Director of the Commission (or a person appointed as delegate) may automatically pay the supplier simple interest. No interest was applied during the year.

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

Maturity analysis and interest rate exposure of financial liabilities

Consolidated and Parent Interest Rate Exposure					
	Weighted average effective Int. Rate	Nominal Amount ^a \$'000	Fixed Interest Rate \$'000	Variable Interest Rate \$'000	Non-interest bearing \$'000
2018					
Payables:					
Creditors	-	124,304	-	-	124,304
2017					
Payables:					
Creditors	-	104,901	-	-	104,901
Consolidated and Parent Maturity dates					
			< 1 yr \$'000	1 -5 yrs \$'000	> 5 yrs \$'000
2018					
Payables:					
Creditors			124,304	-	-
2017					
Payables:					
Creditors			104,901	-	-

- a. The amounts disclosed are the contractual undiscounted cash flows of each class of financial liabilities based on the earliest date on which the Commission can be required to pay. The amounts excludes statutory payables and unearned revenue (i.e. not within scope of AASB 7). The table includes both interest and principal cash flows and therefore will not reconcile to the statement of financial position.

22. Financial Instruments (continued)

(d) Market risk

Market risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices. The Commission has no exposure to market risk.

The effect on profit and equity due to a reasonably possible change in risk variable is outlined in the information below, for interest rate risk. A reasonably possible change in risk variable has been determined after taking into account the economic environment in which the Commission operates and the time frame for the assessment (i.e. until the end of the next annual reporting period). The sensitivity analysis is based on risk exposures in existence at the statement of financial position date. The analysis is performed on the same basis as for 2017. The analysis assumes that all other variables remain constant.

Technical and Further Education Commission
Notes to the Financial Statements
for the year ended 30 June 2018

22. Financial Instruments (continued)

(e) Interest rate risk

Generally interest payable to trade creditors is nil or insignificant. The Commission does not account for any fixed rate financial instruments at fair value through profit or loss or as available for sale. Therefore for these financial instruments a change in interest rates would not affect profit or loss or equity.

Exposure to interest rate risk arises primarily through the Commission's cash balance held in the NSW Treasury Banking System. A reasonably possible change of +/- 1% is used, consistent with current trends in interest rates (based on official RBA interest rate volatility over the last five years). The basis will be reviewed annually and amended where there is a structural change in the level of interest rate volatility. The Commission's exposure to interest rate risk is set out below.

	Carrying Amount	-1%	-1%	+1%	+1%
	2018	Profit	Equity	Profit	Equity
	\$'000	\$'000	\$'000	\$'000	\$'000
Financial Assets					
Cash and cash equivalents	245,966	(2,460)	(2,460)	2,460	2,460
Receivables ^a	212,206	(2,122)	(2,122)	2,122	2,122
Other financial assets	309	(3)	(3)	3	3
Financial Liabilities					
Payables ^b	124,304	(1,243)	(1,243)	1,243	1,243

	Carrying Amount	-1%	-1%	+1%	+1%
	2017	Profit	Equity	Profit	Equity
	\$'000	\$'000	\$'000	\$'000	\$'000
Financial Assets					
Cash and cash equivalents	459,015	(4,590)	(4,590)	4,590	4,590
Receivables ^a	253,452	(2,535)	(2,535)	2,535	2,535
Other financial assets	286	(3)	(3)	3	3
Financial Liabilities					
Payables ^b	104,901	(1,049)	(1,049)	1,049	1,049

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

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

(f) Fair value compared to carrying amount

The amortised cost of financial instruments recognised in the statement of financial position approximates the fair value, because of the short term nature of many of the financial instruments.

23. Events after the Reporting Period

There has not arisen in the interval between the end of the financial year and the date of this report any item, transaction or event of a material and unusual nature likely to affect significantly the operations of the Commission, the results of those operations or the state of affairs of the Commission in subsequent financial years.

End of audited financial statements

TAFE Commission (Senior Executives) Staff Agency



INDEPENDENT AUDITOR'S REPORT

TAFE Commission (Senior Executives) Staff Agency

To Members of the New South Wales Parliament

Opinion

I have audited the accompanying financial statements of TAFE Commission (Senior Executives) Staff Agency (the Staff Agency), which comprise the Statement of Comprehensive Income for the year ended 30 June 2018, the Statement of Financial Position as at 30 June 2018, the Statement of Changes in Equity and the Statement of Cash Flows for the year then ended, notes comprising a Statement of Significant Accounting Policies and other explanatory information.

In my opinion, the financial statements:

- give a true and fair view of the financial position of the Staff Agency as at 30 June 2018, and of its financial performance and its cash flows for the year then ended in accordance with Australian Accounting Standards
- are in accordance with section 41B of the *Public Finance and Audit Act 1983* (PF&A Act) and the Public Finance and Audit Regulation 2015

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 Staff Agency 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' (APES 110).

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

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

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

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

Other Information

Other information comprises the information included in the Staff Agency's annual report for the year ended 30 June 2018, other than the financial statements and my Independent Auditor's Report thereon. The Acting Managing Director of the Staff Agency is responsible for the other information. At the date of this Independent Auditor's Report, the other information I have received comprise the PF&A Act Statement given by the Acting Managing Director.

My opinion on the financial statements does not cover the other information. Accordingly, I do not express any form of assurance conclusion on the other information.

In connection with my audit of the financial statements, my responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or my knowledge obtained in the audit, or otherwise appears to be materially misstated.

If, based on the work I have performed, I conclude there is a material misstatement of the other information, I must report that fact.

I have nothing to report in this regard.

The Acting Managing Director's Responsibilities for the Financial Statements

The Acting Managing Director is responsible for the preparation and fair presentation of the financial statements in accordance with Australian Accounting Standards and the PF&A Act, and for such internal control as the Acting Managing Director determine 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 Acting Managing Director is responsible for assessing the Staff Agency's ability to continue as a going concern, disclosing as applicable, matters related to going concern and using the going concern basis of accounting except where the Staff Agency will be dissolved by an Act of Parliament or otherwise cease operations.

Auditor's Responsibilities for the Audit of the Financial Statements

My objectives are to:

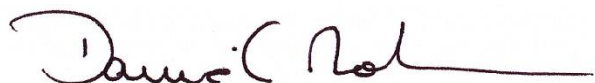
- obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error
- issue an Independent Auditor's Report including my opinion.

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.

My opinion does *not* provide assurance:

- that the Staff Agency carried out its activities effectively, efficiently and economically
- 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.

A handwritten signature in dark ink, appearing to read 'David Nolan', with a long horizontal line extending to the right.

David Nolan
Director, Financial Audit Services

17 October 2018
SYDNEY



TAFE Commission (Senior Executives) Staff Agency

Annual Financial Statements
for the year ended 30 June 2018

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TAFE Commission (Senior Executives) Staff Agency
Statement by the Acting Managing Director
for the year ended 30 June 2018

Pursuant to section 41C of the *Public Finance and Audit Act 1983*, I state that:

- The accompanying financial statements have been prepared in accordance with the provisions of the *Public Finance and Audit Act 1983*, the *Public Finance and Audit Regulation 2015* and the Treasurer's Directions;
- The financial statements exhibit a true and fair view of the financial position and financial performance of the TAFE Commission (Senior Executives) Staff Agency; and
- I am not aware of any circumstances, which would render any particulars included in the financial statements to be misleading or inaccurate.



Caralee McLiesh

Acting Managing Director

Date: 12 October 2018

TAFE Commission (Senior Executives) Staff Agency
Statement of comprehensive income
for the year ended 30 June 2018

	Notes	2018 \$'000	2017 \$'000
Expenses excluding losses			
Employee related	2	1,227	3,678
Total expenses		1,227	3,678
Revenue			
Personnel services	3a	1,073	3,425
Acceptance by the Crown Entity of employee benefits and other liabilities	3b	154	253
Total revenue		1,227	3,678
Net result		-	-
Other comprehensive income		-	-
Total other comprehensive income		-	-
Total comprehensive income		-	-

The notes on pages 7 to 17 form part of these financial statements.

TAFE Commission (Senior Executives) Staff Agency
Statement of financial position
as at 30 June 2018

	Notes	2018 \$'000	2017 \$'000
Assets			
Current assets			
Receivables	4	-	232
Total current assets		-	232
Total assets		-	232
Liabilities			
Current liabilities			
Payables	5	-	25
Provisions	6	-	191
Total current liabilities		-	216
Non-current liabilities			
Non-current provisions	6	-	16
Total non-current liabilities		-	16
Total liabilities		-	232
Net assets		-	-
Equity			
Accumulated funds		-	-
Total equity		-	-

The notes on pages 7 to 17 form part of these financial statements.

TAFE Commission (Senior Executives) Staff Agency
Statement of changes in equity
for the year ended 30 June 2018

	Accumulated funds \$'000	Other reserves \$'000	Total equity \$'000
Balance at 1 July 2017	-	-	-
Net result for the year	-	-	-
Other comprehensive income	-	-	-
Total comprehensive income for the year	-	-	-
Transactions with owners in their capacity as owners			
Increase / (decrease) in net assets from equity transfers	-	-	-
Balance at 30 June 2018	-	-	-
Balance at 1 July 2016	-	-	-
Net result for the year	-	-	-
Other comprehensive income	-	-	-
Total comprehensive income for the year	-	-	-
Transactions with owners in their capacity as owners			
Increase / (decrease) in net assets from equity transfers	-	-	-
Balance at 30 June 2017	-	-	-

The notes on pages 7 to 17 form part of these financial statements.

TAFE Commission (Senior Executives) Staff Agency
Statement of cash flows
for the year ended 30 June 2018

	Notes	2018 \$'000	2017 \$'000
Cash flows from operating activities		-	-
Cash flows from investing activities		-	-
Cash flows from financing activities		-	-
Net increase / (decrease) in cash		-	-
Opening cash and cash equivalents		-	-
Closing cash and cash equivalents		-	-

There are no cash movements within this entity as cash is funded by the TAFE Commission. Cash receipts and payments are settled via an intercompany journal between the two entities.

The notes on pages 7 to 17 form part of these financial statements.

TAFE Commission (Senior Executives) Staff Agency
Notes to the Financial Statements
for the year ended 30 June 2018

1. Summary of Significant Accounting Policies

(a) Reporting entity

The TAFE Commission (Senior Executives) Staff Agency ("Staff Agency") is a Public Service Agency, established on 10 December 2014 pursuant to the Administrative Arrangements (Administrative Changes – TAFE Senior Executives and Other Matters) Order 2014.

The Staff Agency is a not-for-profit entity as profit is not its principal objective. It is consolidated as part of the NSW Total State Sector Accounts. The principal objective of the Staff Agency is to provide personnel services to the NSW TAFE Commission.

These financial statements for the year ended 30 June 2018 have been authorised for issue by the Managing Director on 12 October 2018.

(b) Basis of preparation

The Staff Agency's financial statements are general purpose financial statements, which have been prepared in accordance with:

- Applicable Australian Accounting Standards (which include Australian Accounting Interpretations);
- the requirements of the *Public Finance and Audit Act 1983* and *Public Finance and Audit Regulation 2015*; and
- the Financial Reporting Directions mandated by the Treasurer.

The financial statements have been prepared on a going concern basis which assumes that payment of liabilities will be met, as and when they fall due, without any intention or necessity to liquidate assets or otherwise wind up operations. The Department of Industry provides an annual letter of support covering cluster entities, which includes the TAFE Commission.

Generally, the historical cost basis of accounting has been adopted and the financial statements do not take into account changing money values or current valuations.

The accrual basis of accounting has been adopted in the preparation of the financial statements. Management's judgments, key assumptions and estimates 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.

(c) Statement of Compliance

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

(d) Income Recognition

Income is measured at the fair value of the consideration received or receivable. Revenue from the rendering of personnel services is recognised when the service is provided and only to the extent that the associated recoverable expenses are recognised.

TAFE Commission (Senior Executives) Staff Agency
Notes to the Financial Statements
for the year ended 30 June 2018

1. Summary of Significant Accounting Policies (cont'd)

(e) Assets

Receivables

The receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market. The receivables are measured at amortised cost using the effective interest rate method, less any allowance for impairment. A short-term receivable with no stated interest rate is measured at the original invoice amount where the effect of discounting is immaterial. An invoiced receivable is due for settlement within thirty days of invoicing.

(f) Liabilities

Payables

Payables include accrued wages, salaries, and related on-costs (such as payroll tax, fringe benefits tax and workers' compensation insurance) where there is certainty as to the amount and timing of settlement.

Payables are recognised initially at fair value. Subsequent measurement is at amortised cost using the effective interest method. A payable is recognised when a present obligation arises under a contract or otherwise. It is derecognised when the obligation expires or is discharged, cancelled or substituted. A short-term payable with no stated interest rate is measured at historical cost if the effect of discounting is immaterial.

(g) Employee benefit provisions

i. Salaries and wages, annual leave and sick leave

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 services. As such, it is required to be measured at present value in accordance with AASB 119 Employee Benefits (although short-cut methods are permitted). All annual leave is classified as a current liability even where the Staff Agency does not expect to settle the liability within 12 months as the Staff Agency does not have an unconditional right to defer settlement.

Actuarial advice obtained by Treasury has confirmed that using the nominal annual leave balance plus the annual leave entitlements accrued while taking annual leave (calculated using 7.9% of the nominal value of annual leave) can be used to approximate the present value of the annual leave liability. The Staff Agency has assessed the actuarial advice based on the entity's circumstances and has determined that the effect of discounting is immaterial to annual leave.

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.

TAFE Commission (Senior Executives) Staff Agency
Notes to the Financial Statements
for the year ended 30 June 2018

1. Summary of Significant Accounting Policies (cont'd)

(g) Employee benefit provisions (cont'd)

ii. Long service leave and superannuation

The Staff Agency's liabilities for long service leave and defined benefit superannuation are assumed by the Crown Entity. The Staff Agency 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 Entity of employee benefits and other liabilities".

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

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

iii. 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.

TAFE Commission (Senior Executives) Staff Agency
Notes to the Financial Statements
for the year ended 30 June 2018

1. Summary of Significant Accounting Policies (cont'd)

(h) Related parties

Key management personnel (KMP) are those persons having authority and responsibility for planning, directing and controlling the activities of the entity, directly or indirectly, including any director (whether executive or otherwise) of that entity.

Compensation is aggregated by the following categories:

- (a) short-term employee benefits;
- (b) post-employment benefits;
- (c) other long-term benefits; and
- (d) termination benefits.

Compensation includes:

- Short-term employee benefits including wages, salaries, social security contributions, paid annual leave and paid sick leave, allowances, profit-sharing or bonuses (if payable within twelve months of the end of the financial year) and non-monetary benefits (such as medical care, housing, cars and free or subsidised goods or services);
- Other long-term employee benefits (benefits other than short-term, termination or post-employment benefits), such as long service leave or sabbatical leave, jubilee or other long service benefits, long-term disability benefits and, if not payable wholly within twelve months of the end of the financial year, profit-sharing, bonuses and deferred compensation; and
- Post-employment benefits such as pensions, other retirement benefits, post-employment life insurance, and post-employment medical care.

(i) Comparative information

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

1. Summary of significant accounting policies (cont'd)

(j) New and revised Australian Accounting Standards and Interpretations

i. Effective for the first time in 2017-18

The accounting policies applied in 2017-18 are consistent with those of the previous financial year except as a result of the following material new or revised Australian Accounting Standards that have been applied for the first time in 2017-18. The impact of these standards in the period of initial application includes:

AASB 2016-7 Amendments to Australian Accounting Standards – Deferral of AASB 15 for Not-for-Profit Entities

This Standard amends the mandatory effective date (application date) of AASB 15 for not-for-profit entities so that AASB 15 is required to be applied by such entities for annual reporting periods beginning on or after 1 January 2019 instead of 1 January 2018.

Accordingly, Staff Agency not-for-profit public sector entities will apply AASB 15 from FY 2019/20.

TAFE Commission (Senior Executives) Staff Agency
Notes to the Financial Statements
for the year ended 30 June 2018

1. Summary of significant accounting policies (cont'd)

(j) New and revised Australian Accounting Standards and Interpretations (cont'd)

ii. Issued but not yet effective

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

The Staff Agency's assessment of the impact of new standards and interpretations which may have a material impact and have not been early adopted is set out below. The main impact of these standards and interpretations will be on presentation and disclosure except for the following:

- ***AASB 9 & AASB 2016-8 Financial Instruments***

AASB 9 includes revised guidance on the classification and measurement of financial instruments, including a new expected credit loss model for calculating impairment on financial assets, and the new general hedging accounting requirements. It also carries forward the guidance on recognition and de-recognition of financial instruments from AASB 139. AASB 9 is effective for the Staff Agency's for annual reporting periods beginning on or after 1 July 2018. The initial application of AASB 9 is not expected to materially affect the recognition of financial instruments in Staff Agency's financial statements. The application of the standard is expected to result in changes to the presentation and disclosure of information in the financial statements.

- ***AASB 15, AASB 2014-5, AASB 2015-8, AASB 2016-3, AASB 2016-7 and AASB 2016-8 regarding Revenue from Contracts with Customers***

AASB 15 establishes a comprehensive framework for determining whether, how much and when revenue is recognised. It replaces existing revenue recognition guidance, including AASB 118 Revenue. AASB 15 is effective for the Staff Agency for annual reporting beginning on or after 1 July 2019. Whilst the Staff Agency is currently carrying out an assessment to determine the impact on the financial statements, the impact from the application of this standard is not currently known nor can be reliably estimated.

- ***AASB 1058 Income of Not-for-profit Entities***

AASB 1058 clarifies and simplifies the income recognition requirements that apply to not-for-profit (NFP) entities in conjunction with AASB 15. This Standard supersedes or clarifies income recognition requirements relating to public sector NFP entities. AASB 1058 is effective for the Staff Agency for annual reporting periods beginning on or after 1 July 2019. Whilst the Staff Agency is currently carrying out an assessment to determine the impact on the financial statements, the impact from the application of this standard is not currently known nor can be reliably estimated.

2. Expenses excluding losses

	2018	2017
	\$'000	\$'000
Employee related expenses		
Salaries (including annual leave)	364	2,776
Superannuation - defined benefits plan	16	143
Superannuation - defined contribution plan	28	227
Long service leave	132	110
Workers' compensation insurance	5	28
Payroll tax and fringe benefit tax	45	166
Redundancies	637	228
Total	1,227	3,678

3. Revenue

(a) Personnel services revenue

	2018	2017
	\$'000	\$'000
Fee for personnel services	1,073	3,425
Total	1,073	3,425

(b) Acceptance by the Crown Entity of employee benefits and other liabilities

The following liabilities and / or expenses have been assumed by the Crown Entity or other government entities:

	2018	2017
	\$'000	\$'000
Superannuation - defined benefit	16	143
Long service leave	138	110
Total	154	253

Long service leave accrued by employees during their period of service is assumed by the Crown Entity as described in Note 1 (g) ii.

4. Receivables

	2018	2017
	\$'000	\$'000
Current receivables		
Debtors	-	232
Total	-	232

5. Payables

	2018	2017
	\$'000	\$'000
Current payables		
Accruals - salaries, wages and on-costs	-	8
Payroll and fringe benefits tax	-	17
Total	-	25

TAFE Commission (Senior Executives) Staff Agency

Notes to the financial statements

for the year ended 30 June 2018

6. Current / Non-Current Liabilities - Provisions

	2018	2017
	\$'000	\$'000
Employee benefits and related on-costs		
Annual leave (1)	-	146
On-costs	-	61
Total	-	207
	2018	2017
	\$'000	\$'000
Aggregate employee benefits and related on-costs		
Provisions - current	-	191
Provisions - non-current	-	16
Accrued salaries, wages and on-costs (Note 5)	-	8
Total	-	215

¹ There were no open staff positions and therefore no provisions held for annual leave and on-costs expected to be settled in less than 12 months (30 June 2017: \$191k) and Nil to be expected to be settled in greater than 12 month (30 June 2017: \$16k).

7. Related Party Disclosures

(a) Parent

The TAFE Commission (Senior Executives) Staff Agency is controlled by the NSW TAFE Commission.

(b) Key Management Personnel

No key management personnel of the Staff Agency are compensated by the Staff Agency. The Minister for Skills' and the Assistant Minister for Skills' ministerial compensation is paid by the NSW Legislature, not the Staff Agency. The Managing Director of the TAFE Commission is compensated by the TAFE Commission.

(c) Transactions with Government Related Entities during the financial year

During the year, the Staff Agency entered into the following individually significant arm's length transactions with other entities that are controlled by the NSW Government, which are a significant portion of the Staff Agency's transactions:

- Personnel services revenue of \$1,073,000 (2017: \$3,425,000) from the NSW TAFE Commission.
- Crown Entity's assumption of certain employee benefit liabilities on behalf of TAFE NSW of \$148,000 (2017: \$253,000).

The Staff Agency's audit fee was paid by the Commission.

TAFE Commission (Senior Executives) Staff Agency

Notes to the financial statements

for the year ended 30 June 2018

8. Financial instruments

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

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

The Managing Director of the NSW TAFE Commission has overall responsibility for the establishment and oversight of risk management and review and determines policies for managing each of these risks. Risk management policies are established to identify and analyse the risks faced by the Staff Agency, to set limits and to monitor risks. Compliance with these policies is reviewed by the internal auditors on a regular basis.

(a) Financial instrument categories

Financial Assets	Note	Category	2018 \$'000	2017 \$'000
Class:				
Receivables ¹	4	Loans and receivables (at amortised cost)	-	232
Financial Liabilities	Note	Category	2018 \$'000	2017 \$'000
Class:				
Payables ²	5	Financial liabilities (at amortised cost)	-	8

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

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

(b) Credit risk

Credit risk arises where a debtor or counterparty does not complete their obligations, resulting in financial loss to the Staff Agency. The maximum exposure to credit risk is generally represented by the carrying amount of the financial assets (net of any allowance for impairment).

Credit risk can arise from financial assets of the Staff Agency including outstanding receivables and committed transactions. No collateral is held by the Staff Agency.

Credit risk impacts on the following financial instruments which are discussed below:

Receivables – personnel services debtor

All personnel services debtors are recognised as amounts receivable at balance date. All debtors are with NSW government agencies and no debtor balances are considered impaired as at 30 June 2018 (30 June 2017: Nil).

TAFE Commission (Senior Executives) Staff Agency

Notes to the financial statements

for the year ended 30 June 2018

8. Financial instruments (cont'd)

(c) Liquidity risk

Liquidity risk is the risk that the Staff Agency will be unable to meet its payment obligations when they fall due. During the current year, there were no defaults of loans payable and no assets have been pledged as collateral.

The tables below summarise the maturity profile of the Staff Agency's financial liabilities, together with the interest rate exposure.

Interest Rate Exposure	Weighted Average Effective Int. Rate	Nominal Amount	Fixed Interest Rate \$'000	Variable Interest Rate \$'000	Non- interest bearing \$'000
2018					
Payables					
Accrued salaries, wages and on costs	-	-	-	-	-
Total		-	-	-	-
2017					
Payables					
Accrued salaries, wages and on costs	-	8	-	-	8
Total		8	-	-	8

Maturity dates	< 1 year \$'000	1 -5 years \$'000	> 5 years \$'000
2018			
Payables			
Accrued salaries, wages and on costs	-	-	-
Total	-	-	-
2017			
Payables			
Accrued salaries, wages and oncosts	8	-	-
Total	8	-	-

(d) 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 entity has no exposure to foreign currency risk and does not enter into commodity contracts.

(e) Fair value compared to carrying amount

Financial instruments are recognised at amortised cost. The carrying value of financial instruments recognised in the statement of financial position approximates the fair value, because of the short-term nature of many of the financial instruments.

TAFE Commission (Senior Executives) Staff Agency

Notes to the financial statements

for the year ended 30 June 2018

9. Events after the reporting period

At the date of signing, there were no events subsequent to the reporting period which would have a material effect on these financial statements.

End of audited financial statements.

Budget Outline for 2018–2019

Operating Statement

	2017-18		2018-19
	Budget	Revised	Budget
	\$000	\$000	\$000
Expenses Excluding Losses			
Operating expenses -			
Employee related	1,130,319	1,168,800	1,155,609
Other operating expenses	445,181	482,437	465,736
Grants and subsidies	...	...	620
Appropriation expense	...	...	...
Depreciation and amortisation	140,011	142,952	146,536
Finance costs	...	...	...
Other expenses	...	...	...
TOTAL EXPENSES EXCLUDING LOSSES	1,715,512	1,794,189	1,768,501
Revenue			
Appropriation	...	...	...
Cluster grant revenue	0	...	60,000
Acceptance by Crown Entity of employee benefits and other liabilities	52,945	52,417	50,398
Transfers to the Crown Entity	...	...	...
Sales of goods and services	473,281	417,006	570,617
Grants and contributions	1,130,514	1,125,521	1,016,357
Investment revenue	6,266	6,266	4,638
Retained taxes, fees and fines	...	...	...
Other revenue	0	10,869	6,069
Total Revenue	1,663,007	1,612,078	1,708,081
Gain/(loss) on disposal of non current assets	...	4,367	...
Other gains/(losses)	...	(3,400)	...
Net Result	(52,505)	(181,144)	(60,420)

Balance Sheet

	2017-18		2018-19
	Budget	Revised	Budget
	\$000	\$000	\$000
Assets			
Current Assets			
Cash assets	684,860	306,643	222,837
Receivables	210,193	263,471	263,471
Inventories	...	...	...
Financial Assets at Fair Value	...	...	...
Other Financial Assets	...	...	...
Other	...	...	...
Assets Held For Sale	...	...	...
Total Current Assets	895,053	570,114	486,308
Non Current Assets			
Receivables	4,311	2,311	2,311
Inventories	...	...	...
Financial Assets at Fair Value	446	557	557
Equity Investments	...	...	...
Property, plant and equipment -			
Land and building	4,394,405	3,731,765	3,729,212
Plant and equipment	15,702	19,145	30,194
Infrastructure Systems	...	...	...
Investment Properties	...	...	...
Intangibles	53,167	72,195	90,785
Other Assets	...	...	...
Total Non Current Assets	4,468,031	3,825,972	3,853,058
Total Assets	5,363,084	4,396,087	4,339,367
Liabilities			
Current Liabilities			
Payables	158,904	116,374	120,074
Other Financial Liabilities at Fair Value	...	...	...
Borrowings	...	...	...
Provisions	85,750	82,745	82,745
Other	285,723	145,723	145,723
Liabilities associated with assets held for sale	...	...	...
Total Current Liabilities	530,377	344,842	348,542
Non Current Liabilities			
Payables (Non-Current)	...	...	...
Other financial liabilities at fair value	...	...	...
Borrowings	...	...	...
Provisions	2,800	2,800	2,800
Other	...	...	...
Total Non Current Liabilities	2,800	2,800	2,800
Total Liabilities	533,177	347,642	351,342
Net Assets	4,829,907	4,048,445	3,988,025
Equity			
Accumulated funds	1,827,432	1,694,584	1,634,164
Reserves	3,002,475	2,353,861	2,353,861
Capital Equity	...	...	...
Total Equity	4,829,907	4,048,445	3,988,025

9. APPENDICES

Inclusive Strategies

The student and staff profile of TAFE NSW reflects the diversity of the NSW population.

TAFE NSW, as the state's public VET provider, helps people experiencing disadvantage to access the education and skill development services they need to join the workforce and participate fully in the community and economy.

The following section outlines how TAFE NSW supports students from culturally diverse backgrounds and students and staff who are carers, and provides information on the diversity of the TAFE NSW workforce.

Multicultural Policies and Services Program

Policy Commitments to Students from Culturally Diverse Backgrounds

Multicultural NSW Act 2000

All public sector agencies have a responsibility to plan initiatives that meet the needs of a culturally diverse society, and to report annually on these initiatives to the NSW Parliament. This includes a requirement to make the Multiculturalism Principles under the *Multicultural NSW Act 2000* (NSW) part of their core business, including section 3(1):

- All individuals in New South Wales should have the greatest possible opportunity to:
- Contribute to, and participate in, all aspects of public life in which they may legally participate, and
- Make use of, and participate in, relevant activities and programs provided or administered by the Government of New South Wales.
- All institutions of New South Wales should recognise the linguistic and cultural assets in the population of New South Wales as a valuable resource and promote this resource to maximise the development of the State.

TAFE NSW makes clear public commitments to diversity in public documents such as the TAFE NSW Annual Report and the TAFE NSW Strategic Plan 2016–2022.

TAFE NSW Multicultural Plan

TAFE NSW is committed to supporting lifelong learning, enhancing the access of students from culturally diverse backgrounds to education and training, increasing employment pathways and building social capacity.

In 2016–17, TAFE NSW introduced an interim State-wide Multicultural Plan while the organisation finalised its separation from the NSW Department of Education. The outcomes of this plan and development of a more detailed plan are scheduled to commence this year.

TAFE NSW Social Inclusion and Participation Policy

The TAFE NSW Social Inclusion and Participation Policy is published on the TAFE NSW website.

This policy is informed by relevant legislation, including the *Australian Human Rights Commission Act 1986* (Commonwealth), the *Racial Discrimination Act 1975* (Commonwealth) and the *Anti-Discrimination Act 1977* (NSW).

Service Delivery

Planning

The people of NSW represent many different cultures, languages, beliefs, practices, families, experiences and outlooks. This includes Aboriginal people as well as migrants and their children.

TAFE NSW uses data to inform planning and reporting at local and state levels, including population demographics, student learning needs and outcomes. This data helps improve delivery, assessment and the provision of services to culturally diverse students. Sources include:

- Labour market and industry trend reports
- Migration patterns and initiatives from government departments
- Student engagement, satisfaction and outcome surveys, which are conducted in English or community languages
- Informal community feedback
- Emerging training demands, including enrolment and completions data
- Internal coordination committees, including committees focused on equity and disadvantaged student groups.

Data is used in management reporting, the TAFE NSW annual report, policy and planning analysis, and other types of reporting.

Prior to the implementation of the One TAFE operating model, Institute Advisory Councils were active from 1 July 2016 to 28 February 2017.

Regional Advisory Councils replaced them on 1 March 2017 to reflect the transition to the One TAFE operating model.

The Councils advised the TAFE NSW Board and Managing Director on key issues affecting the delivery of programs and services. Their role included providing advice and information on industry trends and needs, participating in industry and community consultations, and identifying and supporting innovative responses to enterprise and community needs.

The advice the councils provided stemmed from their representation of industry segments.

TAFE NSW also participated in a number of local forums across NSW to seek feedback from multicultural communities, such as the Illawarra Refugee Issues Forum.

Mainstream Training

TAFE NSW delivers high-quality teaching programs that meet the needs of students and clients from culturally diverse backgrounds.

In 2017, TAFE NSW had more than 91,000 enrolments by Language Backgrounds other than English (LBOTE) students.⁴⁵ Students were enrolled in full qualifications, short courses and prevocational and part qualifications.

The NCVER Student Outcomes Survey shows that of the government-funded LBOTE graduates who studied with TAFE and other government providers in NSW⁴⁶ in 2016:

- 63.9 per cent were employed after training
- 66.2 per cent were employed or in further study after training
- 89.8 per cent were satisfied with the overall quality of training received.

Promotion of Tertiary Pathways

Targeted Training

TAFE NSW delivers socially inclusive programs and services to support students to reach their potential, regardless of individual circumstances or background, including programs targeted to meet the specific needs of people from culturally diverse backgrounds.

Targeted programs include English language programs, foundation and study skills and prevocational training.

⁴⁵ TAFE NSW corporate data.

⁴⁶ This TAFE NSW data is sourced from the *NCVER Student Outcomes Survey* and includes 'other government providers'. The survey was conducted in mid-2017 on 2016 completions.

English Language Programs

In 2017, TAFE NSW delivered high-quality English language programs to students ranging from beginner to vocational and advanced levels. These programs help students develop the language skills to speak and write confidently in English, participate in employment, or transition to higher-level training.

In 2017, TAFE NSW had 14,922 enrolments in AQF level qualifications for English for Speakers of Other Languages (ESOL).

TAFE NSW had a further 3,605 enrolments in ESOL part qualifications (Statements of Attainment) and non-AQF level courses.⁴⁷

English language programs delivered by TAFE NSW include the:

- Adult Migrant English Program
- Skills for Education and Employment program, which provides contextualised language training with embedded employability skills
- NSW Adult Migrant English Service Skillmax jobseeker courses
- Elementary English Language
- English for Vocational Purposes
- Settlement Language Pathways for Employment and Training
- Language Pathways for Employment and Training
- Certificate in Spoken and Written English
- English for Further Studies
- Academic English.

Foundation and Study Skills

Foundation skills include reading, writing, numeracy, oral communication, study skills and employability skills such as communication, teamwork and problem solving.

In 2017, TAFE NSW had 2,518 enrolments by LBOTE students in AQF level foundation and study skills qualifications and 1,718 in foundation and study skills part qualifications (Statements of Attainment or non-AQF level courses).⁴⁸

Prevocational, Skill sets and other Part Qualifications

TAFE NSW offered part qualifications for people from culturally diverse backgrounds as ‘tasters’ for different vocational careers, and to help them gain skills and transition into mainstream qualifications. TAFE NSW delivered many of these programs in consultation with community groups.

In 2017, there were 7,360 enrolments by LBOTE students in CSO part qualifications, vocational and community engagement and foundation skills support, as well as 20,972 enrolments by LBOTE students in skill sets.⁴⁹

Support Services

The TAFE NSW Strategic Plan 2016–2022 promotes the delivery of inclusive and accessible services to students from culturally diverse backgrounds and those experiencing disadvantage.

TAFE NSW receives Community Service Obligation funding from the NSW Government to provide disadvantaged students with support services to help them undertake vocational courses.

⁴⁷ TAFE NSW corporate data.

⁴⁸ TAFE NSW corporate data.

⁴⁹ TAFE NSW corporate data.

Further details of support services provided to disadvantaged students under Community Service Obligation can be found in the Serving our students and local communities section of the performance report.

In 2017, TAFE NSW worked with government and non-government agencies to provide integrated support and information LBOTE, refugee and humanitarian entrant students. Partner organisations include:

- Multicultural community organisations
- Government departments and service providers
- Refugee settlement service providers
- Local *jobactive* employment service providers
- Advisory councils and forums
- Migrant resource centres
- Local businesses and industry peak bodies
- Local councils.

Disability Services

TAFE Disability Services provides students with a safe, equitable and respectful environment. They support students with their personal aspirations, empower them, and enable them to achieve economic independence and success. TAFE Disability Services and Career Counsellors provide career, educational and personal counselling e.g. information about recognition of overseas qualifications and skills, adjusting to life and study in Australia, and assisting with course selection and completion.

In the April to June 2018 quarter, 905 clients of a culturally and linguistically diverse background were seen by Counsellors in the colleges formerly known as Western Sydney Institute. Of these clients, 305 also identified as having a disability, and 60 identified as being of a refugee background.

Clients were either prospective or current students, presenting with a wide range of complex issues. These issues include difficulty gaining employment, isolation, trauma, gaps in educational attainment, financial problems, lack of social support, and difficulty in obtaining local experience.

Settlement Services

TAFE NSW is involved in several programs and initiatives that support people and families from a refugee background to settle and start a new life in NSW. For example, the Adult Migrant English Program (AMEP) provides English lessons, supporting migrants to participate socially and economically in Australian society. Under AMEP, eligible newly arrived migrants and refugees can receive some free English lessons. This is further supported by creche facilities so adult migrants can participate in AMEP while their children are cared for by qualified childcare providers.

TAFE NSW also collaborates with external organisations to ensure refugees are supported through education, health and social/community events. Some of these organisations include the NSW Service for the Treatment and Rehabilitation of Torture and Trauma Survivors (STARTTS), Red Cross, Settlement Services International, and Local Councils. Working Groups have also been established between TAFE NSW and external organisations to ensure communities are prepared to appropriately support refugees, particularly when there are high numbers. This has enabled careful planning and facilitated information sharing about initiatives and events to support refugees.

Counselling

TAFE Counsellors are in the privileged position of assisting refugees and new migrants to settle in NSW. Counsellors work with clients to help them start a new life, gain currency through relevant education and skill building. This leads to improved employment trajectories and enhanced wellbeing through a sense of accomplishment and connection. Counsellors are trained and experienced in providing culturally and psychologically appropriate services, sensitive to the needs of refugees and migrants in a new environment, helping them to navigate unfamiliar terrain.

Many refugees have experienced trauma, grief and loss. Counsellors support them in an educational setting to overcome barriers, connect and engage with services within TAFE and the wider community, and provide ongoing support (as needed) to assist with course completion, enhanced learning outcomes and employment opportunities. With Counsellor intervention, many refugee students have been supported with psycho-education, study and time management skills, stress management, and job seeking skills. This approach helps students achieve their potential but also to reduce the impact of stress and trauma on teaching sections and fellow students.

Case Study

Biography: 50 year old female refugee from Iran.

Languages spoken at home: Persian

Refugee experience: Extensive trauma, fleeing her country of birth alone. Isolated and finding it difficult to adjust to a new life in Australia with very limited support.

Education and English skills: Overseas qualifications in Dentistry. Very keen to return to a professional medical career. Moderate English skills, studying at an advanced level to pursue pathways to university study.

Counselling Support: Student was assisted over the duration of her course to better understand the Australian Education system in relation to her profession. She was also assisted with the overseas skills recognition process, social isolation, housing, and government and non-government services that could support her.

Benefits: Counselling was critical to assist this student in becoming a settled and engaged member of the Australian community. She has completed a TAFE NSW course and is now enrolled at an Australian university studying Pharmacy, an area she is passionate about. She reported that the Counsellor really helped her to successfully transition to higher education and she feels she could not have done this without the Counsellor's support.

Language Services

As part of the transition to One TAFE commenced in 2017, TAFE NSW is working on streamlining reporting mechanisms to ensure data is consistent and robust.

Area 1: Client demographics

TAFE NSW is not able to provide the main language other than English clients speak at home and who require a translator or interpreter.

Area 2: Expenditure

TAFE NSW spent \$8,131 on interpreting and translating services in the 2017/18 financial year.

Area 3: In-house staff

Bilingual staff and Community Language Assistance Scheme (CLAS) recipients

In accordance with policy, TAFE NSW uses Telephone Interpreting Services (TIS) for the majority of its interpreting needs. However, there are occasions when bilingual staff use their language skills to assist with simple customer service matters. TAFE NSW is not able to quantify the number of staff who use these skills in their daily work. Bilingual staff in receipt of a CLAS allowance use their language skills as part of their usual duties, or in addition to their normal role as needed. In 2017/18, there were 42 staff in receipt of the CLAS and who had their skills tested. Information on what languages bilingual staff use is not currently available.

Area 4: Services provided

TAFE NSW is not able to provide information on the number of times interpreting and translation services were performed, the top languages serviced, requests that could not be met, or languages unable to be serviced.

10. INCLUSIVE STRATEGIES

TAFE NSW promotes training options and support services to people from culturally diverse backgrounds through:

- Industry and community networks, committees and local schools
- Aboriginal specific education and community workers e.g. ACLO's (Aboriginal Community Liaison Officer's) and schools
- Aboriginal specific services, organisations, career expos
- Aboriginal representation on panel interviews with partner schools
- Responding to community need through implementation of Aboriginal specific courses and training options and partnering with businesses to support Aboriginal employment and training
- The TAFE NSW website and social media e.g. the 'Rob Shehadie goes to TAFE' series
- Newspaper articles e.g. the promotion of English classes using community languages in multicultural media
- TAFE NSW presentations at other agencies and community days, tours of campuses and sessions to inform community groups, e.g. sessions were run for newly arrived migrants on the Recognition of Prior Learning
- The TAFE NSW structure includes Culturally and Linguistically Diverse (CALD) Coordinators dedicated to working with community groups to enable participation in TAFE NSW training by culturally diverse members of the community.
- Attendance at the Multicultural Policies and Services Program (MPSP) State Coordinators' forums and Focus Group for Planning for Cultural Diversity Toolkit and the Electoral Commission CALD Reference group
- Attendance at the Ethnic Communities Council of NSW members' forum, and the Refugee Support Network.

TAFE NSW also promotes the availability of external government funded support services, such as NSW Service for the Treatment and Rehabilitation of Torture and Trauma. These support services are promoted online, through industry and community networks and directly to students by TAFE NSW teaching, support and administrative staff.

Recognising and Celebrating Cultural Diversity

TAFE NSW promoted and participated in local community events to recognise the diversity of our student population and workforce in 2017-18, including:

- Multicultural March and Multicultural Day
- Reconciliation Week- event held at St Leonards Campus, Library displays across the region, Screen loops at Northern Beaches Campus
- National Aborigines and Islanders Day Observance Committee Week- National Aborigines and Islanders Day Observance Committee Week - event held at Ultimo Campus; Staff attending events across the region; Library displays across the region
- World Refugee Week
- Harmony Day
- National Sorry Day
- Cultural Connections Day
- World Friendship Day
- Multicultural White Ribbon Day

- Day of Peace Celebration
- Ramadan Iftar
- COMPACT celebration and announcement of \$1.2 million to this program by the Hon. Mr (Ray) Raymond Williams, MP the NSW Minister for Multiculturalism and the Minister for Disability Services
- International Women's Day celebration
- Class excursions to other community cultural events
- Aboriginal Studies HSC Major Projects Showcase –at Mackellar Girls High School
- Bungee Bidgel Womens' Health Check Days
- YARNUP at the Aboriginal Heritage Office
- Caber-ra-Nanga Wellbeing Day
- Budawa signage group - Unveiling the Aboriginal History Sign at Mona Vale
- National Aboriginal and Torres Strait Islander Children's Day
- Bradfield College regarding the Vivid projects
- Gawura Aboriginal Learning Centre ten year anniversary
- Cumberland Community Sector Networking Forum, Inclusive and cohesive two day conference
- Cultural Objects display at Northern Beaches Library.

TAFE NSW recognised and celebrated the successes of students and staff who promoted culturally inclusive practices through awards including:

- Student multicultural awards
- Cultural diversity achievement awards
- Gili Awards
- Scholarships to recognise refugee contributions to TAFE NSW and the community
- Nomination of staff for awards e.g. Australian Citizen of the Year Award, NSW Public Servant of the Year
- Metropolitan North Aboriginal Education Consultative Group (AECG) Awards
- TAFE Awards including, the Mr George Watts Student Excellence Award and the Contribution to Aboriginal Education Teacher Award.

Inclusive Strategies

The current Australian culturally and linguistically diverse community brings with it a new challenge, which is knowing how to reach and service such a disparate market that is predominantly young, affluent, highly educated and digitally aware.

Preliminary Data Analysis

The Multicultural Community Engagement Coordinator (MCEO) monitors community profiles through Census data and the TAFE Digital EBS enrolments to ensure our services reflect the range of languages spoken by our increasingly diverse migrant, refugee and humanitarian entrant population and to identify underrepresented groups. Enrolment data is also analysed for CALD students who applied for help with English towards organising support as required.

Service Delivery

- **SkillME:** A TAFE Digital tailored Skillset course delivered to over 75 students last year. This program is developed in partnership with Metro Assist (MRC) as a three-year pilot project funded by Multicultural NSW to assist migrants and refugees find suitable employment.

The program assists students through the complex process of having their overseas skills and qualifications recognised and obtain gap or further training and local experience through an internship. This TAFE Digital program and the SkillME project team were selected as a finalist for the 2017 NSW Premier's Awards for Public Service.

- **Introduction to Bushcare:** A two-staged blended delivery program designed for CALD students in partnership with Liverpool Council and Dharma Karta. This program combines units from Conservation and Land Management courses with English language units to enhance their employment opportunities in this space.
- **Developing Employability Skills for newly arrived migrants and refugee parents group:** This ten week program is designed in partnership with MCR and Ashfield Council to assist this cohort of students with developing the skills necessary for securing employment, and achieving success in their chosen occupations while improving their English language skills. Students will gain awareness of local job market regulations and identify their own needs for gap or further training as required.
- **ESOL/AMEP:** ESOL Cert. III (EFS) and Cert. IV (EAP), and two Skillmax courses were delivered at Strathfield. AEMP DL courses were also delivered to over 850 students to date.
- **Refugee Employment Support Program (RESP):** The RESP is a four-year, \$22 million initiative by the NSW Government managed by the NSW Department of Industry. RESP addresses the challenges that are experienced by refugees and asylum seekers in finding long term skilled employment opportunities. The RESP will assist up to 6,000 refugees and 1,000 asylum seekers across Western Sydney and Illawarra, the areas where a majority of the refugees settle in NSW.
- **Staff training:** Participated in the Overseas Skills and Qualifications working group led by the Multicultural Advisory Forum (MAF) to identify the access and service delivery issues experienced by CALD communities in relation to Overseas Qualifications and Skills Recognition in the absence of a central assessment service in NSW. The working group canvassed service providers for any evidence, data, case studies, feedback and suggestions in relation to Overseas Qualifications and Skills Recognition via a data collection form that was disseminated to all MAF members.

Community Engagement and Promotion of Services

Multicultural Community Engagement: The benefit of liaising with peak bodies and attending state-wide meetings is to keep TAFE NSW on the agenda and share information and updates.

Presentations were made to the Refugee Support Network to impart awareness of Refugee and Asylum seekers' eligibility to Smart and Skilled courses and also to promote AMEP and TAFE Digital provisions and their benefits to migrants and refugees. The AMEP DEL flyer was emailed to all the Migrant Resource Centres nationally.

Case study

In 2016 the Inner West Council led the establishment of a Refugee Welcome Centre in Rozelle largely in response to the intake of Syrian Refugees. TAFE NSW has partnered on several activities including an information session for over 200 newly arrived Iraqi and Syrian refugees (young people) in partnership with Settlement Services International. TAFE NSW is running specific courses for refugees including sewing, hospitality and Work Opportunities for Women in 2018. These courses have come out of consultations with refugee and asylum seeker agencies, and refugee and people seeking asylum themselves.

Case study

To mark Refugee Week, students and staff viewed a movie, Hope Road. The movie, by renowned director Tom Zubrycki, features ex-TAFE NSW Ultimo student, Zacharia Machiek, along with his TAFE NSW English Language teacher, Janet Dyne, and tells the story of him settling in Sydney after fleeing Sudan to seek safety from war. Zacharia is determined to build a school for the girls in his village back in Sudan – so along with his teacher, Janet, he walks from Tweed Heads to Sydney and raises \$20,000. Janet provided an update and the Student Association collected over \$200 in donations towards the school.

Building Workforce Capacity to Meet Student Needs

TAFE NSW used local demographic data and student enrolment profiles to plan the recruitment of education staff to support the diverse TAFE NSW student population and respond to local needs.

In 2017-18, the TAFE NSW Executive Leadership Team approved the TAFE NSW Diversity Plan (Diversity Plan). Two cohorts called out in the Diversity Plan for specific development in 2018-19 are Culturally and Linguistically Diverse (CALD) employees and employees who identify as having a disability. One of the reasons these cohorts are a focus of the Diversity Plan is to continue TAFE NSW's effort to have a workforce that reflects the diversity of NSW communities and the TAFE NSW student population.

During 2017-18 TAFE NSW completed a Strategic Workforce Plan in a number of key trade disciplines. This workforce plan aimed at maximising the likelihood of TAFE NSW having the right number of teaching staff, with the right capabilities, in the right locations at the right time to provide quality education to students. The Workforce Plan involved significant engagement with teaching sections around the state and has been approved at an executive level.

Workforce Diversity

Representation of equal employment opportunity groups in the workforce

The following equal employment opportunity groups were employed as a proportion of the total headcount of employees as at June 2018:

Workforce diversity group	Target	2016–17	2017–18
Women	50.0%	62.5%	62.9%
Aboriginal and Torres Strait Islander people	3.3%	3.2%	2.1%
People whose first language spoken as a child was not English	23.2%	16.2%	10.5%
People with disability	N/A	3.2%	2.0%
People with disability requiring work-related adjustment	N/A	0.9%	0.5%

Notes:

1. In June 2017, representation of Equal Employment Opportunity (EEO) groups was calculated as the estimated number of staff in each group divided by the total number of staff. These statistics, except those for women, were weighted to estimate the representation of EEO groups in the workforce, where EEO survey response rates were less than 100 per cent.
2. In June 2018, representation of Equal Employment Opportunity (EEO) groups was calculated as the actual number of staff in each group divided by the total headcount of staff as at June 2018. A weighting has not been applied. This reflects a lower overall number
3. The benchmark of 50 per cent for representation of women across the sector is intended to reflect the gender composition of the NSW community.
4. The NSW Public Sector Aboriginal Employment Strategy 2014–17 introduced an aspirational target of 1.8 per cent by 2021 for each of the sector's salary bands. If the aspirational target of 1.8 per cent is achieved in salary bands not currently at or above 1.8 per cent, the cumulative representation of Aboriginal employees in the sector is expected to reach 3.3 per cent.
5. A benchmark from the Australian Bureau of Statistics (ABS) Census of Population and Housing has been included for People whose First Language Spoken as a Child was not English. The ABS Census does not provide information about first language, but does provide information about country of

birth. The benchmark of 23.2 per cent is the percentage of the NSW general population born in a country where English is not the predominant language.

6. Work is underway to improve the reporting of disability information in the sector to enable comparisons with population data. For this reason, no benchmark has been provided for the category 'People with Disability or for People with Disability Requiring Work-Related Adjustment'.

TAFE NSW achieved the following index of distribution of equal employment opportunity groups across salary levels:

Workforce Diversity Group	Target	2016	2017
Women	100	96	95
Aboriginal and Torres Strait Islander people	100	96	95
People whose first language spoken as a child was not English	100	95	95
People with disability	100	93	92
People with disability requiring work-related adjustment	100	100	99

Source: NSW Public Sector Workforce Profile as at 30 June each year.

Note: data on the reported numbers of staff who are Aboriginal, staff whose first language spoken as a child was not English or staff with disability was obtained by self-disclosure, therefore may be an underrepresentation of the actual number.

Notes:

1. A distribution index score of 100 indicates that the distribution of members of the workforce diversity group across salary bands is equivalent to that of the rest of the workforce. A score less than 100 means that members of the workforce diversity group tend to be more concentrated at lower salary bands than is the case for other staff. The more pronounced this tendency is, the lower the score will be. In some cases, the index may be more than 100, indicating that members of the workforce diversity group tend to be more concentrated at higher salary bands than is the case for other staff.
2. The distribution index is not calculated when the number of employees in the workforce diversity group is less than 20 or when the number of other employees is less than 20.
3. 2018 data becomes available in August 2018.

Identified workforce diversity strategies for 2017–18

The *Government Sector Employment Act 2013* (NSW) requires NSW public sector agencies to integrate workforce diversity into broader workforce planning processes.

In 2017–18, TAFE NSW continued its commitment to create a workplace that is fair, inclusive, free of discrimination, and reflects the diversity of NSW communities.

TAFE NSW committed to undertake the following workforce diversity strategies during 2017–18:

Increase employment of Aboriginal People

The One TAFE People and Safety Strategy 2017–2022, approved in June 2017, includes commitments to double the number of Aboriginal people employed by TAFE NSW by 2019.

Aboriginal staff employed by TAFE NSW

In the past year, the number of Aboriginal people employed by TAFE NSW increased by 13.9 per cent.

Aboriginal employees	30 June 2017	30 June 2018
Headcount of Aboriginal employees	251	286
Percentage of total headcount ⁵⁰	1.8%	2.1%

Source: TAFE NSW corporate data, reported to Commonwealth Indigenous Participation Plan.

Aboriginal Employment Strategy

TAFE NSW is developing a three year Aboriginal Employment Strategy, which has been through consultation with our employees and will be proposed for formal endorsement by the Executive Leadership Team in early 2018-19. The Aboriginal Employment Strategy is TAFE NSW's commitment to double and diversify Aboriginal employment with a commitment to increasing the number of Aboriginal employees in reflection of the communities served and increasing employment of Aboriginals in leadership positions. TAFE NSW has established Aboriginal Employment Advisor roles in each region to support the retention and career development of Aboriginal employees as well as increasing the capability of the recruitment team to support Aboriginal applicants through the recruitment process. TAFE NSW will build cultural awareness across TAFE NSW through the provision of a Cultural Competency Framework supported by Aboriginal cultural awareness training.

Improve employment outcomes for employees from culturally diverse backgrounds

TAFE NSW continues to work towards a culturally diverse workforce which through deeper understanding of communities can deliver better outcomes to our customers. Specialist Cultural and Linguistic Diversity (CALD) Coordinator positions have been refined to work consistently across the state. These roles have been recruited, are subject matter experts and responsible for multicultural engagement.

TAFE NSW conducted interviews and information sessions with refugees and asylum seekers to identify the educational and vocational needs and gaps of this group. Specific courses have been developed that prepare participants for vocational learning. Supporting diverse learners is a continued focus for TAFE NSW and a key priority is increasing opportunity and inclusion for CALD employees.

TAFE NSW continued to provide professional learning opportunities for staff from culturally diverse backgrounds, including leadership and capability development forums. An all employee training module has been created that will build capability in multicultural competence.

Build the leadership potential of female employees

TAFE NSW supports leadership development and recognises the leadership capability of female employees. Half of the members of the TAFE NSW Executive Leadership Team are female.

In 2017–18, TAFE NSW delivered at a Women in Education Leadership conference and launched the TAFE Academy which is a centre of excellence offering professional development to all employees including women at TAFE NSW.

⁵⁰ Percentage based on total headcount using TAFE NSW Payroll Report (average for June).

Other diversity initiatives

Aboriginal staff

Aboriginal Languages Forum

TAFE NSW Aboriginal staff attended the Puliima Indigenous Language and Technology (Puliima) conference held from October 16th-20th in Cairns, Queensland. Puliima is a biennial event aimed at bringing people together from all over Australia and internationally to highlight and share the fantastic work being done in our traditional languages. Prominence is given to exploring and sharing pioneering language program work and ideas, and exciting products and equipment that can be used in community based language projects. The Forum gave TAFE NSW Aboriginal staff an opportunity to network with an inspirational group of people who all share a common ambition of preserving and celebrating the languages of your country. Our staff also provided conference participants with demonstrations of our online Aboriginal Language products and resources.

TAFE NSW Senior Managers Aboriginal Engagement Network

Throughout the year our Senior Managers Aboriginal Engagement maintained their monthly network via video conference. These meetings were also supported with several face- to- face meetings to collaborate on strategic issues, disseminate information and discuss emerging issues.

The TAFE NSW Senior Managers Aboriginal Engagement Network ensures a collaborative relationship between TAFE NSW Corporate Office and regions is developed and maintained to promote effective consultation and progression of key state-wide strategic issues.

Staff with disability

TAFE NSW is committed to ensuring that the workplace is accessible and inclusive for staff with disability. The Diversity and Inclusion Plan 2018-19, focuses on improving accessibility and providing a reasonable adjustment process ensuring an environment free from barriers. A staff with disability network is being created to raise awareness on issues. The TAFE NSW Diversity User Group will help to ensure premises, documents, systems and communications are accessible.

Equity and diversity awareness activities

TAFE NSW promoted and celebrated events to raise diversity awareness and to encourage inclusive practices, such as Reconciliation Week, World Refugee Week, Mardi Gras, Harmony Day, Ramadan and International Women's Day. TAFE NSW campuses involved students, staff and community members in the celebrations to raise awareness of equity and diversity.

Identified diversity strategies for 2018-19

In 2018–19, TAFE NSW will continue its commitment to having a workforce that reflects the diversity of the students and communities that the organisation serves.

Workforce diversity strategies proposed for 2018–19 include:

- Execution of the 2018-19 Diversity and Inclusion Plan and the Aboriginal Employment Strategy with a commitment to track progress
- Develop initiatives to provide meaningful employment opportunities to young people
- Diversity and inclusion training, coaching and guidance to be delivered to ensure that TAFE NSW employees recognise, value and represent the diversity of the communities we serve
- Enhancements to SAP payroll system to enable collection of diversity and equity data
- Initiatives to improve accessibility and inclusion for employees with disability including a consistent processing of managing reasonable adjustment requirements
- Continued focus on improving employment opportunities for people from a CALD background
- Initiatives to continue to embed flexible working arrangements across TAFE NSW.

NSW Carers (Recognition) Act 2010

The *NSW Carers (Recognition) Act 2010* (NSW) requires public sector agencies to:

- Ensure that staff and agents have an awareness and understanding of the *NSW Carers' Charter*
- Ensure that staff reflect the *NSW Carers' Charter* principles in their daily work
- Consult with bodies representing carers when developing policies that impact upon carers
- Develop internal human resources policies with due regard to the *NSW Carers Charter*.

Carers are defined as providing ongoing help to someone who needs it because of their disability, long-term or life-limiting illness, mental illness, dementia or ageing.

Implementation of the Carers' Charter

Students

As a human services and public sector agency under the *Carers (Recognition) Act 2010* (NSW), TAFE NSW provides flexible delivery and assessment options to allow students to study and undertake assessment at a time and place to suit their personal circumstances.

TAFE NSW makes personal, career and study counselling services available to students, including those with carers and those who are carers. TAFE NSW employs specialist staff where required, to identify and provide for the needs of students including referral to TAFE NSW and external services and resources.

TAFE NSW promoted the availability of the Commonwealth Government's [Young Carer Bursary Program](#) on websites, the intranet and social media. The aim of the bursary program is to support young carers to remain in or return to education or training, leading to improved employment opportunities.

Staff

TAFE NSW offers flexible work arrangements to help staff balance work and carer responsibilities. Flexible work options include permanent and temporary part-time work, job sharing, leave without pay, flexible working hours, personal Carer's leave and short-term leave to attend to family and community responsibilities. We provide information to carers about the flexible arrangements available in response to inquiries.

During 2017–18, up to 3,878 TAFE NSW staff (70 per cent of whom were women) accessed flexible work options. These include up to 2,662 staff taking short-term absences to meet family and community responsibilities.

Staff with Carer responsibilities were able to access the TAFE NSW Employee Assistance Program, an independent, confidential and free professional counselling service to support the health and wellbeing of employees, flexible and family-friendly work practices.

Human Resources Policies Supporting Carers

TAFE NSW supports employees who are carers through existing human resource policies including our sick leave, FACS leave, leave without pay and permanent part-time work policies.

During 2017-18, TAFE NSW has actively participated on the Public Service Commission (PSC) coordinated Flexible Working Committee. Although not exclusively concerned with Carers, the flexibility commonly needed by Carers is a significant part of the Committee and its output. TAFE NSW managers have critiqued and provided feedback to a PSC promotional campaign aimed at increasing awareness of flexible work arrangements.

The TAFE NSW Executive Leadership Team has approved the TAFE Diversity Inclusion Plan (Plan). One of the pillars of the Plan relates to transition to retirement. One of the reasons why transition to retirement has been included is to provide employees approaching or considering retirement the flexibility needed to both continue working while caring for grandchildren.

Flexible Working Procedure written direction is planned for 2018-19. After appropriate consultation, this will clearly state TAFE NSW's approach to flexible working, which will include flexibility options needed by carers.

11. BUSINESS RESOURCES

Land Disposal

In 2017–18, the sale revenue from the disposal of the Vincentia (167 The Wool Road), Petersham (85 Margaret Street) and Meadowbank (57-69 Constitution Road) properties resulted in sales revenue of \$22.33 million exclusive of GST.

Ownership of part of the Meadowbank (57-69 Constitution Road) site was transferred to the NSW Department of Education on the 8 March 2018 to establish a primary and senior high school as part of the planned Meadowbank Education and Training Precinct. The site was surplus to TAFE NSW requirements.

All sale proceeds will be reinvested into modernising and improving TAFE NSW facilities and learning platforms to benefit students.

An application for access to documents concerning details of the property disposed of during 2017–18 may be made in accordance with the *Government Information (Public Access) Act 2009* (NSW).

Major Works

The tables below lists new, continuing and completed major works, including their cost as at 30 June 2018 and estimated dates of completion.

New Major Works in 2017–18

TAFE NSW ⁵¹ project name and location	Total expend. to 30 June 2018 ⁵² (\$'000 excl GST)	Estimated total cost ⁵³ (\$'000 excl GST)	Start ⁵⁴	Completion date ⁵⁵ (actual or estimated)	Details of any significant: ⁵⁶ <ul style="list-style-type: none"> cost overruns delays amendments deferments cancellations
Campus Consolidation, St George	\$477	Commercial in confidence	2018	31 January 2019	-
Connected Learning Centres Program – Stage 2 – North Region	\$3,600	Commercial in confidence	2017	Murwillumbah: 21 November 2018 Scone: 30 June 2019 Singleton: 22 September 2018 Yamba: 21 December 2018	-
Connected Learning Centres Program – Stage 2 – South Region	\$7,724	Commercial in confidence	2017	Corowa: 29 June 2018 Deniliquin: 17 July 2018 Narrandera: 31 July 2018	-

⁵¹ Consistent with information published in the 2016–17 Budget Paper 2.

⁵² Total expenditure is the actual expenditure as at 30 June 2017. Figures published in the 2016–17 Budget Paper were estimates as at 30 April 2017.

⁵³ The estimated total cost for projects continuing in 2016–17 is as published in the 2016–17 Budget Paper 2.

⁵⁴ Calendar year.

⁵⁵ The year of the completion dates is as published in the 2016–17 Budget Paper 2. Please note that in previous years, TAFE NSW estimated end dates. The updated dates have been aligned to the TAFE NSW cash flow.

⁵⁶ A significant delay is defined as a delay of more than 12 months. A significant cost overrun is defined as being more than 10 per cent of the total expenditure.

TAFE NSW ⁵¹ project name and location	Total expend. to 30 June 2018 ⁵² (\$'000 excl GST)	Estimated total cost ⁵³ (\$'000 excl GST)	Start ⁵⁴	Completion date ⁵⁵ (actual or estimated)	Details of any significant: ⁵⁶ <ul style="list-style-type: none"> cost overruns delays amendments deferments cancellations
Connected Learning Centres Program – Stage 2 – West Region	\$861	Commercial in confidence	2017	Bourke: 21 November 2018 Grenfell: 21 December 2018	-
Randwick Partnership Development	\$0	Commercial in confidence	2017	30 June 2019	Project is linked to new hospital development under NSW Health. Project is delayed to align scope and timeframes with NSW Health.
Specialist Centre, Connected Health Hub, Coffs Harbour	\$60	Commercial in confidence	2018	31 October 2019	-
Connected Learning Centres Program – Stage 2 – Bega	\$299	Commercial in confidence	2017	21 January 2019	-
Meadowbank	\$2,339	Commercial in confidence	2018	17 December 2018	-

Continuing Major Works

TAFE NSW , project name and location	Total expend. to 30 June 2018 (\$'000 excl GST)	Estimated total cost (\$'000 excl GST)	Start	Completion date (actual or estimated)	Details of any significant: <ul style="list-style-type: none"> cost overruns delays amendments deferments cancellations
Hunter Institute - Newcastle West, Hunter Street Campus Refurbishment and Upgrade	\$1,189	\$3,771	2016	28 February 2019	-
Hunter Institute - Tighes Hill Newcastle Campus Customer Service and Industry Development Centre	\$610	Commercial in confidence	2015	Phase 1: 30 October 2018	Phase 2 is deferred and under review to clarify requirements under the One TAFE operating model
New England Institute - Gunnedah Campus Trades Refurbishment	\$107	Commercial in confidence	2016	TBA	Project deferred. New business case under development. Original scope did not meet local industry requirements.
North Coast Institute - Coffs Harbour Education Campus, Applied Construction and Plumbing Technologies Hub	\$541	Commercial in confidence	2015	20 December 2019	-

TAFE NSW , project name and location	Total expend. to 30 June 2018 (\$'000 excl GST)	Estimated total cost (\$'000 excl GST)	Start	Completion date (actual or estimated)	Details of any significant: <ul style="list-style-type: none"> cost overruns delays amendments deferments cancellations
North Coast Institute - Connected Mobile Learning and Self Service (various locations)	\$25	Commercial in confidence	2016	TBA	Project is deferred and under review to clarify requirements under the One TAFE operating model
North Coast Institute - Kingscliff Campus Connected Health Hub - Stage 2	\$186	Commercial in confidence	2016	20 December 2018	Project options are under review due to space limitations associated with the growth of existing occupants.
North Coast Institute - Port Macquarie Customer Contact Centre and Kingscliff Student Central	\$1,374	Commercial in confidence	2016	Port Macquarie 19 December 2016	Completed
				TBA	Kingscliff is deferred and under review to clarify requirements under the One TAFE operating model
Northern Sydney Institute - Brookvale Northern Beaches Campus Plumbing Consolidation and Refurbishment	\$21	Commercial in confidence	2016	TBA	Project is deferred and under review to clarify requirements under the One TAFE operating model
South Western Sydney Institute - Granville College Electrotechnology Consolidation	\$4,394	\$7,918	2016	30 October 2018	-
South Western Sydney Institute - Miller College Carpentry Construction and Electrical Consolidation	\$605	Commercial in confidence	2016	30 July 2019	-
South Western Sydney Institute - Wetherill Park College Engineering Consolidation	\$5,740	\$8,300	2015	21 December 2018	-
TAFE NSW Information and Communication Technology - Student Management System	\$35,266	Commercial in confidence	2016	TBA	-
Sydney Institute - Petersham College Upgrade and Consolidation	\$940	Commercial in confidence	2016	Phase 1: 17 August 2018	Phase 2 is deferred and under review to clarify requirements under the One TAFE operating model

TAFE NSW , project name and location	Total expend. to 30 June 2018 (\$'000 excl GST)	Estimated total cost (\$'000 excl GST)	Start	Completion date (actual or estimated)	Details of any significant: <ul style="list-style-type: none"> cost overruns delays amendments deferments cancellations
Western Institute - TAFE Western Connect Stage 2 (various locations)	\$2,470	\$8,850	2015	20 December 2018	The Grenfell location was withdrawn from the 2016–17 major works program and has been included in the 2017–18 CLC Program

Completed works

TAFE NSW e, project name and location	Total expend. to 30 June 2018 (\$'000 excl GST)	Estimated total cost (\$'000 excl GST)	Start	Completion date (actual or estimated)
New England Institute - Country NSW Connected Learning Stage 1 (various locations)	\$9,906	\$9,301	2014	Glenn Innes: 14 November 2017 Tenterfield: 2 November 2017 Coonabarabran: 31 October 2017 Quirindi: 26 October 2017
Hunter Institute - Tighes Hill Newcastle Campus Block D Refurbishment	\$9,448	\$9,905	2014	29 June 2018
Illawarra Institute - Growing Flexible Delivery Information Technology Infrastructure (various locations)	\$9,174	\$9,227	2015	30 June 2018
Northern Sydney Institute - Northern Beaches Campus Electrotechnology	\$2,765	\$2,860	2016	17 July 2017
Northern Sydney Institute - Ryde Campus, Hospitality Training Centre	\$4,358	\$4,565	2015	25 September 2017
Northern Sydney Institute - Ryde Campus, Hospitality Upgrade	\$2,453	\$2,540	2016	25 September 2017
Northern Sydney Institute - St Leonards Campus Higher Education, International Business and Foundation Services Upgrade	\$1,922	\$2,001	2016	24 January 2018
Northern Sydney Institute - St Leonards Campus, Children's Services	\$4,586	\$4,700	2016	24 January 2018

TAFE NSW e, project name and location	Total expend. to 30 June 2018 (\$'000 excl GST)	Estimated total cost (\$'000 excl GST)	Start	Completion date (actual or estimated)
Western Institute - TAFE Western Connect Stage 1 (various locations)	\$2,046	\$2,177	2014	Lithgow: 15 June 2018 Wilcannia: 12 October 2015
Riverina Institute - Young New Facilities	\$10,140	\$9,771	2013	31 October 2017

Consultants⁵⁷

Consultants costing \$50,000 or more

Name of consultant	Title of project	Nature and purpose of project	Total cost in 2017–18 (\$ excluding GST)
PricewaterhouseCoopers	Feasibility study for regionalisation of services	Feasibility study into regional relocation of services	\$100,000
PricewaterhouseCoopers	Program and PMO assurance	SAP Redesign Program; Education and Training Workstream	\$68,700
Ernst & Young	Outsourced Modernisation Business case support	Business case support for Print & imaging, eProcurement, SMS Dependency, Organisation Design and Asset Management business cases	\$161,290

Consultants costing less than \$50,000

Total no. consultants engaged	Total cost in 2016–17 (\$ excluding GST)	Type of consultancy
Nil		

Work-related Overseas Travel

TAFE NSW staff undertook the following overseas visits in 2017-18. The table below outlines the main purposes of the visits.

Purpose of visit	Description	No. visits
Conferences and professional development	Overseas travel to attend and/or present at conferences or participate in study tours (includes international competitions, such as Worldskills)	32

⁵⁷ The figures provided by TAFE NSW are based on information available at the time of publication. TAFE NSW notes that limitations in its legacy systems and data have impeded its ability to fully distinguish consultancy services from other contracted services, particularly where such services may have been co-mingled (either in the procurement or in the systems recording). These limitations have been identified and TAFE NSW is currently implementing improvements.

Purpose of visit	Description	No. visits
Educational exports	Overseas travel to manage partnerships, contracts, programs, quality assurance or assessment of students	51
Exchange programs	Overseas travel on a professional or teacher exchange program	0
International student recruitment	Overseas travel to recruit inbound full-fee-paying international students to TAFE NSW	14
Market development and client engagement	Overseas travel for international marketing purposes, development of business relationships, engagement with clients	12
Professional scholarship programs	Staff members awarded scholarships to travel overseas to further their professional skills and knowledge	3
Student excursions	Staff members who accompany students on excursions overseas to increase cultural understanding or attend commemoration ceremonies (Commonwealth Endeavour Mobility Grants trips)	35

Source: TAFE NSW local administrative data

12. OTHER REQUIREMENTS

Changes in Legislation and Significant Judicial Decisions

The Assistant Minister for Skills administers the following legislation relating directly to TAFE NSW:

- *Technical and Further Education Commission Act 1990* (NSW)
- *Technical Education Trust Funds Act 1967* (NSW).

There were no judicial decisions involving TAFE NSW during 2017–18 that had a significant new impact on the organisation's operations.

Privacy and Personal Information Protection Act 1998

TAFE NSW is committed to protecting the personal information of our staff, students and members of the public who use our services, in accordance with the *Privacy and Personal Information Protection Act 1998* (NSW) (PPIP Act).

As required by the PPIP Act, the TAFE NSW Privacy Management Plan sets out how we manage personal information (under the PPIP Act) and health information (under the *Health Records and Information Privacy Act 2002*) (NSW). The Privacy Management Plan is available on our website and it will be reviewed during 2018–19.

In 2018, TAFE NSW developed its Privacy Policy which sets out how we collect, store, use and disclose personal information.

Government Information (Public Access) Act 2009

Access applications received and completed

The total number of access applications received by TAFE NSW during 2017–18 (including withdrawn applications and excluding invalid applications) was 38. Provision of this information complies with clause 7(b) of the *Government Information (Public Access) Regulation 2009* (NSW) (GIPA Regulation).

Detailed statistical data about completed access applications under the *Government Information (Public Access) Act 2009* (NSW) (GIPA Act) received by TAFE NSW during the reporting period 2017–18 is provided in the tables below. Provision of this information complies with clauses 7(b) to (d) and Schedule 2 of the GIPA Regulation.

Proactive release of agency information

Under section 7(3) of the GIPA Act and clause 7(a) of the GIPA Regulation, an agency must report on details of its review of its program for the release of government information at intervals of not more than 12 months. This reporting is intended to identify the kinds of government information held by the agency that should be made publicly available in the public interest, without imposing unreasonable additional costs on the agency.

TAFE NSW reviewed its information holdings in May 2018.

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 or deny whether information is held	Application withdrawn	Total
Media	0	0	0	0	0	0	0	0	0
Members of Parliament	1	0	0	1	0	0	0	0	2
Private sector business	0	0	0	0	0	0	0	0	0
Not for profit organisations or community groups	0	0	0	0	0	0	0	0	0
Members of the public (application by legal representative)	16	0	3	4	1	0	0	0	24
Members of the public (other)	6	10	1	3	2	2	0	1	25
TOTAL	23	10	4	8	3	2	0	1	51

Notes: 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.

36 access applications were completed according to the requirements of the GIPA Act in the 2017–18 reporting period (and no valid applications were being processed by the agency at the time they were withdrawn).

Three applications received in the 2017–18 period which were not completed were carried forward to the next reporting year.

Seven applications which were received and not completed during the 2016–17 period were carried forward and completed in the 2017–18 reporting year.

Table B: Number of applications received 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 or deny whether information is held	Application withdrawn	Total
Personal information applications	2	0	0	1	0	2	0	0	5
Access applications (other than personal information applications)	19	0	3	7	2	0	0	0	31
Access applications that are partly personal information applications and partly other	6	3	4	1	1	0	0	0	15
TOTAL	27	3	7	9	3	2	0	0	51

Notes: A “personal information application” is an access application for the applicant’s own personal information, the applicant being an individual (as defined in clause 4 of Schedule 4 to the GIPA Act).

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.

Table C: Invalid applications

Reason for invalidity	No. of applications
Application does not comply with formal requirements (section 41 of the GIPA Act)	25
Application is for excluded information of the agency (section 43 of the GIPA Act)	0
Application contravenes restraint order (section 110 of the GIPA Act)	0
Total number of invalid applications received *	25
Invalid applications that subsequently became valid applications *	14
TOTAL	11

Notes: Reporting on invalid applications is required by the GIPA Regulation Schedule 2.

*As at 30 June 2018, the agency was assisting four applicants to make four invalid applications valid, as required by section 52(3) of the GIPA Act. If these invalid applications become valid applications during 2018–19, the decisions made will be reported in the TAFE NSW 2018–19 Annual Report.

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

There were nine access applications completed in the 2017–18 reporting period which were refused, either wholly or partly, because the application was for the disclosure of information referred to in Schedule 1 to the GIPA Act (information for which there is conclusive presumption of overriding public interest against disclosure). This reporting is required by clause 7(c) of the GIPA Regulation.

TAFE NSW refused access to information in full for four access applications, and refused in part for 10 access applications under Schedule 1.

Table D indicates that the one access application refused in part fell into the category of legal professional privilege

	No. of times consideration used
Overriding secrecy laws	0
Cabinet information	0
Executive Council information	0
Contempt	0
Legal professional privilege	1
Excluded information	0
Documents affecting law enforcement and public safety	0
Transport safety	0
Adoption	0
Care and protection of children	0
Ministerial code of conduct	0
Aboriginal and environmental heritage	0

TOTAL	1
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Notes: 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).

Reporting on decisions of conclusive presumption against disclosure is required by Schedule 2 of the GIPA Regulation.

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

Access was refused in part three times and in full seven times, for one or more public interest considerations against disclosure listed in section 14 of the GIPA Act because, on the balance, there was an overriding balance of public interest against disclosing the information.

	No. of occasions applicant not successful
Responsible and effective government	0
Law enforcement and security	0
Individual rights, judicial processes and natural justice	9
Business interests of agencies and other persons	7
Environment, culture, economy and general matters	0
Secrecy provisions	0
Exempt documents under interstate freedom of information legislation	0
TOTAL	16

Notes: More than one public interest consideration may apply in relation to a particular access application and, if so, each such consideration was recorded (but only once per application).

Reporting on public interest considerations against disclosure is required by Schedule 2 of the GIPA Regulation.

Table F: Timeliness

	No. of applications
Decided within the statutory timeframe (20 days plus any extensions)	34
Decided after 35 days (by agreement with applicant)	4
Not decided within time (deemed refusal)	0
TOTAL	38

Notes: Reporting on timeliness is required by the GIPA Regulation Schedule 2.

These figures show valid access applications which result in decisions being made under the GIPA Act section 58. This total does not include withdrawn or invalid applications, which do not result in decisions.

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

	Decision varied	Decision upheld	Total
Internal Review	0	0	0
Review by Information Commissioner	0	1	1
Internal review following recommendation under section 93 of GIPA Act	0	0	0
Review by NSW Civil and Administrative Tribunal	0	2	2
TOTAL	0	3	3

Notes: 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.

Reporting on reviews is required by Schedule 2 of the GIPA Regulation.

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

	No. of applications for review
Applications by access applicants	4
Applications by persons to whom information the subject of access application relates (see section 54 of the GIPA Act)	0
TOTAL	4

Note: Reporting on reviews is required by the GIPA Regulation Schedule 2.

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

	No. of applications transferred
Agency-initiated transfers	1
Applicant-initiated transfers	3
TOTAL	4

Note: Reporting on transferred applications is required by the GIPA Regulation Schedule 2.

Public Interest Disclosures

Under the TAFE NSW Public Interest Disclosures Internal Reporting Policy and the Guidelines for the Management of Public Interest Disclosures, all staff have a responsibility to report suspected unlawful, corrupt, negligent or improper conduct, serious maladministration or serious and substantial waste of public money. These TAFE NSW policy documents establish the organisation's commitment to support and protect staff who report wrongdoing.

The Policy sets out the manner in which TAFE NSW meets its obligations under the *Public Interest Disclosures Act 1994* (NSW), and the Guidelines set out the roles and responsibilities of staff in making and receiving public interest disclosures. Both the Policy and Guidelines are available to all staff via TAFE NSW intranet site.

During the reporting period, TAFE NSW met the NSW Ombudsman's reporting requirements via its online reporting tool.

The following table shows the total number of employees who made a public interest disclosure and the total number of public interest disclosures received and finalised by TAFE NSW in 2017–18.

	Corrupt Conduct	Maladministration	Serious and Substantial Waste of Public Money	Government Information (GIPA) contravention	Local Government contravention	TOTAL
Disclosures received ⁵⁸	10	-	-	-	n/a	10
Employees making a disclosure	4	-	-	-	n/a	4
Disclosures finalised	10	-	-	-	n/a	10

Risk Management, Insurance and Internal Audit

TAFE NSW is committed to ethical and transparent practices, continuous improvement, quality assurance and risk management in its delivery of services to the people of NSW.

Enterprise Risk Management

Sound risk management underpins the success of TAFE NSW in providing excellent customer outcomes. The One TAFE Modernisation Portfolio is impacting risks at all operational levels.

During the year, TAFE NSW prioritised the implementation of its new enterprise risk management framework and the development of risk management practices across the operational business. The framework guides process excellence and sound decision-making.

Key stakeholders remained active in risk management, including the TAFE NSW Board, the TAFE NSW Audit and Risk Committee (the Audit and Risk Committee) and senior executives.

To help sustain the risk management framework, TAFE NSW established an independent risk management function with enterprise-wide oversight to support, advise and drive good risk management across the organisation.

The key initiatives undertaken included increasing the frequency of risk reviews to quarterly and better integrating risk based decision making into business practices.

The effective management of risk requires understanding of risk management principles as well as knowledge and skills in the processes applied by TAFE NSW. The Risk Management Unit supports ongoing training and capability development for risk owners, control and action owners and other employees involved in risk management.

Internal Audit

An internal audit capability is established within TAFE NSW to undertake internal audits of TAFE NSW operational systems and controls.

⁵⁸ All disclosures were made by public officials in performing their functions as public officials or were forwarded to TAFE NSW by the Independent Commission Against Corruption of NSW and advised to include the disclosure as a Public Interest Disclosure for reporting purposes.

TAFE NSW resources its internal audit function using a co-sourced model, led by a Chief Audit Executive and a small audit team. The organisation uses various third party internal audit service providers to provide access to specialised skills as needed.

The Audit and Risk Committee receives regular status reports on the progress of audits and implementation of audit recommendations.

TAFE NSW completed the 2017–2018 Internal Audit Plan. This Plan was developed through consultation, consideration of TAFE NSW risk registers and prior internal audit coverage and findings.

TAFE NSW developed a strategic three-year plan (2018–2021) and tactical annual audit plan (2018–2019). These plans were endorsed by the Audit and Risk Committee.

Audit and Risk Committee

The Audit and Risk Committee oversees and monitors TAFE NSW governance, risk and control frameworks and external accountability requirements. Between 1 July 2017 and 30 June 2018, the Audit and Risk Committee undertook its duties and responsibilities as prescribed by Treasury Policy Paper *TPP15-03 Internal Audit and Risk Management Policy for the NSW Public Sector*.

The Audit and Risk Committee comprises one independent chair and two independent members. During 2017–2018, the Audit and Risk Committee met on eight occasions. Attendance details are contained in the table below.

Name	Position	Meetings Attended	Membership as at 30 June 2018
Carolyn Burlew	Independent Chair	7 of 8	Current
Gregory Fletcher	Independent Member	8 of 8	Current
Paul Apps	Independent Member	8 of 8	Current

Insurance

TAFE NSW is part of the NSW Treasury Managed Fund Scheme that provides a range of cover for many NSW government agencies. The Fund provides broad protection for asset and liability exposures including:

- Workers compensation cover according to NSW statute for TAFE NSW employees,
- Property and motor vehicle cover for loss or damage to buildings, contents, equipment and motor vehicles,
- Liability cover including public liability, products liability and professional indemnity, and
- Miscellaneous cover which includes voluntary workers, students on work experience, and international travel.

Complaints and Improvements

Type of complaint	Resolution process	Unresolved prior to 30 June 2017	Received in 2017–18	Resolved in 2017–18	Carried over beyond 30 June 2018
Category 1 (General) A complaint about a service, procedure or system (e.g. delays, inefficiencies)	Remedy and systems improvement	95	1022	857	260

Type of complaint	Resolution process	Unresolved prior to 30 June 2017	Received in 2017–18	Resolved in 2017–18	Carried over beyond 30 June 2018
Category 2 (Serious) A complaint about a person that could not be resolved by informal resolution (e.g. unreasonable or unfair behaviour)	Negotiation	20	292	275	37
Category 3 (Investigation) A more serious complaint alleging unlawful behaviour by a person (e.g. alleged breach of legislation, policy, procedure or contract)	Investigation	39	85	111	13

Source: TAFE NSW local administrative data

TAFE NSW addressed and resolved complaints as quickly as possible. New complaints policy and procedure were implemented across all TAFE NSW Regions. An existing complaints management platform was rolled out across all TAFE NSW Regions as part of One TAFE.

The nature of complaints received in 2017–18 varied, however key themes were as follows:

Type of complaint	Sample improvements made in 2017–18
Difficulties receiving transcripts and testamurs	<ul style="list-style-type: none"> • Direct referrals to student administration established for fast turnaround • Better communication links between financial and administration areas established
Difficulties with enrolment information for potential students	<ul style="list-style-type: none"> • Implementation of a specialist customer contact centre to provide up-to-date course information and advice about eligibility requirements • Implementation of the standardised enrolment process across the TAFE NSW footprint • Release of new TAFE NSW website to simplify student enquiries
Customer service, responsiveness and communication channels	<ul style="list-style-type: none"> • De-identified complaint data shared with Customer Service, Marketing and Customer Experience teams to improve service
Complaints about teaching and assessment	<ul style="list-style-type: none"> • Staff training • Focus on quality teaching and assessment • Advice to customers to formalise complaint, prompt follow-up by nominated receiver of complaint, relevant senior executives informed
Complaints about student misconduct	<ul style="list-style-type: none"> • Staff training, and identified pathways of student grievances • New WHS procedures established for consistency of handling

Internal Audit and Risk Management Policy Attestation
Technical and Further Education Commission

Internal Audit and Risk Management Attestation Statement for the 2017/18 Financial Year for the NSW Technical and Further Education Commission

I, Caralee McLiesh, Acting Managing Director, NSW Technical and Further Education Commission ("TAFE NSW") am of the opinion that TAFE NSW has internal audit and risk management processes in operation that are compliant with the eight core requirements set out in the *Internal Audit and Risk Management Policy for the NSW Public Sector*, specifically:

Core Requirements		Compliant, Non-compliant or In Transition
Risk Management Framework		
1.1	The agency head is ultimately responsible and accountable for risk management in the agency	Compliant
1.2	A risk management framework that is appropriate to the agency has been established and maintained and the framework is consistent with AS/NZS ISO 31000:2009.	Compliant
Internal Audit Function		
2.1	An internal audit function has been established and maintained.	Compliant
2.2	The operation of the internal audit function is consistent with the International Standards for the Professional Practice of Internal Auditing.	Compliant
2.3	The agency has an Internal Audit Charter that is consistent with the content of the 'model charter'.	Compliant
Internal Audit Function		
3.1	An independent and Audit and Risk Committee with appropriate expertise has been established.	Compliant
3.2	The Audit and Risk Committee is an advisory committee providing assistance to the agency head on the agency's governance processes, risk management and control frameworks, and its external accountability obligations.	Compliant
3.3	The Audit and Risk Committee has a Charter that is consistent with the content of the 'model charter'.	Compliant

Membership of the Audit and Risk Committee

	Name	Start term date	End term date
Independent Chairman	Carolyn Burlew	29 September 2014	29 September 2020
Independent Member	Gregory Fletcher	20 May 2016	20 May 2019
Independent Member	Paul Apps	30 June 2016	30 June 2020



Caralee McLiesh
Acting Managing Director
NSW Technical and Further Education Commission

12 October 2018

Internal Audit and Risk Management Attestation Statement for the 2017/18 Financial Year for the TAFE Commission (Senior Executives) Staff Agency

I, Caralee McLiesh, Acting Managing Director, NSW Technical and Further Education Commission ("TAFE NSW") am of the opinion that TAFE NSW has internal audit and risk management processes in operation that are compliant with the eight core requirements set out in the *Internal Audit and Risk Management Policy for the NSW Public Sector*, specifically:

Core Requirements		Compliant, Non-compliant or In Transition
Risk Management Framework		
1.1	The agency head is ultimately responsible and accountable for risk management in the agency	Compliant
1.2	A risk management framework that is appropriate to the agency has been established and maintained and the framework is consistent with AS/NZS ISO 31000:2009.	Compliant
Internal Audit Function		
2.1	An internal audit function has been established and maintained.	Compliant
2.2	The operation of the internal audit function is consistent with the International Standards for the Professional Practice of Internal Auditing.	Compliant
2.3	The agency has an Internal Audit Charter that is consistent with the content of the 'model charter'.	Compliant
Internal Audit Function		
3.1	An independent and Audit and Risk Committee with appropriate expertise has been established.	Compliant
3.2	The Audit and Risk Committee is an advisory committee providing assistance to the agency head on the agency's governance processes, risk management and control frameworks, and its external accountability obligations.	Compliant
3.3	The Audit and Risk Committee has a Charter that is consistent with the content of the 'model charter'.	Compliant

Membership of the Audit and Risk Committee

	Name	Start term date	End term date
Independent Chairman	Carolyn Burlew	29 September 2014	29 September 2020
Independent Member	Gregory Fletcher	20 May 2016	20 May 2019
Independent Member	Paul Apps	30 June 2016	30 June 2020



Caralee McLiesh
Acting Managing Director
NSW Technical and Further Education Commission, for
the TAFE Commission (Senior Executives) Staff Agency

...12 October 2018

Digital Information Security Annual Attestation Statement 2017-18

I, **JON BLACK**, Managing Director of **TAFE NSW** am of the opinion that **TAFE NSW** had an Information Security Management System in place during the 2017-2018 financial year that is consistent with the Core Requirements set out in the NSW Government Digital Information Security Policy.

The controls in place to mitigate identified risks to the digital information and digital information systems of **TAFE NSW** are adequate.

Risks to the digital information and digital information system of **TAFE NSW** have been assessed with an independent Information Security Management System (ISMS) being developed in accordance with the NSW Government Digital Information Security Policy.



Jon Black
Managing Director
TAFE NSW

Dated: 5 September 2018

CONTACT US

TAFE NSW website: www.tafensw.edu.au

Make an inquiry

Website: <https://www.tafensw.edu.au/contact>

Telephone: 131 601

Principal office address

Building A
Mary Ann Street
Ultimo NSW 2007

Postal address

PO Box 707
Broadway NSW 2007

Find the address, telephone number and email of your nearest TAFE NSW location:

<https://www.tafensw.edu.au/find-campus>

Business and service hours

TAFE NSW business and service hours are generally 8:30am to 5:00pm. Many Customer Service Centres and libraries are also open in the evenings during teaching terms.

